

SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION

S.F. No. 3054

| (SENATE AUTHORS: HOFFMAN) |       |                                                                             |
|---------------------------|-------|-----------------------------------------------------------------------------|
| DATE                      | D-PG  | OFFICIAL STATUS                                                             |
| 03/27/2025                | 1103  | Introduction and first reading<br>Referred to Human Services                |
| 04/22/2025                | 1990a | Comm report: To pass as amended and re-refer to Finance                     |
| 04/28/2025                | 4074a | Comm report: To pass as amended                                             |
|                           | 4109  | Rule 21, referred to Rules and Administration                               |
| 04/30/2025                |       | Comm report: Adopt previous comm report and further amend<br>Second reading |

1.1A bill for an act

1.2relating to human services; modifying provisions relating to aging and older adult

1.3services, disability services, substance use disorder treatment, housing supports,

1.4health care, direct care and treatment services, and the Department of Health;

1.5establishing the Department of Direct Care and Treatment and the Advisory Council

1.6on Direct Care and Treatment; dissolving the Direct Care and Treatment executive

1.7board; establishing the Age-Friendly Minnesota Council; repealing the legislative

1.8task force on guardianship; extending the Mentally Ill and Dangerous Civil

1.9Commitment Reform Task Force; making conforming changes; establishing grants;

1.10requiring reports; appropriating money; amending Minnesota Statutes 2024, sections

1.1110.65, subdivision 2; 15.01; 15.06, subdivision 1; 15A.0815, subdivision 2;

1.1215A.082, subdivisions 1, 3, 7; 43A.08, subdivisions 1, 1a; 43A.241; 144A.071,

1.13subdivisions 4a, 4c, 4d; 144A.161, subdivision 10; 144A.1888; 144A.351,

1.14subdivision 1; 144A.474, subdivision 11; 144A.4799; 144G.31, subdivision 8;

1.15144G.52, subdivisions 1, 2, 3, 5, 7, 8, 9, 10; 144G.53; 144G.54, subdivisions 2,

1.163, 7; 144G.55, subdivisions 1, 2; 179A.54, by adding a subdivision; 245.021;

1.17245.073; 245A.042, by adding a subdivision; 245A.06, subdivisions 1a, 2; 245A.10,

1.18subdivision 3; 245C.16, subdivision 1; 245D.091, subdivisions 2, 3; 245D.12;

1.19245G.01, subdivision 13b, by adding subdivisions; 245G.02, subdivision 2;

1.20245G.05, subdivision 1; 245G.07, subdivisions 1, 3, 4, by adding subdivisions;

1.21245G.11, subdivisions 6, 7, by adding a subdivision; 245G.22, subdivisions 11,

1.2215; 246.13, subdivision 1; 246B.01, by adding a subdivision; 246C.01; 246C.015,

1.23subdivision 3, by adding a subdivision; 246C.02, subdivision 1; 246C.04,

1.24subdivisions 2, 3; 246C.07, subdivisions 1, 2, 8; 246C.08; 246C.09, subdivision

1.253; 246C.091, subdivisions 2, 3, 4; 252.021, by adding a subdivision; 252.32,

1.26subdivision 3; 252.50, subdivision 5; 253.195, by adding a subdivision; 253B.02,

1.27subdivisions 3, 4c, by adding a subdivision; 253B.03, subdivision 7; 253B.041,

1.28subdivision 4; 253B.09, subdivision 3a; 253B.18, subdivision 6; 253B.19,

1.29subdivision 2; 253B.20, subdivision 2; 253D.02, subdivision 3, by adding a

1.30subdivision; 254A.19, subdivision 4; 254B.01, subdivision 10; 254B.02, subdivision

1.315; 254B.03, subdivisions 1, 3; 254B.04, subdivisions 1a, 5, 6, 6a; 254B.05,

1.32subdivisions 1, 4, 5, by adding a subdivision; 254B.06, by adding a subdivision;

1.33254B.09, subdivision 2; 254B.19, subdivision 1; 256.01, subdivision 29; 256.043,

1.34subdivision 3, by adding a subdivision; 256.045, subdivisions 6, 7, by adding a

1.35subdivision; 256.476, subdivision 4; 256.9657, subdivision 1; 256B.04, subdivision

1.3621; 256B.0625, subdivisions 5m, 17; 256B.0659, subdivision 17a; 256B.0757,

1.37subdivision 4c; 256B.0761, subdivision 4; 256B.0911, subdivisions 24, 26, by

1.38adding subdivisions; 256B.0924, subdivision 6; 256B.0949, subdivisions 2, 15,

16, 16a, by adding a subdivision; 256B.19, subdivision 1; 256B.431, subdivision 30; 256B.434, subdivision 4; 256B.4914, subdivisions 3, 5, 5a, 5b, 6a, 6b, 6c, 7a, 7b, 7c, 8, 9, by adding subdivisions; 256B.761; 256B.766; 256B.85, subdivisions 2, 5, 6, 7, 7a, 8, 8a, 11, 13, 16, 17, 17a, 20, by adding a subdivision; 256B.851, subdivisions 5, 6, 7, by adding subdivisions; 256G.08, subdivisions 1, 2; 256G.09, subdivisions 1, 2, 3; 256I.05, by adding subdivisions; 256R.02, subdivisions 18, 19, 22, by adding subdivisions; 256R.10, subdivision 8; 256R.23, subdivisions 5, 7, 8; 256R.24, subdivision 3; 256R.25; 256R.26, subdivision 9; 256R.27, subdivisions 2, 3; 256R.43; 260E.14, subdivision 1; 352.91, subdivisions 2a, 3c, 3d, 4a; 524.3-801; 611.43, by adding a subdivision; 611.46, subdivision 1; 611.55, by adding a subdivision; 611.57, subdivision 2; 626.5572, subdivision 13; Laws 2021, chapter 30, article 12, section 5, as amended; Laws 2021, First Special Session chapter 7, article 13, sections 73; 75, subdivision 6, as amended; Laws 2023, chapter 61, article 1, section 61, subdivision 4; article 9, section 2, subdivisions 13, 16, as amended; Laws 2024, chapter 127, article 49, section 9, subdivisions 1, 8, 9, by adding a subdivision; article 50, section 41, subdivision 2; article 53, section 2, subdivisions 13, 15; proposing coding for new law in Minnesota Statutes, chapters 245A; 245D; 246; 246C; 256; 256R; repealing Minnesota Statutes 2024, sections 245A.042, subdivisions 2, 3, 4; 245G.01, subdivision 20d; 245G.07, subdivision 2; 246B.01, subdivision 2; 246C.015, subdivisions 5a, 6; 246C.06, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10; 246C.07, subdivisions 4, 5; 252.021, subdivision 2; 253.195, subdivision 2; 253B.02, subdivision 7b; 253D.02, subdivision 7a; 254B.01, subdivisions 5, 15; 256.045, subdivision 1a; 256G.02, subdivision 5a; 256R.02, subdivision 38; 256R.12, subdivision 10; 256R.23, subdivision 6; 256R.36; 256R.40; 256R.41; 256R.481; Laws 2023, chapter 59, article 3, section 11; Laws 2024, chapter 79, article 1, section 20; Laws 2024, chapter 125, article 5, sections 40; 41; Laws 2024, chapter 127, article 46, section 39; article 50, sections 40; 41, subdivisions 1, 3.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

## ARTICLE 1

### AGING AND OLDER ADULT SERVICES

Section 1. Minnesota Statutes 2024, section 144A.071, subdivision 4a, is amended to read:

**Subd. 4a. Exceptions for replacement beds.** It is in the best interest of the state to ensure that nursing homes and boarding care homes continue to meet the physical plant licensing and certification requirements by permitting certain construction projects. Facilities should be maintained in condition to satisfy the physical and emotional needs of residents while allowing the state to maintain control over nursing home expenditure growth.

The commissioner of health in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

(a) to license or certify beds in a new facility constructed to replace a facility or to make repairs in an existing facility that was destroyed or damaged after June 30, 1987, by fire, lightning, or other hazard provided:

(i) destruction was not caused by the intentional act of or at the direction of a controlling person of the facility;

(ii) at the time the facility was destroyed or damaged the controlling persons of the facility maintained insurance coverage for the type of hazard that occurred in an amount that a reasonable person would conclude was adequate;

(iii) the net proceeds from an insurance settlement for the damages caused by the hazard are applied to the cost of the new facility or repairs;

(iv) the number of licensed and certified beds in the new facility does not exceed the number of licensed and certified beds in the destroyed facility; and

(v) the commissioner determines that the replacement beds are needed to prevent an inadequate supply of beds.

Project construction costs incurred for repairs authorized under this clause shall not be considered in the dollar threshold amount defined in subdivision 2;

(b) to license or certify beds that are moved from one location to another within a nursing home facility, provided the total costs of remodeling performed in conjunction with the relocation of beds does not exceed \$1,000,000;

(c) to license or certify beds in a project recommended for approval under section 144A.073;

(d) to license or certify beds that are moved from an existing state nursing home to a different state facility, provided there is no net increase in the number of state nursing home beds;

(e) to certify and license as nursing home beds boarding care beds in a certified boarding care facility if the beds meet the standards for nursing home licensure, or in a facility that was granted an exception to the moratorium under section 144A.073, and if the cost of any remodeling of the facility does not exceed \$1,000,000. If boarding care beds are licensed as nursing home beds, the number of boarding care beds in the facility must not increase beyond the number remaining at the time of the upgrade in licensure. The provisions contained in section 144A.073 regarding the upgrading of the facilities do not apply to facilities that satisfy these requirements;

~~(f) to license and certify up to 40 beds transferred from an existing facility owned and operated by the Amherst H. Wilder Foundation in the city of St. Paul to a new unit at the same location as the existing facility that will serve persons with Alzheimer's disease and other related disorders. The transfer of beds may occur gradually or in stages, provided the~~

~~total number of beds transferred does not exceed 40. At the time of licensure and certification of a bed or beds in the new unit, the commissioner of health shall delicense and decertify the same number of beds in the existing facility. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the transfers allowed under this paragraph;~~

~~(g)~~ (f) to license and certify nursing home beds to replace currently licensed and certified boarding care beds which may be located either in a remodeled or renovated boarding care or nursing home facility or in a remodeled, renovated, newly constructed, or replacement nursing home facility within the identifiable complex of health care facilities in which the currently licensed boarding care beds are presently located, provided that the number of boarding care beds in the facility or complex are decreased by the number to be licensed as nursing home beds and further provided that, if the total costs of new construction, replacement, remodeling, or renovation exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, the facility makes a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate by reason of the new construction, replacement, remodeling, or renovation. The provisions contained in section 144A.073 regarding the upgrading of facilities do not apply to facilities that satisfy these requirements;

~~(h)~~ (g) to license as a nursing home and certify as a nursing facility a facility that is licensed as a boarding care facility but not certified under the medical assistance program, but only if the commissioner of human services certifies to the commissioner of health that licensing the facility as a nursing home and certifying the facility as a nursing facility will result in a net annual savings to the state general fund of \$200,000 or more;

~~(i) to certify, after September 30, 1992, and prior to July 1, 1993, existing nursing home beds in a facility that was licensed and in operation prior to January 1, 1992;~~

~~(j) to license and certify new nursing home beds to replace beds in a facility acquired by the Minneapolis Community Development Agency as part of redevelopment activities in a city of the first class, provided the new facility is located within three miles of the site of the old facility. Operating and property costs for the new facility must be determined and allowed under section 256B.431 or 256B.434 or chapter 256R;~~

~~(k) to license and certify up to 20 new nursing home beds in a community-operated hospital and attached convalescent and nursing care facility with 40 beds on April 21, 1991, that suspended operation of the hospital in April 1986. The commissioner of human services~~

shall provide the facility with the same per diem property-related payment rate for each additional licensed and certified bed as it will receive for its existing 40 beds;

~~(h)~~ (h) to license or certify beds in renovation, replacement, or upgrading projects as defined in section 144A.073, subdivision 1, so long as the cumulative total costs of the facility's remodeling projects do not exceed \$1,000,000;

~~(m)~~ to license and certify beds that are moved from one location to another for the purposes of converting up to five four-bed wards to single or double occupancy rooms in a nursing home that, as of January 1, 1993, was county-owned and had a licensed capacity of 115 beds;

~~(n)~~ to allow a facility that on April 16, 1993, was a 106-bed licensed and certified nursing facility located in Minneapolis to layaway all of its licensed and certified nursing home beds. These beds may be relicensed and recertified in a newly constructed teaching nursing home facility affiliated with a teaching hospital upon approval by the legislature. The proposal must be developed in consultation with the interagency committee on long-term care planning. The beds on layaway status shall have the same status as voluntarily delicensed and decertified beds, except that beds on layaway status remain subject to the surcharge in section 256.9657. This layaway provision expires July 1, 1998;

~~(o)~~ to allow a project which will be completed in conjunction with an approved moratorium exception project for a nursing home in southern Cass County and which is directly related to that portion of the facility that must be repaired, renovated, or replaced, to correct an emergency plumbing problem for which a state correction order has been issued and which must be corrected by August 31, 1993;

~~(p)~~ (i) to allow a facility that on April 16, 1993, was a 368-bed licensed and certified nursing facility located in Minneapolis to layaway, upon 30 days prior written notice to the commissioner, up to 30 of the facility's licensed and certified beds by converting three-bed wards to single or double occupancy. Beds on layaway status shall have the same status as voluntarily delicensed and decertified beds except that beds on layaway status remain subject to the surcharge in section 256.9657, remain subject to the license application and renewal fees under section 144A.07 and shall be subject to a \$100 per bed reactivation fee. ~~In addition, at any time within three years of the effective date of the layaway, the beds on layaway status may be;~~

~~(1)~~ relicensed and recertified upon relocation and reactivation of some or all of the beds to an existing licensed and certified facility or facilities located in Pine River, Brainerd, or International Falls; provided that the total project construction costs related to the relocation

~~of beds from layaway status for any facility receiving relocated beds may not exceed the dollar threshold provided in subdivision 2 unless the construction project has been approved through the moratorium exception process under section 144A.073;~~

~~(2) relicensed and recertified, upon reactivation of some or all of the beds within the facility which placed the beds in layaway status, if the commissioner has determined a need for the reactivation of the beds on layaway status.~~

~~The property-related payment rate of a facility placing beds on layaway status must be adjusted by the incremental change in its rental per diem after recalculating the rental per diem as provided in section 256B.431, subdivision 3a, paragraph (c). The property-related payment rate for a facility relicensing and recertifying beds from layaway status must be adjusted by the incremental change in its rental per diem after recalculating its rental per diem using the number of beds after the relicensing to establish the facility's capacity day divisor, which shall be effective the first day of the month following the month in which the relicensing and recertification became effective. Any beds remaining on layaway status more than three years after the date the layaway status became effective must be removed from layaway status and immediately delicensed and decertified;~~

~~(q) to license and certify beds in a renovation and remodeling project to convert 12 four-bed wards into 24 two-bed rooms, expand space, and add improvements in a nursing home that, as of January 1, 1994, met the following conditions: the nursing home was located in Ramsey County; had a licensed capacity of 154 beds; and had been ranked among the top 15 applicants by the 1993 moratorium exceptions advisory review panel. The total project construction cost estimate for this project must not exceed the cost estimate submitted in connection with the 1993 moratorium exception process;~~

~~(r) to license and certify up to 117 beds that are relocated from a licensed and certified 138-bed nursing facility located in St. Paul to a hospital with 130 licensed hospital beds located in South St. Paul, provided that the nursing facility and hospital are owned by the same or a related organization and that prior to the date the relocation is completed the hospital ceases operation of its inpatient hospital services at that hospital. After relocation, the nursing facility's status shall be the same as it was prior to relocation. The nursing facility's property-related payment rate resulting from the project authorized in this paragraph shall become effective no earlier than April 1, 1996. For purposes of calculating the incremental change in the facility's rental per diem resulting from this project, the allowable appraised value of the nursing facility portion of the existing health care facility physical plant prior to the renovation and relocation may not exceed \$2,490,000;~~

~~(s) to license and certify two beds in a facility to replace beds that were voluntarily delicensed and decertified on June 28, 1991;~~

~~(t) (j) to allow 16 licensed and certified beds located on July 1, 1994, in a 142-bed nursing home and 21-bed boarding care home facility in Minneapolis, notwithstanding the licensure and certification after July 1, 1995, of the Minneapolis facility as a 147-bed nursing home facility after completion of a construction project approved in 1993 under section 144A.073, to be laid away upon 30 days' prior written notice to the commissioner. Beds on layaway status shall have the same status as voluntarily delicensed or decertified beds except that they shall remain subject to the surcharge in section 256.9657. The 16 beds on layaway status may be relicensed as nursing home beds and recertified at any time within five years of the effective date of the layaway upon relocation of some or all of the beds to a licensed and certified facility located in Watertown, provided that the total project construction costs related to the relocation of beds from layaway status for the Watertown facility may not exceed the dollar threshold provided in subdivision 2 unless the construction project has been approved through the moratorium exception process under section 144A.073.;~~

~~The property-related payment rate of the facility placing beds on layaway status must be adjusted by the incremental change in its rental per diem after recalculating the rental per diem as provided in section 256B.431, subdivision 3a, paragraph (c). The property-related payment rate for the facility relicensing and recertifying beds from layaway status must be adjusted by the incremental change in its rental per diem after recalculating its rental per diem using the number of beds after the relicensing to establish the facility's capacity day divisor, which shall be effective the first day of the month following the month in which the relicensing and recertification became effective. Any beds remaining on layaway status more than five years after the date the layaway status became effective must be removed from layaway status and immediately delicensed and decertified;~~

~~(u) to license and certify beds that are moved within an existing area of a facility or to a newly constructed addition which is built for the purpose of eliminating three- and four-bed rooms and adding space for dining, lounge areas, bathing rooms, and ancillary service areas in a nursing home that, as of January 1, 1995, was located in Fridley and had a licensed capacity of 129 beds;~~

~~(v) to relocate 36 beds in Crow Wing County and four beds from Hennepin County to a 160-bed facility in Crow Wing County, provided all the affected beds are under common ownership;~~

~~(w) to license and certify a total replacement project of up to 49 beds located in Norman County that are relocated from a nursing home destroyed by flood and whose residents were relocated to other nursing homes. The operating cost payment rates for the new nursing facility shall be determined based on the interim and settle-up payment provisions of section 256R.27 and the reimbursement provisions of chapter 256R. Property-related reimbursement rates shall be determined under section 256R.26, taking into account any federal or state flood-related loans or grants provided to the facility;~~

~~(x) to license and certify to the licensee of a nursing home in Polk County that was destroyed by flood in 1997 replacement projects with a total of up to 129 beds, with at least 25 beds to be located in Polk County and up to 104 beds distributed among up to three other counties. These beds may only be distributed to counties with fewer than the median number of age intensity adjusted beds per thousand, as most recently published by the commissioner of human services. If the licensee chooses to distribute beds outside of Polk County under this paragraph, prior to distributing the beds, the commissioner of health must approve the location in which the licensee plans to distribute the beds. The commissioner of health shall consult with the commissioner of human services prior to approving the location of the proposed beds. The licensee may combine these beds with beds relocated from other nursing facilities as provided in section 144A.073, subdivision 3c. The operating payment rates for the new nursing facilities shall be determined based on the interim and settle-up payment provisions of Minnesota Rules, parts 9549.0010 to 9549.0080. Property-related reimbursement rates shall be determined under section 256R.26. If the replacement beds permitted under this paragraph are combined with beds from other nursing facilities, the rates shall be calculated as the weighted average of rates determined as provided in this paragraph and section 256R.50;~~

~~(y) to license and certify beds in a renovation and remodeling project to convert 13 three-bed wards into 13 two-bed rooms and 13 single-bed rooms, expand space, and add improvements in a nursing home that, as of January 1, 1994, met the following conditions: the nursing home was located in Ramsey County, was not owned by a hospital corporation, had a licensed capacity of 64 beds, and had been ranked among the top 15 applicants by the 1993 moratorium exceptions advisory review panel. The total project construction cost estimate for this project must not exceed the cost estimate submitted in connection with the 1993 moratorium exception process;~~

~~(z) to license and certify up to 150 nursing home beds to replace an existing 285 bed nursing facility located in St. Paul. The replacement project shall include both the renovation of existing buildings and the construction of new facilities at the existing site. The reduction~~

~~in the licensed capacity of the existing facility shall occur during the construction project as beds are taken out of service due to the construction process. Prior to the start of the construction process, the facility shall provide written information to the commissioner of health describing the process for bed reduction, plans for the relocation of residents, and the estimated construction schedule. The relocation of residents shall be in accordance with the provisions of law and rule;~~

~~(aa) to allow the commissioner of human services to license an additional 36 beds to provide residential services for the physically disabled under Minnesota Rules, parts 9570.2000 to 9570.3400, in a 198-bed nursing home located in Red Wing, provided that the total number of licensed and certified beds at the facility does not increase;~~

~~(bb) to license and certify a new facility in St. Louis County with 44 beds constructed to replace an existing facility in St. Louis County with 31 beds, which has resident rooms on two separate floors and an antiquated elevator that creates safety concerns for residents and prevents nonambulatory residents from residing on the second floor. The project shall include the elimination of three- and four-bed rooms;~~

~~(ee) (k) to license and certify four beds in a 16-bed certified boarding care home in Minneapolis to replace beds that were voluntarily delicensed and decertified on or before March 31, 1992. The licensure and certification is conditional upon the facility periodically assessing and adjusting its resident mix and other factors which may contribute to a potential institution for mental disease declaration. The commissioner of human services shall retain the authority to audit the facility at any time and shall require the facility to comply with any requirements necessary to prevent an institution for mental disease declaration, including delicensure and decertification of beds, if necessary; or~~

~~(dd) to license and certify 72 beds in an existing facility in Mille Laes County with 80 beds as part of a renovation project. The renovation must include construction of an addition to accommodate ten residents with beginning and midstage dementia in a self-contained living unit; creation of three resident households where dining, activities, and support spaces are located near resident living quarters; designation of four beds for rehabilitation in a self-contained area; designation of 30 private rooms; and other improvements;~~

~~(ee) to license and certify beds in a facility that has undergone replacement or remodeling as part of a planned closure under section 256R.40;~~

~~(ff) to license and certify a total replacement project of up to 124 beds located in Wilkin County that are in need of relocation from a nursing home significantly damaged by flood. The operating cost payment rates for the new nursing facility shall be determined based on~~

~~the interim and settle-up payment provisions of section 256R.27 and the reimbursement provisions of chapter 256R. Property-related reimbursement rates shall be determined under section 256R.26, taking into account any federal or state flood-related loans or grants provided to the facility;~~

~~(gg) to allow the commissioner of human services to license an additional nine beds to provide residential services for the physically disabled under Minnesota Rules, parts 9570.2000 to 9570.3400, in a 240-bed nursing home located in Duluth, provided that the total number of licensed and certified beds at the facility does not increase;~~

~~(hh) to license and certify up to 120 new nursing facility beds to replace beds in a facility in Anoka County, which was licensed for 98 beds as of July 1, 2000, provided the new facility is located within four miles of the existing facility and is in Anoka County. Operating and property rates shall be determined and allowed under chapter 256R and Minnesota Rules, parts 9549.0010 to 9549.0080; or~~

~~(ii) to transfer up to 98 beds of a 129-licensed bed facility located in Anoka County that, as of March 25, 2001, is in the active process of closing, to a 122-licensed bed nonprofit nursing facility located in the city of Columbia Heights or its affiliate. The transfer is effective when the receiving facility notifies the commissioner in writing of the number of beds accepted. The commissioner shall place all transferred beds on layaway status held in the name of the receiving facility. The layaway adjustment provisions of section 256B.431, subdivision 30, do not apply to this layaway. The receiving facility may only remove the beds from layaway for recertification and relicensure at the receiving facility's current site, or at a newly constructed facility located in Anoka County. The receiving facility must receive statutory authorization before removing these beds from layaway status, or may remove these beds from layaway status if removal from layaway status is part of a moratorium exception project approved by the commissioner under section 144A.073.~~

(l) to license or certify beds under provisions coded in this subdivision before the enactment of this law as paragraphs (f), (i) to (k), (m) to (bb), and (dd) to (ii).

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2024, section 144A.071, subdivision 4c, is amended to read:

**Subd. 4c. Exceptions for replacement beds after June 30, 2003.** (a) The commissioner of health, in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

11.1 ~~(1) to license and certify an 80-bed city-owned facility in Nicollet County to be~~  
11.2 ~~constructed on the site of a new city-owned hospital to replace an existing 85-bed facility~~  
11.3 ~~attached to a hospital that is also being replaced. The threshold allowed for this project~~  
11.4 ~~under section 144A.073 shall be the maximum amount available to pay the additional~~  
11.5 ~~medical assistance costs of the new facility;~~

11.6 ~~(2) to license and certify 29 beds to be added to an existing 69-bed facility in St. Louis~~  
11.7 ~~County, provided that the 29 beds must be transferred from active or layaway status at an~~  
11.8 ~~existing facility in St. Louis County that had 235 beds on April 1, 2003.~~

11.9 ~~The licensed capacity at the 235-bed facility must be reduced to 206 beds, but the payment~~  
11.10 ~~rate at that facility shall not be adjusted as a result of this transfer. The operating payment~~  
11.11 ~~rate of the facility adding beds after completion of this project shall be the same as it was~~  
11.12 ~~on the day prior to the day the beds are licensed and certified. This project shall not proceed~~  
11.13 ~~unless it is approved and financed under the provisions of section 144A.073;~~

11.14 ~~(3) to license and certify a new 60-bed facility in Austin, provided that: (i) 45 of the new~~  
11.15 ~~beds are transferred from a 45-bed facility in Austin under common ownership that is closed~~  
11.16 ~~and 15 of the new beds are transferred from a 182-bed facility in Albert Lea under common~~  
11.17 ~~ownership; (ii) the commissioner of human services is authorized by the 2004 legislature~~  
11.18 ~~to negotiate budget-neutral planned nursing facility closures; and (iii) money is available~~  
11.19 ~~from planned closures of facilities under common ownership to make implementation of~~  
11.20 ~~this clause budget-neutral to the state. The bed capacity of the Albert Lea facility shall be~~  
11.21 ~~reduced to 167 beds following the transfer. Of the 60 beds at the new facility, 20 beds shall~~  
11.22 ~~be used for a special care unit for persons with Alzheimer's disease or related dementias;~~

11.23 ~~(4) to license and certify up to 80 beds transferred from an existing state-owned nursing~~  
11.24 ~~facility in Cass County to a new facility located on the grounds of the Ah-Gwah-Ching~~  
11.25 ~~campus. The operating cost payment rates for the new facility shall be determined based~~  
11.26 ~~on the interim and settle-up payment provisions of section 256R.27 and the reimbursement~~  
11.27 ~~provisions of chapter 256R. The property payment rate for the first three years of operation~~  
11.28 ~~shall be \$35 per day. For subsequent years, the property payment rate of \$35 per day shall~~  
11.29 ~~be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as~~  
11.30 ~~long as the facility has a contract under section 256B.434;~~

11.31 ~~(5)~~ (1) to initiate a pilot program to license and certify up to 80 beds transferred from  
11.32 an existing county-owned nursing facility in Steele County relocated to the site of a new  
11.33 acute care facility as part of the county's Communities for a Lifetime comprehensive plan  
11.34 to create innovative responses to the aging of its population. Upon relocation to the new

12.1 site, the nursing facility shall delicense 28 beds. The payment rate for external fixed costs  
12.2 for the new facility shall be increased by an amount as calculated according to items (i) to  
12.3 (v):

12.4 (i) compute the estimated decrease in medical assistance residents served by the nursing  
12.5 facility by multiplying the decrease in licensed beds by the historical percentage of medical  
12.6 assistance resident days;

12.7 (ii) compute the annual savings to the medical assistance program from the delicensure  
12.8 of 28 beds by multiplying the anticipated decrease in medical assistance residents, determined  
12.9 in item (i), by the existing facility's weighted average payment rate multiplied by 365;

12.10 (iii) compute the anticipated annual costs for community-based services by multiplying  
12.11 the anticipated decrease in medical assistance residents served by the nursing facility,  
12.12 determined in item (i), by the average monthly elderly waiver service costs for individuals  
12.13 in Steele County multiplied by 12;

12.14 (iv) subtract the amount in item (iii) from the amount in item (ii);

12.15 (v) divide the amount in item (iv) by an amount equal to the relocated nursing facility's  
12.16 occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the  
12.17 historical percentage of medical assistance resident days; and

12.18 ~~(6)~~ (2) to consolidate and relocate nursing facility beds to a new site in Goodhue County  
12.19 and to integrate these services with other community-based programs and services under a  
12.20 communities for a lifetime pilot program and comprehensive plan to create innovative  
12.21 responses to the aging of its population. Two nursing facilities, one for 84 beds and one for  
12.22 65 beds, in the city of Red Wing licensed on July 1, 2015, shall be consolidated into a newly  
12.23 renovated 64-bed nursing facility resulting in the delicensure of 85 beds. Notwithstanding  
12.24 the carryforward of the approval authority in section 144A.073, subdivision 11, the funding  
12.25 approved in April 2009 by the commissioner of health for a project in Goodhue County  
12.26 shall not carry forward. The closure of the 85 beds shall not be eligible for a planned closure  
12.27 rate adjustment under Minnesota Statutes 2024, section 256R.40. The construction project  
12.28 permitted in this clause shall not be eligible for a threshold project rate adjustment under  
12.29 section 256B.434, subdivision 4f. The payment rate for external fixed costs for the new  
12.30 facility shall be increased by an amount as calculated according to items (i) to (vi):

12.31 (i) compute the estimated decrease in medical assistance residents served by both nursing  
12.32 facilities by multiplying the difference between the occupied beds of the two nursing facilities  
12.33 for the reporting year ending September 30, 2009, and the projected occupancy of the facility  
12.34 at 95 percent occupancy by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure by multiplying the anticipated decrease in the medical assistance residents, determined in item (i), by the hospital-owned nursing facility weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the facilities, determined in item (i), by the average monthly elderly waiver service costs for individuals in Goodhue County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii);

(v) multiply the amount in item (iv) by 57.2 percent; and

(vi) divide the difference of the amount in item (iv) and the amount in item (v) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days.

(b) Projects approved under this subdivision shall be treated in a manner equivalent to projects approved under subdivision 4a.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2024, section 144A.071, subdivision 4d, is amended to read:

Subd. 4d. **Consolidation of nursing facilities.** (a) The commissioner of health, in consultation with the commissioner of human services, may approve a request for consolidation of nursing facilities which includes the closure of one or more facilities and the upgrading of the physical plant of the remaining nursing facility or facilities, the costs of which exceed the threshold project limit under subdivision 2, clause (a). The commissioners shall consider the criteria in this section, section 144A.073, and Minnesota Statutes 2024, section 256R.40, in approving or rejecting a consolidation proposal. In the event the commissioners approve the request, the commissioner of human services shall calculate an external fixed costs rate adjustment according to clauses (1) to (3):

(1) the closure of beds shall not be eligible for a planned closure rate adjustment under Minnesota Statutes 2024, section 256R.40, subdivision 5;

(2) the construction project permitted in this clause shall not be eligible for a threshold project rate adjustment under section 256B.434, subdivision 4f, or a moratorium exception adjustment under section 144A.073; and

(3) the payment rate for external fixed costs for a remaining facility or facilities shall be increased by an amount equal to 65 percent of the projected net cost savings to the state calculated in paragraph (b), divided by the state's medical assistance percentage of medical assistance dollars, and then divided by estimated medical assistance resident days, as determined in paragraph (c), of the remaining nursing facility or facilities in the request in this paragraph. The rate adjustment is effective on the first day of the month of January or July, whichever date occurs first following both the completion of the construction upgrades in the consolidation plan and the complete closure of the facility or facilities designated for closure in the consolidation plan. If more than one facility is receiving upgrades in the consolidation plan, each facility's date of construction completion must be evaluated separately.

(b) For purposes of calculating the net cost savings to the state, the commissioner shall consider clauses (1) to (7):

(1) the annual savings from estimated medical assistance payments from the net number of beds closed taking into consideration only beds that are in active service on the date of the request and that have been in active service for at least three years;

(2) the estimated annual cost of increased case load of individuals receiving services under the elderly waiver;

(3) the estimated annual cost of elderly waiver recipients receiving support under housing support under chapter 256I;

(4) the estimated annual cost of increased case load of individuals receiving services under the alternative care program;

(5) the annual loss of license surcharge payments on closed beds;

(6) the savings from not paying planned closure rate adjustments that the facilities would otherwise be eligible for under Minnesota Statutes 2024, section 256R.40; and

(7) the savings from not paying external fixed costs payment rate adjustments from submission of renovation costs that would otherwise be eligible as threshold projects under section 256B.434, subdivision 4f.

(c) For purposes of the calculation in paragraph (a), clause (3), the estimated medical assistance resident days of the remaining facility or facilities shall be computed assuming 95 percent occupancy multiplied by the historical percentage of medical assistance resident days of the remaining facility or facilities, as reported on the facility's or facilities' most

15.1 recent nursing facility statistical and cost report filed before the plan of closure is submitted,  
15.2 multiplied by 365.

15.3 (d) For purposes of net cost of savings to the state in paragraph (b), the average occupancy  
15.4 percentages will be those reported on the facility's or facilities' most recent nursing facility  
15.5 statistical and cost report filed before the plan of closure is submitted, and the average  
15.6 payment rates shall be calculated based on the approved payment rates in effect at the time  
15.7 the consolidation request is submitted.

15.8 (e) To qualify for the external fixed costs payment rate adjustment under this subdivision,  
15.9 the closing facilities shall:

15.10 (1) submit an application for closure according to Minnesota Statutes 2024, section  
15.11 256R.40, subdivision 2; and

15.12 (2) follow the resident relocation provisions of section 144A.161.

15.13 (f) The county or counties in which a facility or facilities are closed under this subdivision  
15.14 shall not be eligible for designation as a hardship area under subdivision 3 for five years  
15.15 from the date of the approval of the proposed consolidation. The applicant shall notify the  
15.16 county of this limitation and the county shall acknowledge this in a letter of support.

15.17 (g) Projects approved on or after March 1, 2020, are not subject to paragraph (a), clauses  
15.18 (2) and (3), and paragraph (c). The 65 percent projected net cost savings to the state calculated  
15.19 in paragraph (b) must be applied to the moratorium cost of the project and the remainder  
15.20 must be added to the moratorium funding under section 144A.073, subdivision 11.

15.21 (h) Consolidation project applications not approved by the commissioner prior to March  
15.22 1, 2020, are subject to the moratorium process under section 144A.073, subdivision 2. Upon  
15.23 request by the applicant, the commissioner may extend this deadline to August 1, 2020, so  
15.24 long as the facilities, bed numbers, and counties specified in the original application are not  
15.25 altered. Proposals from facilities seeking approval for a consolidation project prior to March  
15.26 1, 2020, must be received by the commissioner no later than January 1, 2020. This paragraph  
15.27 expires August 1, 2020.

15.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.29 Sec. 4. Minnesota Statutes 2024, section 144A.161, subdivision 10, is amended to read:

15.30 Subd. 10. **Facility closure rate adjustment.** Upon the request of a closing facility, the  
15.31 commissioner of human services must allow the facility a closure rate adjustment equal to  
15.32 a 50 percent payment rate increase to reimburse relocation costs or other costs related to

16.1 facility closure. This rate increase is effective on the date the facility's occupancy decreases  
16.2 to 90 percent of capacity days after the written notice of closure is distributed under  
16.3 subdivision 5 and shall remain in effect for a period of up to 60 days. ~~The commissioner~~  
16.4 ~~shall delay the implementation of rate adjustments under section 256R.40, subdivisions 5~~  
16.5 ~~and 6, to offset the cost of this rate adjustment.~~

16.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.7 Sec. 5. Minnesota Statutes 2024, section 144A.1888, is amended to read:

16.8 **144A.1888 REUSE OF FACILITIES.**

16.9 Notwithstanding any local ordinance related to development, planning, or zoning to the  
16.10 contrary, the conversion or reuse of a nursing home that closes or that curtails, reduces, or  
16.11 changes operations shall be considered a conforming use permitted under local law, provided  
16.12 that the facility is converted to another long-term care service ~~approved by a regional~~  
16.13 ~~planning group under section 256R.40~~ that serves a smaller number of persons than the  
16.14 number of persons served before the closure or curtailment, reduction, or change in  
16.15 operations.

16.16 Sec. 6. Minnesota Statutes 2024, section 256.9657, subdivision 1, is amended to read:

16.17 Subdivision 1. **Nursing home license surcharge.** (a) Effective July 1, 1993, each  
16.18 non-state-operated nursing home licensed under chapter 144A shall pay to the commissioner  
16.19 an annual surcharge according to the schedule in subdivision 4. The surcharge shall be  
16.20 calculated as ~~\$620~~ \$2,815 per licensed bed. If the number of licensed beds is reduced, the  
16.21 surcharge shall be based on the number of remaining licensed beds the second month  
16.22 following the receipt of timely notice by the commissioner of human services that beds  
16.23 have been delicensed. The nursing home must notify the commissioner of health in writing  
16.24 when beds are delicensed. The commissioner of health must notify the commissioner of  
16.25 human services within ten working days after receiving written notification. If the notification  
16.26 is received by the commissioner of human services by the 15th of the month, the invoice  
16.27 for the second following month must be reduced to recognize the delicensing of beds. ~~Beds~~  
16.28 ~~on layaway status continue to be subject to the surcharge.~~ The commissioner of human  
16.29 services must acknowledge a medical care surcharge appeal within 30 days of receipt of  
16.30 the written appeal from the provider.

16.31 ~~(b) Effective July 1, 1994, the surcharge in paragraph (a) shall be increased to \$625.~~

17.1 ~~(e) Effective August 15, 2002, the surcharge under paragraph (b) shall be increased to~~  
17.2 ~~\$990.~~

17.3 ~~(d) Effective July 15, 2003, the surcharge under paragraph (c) shall be increased to~~  
17.4 ~~\$2,815.~~

17.5 ~~(e) (b)~~ The commissioner may reduce, and may subsequently restore, the surcharge  
17.6 under paragraph ~~(d) (a)~~ based on the commissioner's determination of a permissible surcharge.

17.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

17.8 Sec. 7. **[256.9746] AGE-FRIENDLY MINNESOTA COUNCIL.**

17.9 **Subdivision 1. Establishment.** The Age-Friendly Minnesota Council is established to  
17.10 coordinate work across sectors, including state government, nonprofits, communities,  
17.11 businesses, and others, to ensure the state is an age-friendly state.

17.12 **Subd. 2. Membership.** (a) The council consists of 15 voting members.

17.13 (b) Each of the following commissioners and multimember state agencies must designate  
17.14 an Age-Friendly Minnesota lead and appoint that designee to serve as a council member:

17.15 (1) the Minnesota Board on Aging;

17.16 (2) the commissioner of commerce;

17.17 (3) the commissioner of employment and economic development;

17.18 (4) the commissioner of health;

17.19 (5) the commissioner of housing;

17.20 (6) the commissioner of human services;

17.21 (7) the commissioner of transportation;

17.22 (8) the commissioner of veterans affairs; and

17.23 (9) the Metropolitan Council.

17.24 (c) The governor shall appoint six additional public members to represent older adults  
17.25 in communities experiencing disparities, direct service caregivers, businesses, experts on  
17.26 aging, local governments, and Tribal communities. The appointment, terms, compensation,  
17.27 and removal of public members shall be as provided in section 15.059.

17.28 (d) Other state agencies and boards may participate on the council in a nonvoting capacity.

18.1 Subd. 3. **Chairperson; executive committee.** (a) The council shall elect a chairperson  
18.2 and other officers as it deems necessary and in accordance with the council's operating  
18.3 procedures.

18.4 (b) The council shall be governed by an executive committee elected by the members  
18.5 of the council. One member of the executive committee must be the council chairperson.

18.6 (c) The executive committee may appoint additional subcommittees and work groups  
18.7 as necessary to fulfill the duties of the council.

18.8 Subd. 4. **Meetings.** (a) The council shall meet at the call of the chairperson or at the  
18.9 request of a majority of council members. The council must meet at least quarterly. Meetings  
18.10 of the council are subject to section 13D.01, and notice of its meetings is governed by section  
18.11 13D.04.

18.12 (b) Notwithstanding section 13D.01, the council may conduct a meeting of its members  
18.13 by telephone or other electronic means so long as:

18.14 (1) all members of the council participating in the meeting, wherever their physical  
18.15 location, can hear one another and can hear all discussion and testimony;

18.16 (2) members of the public present at the regular meeting location of the council can hear  
18.17 all discussion and all votes of members of the council and participate in testimony;

18.18 (3) at least one member of the council is physically present at the regular meeting location;  
18.19 and

18.20 (4) each member's vote on each issue is identified and recorded by a roll call.

18.21 (c) Each member of the council participating in a meeting by telephone or other electronic  
18.22 means is considered present at the meeting for the purposes of determining a quorum and  
18.23 participating in all proceedings. If telephone or another electronic means is used to conduct  
18.24 a meeting, the council, to the extent practicable, shall allow a person to monitor the meeting  
18.25 from a remote location. If telephone or another electronic means is used to conduct a regular,  
18.26 special, or emergency meeting, the council shall provide notice of the regular meeting  
18.27 location, that some members may participate by electronic means, and of the option to  
18.28 monitor the meeting electronically from a remote location.

18.29 Subd. 5. **Duties.** (a) The council's duties may include but are not limited to:

18.30 (1) elevating the voice of older adults in developing the vision and action plan for an  
18.31 age-friendly state;

(2) engaging with the community, including older adults, caregivers, businesses, experts, advocacy organizations, and other interested parties, to provide recommendations and update interested parties on the council's recommendations;

(3) identifying opportunities for and barriers to collaboration and coordination among services and state agencies responsible for funding and administering programs and public-private partnerships;

(4) promoting equity and making progress toward equitable outcomes by examining programs, policies, and practices to ensure they address disparities experienced by older adults in greater Minnesota, older adults of color, and indigenous older adults;

(5) catalyzing age-friendly work at the local level, engaging with and empowering older adults, local constituents, elected officials, and other interested parties to create change in every community;

(6) establishing a statewide framework that allows for local flexibility to tap into the potential presented by our aging communities and elevates aging across all of Minnesota;

(7) reviewing, awarding, and monitoring grants under section 256.9747;

(8) assessing and examining relevant programs, policies, practices, and services to make budget and policy recommendations to establish age-friendly policies in law with appropriate financial support to ensure Minnesota continues to lead on age-friendly initiatives; and

(9) making budget and policy recommendations to the governor, commissioners, boards, other state agencies, and the legislature to further the council's mission to ensure the state is an age-friendly state.

(b) The council may accept technical assistance and in-kind services from outside organizations for purposes consistent with the council's role and authority.

Subd. 6. **Administration.** The Minnesota Board on Aging and Department of Human Services shall provide staffing and administrative support to the council.

Subd. 7. **Annual report.** Beginning January 1, 2026, and every two years thereafter, the council shall publish a public report on the council's activities, the uses and measurable outcomes of the grant activities funded under section 256.9747, the council's recommendations, proposed changes to statutes or rules, and other issues the council may choose to report.

20.1 Sec. 8. **[256.9747] AGE-FRIENDLY MINNESOTA GRANTS.**

20.2 Subdivision 1. **Age-friendly community grants.** The commissioner of human services,  
 20.3 in collaboration with the Minnesota Board on Aging and the Age-Friendly Minnesota  
 20.4 Council, shall develop the age-friendly community grant program to help communities,  
 20.5 including cities, counties, other municipalities, Tribes, and collaborative efforts become  
 20.6 age-friendly communities, with an emphasis on structures, services, and community features  
 20.7 necessary to support older adult residents, including but not limited to:

- 20.8 (1) coordination of health and social services;
- 20.9 (2) transportation access;
- 20.10 (3) safe, affordable places to live;
- 20.11 (4) reducing social isolation and improving wellness;
- 20.12 (5) combating ageism and racism against older adults;
- 20.13 (6) accessible outdoor space and buildings;
- 20.14 (7) communication and information technology access; and
- 20.15 (8) opportunities to stay engaged and economically productive.

20.16 Subd. 2. **Age-friendly technical assistance grants.** The commissioner of human services,  
 20.17 in collaboration with the Minnesota Board on Aging and the Age-Friendly Minnesota  
 20.18 Council, shall develop the age-friendly technical assistance grant program to support  
 20.19 communities and organizations who need assistance in applying for age-friendly community  
 20.20 grants and implementing various aspects of their grant-funded projects.

20.21 Sec. 9. Minnesota Statutes 2024, section 256B.431, subdivision 30, is amended to read:

20.22 Subd. 30. **Bed layaway and delicensure.** (a) For rate years beginning on or after July  
 20.23 1, 2000, a nursing facility reimbursed under this section which has placed beds on layaway  
 20.24 shall, for purposes of application of the downsizing incentive in subdivision 3a, paragraph  
 20.25 (c), and calculation of the rental per diem, have those beds given the same effect as if the  
 20.26 beds had been delicensed so long as the beds remain on layaway. ~~At the time of a layaway,~~  
 20.27 ~~a facility may change its single bed election for use in calculating capacity days under~~  
 20.28 ~~Minnesota Rules, part 9549.0060, subpart 11.~~ The property payment rate increase shall be  
 20.29 effective the first day of the month of January or July, whichever occurs first following the  
 20.30 date on which the layaway of the beds becomes effective under section 144A.071, subdivision  
 20.31 4b.

21.1 (b) For rate years beginning on or after July 1, 2000, notwithstanding any provision to  
21.2 the contrary under section 256B.434 or chapter 256R, a nursing facility reimbursed under  
21.3 that section or chapter that has placed beds on layaway shall, for so long as the beds remain  
21.4 on layaway, be allowed to:

21.5 (1) aggregate the applicable investment per bed limits based on the number of beds  
21.6 licensed immediately prior to entering the alternative payment system;

21.7 (2) retain ~~or change~~ the facility's single bed election for use in calculating capacity days  
21.8 under Minnesota Rules, part 9549.0060, subpart 11; and

21.9 (3) establish capacity days based on the number of beds immediately prior to the layaway  
21.10 and the number of beds after the layaway.

21.11 The commissioner shall increase the facility's property payment rate by the incremental  
21.12 increase in the rental per diem resulting from the recalculation of the facility's rental per  
21.13 diem applying only the changes resulting from the layaway of beds and clauses (1), (2), and  
21.14 (3). If a facility reimbursed under section 256B.434 or chapter 256R completes a moratorium  
21.15 exception project after its base year, the base year property rate shall be the moratorium  
21.16 project property rate. The base year rate shall be inflated by the factors in Minnesota Statutes  
21.17 2024, section 256B.434, subdivision 4, ~~paragraph (e)~~. The property payment rate increase  
21.18 shall be effective the first day of the month of January or July, whichever occurs first  
21.19 following the date on which the layaway of the beds becomes effective.

21.20 (c) If a nursing facility removes a bed from layaway status in accordance with section  
21.21 144A.071, subdivision 4b, the commissioner shall establish capacity days based on the  
21.22 number of licensed and certified beds in the facility not on layaway and shall reduce the  
21.23 nursing facility's property payment rate in accordance with paragraph (b).

21.24 (d) For the rate years beginning on or after July 1, 2000, notwithstanding any provision  
21.25 to the contrary under section 256B.434 or chapter 256R, a nursing facility reimbursed under  
21.26 that section or chapter that has delicensed beds after July 1, 2000, by giving notice of the  
21.27 delicensure to the commissioner of health according to the notice requirements in section  
21.28 144A.071, subdivision 4b, shall be allowed to:

21.29 (1) aggregate the applicable investment per bed limits based on the number of beds  
21.30 licensed immediately prior to entering the alternative payment system;

21.31 (2) retain ~~or change~~ the facility's single bed election for use in calculating capacity days  
21.32 under Minnesota Rules, part 9549.0060, subpart 11; and

22.1 (3) establish capacity days based on the number of beds immediately prior to the  
22.2 delicensure and the number of beds after the delicensure.

22.3 The commissioner shall increase the facility's property payment rate by the incremental  
22.4 increase in the rental per diem resulting from the recalculation of the facility's rental per  
22.5 diem applying only the changes resulting from the delicensure of beds and clauses (1), (2),  
22.6 and (3). If a facility reimbursed under section 256B.434 completes a moratorium exception  
22.7 project after its base year, the base year property rate shall be the moratorium project property  
22.8 rate. The base year rate shall be inflated by the factors in Minnesota Statutes 2024, section  
22.9 256B.434, subdivision 4, ~~paragraph (e)~~. The property payment rate increase shall be effective  
22.10 the first day of the month of January or July, whichever occurs first following the date on  
22.11 which the delicensure of the beds becomes effective.

22.12 (e) For nursing facilities reimbursed under this section, section 256B.434, or chapter  
22.13 256R, any beds placed on layaway shall not be included in calculating facility occupancy  
22.14 as it pertains to leave days defined in Minnesota Rules, part 9505.0415.

22.15 (f) For nursing facilities reimbursed under this section, section 256B.434, or chapter  
22.16 256R, the rental rate calculated after placing beds on layaway may not be less than the rental  
22.17 rate prior to placing beds on layaway.

22.18 (g) A nursing facility receiving a rate adjustment as a result of this section shall comply  
22.19 with section 256R.06, subdivision 5.

22.20 (h) A facility that does not utilize the space made available as a result of bed layaway  
22.21 or delicensure under this subdivision to reduce the number of beds per room or provide  
22.22 more common space for nursing facility uses or perform other activities related to the  
22.23 operation of the nursing facility shall have its property rate increase calculated under this  
22.24 subdivision reduced by the ratio of the square footage made available that is not used for  
22.25 these purposes to the total square footage made available as a result of bed layaway or  
22.26 delicensure.

22.27 (i) The commissioner must not increase the property payment rates under this subdivision  
22.28 for beds placed in or removed from layaway on or after July 1, 2025.

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

22.30 Sec. 10. Minnesota Statutes 2024, section 256B.434, subdivision 4, is amended to read:

22.31 Subd. 4. **Alternate rates for nursing facilities.** Effective for the rate years beginning  
22.32 on and after January 1, ~~2019~~ 2026, a nursing facility's property payment rate ~~for the second~~  
22.33 ~~and subsequent years of a facility's contract~~ under this section ~~are~~ is the facility's previous

rate year's property payment rate ~~plus an inflation adjustment. The index for the inflation adjustment must be based on the change in the Consumer Price Index-All Items (United States City average) (CPI-U) forecasted by the Reports and Forecasts Division of the Department of Human Services, as forecasted in the fourth quarter of the calendar year preceding the rate year. The inflation adjustment must be based on the 12-month period from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined~~ as provided in the facility's contract under this section.

Sec. 11. Minnesota Statutes 2024, section 256R.02, subdivision 18, is amended to read:

Subd. 18. **Employer health insurance costs.** "Employer health insurance costs" means:

(1) premium expenses for group coverage;

(2) actual expenses incurred for self-insured plans, including actual claims paid, stop-loss premiums, and plan fees. Actual expenses incurred for self-insured plans does not include allowances for future funding unless the plan meets the Medicare provider reimbursement manual requirements for reporting on a premium basis when the Medicare provider reimbursement manual regulations define the actual costs; and

(3) employer contributions to employer-sponsored individual coverage health reimbursement arrangements as provided by Code of Federal Regulations, title 45, section 146.123, employee health reimbursement accounts, and health savings accounts.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 12. Minnesota Statutes 2024, section 256R.02, subdivision 19, is amended to read:

Subd. 19. **External fixed costs.** "External fixed costs" means costs related to the nursing home surcharge under section 256.9657, subdivision 1; licensure fees under section 144.122; family advisory council fee under section 144A.33; scholarships under section 256R.37; ~~planned closure rate adjustments under section 256R.40;~~ consolidation rate adjustments under section 144A.071, subdivisions 4c, paragraph (a), clauses ~~(5) (1)~~ and ~~(6) (2)~~, and 4d; ~~single-bed room incentives under section 256R.41;~~ property taxes, special assessments, and payments in lieu of taxes; employer health insurance costs; quality improvement incentive payment rate adjustments under section 256R.39; performance-based incentive payments under section 256R.38; special dietary needs under section 256R.51; and Public Employees Retirement Association employer costs; ~~and border city rate adjustments under section 256R.481.~~

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

24.1 Sec. 13. Minnesota Statutes 2024, section 256R.02, subdivision 22, is amended to read:

24.2 Subd. 22. **Fringe benefit costs.** "Fringe benefit costs" means the costs for group life;  
24.3 dental;  
24.4 workers' compensation;  
24.5 short- and long-term disability;  
24.6 long-term care insurance;  
24.7 accident insurance;  
24.8 supplemental insurance;  
24.9 legal assistance insurance;  
24.10 profit sharing;  
24.11 child care costs;  
24.12 health insurance costs not covered under subdivision 18, including costs  
24.13 associated with eligible part-time employee family members or retirees;  
24.14 and pension and  
24.15 retirement plan contributions, except for the Public Employees Retirement Association  
24.16 costs.

24.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.18 Sec. 14. Minnesota Statutes 2024, section 256R.02, is amended by adding a subdivision  
24.19 to read:

24.20 Subd. 36a. **Patient driven payment model or PDPM.** "Patient driven payment model"  
24.21 or "PDPM" has the meaning given in section 144.0724, subdivision 2.

24.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.23 Sec. 15. Minnesota Statutes 2024, section 256R.02, is amended by adding a subdivision  
24.24 to read:

24.25 Subd. 45a. **Resource utilization group or RUG.** "Resource utilization group" or "RUG"  
24.26 has the meaning given in section 144.0724, subdivision 2.

24.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.28 Sec. 16. Minnesota Statutes 2024, section 256R.10, subdivision 8, is amended to read:

24.29 Subd. 8. **Employer health insurance costs.** (a) Employer health insurance costs are  
24.30 allowable for (1) all nursing facility employees and (2) the spouse and dependents of those  
24.31 nursing facility employees who are employed on average at least 30 hours per week.

24.32 (b) Effective for the rate year beginning on January 1, 2026, the annual reimbursement  
24.33 cap for health insurance costs is \$14,703, as adjusted according to paragraph (c). The  
24.34 allowable costs for health insurance must not exceed the reimbursement cap multiplied by  
24.35 the annual average month end number of allowed enrolled nursing facility employees from  
24.36 the applicable cost report period. For shared employees, the allowable number of enrolled  
24.37 employees includes only the nursing facility percentage of any shared allowed enrolled  
24.38 employees. The allowable number of enrolled employees must not include non-nursing  
24.39 facility employees or individuals who elect COBRA continuation coverage.

(c) Effective for rate years beginning on or after January 1, 2026, the commissioner shall adjust the annual reimbursement cap for employer health insurance costs by the previous year's cap plus an inflation adjustment. The commissioner must index for the inflation based on the change in the Consumer Price Index (all items-urban) (CPI-U) forecasted by the Reports and Forecast Division of the Department of Human Services in the fourth quarter of the calendar year preceding the rate year. The commissioner must base the inflation adjustment on the 12-month period from the second quarter of the previous cost report year to the second quarter of the cost report year for which the cap is being applied.

~~(b)~~ (d) The commissioner must not treat employer contributions to employer-sponsored individual coverage health reimbursement arrangements as allowable costs if the facility does not provide the commissioner copies of the employer-sponsored individual coverage health reimbursement arrangement plan documents and documentation of any health insurance premiums and associated co-payments reimbursed under the arrangement. Documentation of reimbursements must denote any reimbursements for health insurance premiums or associated co-payments incurred by the spouses or dependents of nursing facility employees who work on average less than 30 hours per week.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 17. Minnesota Statutes 2024, section 256R.23, subdivision 5, is amended to read:

Subd. 5. **Determination of total care-related payment rate limits.** The commissioner must determine each facility's total care-related payment rate limit by:

(1) multiplying the facility's quality score, as determined under section 256R.16, subdivision 1, by ~~0.5625~~ 2.0;

(2) ~~adding 89.375 to~~ subtracting 40 from the amount determined in clause (1), and dividing the total by 100; and

(3) multiplying the amount determined in clause (2) by the median total care-related cost per day.

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

Sec. 18. Minnesota Statutes 2024, section 256R.23, subdivision 7, is amended to read:

Subd. 7. **Determination of direct care payment rates.** A facility's direct care payment rate equals the lesser of (1) the facility's direct care costs per standardized day, ~~or~~ (2) the facility's direct care costs per standardized day divided by its cost to limit ratio, or (3) 104 percent of the previous year's direct care payment rate.

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

26.2 Sec. 19. Minnesota Statutes 2024, section 256R.23, subdivision 8, is amended to read:

26.3 Subd. 8. **Determination of other care-related payment rates.** A facility's other  
 26.4 care-related payment rate equals the lesser of (1) the facility's other care-related cost per  
 26.5 resident day, ~~or~~ (2) the facility's other care-related cost per resident day divided by its cost  
 26.6 to limit ratio, or (3) 104 percent of the previous year's other care-related payment rate.

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

26.8 Sec. 20. Minnesota Statutes 2024, section 256R.24, subdivision 3, is amended to read:

26.9 Subd. 3. **Determination of the other operating payment rate.** A facility's other  
 26.10 operating payment rate equals the lesser of 105 percent of the median other operating cost  
 26.11 per day or 104 percent of the previous year's other operating payment rate.

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

26.13 Sec. 21. Minnesota Statutes 2024, section 256R.25, is amended to read:

26.14 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

26.15 Subdivision 1. **Determination of external fixed cost payment rate.** ~~(a)~~ The payment  
 26.16 rate for external fixed costs is the sum of the amounts in ~~paragraphs (b) to (p)~~ subdivisions  
 26.17 2 to 13.

26.18 Subd. 2. **Provider surcharges.** ~~(b)~~ For a facility licensed as a nursing home, the portion  
 26.19 related to the provider surcharge under section 256.9657 is equal to \$8.86 per resident day.  
 26.20 For a facility licensed as both a nursing home and a boarding care home, the portion related  
 26.21 to the provider surcharge under section 256.9657 is equal to \$8.86 per resident day multiplied  
 26.22 by the result of its number of nursing home beds divided by its total number of licensed  
 26.23 beds.

26.24 Subd. 3. **Licensure fees.** ~~(c)~~ The portion related to the licensure fee under section 144.122,  
 26.25 paragraph (d), is the amount of the fee divided by the sum of the facility's resident days.

26.26 Subd. 4. **Advisory councils.** ~~(d)~~ The portion related to development and education of  
 26.27 resident and family advisory councils under section 144A.33 is \$5 per resident day divided  
 26.28 by 365.

26.29 Subd. 5. **Scholarships.** ~~(e)~~ The portion related to scholarships is determined under section  
 26.30 256R.37.

27.1 ~~(f) The portion related to planned closure rate adjustments is as determined under section~~  
27.2 ~~256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.~~

27.3 Subd. 6. **Consultations.** ~~(g)~~ The portion related to consolidation rate adjustments shall  
27.4 be as determined under section 144A.071, subdivisions 4c, paragraph (a), clauses ~~(5)~~ (1)  
27.5 and ~~(6)~~ (2), and 4d.

27.6 ~~(h) The portion related to single bed room incentives is as determined under section~~  
27.7 ~~256R.41.~~

27.8 Subd. 7. **Taxes.** ~~(i)~~ The portions related to real estate taxes, special assessments, and  
27.9 payments made in lieu of real estate taxes directly identified or allocated to the nursing  
27.10 facility are the allowable amounts divided by the sum of the facility's resident days. Allowable  
27.11 costs under this paragraph for payments made by a nonprofit nursing facility that are in lieu  
27.12 of real estate taxes shall not exceed the amount which the nursing facility would have paid  
27.13 to a city or township and county for fire, police, sanitation services, and road maintenance  
27.14 costs had real estate taxes been levied on that property for those purposes.

27.15 Subd. 8. **Health insurance.** ~~(j)~~ The portion related to employer health insurance costs  
27.16 is the allowable costs divided by the sum of the facility's resident days.

27.17 Subd. 9. **Public employees retirement.** ~~(k)~~ The portion related to the Public Employees  
27.18 Retirement Association is the allowable costs divided by the sum of the facility's resident  
27.19 days.

27.20 Subd. 10. **Quality improvement incentives.** ~~(l)~~ The portion related to quality  
27.21 improvement incentive payment rate adjustments is the amount determined under section  
27.22 256R.39.

27.23 Subd. 11. **Performance-based incentives.** ~~(m)~~ The portion related to performance-based  
27.24 incentive payments is the amount determined under section 256R.38.

27.25 Subd. 12. **Special diets.** ~~(n)~~ The portion related to special dietary needs is the amount  
27.26 determined under section 256R.51.

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

27.29 Subd. 13. **Critical access facilities.** ~~(p)~~ The portion related to the rate adjustment for  
27.30 critical access nursing facilities is the amount determined under section 256R.47.

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

28.1 Sec. 22. Minnesota Statutes 2024, section 256R.26, subdivision 9, is amended to read:

28.2 Subd. 9. **Transition period.** (a) A facility's property payment rate is the property rate  
28.3 established for the facility under sections 256B.431 and 256B.434 until the facility's property  
28.4 rate is transitioned upon completion of any project authorized under section 144A.071,  
28.5 subdivision 3 or 4d; or 144A.073, subdivision 3, to the fair rental value property rate  
28.6 calculated under this chapter.

28.7 (b) Effective the first day of the first month of the calendar quarter after the completion  
28.8 of the project described in paragraph (a), the commissioner shall transition a facility to the  
28.9 property payment rate calculated under this chapter. The initial rate year ends on December  
28.10 31 and may be less than a full 12-month period. The commissioner shall schedule an appraisal  
28.11 within 90 days of the commissioner receiving notification from the facility that the project  
28.12 is completed. The commissioner shall apply the property payment rate determined after the  
28.13 appraisal retroactively to the first day of the first month of the calendar quarter after the  
28.14 completion of the project.

28.15 (c) Upon a facility's transition to the fair rental value property rates calculated under this  
28.16 chapter, the facility's total property payment rate under subdivision 8 shall be the only  
28.17 payment for costs related to capital assets, including depreciation, interest and lease expenses  
28.18 for all depreciable assets, including movable equipment, land improvements, and land.  
28.19 Facilities with property payment rates established under subdivisions 1 to 8 are not eligible  
28.20 for planned closure rate adjustments under Minnesota Statutes 2024, section 256R.40;  
28.21 consolidation rate adjustments under section 144A.071, subdivisions 4c, paragraph (a),  
28.22 clauses ~~(5)~~ (1) and ~~(6)~~ (2), and 4d; single-bed room incentives under Minnesota Statutes  
28.23 2024, section 256R.41; and the property rate inflation adjustment under Minnesota Statutes  
28.24 2024, section 256B.434, subdivision 4. The commissioner shall remove any of these  
28.25 incentives from the facility's existing rate upon the facility transitioning to the fair rental  
28.26 value property rates calculated under this chapter.

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

28.28 Sec. 23. Minnesota Statutes 2024, section 256R.27, subdivision 2, is amended to read:

28.29 Subd. 2. **Determination of interim payment rates.** (a) The nursing facility shall submit  
28.30 an interim cost report in a format similar to the Minnesota Statistical and Cost Report and  
28.31 other supporting information as required by this chapter for the reporting year in which the  
28.32 nursing facility plans to begin operation at least 60 days before the first day a resident is  
28.33 admitted to the newly constructed nursing facility bed. The interim cost report must include  
28.34 the nursing facility's anticipated interim costs and anticipated interim resident days for each

resident class in the interim cost report. The anticipated interim resident days for each resident class is multiplied by the weight for that resident class to determine the anticipated interim standardized days as defined in section 256R.02, subdivision 50, and resident days as defined in section 256R.02, subdivision 45, for the reporting period.

(b) The interim payment rates are determined according to sections 256R.21 to 256R.25, except that:

(1) the anticipated interim costs and anticipated interim resident days reported on the interim cost report and the anticipated interim standardized days as defined by section 256R.02, subdivision 50, must be used for the interim;

(2) the commissioner shall use anticipated interim costs and anticipated interim standardized days in determining the allowable historical direct care cost per standardized day as determined under section 256R.23, subdivision 2;

(3) the commissioner shall use anticipated interim costs and anticipated interim resident days in determining the allowable historical other care-related cost per resident day as determined under section 256R.23, subdivision 3;

(4) the commissioner shall use anticipated interim costs and anticipated interim resident days to determine the allowable historical external fixed costs per day under section 256R.25, ~~paragraphs (b) to (k)~~ subdivisions 2 to 9;

(5) the total care-related payment rate limits established in section 256R.23, subdivision 5, and in effect at the beginning of the interim period must be increased by ten percent; and

(6) the other operating payment rate as determined under section 256R.24 in effect for the rate year must be used for the other operating cost per day.

Sec. 24. Minnesota Statutes 2024, section 256R.27, subdivision 3, is amended to read:

**Subd. 3. Determination of settle-up payment rates.** (a) When the interim payment rates begin between May 1 and September 30, the nursing facility shall file settle-up cost reports for the period from the beginning of the interim payment rates through September 30 of the following year.

(b) When the interim payment rates begin between October 1 and April 30, the nursing facility shall file settle-up cost reports for the period from the beginning of the interim payment rates to the first September 30 following the beginning of the interim payment rates.

30.1 (c) The settle-up payment rates are determined according to sections 256R.21 to 256R.25,  
30.2 except that:

30.3 (1) the allowable costs and resident days reported on the settle-up cost report and the  
30.4 standardized days as defined by section 256R.02, subdivision 50, must be used for the  
30.5 interim and settle-up period;

30.6 (2) the commissioner shall use the allowable costs and standardized days in clause (1)  
30.7 to determine the allowable historical direct care cost per standardized day as determined  
30.8 under section 256R.23, subdivision 2;

30.9 (3) the commissioner shall use the allowable costs and the allowable resident days to  
30.10 determine both the allowable historical other care-related cost per resident day as determined  
30.11 under section 256R.23, subdivision 3;

30.12 (4) the commissioner shall use the allowable costs and the allowable resident days to  
30.13 determine the allowable historical external fixed costs per day under section 256R.25,  
30.14 ~~paragraphs (b) to (k)~~ subdivisions 2 to 9;

30.15 (5) the total care-related payment limits established in section 256R.23, subdivision 5,  
30.16 are the limits for the settle-up reporting periods. If the interim period includes more than  
30.17 one July 1 date, the commissioner shall use the total care-related payment rate limit  
30.18 established in section 256R.23, subdivision 5, increased by ten percent for the second July  
30.19 1 date; and

30.20 (6) the other operating payment rate as determined under section 256R.24 in effect for  
30.21 the rate year must be used for the other operating cost per day.

30.22 Sec. 25. Minnesota Statutes 2024, section 256R.43, is amended to read:

30.23 **256R.43 BED HOLDS.**

30.24 The commissioner shall limit payment for leave days in a nursing facility to 30 percent  
30.25 of that nursing facility's total payment rate for the involved resident, and shall allow this  
30.26 payment only when the occupancy of the nursing facility, inclusive of bed hold days, is  
30.27 equal to or greater than 96 percent, notwithstanding Minnesota Rules, part 9505.0415. For  
30.28 the purpose of establishing leave day payments, the commissioner shall determine occupancy  
30.29 based on the number of licensed and certified beds in the facility that are not in layaway  
30.30 status.

30.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

31.1        **Sec. 26. [256R.531] PATIENT DRIVEN PAYMENT MODEL PHASE-IN.**

31.2            **Subdivision 1. PDPM phase-in.** From September 30, 2025, to December 31, 2028, for  
31.3 each facility, the commissioner shall determine an adjustment to its total payment rate as  
31.4 determined under sections 256R.21 and 256R.27 to phase in the transition from the RUG-IV  
31.5 case mix classification system to the patient driven payment model (PDPM) case mix  
31.6 classification system.

31.7            **Subd. 2. PDPM phase-in rate adjustment.** A facility's PDPM phase-in rate adjustment  
31.8 to its total payment rate is equal to:

31.9            (1) the blended case mix adjusted direct care payment rate determined in subdivision 6;  
31.10 minus

31.11            (2) the PDPM case mix adjusted direct care payment rate determined in section 256R.23,  
31.12 subdivision 7.

31.13            **Subd. 3. RUG-IV standardized days and RUG-IV facility case mix index.** (a) The  
31.14 commissioner must determine the RUG-IV standardized days and RUG-IV facility average  
31.15 case mix using the sum of the resident days by case mix classification.

31.16            (b) For the rate year beginning January 1, 2028, only:

31.17            (1) the commissioner must determine the RUG-IV facility average case mix using the  
31.18 sum of the resident days by the case mix classification as reported by the facility on its  
31.19 September 30, 2025, Minnesota Statistical and Cost Report; and

31.20            (2) the commissioner must determine the RUG-IV standardized days by multiplying the  
31.21 resident days as reported by the facility on its September 30, 2026, Minnesota Statistical  
31.22 and Cost Report by the RUG-IV facility average case mix index determined under clause  
31.23 (1).

31.24            **Subd. 4. RUG-IV case mix adjusted direct care payment rate.** The commissioner  
31.25 must determine a facility's RUG-IV case mix adjusted direct care payment rate as the product  
31.26 of:

31.27            (1) the facility's RUG-IV direct care payment rate determined in section 256R.23,  
31.28 subdivision 7, using the RUG-IV standardized days determined in subdivision 3; and

31.29            (2) the corresponding RUG-IV facility average case mix index for medical assistance  
31.30 days determined in subdivision 3.

31.31            **Subd. 5. PDPM case mix adjusted direct care payment rate.** The commissioner must  
31.32 determine a facility's PDPM case mix adjusted direct care payment rate as the product of:

32.1 (1) the facility's direct care payment rate determined in section 256R.23, subdivision 7;  
 32.2 and

32.3 (2) the corresponding facility average case mix index.

32.4 Subd. 6. **Blended case mix adjusted direct care payment rate.** The commissioner  
 32.5 must determine a facility's blended case mix adjusted direct care payment rate as the sum  
 32.6 of:

32.7 (1) the RUG-IV case mix adjusted direct care payment rate determined in subdivision  
 32.8 4 multiplied by the following percentages:

32.9 (i) after September 30, 2025, through December 31, 2026, 75 percent;

32.10 (ii) after December 31, 2026, through December 31, 2027, 50 percent; and

32.11 (iii) after December 31, 2027, through December 31, 2028, 25 percent; and

32.12 (2) the PDPM case mix adjusted direct care payment rate determined in subdivision 5  
 32.13 multiplied by the following percentages:

32.14 (i) after September 30, 2025, through December 31, 2026, 25 percent;

32.15 (ii) after December 31, 2026, through December 31, 2027, 50 percent; and

32.16 (iii) after December 31, 2027, through December 31, 2028, 75 percent.

32.17 Subd. 7. **Expiration.** This section expires January 1, 2029.

32.18 **EFFECTIVE DATE.** This section is effective October 1, 2025.

32.19 Sec. 27. **[256R.532] NURSING FACILITY RATE ADD-ON FOR WORKFORCE**  
 32.20 **STANDARDS.**

32.21 (a) Effective for rate years beginning on and after January 1, 2028, or upon federal  
 32.22 approval, whichever is later, the commissioner shall annually provide a rate add-on amount  
 32.23 for nursing facilities reimbursed under this chapter for the initial standards for wages for  
 32.24 nursing home workers adopted by the Nursing Home Workforce Standards Board in  
 32.25 Minnesota Rules, parts 5200.2060 to 5200.2090, pursuant to section 181.213, subdivision  
 32.26 2, paragraph (c). The add-on amount is equal to:

32.27 (1) \$3.93 per resident day, effective January 1, 2028; and

32.28 (2) \$8.55 per resident day, effective January 1, 2029.

32.29 (b) Effective upon federal approval, the commissioner must determine the add-on amount  
 32.30 for subsequent rate years in consultation with the commissioner of labor and industry.

33.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.2 Sec. 28. Laws 2021, chapter 30, article 12, section 5, as amended by Laws 2021, First  
 33.3 Special Session chapter 7, article 17, section 2, and Laws 2023, chapter 61, article 2, section  
 33.4 35, is amended to read:

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

33.6 The Governor's Council on an Age-Friendly Minnesota, established in Executive Order  
 33.7 19-38, shall: (1) work to advance age-friendly policies; and (2) coordinate state, local, and  
 33.8 private partners' collaborative work on emergency preparedness, with a focus on older  
 33.9 adults, communities, and persons in zip codes most impacted by the COVID-19 pandemic.  
 33.10 The Governor's Council on an Age-Friendly Minnesota is extended and expires June 30,  
 33.11 ~~2027~~ 2025.

33.12 Sec. 29. **AGE-FRIENDLY MINNESOTA COUNCIL; CONTINUATION OF**  
 33.13 **APPOINTMENTS AND DESIGNATION OF INITIAL TERMS.**

33.14 **Subdivision 1. Continuation of appointments.** Each member of the Governor's Council  
 33.15 on an Age-Friendly Minnesota, established in Executive Order 19-38, serving on June 30,  
 33.16 2025, shall be deemed appointed to the Age-Friendly Minnesota Council by the applicable  
 33.17 appointing authority under Minnesota Statutes, section 256.9746, effective July 1, 2025.

33.18 **Subd. 2. First meeting.** The individual who was serving as chairperson of the Governor's  
 33.19 Council on an Age-Friendly Minnesota, established in Executive Order 19-38, as of June  
 33.20 30, 2025, must convene the first meeting of the Age-Friendly Minnesota Council no later  
 33.21 than July 9, 2025. The former chairperson of the Governor's Council on an Age-Friendly  
 33.22 Minnesota shall preside over the first meeting until the Age-Friendly Minnesota Council  
 33.23 elects a chairperson.

33.24 **Subd. 3. Designation of initial terms.** The governor must notify the secretary of state  
 33.25 which initial public members of the Age-Friendly Minnesota Council will have terms  
 33.26 coterminous with that of the governor or request that the secretary of state randomly  
 33.27 determine which initial public members will have terms coterminous with the governor's  
 33.28 term.

34.1 Sec. 30. **DIRECTION TO THE COMMISSIONER; IMPACT STUDY OF REPEAL**  
34.2 **OF DISPROPORTIONATE SHARE PAYMENTS.**

34.3 (a) The commissioner of human services must conduct a study of the impact of the repeal  
34.4 of Minnesota Statutes, section 256S.205, on those facilities that received a rate floor payment  
34.5 in rate year 2025. For each facility that received a rate floor payment in rate year 2025, the  
34.6 commissioner must determine:

34.7 (1) how many facilities remain operational on September 1, 2026;

34.8 (2) the total number of residents of the facility on September 1, 2026;

34.9 (3) the proportion of residents of the facility who are customized living residents on  
34.10 September 1, 2026;

34.11 (4) the proportion of residents who are elderly waiver participants on September 1, 2026;  
34.12 and

34.13 (5) the difference by facility between the results under clauses (1) to (4) and the same  
34.14 or similar information submitted by the facility on its rate year 2025 application.

34.15 (b) The commissioner must solicit from each provider a summary of its financial position  
34.16 as of September 1, 2026, as compared to its financial position on September 1, 2025, and  
34.17 a statement of the facility's change in operational margin between September 1, 2025, and  
34.18 September 1, 2026. The controlling individual of a facility that submits a financial summary  
34.19 and statement of the facility's change in operational margin must attest to the accuracy of  
34.20 the financial summary and statement.

34.21 (c) By January 1, 2027, the commissioner must submit to the chairs and ranking minority  
34.22 members of the legislative committees with jurisdiction over human services a report  
34.23 summarizing the data on the impact of the repeal of Minnesota Statutes, section 256S.205,  
34.24 on those facilities that received a rate floor payment in rate year 2025.

34.25 (d) The definitions in Minnesota Statutes 2024, section 256S.205, apply to this section.

34.26 Sec. 31. **REPEALER.**

34.27 (a) Minnesota Statutes 2024, sections 256R.02, subdivision 38; 256R.40; 256R.41; and  
34.28 256R.481, are repealed.

34.29 (b) Minnesota Statutes 2024, sections 256R.12, subdivision 10; and 256R.36, are repealed.

34.30 (c) Minnesota Statutes 2024, section 256R.23, subdivision 6, is repealed.

**EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2026. Paragraph (b) is effective the day following final enactment. Paragraph (c) is effective October 1, 2025.

## ARTICLE 2

### DISABILITY SERVICES

Section 1. Minnesota Statutes 2024, section 144A.351, subdivision 1, is amended to read:

Subdivision 1. **Report requirements.** (a) The commissioners of health and human services, with the cooperation of counties and in consultation with stakeholders, including persons who need or are using long-term care services and supports, lead agencies, regional entities, senior, disability, and mental health organization representatives, service providers, and community members shall compile data regarding the status of the full range of long-term care services and supports for the elderly and children and adults with disabilities and mental illnesses in Minnesota. The compiled data shall include:

(1) demographics and need for long-term care services and supports in Minnesota;

(2) summary of county and regional reports on long-term care gaps, surpluses, imbalances, and corrective action plans;

(3) status of long-term care services and related mental health services, housing options, and supports by county and region including:

(i) changes in availability of the range of long-term care services and housing options;

(ii) access problems, including access to the least restrictive and most integrated services and settings, regarding long-term care services; and

(iii) comparative measures of long-term care services availability, including serving people in their home areas near family, and changes over time; ~~and~~

(4) recommendations regarding goals for the future of long-term care services and supports, policy and fiscal changes, and resource development and transition needs; and

(5) the following information on the availability of integrated community supports, updated within 30 days of the end of each of four three-month reporting periods, which begin on January 1 of each year:

(i) the average number of integrated community supports beds occupied, per month, for the preceding reporting period;

(ii) the average number of integrated community supports beds available, per month, for the preceding reporting period;

(iii) the number of integrated community supports setting applications being reviewed by the commissioner of human services as of the final day of the reporting period; and

(vi) the average time of review for integrated community supports setting applications submitted during the preceding quarter.

(b) The commissioners of health and human services shall make the compiled data available on at least one of the department's websites.

Sec. 2. Minnesota Statutes 2024, section 179A.54, is amended by adding a subdivision to read:

**Subd. 12. Minnesota Caregiver Retirement Fund Trust.** (a) The state and an exclusive representative certified pursuant to this section may establish a joint labor and management trust, referred to as the Minnesota Caregiver Retirement Fund Trust, for the exclusive purpose of creating, implementing, and administering a retirement program for individual providers of direct support services who are represented by the exclusive representative.

(b) The state must make financial contributions to the Minnesota Caregiver Retirement Fund Trust pursuant to a collective bargaining agreement negotiated under this section. The financial contributions by the state must be held in trust for the purpose of paying, from principal, income, or both, the costs associated with creating, implementing, and administering a defined contribution or other individual account retirement program for individual providers of direct support services working under a collective bargaining agreement and providing services through a covered program under section 256B.0711. A board of trustees composed of an equal number of trustees appointed by the governor and trustees appointed by the exclusive representative under this section must administer, manage, and otherwise jointly control the Minnesota Caregiver Retirement Fund Trust. The trust must not be an agent of either the state or the exclusive representative.

(c) A third-party administrator, financial management institution, other appropriate entity, or any combination thereof may provide trust administrative, management, legal, and financial services to the board of trustees as designated by the board of trustees from time to time. The services must be paid from the money held in trust and created by the state's financial contributions to the Minnesota Caregiver Retirement Fund Trust.

(d) The state is authorized to purchase liability insurance for members of the board of trustees appointed by the governor.

37.1 (e) Financial contributions to or participation in the management or administration of  
37.2 the Minnesota Caregiver Retirement Fund Trust must not be considered an unfair labor  
37.3 practice under section 179A.13, or a violation of Minnesota law.

37.4 (f) Nothing in this section shall be construed to authorize the creation of a defined benefit  
37.5 retirement plan or program.

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

37.7 Sec. 3. Minnesota Statutes 2024, section 245A.042, is amended by adding a subdivision  
37.8 to read:

37.9 **Subd. 5. Compliance education required.** The commissioner must make licensing  
37.10 compliance education available to all license holders operating programs licensed under  
37.11 both this chapter and chapter 245D. The licensing compliance education must include clear  
37.12 and accessible explanations of achieving and maintaining compliance with the relevant  
37.13 licensing requirements under this chapter and chapter 245D.

37.14 Sec. 4. Minnesota Statutes 2024, section 245A.06, subdivision 1a, is amended to read:

37.15 Subd. 1a. **Correction orders and conditional licenses for programs licensed as home**  
37.16 **and community-based services.** (a) For programs licensed under both this chapter and  
37.17 chapter 245D, if the license holder operates more than one service site under a single license  
37.18 governed by chapter 245D, the correction order or order of conditional license issued under  
37.19 this section shall be specific to the service site or sites at which the violations of applicable  
37.20 law or rules occurred. The order shall not apply to other service sites governed by chapter  
37.21 245D and operated by the same license holder unless the commissioner has included in the  
37.22 order the articulable basis for applying the order to another service site.

37.23 (b) If the commissioner has issued more than one license to the license holder under this  
37.24 chapter, the ~~conditions imposed~~ order issued under this section shall be specific to the license  
37.25 for the program at which the violations of applicable law or rules occurred and shall not  
37.26 apply to other licenses held by the same license holder if those programs are being operated  
37.27 in substantial compliance with applicable law and rules.

37.28 (c) Prior to issuing an order of conditional license under this section to a license holder  
37.29 operating a program licensed under both this chapter and chapter 245D, the commissioner  
37.30 must inform the license holder that the next audit or investigation may lead to an order of  
37.31 conditional license if the provider fails to correct the violations specified in a prior correction  
37.32 order or has any new violations. Nothing in this paragraph limits the commissioner's authority

to take immediate action under section 245A.07 to prevent or correct actions by the license holder that imminently endanger the health, safety, or rights of the persons served by the program.

(d) The commissioner may reduce the length of time of a conditional license for a license holder operating a program licensed under both this chapter and chapter 245D if the license holder demonstrates compliance or progress toward compliance before the conditional license period expires.

(e) By January 1, 2026, and annually thereafter, the commissioner must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over chapter 245D licensing on the number of correction orders and orders of conditional license issued to license holders who operate programs licensed under both this chapter and chapter 245D. The report must include aggregated data on the zip codes of locations, number of employees, license effective dates for any license holders subject to correction orders and orders of conditional license, and the commissioner's efforts to offer collaborative safety process improvements to license holders under section 245A.042 and this subdivision.

Sec. 5. Minnesota Statutes 2024, section 245A.06, subdivision 2, is amended to read:

Subd. 2. **Reconsideration of correction orders.** (a) If the applicant or license holder believes that the contents of the commissioner's correction order are in error, the applicant or license holder may ask the Department of Human Services to reconsider the parts of the correction order that are alleged to be in error. The request for reconsideration must be made in writing and must be postmarked and sent to the commissioner within 20 calendar days after receipt of the correction order by the applicant or license holder or submitted in the provider licensing and reporting hub within 20 calendar days from the date the commissioner issued the order through the hub, and:

(1) specify the parts of the correction order that are alleged to be in error;

(2) explain why they are in error; and

(3) include documentation to support the allegation of error.

Upon implementation of the provider licensing and reporting hub, the provider must use the hub to request reconsideration. A request for reconsideration does not stay any provisions or requirements of the correction order. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14.

~~(b) This paragraph applies only to licensed family child care providers. A licensed family child care provider who requests reconsideration of a correction order under paragraph (a)~~

39.1 ~~may also request, on a form and in the manner prescribed by the commissioner, that the~~  
 39.2 ~~commissioner expedite the review if:~~

39.3 ~~(1) the provider is challenging a violation and provides a description of how complying~~  
 39.4 ~~with the corrective action for that violation would require the substantial expenditure of~~  
 39.5 ~~funds or a significant change to their program; and~~

39.6 ~~(2) describes what actions the provider will take in lieu of the corrective action ordered~~  
 39.7 ~~to ensure the health and safety of children in care pending the commissioner's review of the~~  
 39.8 ~~correction order.~~

39.9 (b) Notwithstanding paragraph (a), when a request for reconsideration is denied, the  
 39.10 commissioner must offer the option of mediation for a license holder operating a program  
 39.11 licensed under both this chapter and chapter 245D, if a license holder further disputes the  
 39.12 commissioner's correction order. The costs of the mediation option under this paragraph  
 39.13 must be paid by the license holder.

39.14 Sec. 6. Minnesota Statutes 2024, section 245A.10, subdivision 3, is amended to read:

39.15 Subd. 3. **Application fee for initial license or certification.** (a) For fees required under  
 39.16 subdivision 1, an applicant for an initial license or certification issued by the commissioner  
 39.17 shall submit a ~~\$500~~ \$10,000 application fee with each new application required under this  
 39.18 subdivision. An applicant for an initial day services facility license under chapter 245D  
 39.19 shall submit a \$250 application fee with each new application. The application fee shall not  
 39.20 be prorated, is nonrefundable, and is in lieu of the annual license or certification fee that  
 39.21 expires on December 31. The commissioner shall not process an application until the  
 39.22 application fee is paid.

39.23 (b) Except as provided in paragraph (c), an applicant shall apply for a license to provide  
 39.24 services at a specific location.

39.25 (c) For a license to provide home and community-based services to persons with  
 39.26 disabilities or age 65 and older under chapter 245D, an applicant shall submit an application  
 39.27 to provide services statewide.

39.28 Sec. 7. **[245A.142] EARLY INTENSIVE DEVELOPMENTAL AND BEHAVIORAL**  
 39.29 **INTERVENTION PROVISIONAL LICENSURE.**

39.30 Subdivision 1. **Regulatory powers.** The commissioner shall regulate early intensive  
 39.31 developmental and behavioral intervention (EIDBI) agencies pursuant to this section.

40.1 Subd. 2. **Provisional license.** (a) Beginning on January 1, 2026, the commissioner shall  
40.2 begin issuing provisional licenses to enrolled EIDBI agencies while permanent licensing  
40.3 standards are developed. Beginning January 1, 2026, no new EIDBI agencies shall be  
40.4 enrolled to provide EIDBI services. EIDBI agencies enrolled prior to January 1, 2026, have  
40.5 until April 1, 2026, to submit an application for provisional licensure on the forms and in  
40.6 the manner prescribed by the commissioner.

40.7 (b) Beginning April 2, 2026, an EIDBI agency must not operate if it has not submitted  
40.8 an application for provisional licensure under this section. The commissioner shall disenroll  
40.9 an EIDBI agency from providing EIDBI services if the EIDBI agency fails to submit an  
40.10 application for provisional licensure by April 1, 2026.

40.11 (c) A provisional license is effective until comprehensive EIDBI agency licensure  
40.12 standards are in effect unless the provisional license is revoked. An applicant whose  
40.13 application for provisional licensure under this section has been denied may request  
40.14 reconsideration under subdivision 8.

40.15 (d) Beginning January 1, 2027, an agency providing EIDBI services must not operate  
40.16 in Minnesota unless licensed under this section.

40.17 Subd. 3. **Provisional license regulatory functions.** The commissioner may:

40.18 (1) enter the physical premises of the program without advance notice in accordance  
40.19 with section 245A.04, subdivision 5;

40.20 (2) investigate reports of maltreatment;

40.21 (3) investigate complaints against EIDBI agencies limited to the provisions of this  
40.22 section;

40.23 (4) take action on a license pursuant to sections 245A.06 and 245A.07;

40.24 (5) deny an application for provisional licensure; and

40.25 (6) take other action reasonably required to accomplish the purposes of this section.

40.26 Subd. 4. **Provisional license requirements.** A provisional license holder must:

40.27 (1) identify all controlling individuals, as defined in section 245A.02, subdivision 5a,  
40.28 for the agency;

40.29 (2) provide documented disclosures surrounding the use of billing agencies or other  
40.30 consultants, available to the department upon request;

41.1 (3) establish provider policies and procedures related to staff training, staff qualifications,  
41.2 quality assurance, and service activities;

41.3 (4) document contracts with independent contractors for qualified supervising  
41.4 professionals, including the number of hours contracted and responsibilities, available to  
41.5 the department upon request; and

41.6 (5) comply with section 256B.0949, subdivisions 2, 3a, 6, 7, 14, 15, 16, and 16a, and  
41.7 exceptions to qualifications, standards, and requirements granted by the commissioner under  
41.8 section 256B.0949, subdivision 17.

41.9 Subd. 5. **Reporting of maltreatment.** EIDBI agencies must comply with the requirements  
41.10 of reporting of maltreatment of vulnerable adults and minors under section 626.557 and  
41.11 chapter 260E.

41.12 Subd. 6. **Background studies.** A provisional license holder must initiate a background  
41.13 study through the commissioner's NETStudy 2.0 system as provided under section 245C.03.

41.14 Subd. 7. **Revocations.** The commissioner may revoke a provisional license if the  
41.15 provisional license holder is not in substantial compliance with the requirements in this  
41.16 section.

41.17 Subd. 8. **Reconsideration.** (a) If a provisional license holder disagrees with a sanction  
41.18 under subdivision 7 or a denial of a provisional license application, the provisional license  
41.19 holder may request reconsideration by the commissioner. The reconsideration request process  
41.20 must be conducted internally by the commissioner and is not an administrative appeal under  
41.21 chapter 14 or section 256.045.

41.22 (b) The provisional licensee requesting the reconsideration must make the request on  
41.23 the forms and in the manner prescribed by the commissioner.

41.24 (c) A complete reconsideration request and supporting documentation must be received  
41.25 by the commissioner within 15 calendar days after the date the provisional license holder  
41.26 receives notice of the sanction under subdivision 7.

41.27 Subd. 9. **Continued operation.** A provisional license holder may continue to operate  
41.28 after receiving notice of denial of a provisional license application or revocation:

41.29 (1) during the 15 calendar day reconsideration window; or

41.30 (2) during the pendency of a reconsideration.

42.1 Subd. 10. **Disenrollment.** The commissioner shall disenroll an EIDBI agency from  
42.2 providing EIDBI services if the EIDBI agency's application has been denied under  
42.3 subdivision 2 or the agency's provisional license has been revoked under subdivision 7.

42.4 Subd. 11. **Transition to nonprovisional EIDBI license; future licensure standards.** (a)  
42.5 The commissioner must develop a process and transition plan for comprehensive EIDBI  
42.6 agency licensure by July 1, 2027.

42.7 (b) By January 1, 2028, the commissioner shall establish standards for nonprovisional  
42.8 EIDBI agency licensure and submit proposed legislation to the chairs and ranking minority  
42.9 members of the legislative committees with jurisdiction over human services licensing.

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

42.11 Sec. 8. Minnesota Statutes 2024, section 245C.16, subdivision 1, is amended to read:

42.12 Subdivision 1. **Determining immediate risk of harm.** (a) If the commissioner determines  
42.13 that the individual studied has a disqualifying characteristic, the commissioner shall review  
42.14 the information immediately available and make a determination as to the subject's immediate  
42.15 risk of harm to persons served by the program where the individual studied will have direct  
42.16 contact with, or access to, people receiving services.

42.17 (b) The commissioner shall consider all relevant information available, including the  
42.18 following factors in determining the immediate risk of harm:

42.19 (1) the recency of the disqualifying characteristic;

42.20 (2) the recency of discharge from probation for the crimes;

42.21 (3) the number of disqualifying characteristics;

42.22 (4) the intrusiveness or violence of the disqualifying characteristic;

42.23 (5) the vulnerability of the victim involved in the disqualifying characteristic;

42.24 (6) the similarity of the victim to the persons served by the program where the individual  
42.25 studied will have direct contact;

42.26 (7) whether the individual has a disqualification from a previous background study that  
42.27 has not been set aside;

42.28 (8) if the individual has a disqualification which may not be set aside because it is a  
42.29 permanent bar under section 245C.24, subdivision 1, or the individual is a child care  
42.30 background study subject who has a felony-level conviction for a drug-related offense in  
42.31 the last five years, the commissioner may order the immediate removal of the individual

from any position allowing direct contact with, or access to, persons receiving services from the program and from working in a children's residential facility or foster residence setting; and

(9) if the individual has a disqualification which may not be set aside because it is a permanent bar under section 245C.24, subdivision 2, or the individual is a child care background study subject who has a felony-level conviction for a drug-related offense during the last five years, the commissioner may order the immediate removal of the individual from any position allowing direct contact with or access to persons receiving services from the center and from working in a licensed child care center or certified license-exempt child care center.

(c) This section does not apply when the subject of a background study is regulated by a health-related licensing board as defined in chapter 214, and the subject is determined to be responsible for substantiated maltreatment under section 626.557 or chapter 260E.

(d) This section does not apply to a background study related to an initial application for a child foster family setting license.

(e) Except for paragraph (f), this section does not apply to a background study that is also subject to the requirements under section 256B.0659, subdivisions 11 and 13, for a personal care assistant or a qualified professional as defined in section 256B.0659, subdivision 1, or to a background study for an individual providing early intensive developmental and behavioral intervention services under section 245A.142 or 256B.0949.

(f) If the commissioner has reason to believe, based on arrest information or an active maltreatment investigation, that an individual poses an imminent risk of harm to persons receiving services, the commissioner may order that the person be continuously supervised or immediately removed pending the conclusion of the maltreatment investigation or criminal proceedings.

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

Sec. 9. Minnesota Statutes 2024, section 245D.091, subdivision 2, is amended to read:

Subd. 2. **Positive support professional qualifications.** A positive support professional providing positive support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the following areas as required under the brain injury, community access for disability inclusion, community alternative care, and developmental disabilities waiver plans or successor plans:

(1) ethical considerations;

- 44.1 (2) functional assessment;
- 44.2 (3) functional analysis;
- 44.3 (4) measurement of behavior and interpretation of data;
- 44.4 (5) selecting intervention outcomes and strategies;
- 44.5 (6) behavior reduction and elimination strategies that promote least restrictive approved
- 44.6 alternatives;
- 44.7 (7) data collection;
- 44.8 (8) staff and caregiver training;
- 44.9 (9) support plan monitoring;
- 44.10 (10) co-occurring mental disorders or neurocognitive disorder;
- 44.11 (11) demonstrated expertise with populations being served; and
- 44.12 (12) must be a:
- 44.13 (i) psychologist licensed under sections 148.88 to 148.98, who has stated to the Board
- 44.14 of Psychology competencies in the above identified areas;
- 44.15 (ii) clinical social worker licensed as an independent clinical social worker under chapter
- 44.16 148D, or a person with a master's degree in social work from an accredited college or
- 44.17 university, with at least 4,000 hours of post-master's supervised experience in the delivery
- 44.18 of clinical services in the areas identified in clauses (1) to (11);
- 44.19 (iii) physician licensed under chapter 147 and certified by the American Board of
- 44.20 Psychiatry and Neurology or eligible for board certification in psychiatry with competencies
- 44.21 in the areas identified in clauses (1) to (11);
- 44.22 (iv) licensed professional clinical counselor licensed under sections 148B.29 to 148B.39
- 44.23 with at least 4,000 hours of post-master's supervised experience in the delivery of clinical
- 44.24 services who has demonstrated competencies in the areas identified in clauses (1) to (11);
- 44.25 (v) person with a master's degree from an accredited college or university in one of the
- 44.26 behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised
- 44.27 experience in the delivery of clinical services with demonstrated competencies in the areas
- 44.28 identified in clauses (1) to (11);
- 44.29 (vi) person with a master's degree or PhD in one of the behavioral sciences or related
- 44.30 fields with demonstrated expertise in positive support services, as determined by the person's
- 44.31 needs as outlined in the person's assessment summary; ~~or~~

(vii) registered nurse who is licensed under sections 148.171 to 148.285, and who is certified as a clinical specialist or as a nurse practitioner in adult or family psychiatric and mental health nursing by a national nurse certification organization, or who has a master's degree in nursing or one of the behavioral sciences or related fields from an accredited college or university or its equivalent, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services; or

(viii) person who has completed a competency-based training program as determined by the commissioner.

Sec. 10. Minnesota Statutes 2024, section 245D.091, subdivision 3, is amended to read:

**Subd. 3. Positive support analyst qualifications.** (a) A positive support analyst providing positive support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), ~~must have competencies in one of the following areas~~ satisfy one of the following requirements as required under the brain injury, community access for disability inclusion, community alternative care, and developmental disabilities waiver plans or successor plans:

(1) have obtained a baccalaureate degree, master's degree, or PhD in either a social services discipline or nursing;

(2) meet the qualifications of a mental health practitioner as defined in section 245.462, subdivision 17; ~~or~~

(3) be a board-certified behavior analyst or board-certified assistant behavior analyst by the Behavior Analyst Certification Board, Incorporated; or

(4) have completed a competency-based training program as determined by the commissioner.

(b) In addition, a positive support analyst must:

(1) either have two years of supervised experience conducting functional behavior assessments and designing, implementing, and evaluating effectiveness of positive practices behavior support strategies for people who exhibit challenging behaviors as well as co-occurring mental disorders and neurocognitive disorder, or for those who have obtained a baccalaureate degree in one of the behavioral sciences or related fields, demonstrated expertise in positive support services;

(2) have received training prior to hire or within 90 calendar days of hire that includes:

(i) ten hours of instruction in functional assessment and functional analysis;

(ii) 20 hours of instruction in the understanding of the function of behavior;

(iii) ten hours of instruction on design of positive practices behavior support strategies;

(iv) 20 hours of instruction preparing written intervention strategies, designing data collection protocols, training other staff to implement positive practice strategies, summarizing and reporting program evaluation data, analyzing program evaluation data to identify design flaws in behavioral interventions or failures in implementation fidelity, and recommending enhancements based on evaluation data; and

(v) eight hours of instruction on principles of person-centered thinking;

(3) be determined by a positive support professional to have the training and prerequisite skills required to provide positive practice strategies as well as behavior reduction approved and permitted intervention to the person who receives positive support; and

(4) be under the direct supervision of a positive support professional.

(c) Meeting the qualifications for a positive support professional under subdivision 2 shall substitute for meeting the qualifications listed in paragraph (b).

Sec. 11. Minnesota Statutes 2024, section 245D.12, is amended to read:

**245D.12 INTEGRATED COMMUNITY SUPPORTS; ~~SETTING CAPACITY~~  
REPORT.**

Subdivision 1. Setting capacity report. (a) The license holder providing integrated community support, as defined in section 245D.03, subdivision 1, paragraph (c), clause (8), must submit a setting capacity report to the commissioner to ensure the identified location of service delivery meets the criteria of the home and community-based service requirements as specified in section 256B.492.

(b) The license holder shall provide the setting capacity report on the forms and in the manner prescribed by the commissioner. The report must include:

(1) the address of the multifamily housing building where the license holder delivers integrated community supports and owns, leases, or has a direct or indirect financial relationship with the property owner;

(2) the total number of living units in the multifamily housing building described in clause (1) where integrated community supports are delivered;

(3) the total number of living units in the multifamily housing building described in clause (1), including the living units identified in clause (2);

(4) the total number of people who could reside in the living units in the multifamily housing building described in clause (2) and receive integrated community supports; and

(5) the percentage of living units that are controlled by the license holder in the multifamily housing building by dividing clause (2) by clause (3).

(c) Only one license holder may deliver integrated community supports at the address of the multifamily housing building.

Subd. 2. **Setting approval moratorium.** (a) The commissioner must not approve an integrated community supports setting for which a setting capacity report was submitted between July 1, 2025, and June 30, 2027.

(b) The commissioner may approve exceptions to the approval moratorium under this subdivision if the commissioner determines:

(1) a new integrated community supports setting is needed to provide integrated community supports for a person requiring hospital-level care;

(2) a new integrated community supports setting is needed for a licensed assisted living facility that is closing or converting from an assisted living facility license to a licensed integrated community supports provider; or

(3) a new integrated community supports setting with specialized qualities, including wheelchair accessible units, specialized equipment, or other unique qualities is needed to meet the needs of a client identified by the local county board.

(c) When approving an exception under this subdivision, the commissioner shall consider: the availability of approved integrated community supports settings in the geographic area where the licensee seeks to operate, including the number of living units approved and the total number of people who could reside in the approved living units while receiving integrated community services; the results of a person's choices during the person's annual assessment and service plan review; and the recommendation of the local county board. The approval or denial of an exception by the commissioner is final and is not subject to appeal.

**Sec. 12. [245D.13] OUT-OF-HOME RESPITE CARE SERVICES FOR CHILDREN.**

Subdivision 1. **Licensed setting required.** A license holder with a home and community-based services license providing out-of-home respite care services for children may do so only in a licensed setting, unless exempt under subdivision 2. For the purposes

48.1 of this section, "respite care services" has the meaning given in section 245A.02, subdivision  
48.2 15.

48.3 Subd. 2. **Exemption from licensed setting requirement.** (a) The exemption under this  
48.4 subdivision does not apply to the provision of respite care services to a child in foster care  
48.5 under chapter 260C or 260D.

48.6 (b) A license holder with a home and community-based services license may provide  
48.7 out-of-home respite care services for children in an unlicensed residential setting if:

48.8 (1) all background studies are completed according to the requirements in chapter 245C;

48.9 (2) a child's case manager conducts and documents an assessment of the residential  
48.10 setting and its environment before services are provided and at least once each calendar  
48.11 year thereafter if services continue to be provided at that residence. The assessment must  
48.12 ensure that the setting is suitable for the child receiving respite care services. The assessment  
48.13 must be conducted and documented in the manner prescribed by the commissioner;

48.14 (3) the child's legal representative visits the residence and signs and dates a statement  
48.15 authorizing services in the residence before services are provided and at least once each  
48.16 calendar year thereafter if services continue to be provided at that residence;

48.17 (4) the services are provided in a residential setting that is not licensed to provide any  
48.18 other licensed services;

48.19 (5) the services are provided to no more than four children at any one time. Each child  
48.20 must have an individual bedroom, except two siblings may share a bedroom;

48.21 (6) the services are not provided to children and adults over the age of 21 in the same  
48.22 residence at the same time;

48.23 (7) the services are not provided to a single family for more than 46 calendar days in a  
48.24 calendar year and no more than ten consecutive days;

48.25 (8) the license holder's license was not made conditional, suspended, or revoked during  
48.26 the previous 24 months; and

48.27 (9) each individual in the residence at the time services are provided, other than  
48.28 individuals receiving services, is an employee, as defined under section 245C.02, of the  
48.29 license holder and has had a background study completed under chapter 245C. No other  
48.30 household members or other individuals may be present in the residence while services are  
48.31 provided.

49.1 (c) A child may not receive out-of-home respite care services in more than two unlicensed  
49.2 residential settings in a calendar year.

49.3 (d) The license holder must ensure the requirements in this section are met.

49.4 Subd. 3. **Documentation requirements.** The license holder must maintain documentation  
49.5 of the following:

49.6 (1) background studies completed under chapter 245C;

49.7 (2) service recipient records indicating the calendar dates and times when services were  
49.8 provided;

49.9 (3) the case manager's initial residential setting assessment and each residential assessment  
49.10 completed thereafter; and

49.11 (4) the legal representative's approval of the residential setting before services are  
49.12 provided and each year thereafter.

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

49.16 Sec. 13. Minnesota Statutes 2024, section 252.32, subdivision 3, is amended to read:

49.17 Subd. 3. **Amount of support grant; use.** (a) Support grant amounts shall be determined  
49.18 by the county social service agency. Services and items purchased with a support grant  
49.19 must:

49.20 (1) be over and above the normal costs of caring for the dependent if the dependent did  
49.21 not have a disability, including adaptive or one-on-one swimming lessons for drowning  
49.22 prevention for a dependent whose disability puts them at a higher risk of drowning according  
49.23 to the Centers for Disease Control Vital Statistics System;

49.24 (2) be directly attributable to the dependent's disabling condition; and

49.25 (3) enable the family to delay or prevent the out-of-home placement of the dependent.

49.26 (b) The design and delivery of services and items purchased under this section must be  
49.27 provided in the least restrictive environment possible, consistent with the needs identified  
49.28 in the individual service plan.

49.29 (c) Items and services purchased with support grants must be those for which there are  
49.30 no other public or private funds available to the family. Fees assessed to parents for health

50.1 or human services that are funded by federal, state, or county dollars are not reimbursable  
50.2 through this program.

50.3 (d) In approving or denying applications, the county shall consider the following factors:

50.4 (1) the extent and areas of the functional limitations of a child with a disability;

50.5 (2) the degree of need in the home environment for additional support; and

50.6 (3) the potential effectiveness of the grant to maintain and support the person in the  
50.7 family environment.

50.8 (e) The maximum monthly grant amount shall be \$250 per eligible dependent, or \$3,000  
50.9 per eligible dependent per state fiscal year, within the limits of available funds and as  
50.10 adjusted by any legislatively authorized cost of living adjustment. The county social service  
50.11 agency may consider the dependent's Supplemental Security Income in determining the  
50.12 amount of the support grant.

50.13 (f) Any adjustments to their monthly grant amount must be based on the needs of the  
50.14 family and funding availability.

50.15 Sec. 14. Minnesota Statutes 2024, section 256.476, subdivision 4, is amended to read:

50.16 Subd. 4. **Support grants; criteria and limitations.** (a) A county board may choose to  
50.17 participate in the consumer support grant program. If a county has not chosen to participate  
50.18 by July 1, 2002, the commissioner shall contract with another county or other entity to  
50.19 provide access to residents of the nonparticipating county who choose the consumer support  
50.20 grant option. The commissioner shall notify the county board in a county that has declined  
50.21 to participate of the commissioner's intent to enter into a contract with another county or  
50.22 other entity at least 30 days in advance of entering into the contract. The local agency shall  
50.23 establish written procedures and criteria to determine the amount and use of support grants.  
50.24 These procedures must include, at least, the availability of respite care, assistance with daily  
50.25 living, and adaptive aids. The local agency may establish monthly or annual maximum  
50.26 amounts for grants and procedures where exceptional resources may be required to meet  
50.27 the health and safety needs of the person on a time-limited basis, however, the total amount  
50.28 awarded to each individual may not exceed the limits established in subdivision 11.

50.29 (b) Support grants to a person, a person's legal representative, or other authorized  
50.30 representative will be provided through a monthly subsidy payment and be in the form of  
50.31 cash, voucher, or direct county payment to vendor. Support grant amounts must be determined  
50.32 by the local agency. Each service and item purchased with a support grant must meet all of  
50.33 the following criteria:

51.1 (1) it must be over and above the normal cost of caring for the person if the person did  
51.2 not have functional limitations, including adaptive or one-on-one swimming lessons for  
51.3 drowning prevention for a person whose disability puts them at a higher risk of drowning  
51.4 according to the Centers for Disease Control Vital Statistics System;

51.5 (2) it must be directly attributable to the person's functional limitations;

51.6 (3) it must enable the person, a person's legal representative, or other authorized  
51.7 representative to delay or prevent out-of-home placement of the person; and

51.8 (4) it must be consistent with the needs identified in the service agreement, when  
51.9 applicable.

51.10 (c) Items and services purchased with support grants must be those for which there are  
51.11 no other public or private funds available to the person, a person's legal representative, or  
51.12 other authorized representative. Fees assessed to the person or the person's family for health  
51.13 and human services are not reimbursable through the grant.

51.14 (d) In approving or denying applications, the local agency shall consider the following  
51.15 factors:

51.16 (1) the extent and areas of the person's functional limitations;

51.17 (2) the degree of need in the home environment for additional support; and

51.18 (3) the potential effectiveness of the grant to maintain and support the person in the  
51.19 family environment or the person's own home.

51.20 (e) At the time of application to the program or screening for other services, the person,  
51.21 a person's legal representative, or other authorized representative shall be provided sufficient  
51.22 information to ensure an informed choice of alternatives by the person, the person's legal  
51.23 representative, or other authorized representative, if any. The application shall be made to  
51.24 the local agency and shall specify the needs of the person or the person's legal representative  
51.25 or other authorized representative, the form and amount of grant requested, the items and  
51.26 services to be reimbursed, and evidence of eligibility for medical assistance.

51.27 (f) Upon approval of an application by the local agency and agreement on a support plan  
51.28 for the person or the person's legal representative or other authorized representative, the  
51.29 local agency shall make grants to the person or the person's legal representative or other  
51.30 authorized representative. The grant shall be in an amount for the direct costs of the services  
51.31 or supports outlined in the service agreement.

(g) Reimbursable costs shall not include costs for resources already available, such as special education classes, day training and habilitation, case management, other services to which the person is entitled, medical costs covered by insurance or other health programs, or other resources usually available at no cost to the person or the person's legal representative or other authorized representative.

(h) The state of Minnesota, the county boards participating in the consumer support grant program, or the agencies acting on behalf of the county boards in the implementation and administration of the consumer support grant program shall not be liable for damages, injuries, or liabilities sustained through the purchase of support by the individual, the individual's family, or the authorized representative under this section with funds received through the consumer support grant program. Liabilities include but are not limited to: workers' compensation liability, the Federal Insurance Contributions Act (FICA), or the Federal Unemployment Tax Act (FUTA). For purposes of this section, participating county boards and agencies acting on behalf of county boards are exempt from the provisions of section 268.035.

Sec. 15. **[256.4768] DISABILITY SERVICES TECHNOLOGY AND ADVOCACY EXPANSION GRANT.**

**Subdivision 1. Establishment.** (a) A disability services technology and advocacy expansion grant is established to:

(1) support the expansion of assistive technology and remote support services for people with disabilities; and

(2) strengthen advocacy efforts for individuals with disabilities and the providers who serve individuals with disabilities.

(b) The commissioner of human services must award the grant to an eligible grantee.

**Subd. 2. Eligible grantee.** An eligible grantee must:

(1) be a nonprofit organization with a statewide reach;

(2) have demonstrated knowledge of various forms of assistive technology and remote support for people with disabilities; and

(3) have proven capacity to provide education and training to multiple constituencies.

**Subd. 3. Allowable uses of grant money.** Grant money must be used to:

(1) develop and deliver comprehensive training programs for lead agencies, disability service providers, schools, employment support agencies, and individuals with disabilities

and their families to ensure effective use of assistive technology and remote support tools.  
Training must address specific challenges faced by individuals with disabilities, such as  
accessibility, independence, and health monitoring;

(2) provide resources and support to advocacy organizations that work with individuals  
with disabilities and service providers. Resources and support must be used to promote the  
use of assistive technology to increase self-determination and community participation;

(3) maintain, distribute, and create accessible resources related to assistive technology  
and remote support. Materials must be tailored to address the unique needs of individuals  
with disabilities and the people and organizations who support individuals with disabilities;

(4) conduct research to explore new and emerging assistive technology solutions that  
address the evolving needs of individuals with disabilities. The research must emphasize  
the role of technology in promoting independence, improving quality of life, and ensuring  
safety; and

(5) conduct outreach initiatives to engage disability communities, service providers, and  
advocacy groups across Minnesota to promote awareness of assistive technology and remote  
support services. Outreach initiatives must focus on reaching underserved and rural  
populations.

**Subd. 4. Evaluation and reporting requirements.** (a) The grant recipient must submit  
an annual report by June 30 each year to the legislative committees with jurisdiction over  
disability services. The annual report must include:

(1) the number of individuals with disabilities and service providers who received training  
during the reporting year;

(2) data on the impact of assistive technology and remote support in improving quality  
of life, safety, and independence for individuals with disabilities; and

(3) recommendations for further advancing technology-driven disability advocacy efforts  
based on feedback and research findings.

(b) No later than three months after the grant period has ended, a final evaluation must  
be submitted to the legislative committees with jurisdiction over disability services to assess  
the overall impact on expanding access to assistive technology and remote support, with a  
focus on lessons learned and future opportunities for Minnesota's disability communities  
and service providers.

**Subd. 5. Grant period.** The grant period under this section is from July 1, 2025, to June  
30, 2030.

54.1 Sec. 16. Minnesota Statutes 2024, section 256B.04, subdivision 21, is amended to read:

54.2 Subd. 21. **Provider enrollment.** (a) The commissioner shall enroll providers and conduct  
54.3 screening activities as required by Code of Federal Regulations, title 42, section 455, subpart  
54.4 E. A provider must enroll each provider-controlled location where direct services are  
54.5 provided. The commissioner may deny a provider's incomplete application if a provider  
54.6 fails to respond to the commissioner's request for additional information within 60 days of  
54.7 the request. The commissioner must conduct a background study under chapter 245C,  
54.8 including a review of databases in section 245C.08, subdivision 1, paragraph (a), clauses  
54.9 (1) to (5), for a provider described in this paragraph. The background study requirement  
54.10 may be satisfied if the commissioner conducted a fingerprint-based background study on  
54.11 the provider that includes a review of databases in section 245C.08, subdivision 1, paragraph  
54.12 (a), clauses (1) to (5).

54.13 (b) The commissioner shall revalidate ~~each~~:

54.14 (1) each provider under this subdivision at least once every five years; ~~and~~

54.15 (2) each personal care assistance agency under this subdivision once every three years;  
54.16 and

54.17 (3) at the commissioner's discretion, any other Medicaid-only provider type the  
54.18 commissioner deems "high risk" under this subdivision.

54.19 (c) The commissioner shall conduct revalidation as follows:

54.20 (1) provide 30-day notice of the revalidation due date including instructions for  
54.21 revalidation and a list of materials the provider must submit;

54.22 (2) if a provider fails to submit all required materials by the due date, notify the provider  
54.23 of the deficiency within 30 days after the due date and allow the provider an additional 30  
54.24 days from the notification date to comply; and

54.25 (3) if a provider fails to remedy a deficiency within the 30-day time period, give 60-day  
54.26 notice of termination and immediately suspend the provider's ability to bill. The provider  
54.27 does not have the right to appeal suspension of ability to bill.

54.28 (d) If a provider fails to comply with any individual provider requirement or condition  
54.29 of participation, the commissioner may suspend the provider's ability to bill until the provider  
54.30 comes into compliance. The commissioner's decision to suspend the provider is not subject  
54.31 to an administrative appeal.

(e) Correspondence and notifications, including notifications of termination and other actions, may be delivered electronically to a provider's MN-ITS mailbox. This paragraph does not apply to correspondences and notifications related to background studies.

(f) If the commissioner or the Centers for Medicare and Medicaid Services determines that a provider is designated "high-risk," the commissioner may withhold payment from providers within that category upon initial enrollment for a 90-day period. The withholding for each provider must begin on the date of the first submission of a claim.

(g) An enrolled provider that is also licensed by the commissioner under chapter 245A, is licensed as a home care provider by the Department of Health under chapter 144A, or is licensed as an assisted living facility under chapter 144G and has a home and community-based services designation on the home care license under section 144A.484, must designate an individual as the entity's compliance officer. The compliance officer must:

(1) develop policies and procedures to assure adherence to medical assistance laws and regulations and to prevent inappropriate claims submissions;

(2) train the employees of the provider entity, and any agents or subcontractors of the provider entity including billers, on the policies and procedures under clause (1);

(3) respond to allegations of improper conduct related to the provision or billing of medical assistance services, and implement action to remediate any resulting problems;

(4) use evaluation techniques to monitor compliance with medical assistance laws and regulations;

(5) promptly report to the commissioner any identified violations of medical assistance laws or regulations; and

(6) within 60 days of discovery by the provider of a medical assistance reimbursement overpayment, report the overpayment to the commissioner and make arrangements with the commissioner for the commissioner's recovery of the overpayment.

The commissioner may require, as a condition of enrollment in medical assistance, that a provider within a particular industry sector or category establish a compliance program that contains the core elements established by the Centers for Medicare and Medicaid Services.

(h) The commissioner may revoke the enrollment of an ordering or rendering provider for a period of not more than one year, if the provider fails to maintain and, upon request from the commissioner, provide access to documentation relating to written orders or requests for payment for durable medical equipment, certifications for home health services, or

referrals for other items or services written or ordered by such provider, when the commissioner has identified a pattern of a lack of documentation. A pattern means a failure to maintain documentation or provide access to documentation on more than one occasion. Nothing in this paragraph limits the authority of the commissioner to sanction a provider under the provisions of section 256B.064.

(i) The commissioner shall terminate or deny the enrollment of any individual or entity if the individual or entity has been terminated from participation in Medicare or under the Medicaid program or Children's Health Insurance Program of any other state. The commissioner may exempt a rehabilitation agency from termination or denial that would otherwise be required under this paragraph, if the agency:

(1) is unable to retain Medicare certification and enrollment solely due to a lack of billing to the Medicare program;

(2) meets all other applicable Medicare certification requirements based on an on-site review completed by the commissioner of health; and

(3) serves primarily a pediatric population.

(j) As a condition of enrollment in medical assistance, the commissioner shall require that a provider designated "moderate" or "high-risk" by the Centers for Medicare and Medicaid Services or the commissioner permit the Centers for Medicare and Medicaid Services, its agents, or its designated contractors and the state agency, its agents, or its designated contractors to conduct unannounced on-site inspections of any provider location. The commissioner shall publish in the Minnesota Health Care Program Provider Manual a list of provider types designated "limited," "moderate," or "high-risk," based on the criteria and standards used to designate Medicare providers in Code of Federal Regulations, title 42, section 424.518. The list and criteria are not subject to the requirements of chapter 14. The commissioner's designations are not subject to administrative appeal.

(k) As a condition of enrollment in medical assistance, the commissioner shall require that a high-risk provider, or a person with a direct or indirect ownership interest in the provider of five percent or higher, consent to criminal background checks, including fingerprinting, when required to do so under state law or by a determination by the commissioner or the Centers for Medicare and Medicaid Services that a provider is designated high-risk for fraud, waste, or abuse.

(l)(1) Upon initial enrollment, reenrollment, and notification of revalidation, all durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) medical suppliers meeting the durable medical equipment provider and supplier definition in clause (3),

operating in Minnesota and receiving Medicaid funds must purchase a surety bond that is annually renewed and designates the Minnesota Department of Human Services as the obligee, and must be submitted in a form approved by the commissioner. For purposes of this clause, the following medical suppliers are not required to obtain a surety bond: a federally qualified health center, a home health agency, the Indian Health Service, a pharmacy, and a rural health clinic.

(2) At the time of initial enrollment or reenrollment, durable medical equipment providers and suppliers defined in clause (3) must purchase a surety bond of \$50,000. If a revalidating provider's Medicaid revenue in the previous calendar year is up to and including \$300,000, the provider agency must purchase a surety bond of \$50,000. If a revalidating provider's Medicaid revenue in the previous calendar year is over \$300,000, the provider agency must purchase a surety bond of \$100,000. The surety bond must allow for recovery of costs and fees in pursuing a claim on the bond.

(3) "Durable medical equipment provider or supplier" means a medical supplier that can purchase medical equipment or supplies for sale or rental to the general public and is able to perform or arrange for necessary repairs to and maintenance of equipment offered for sale or rental.

(m) The Department of Human Services may require a provider to purchase a surety bond as a condition of initial enrollment, reenrollment, reinstatement, or continued enrollment if: (1) the provider fails to demonstrate financial viability, (2) the department determines there is significant evidence of or potential for fraud and abuse by the provider, or (3) the provider or category of providers is designated high-risk pursuant to paragraph (f) and as per Code of Federal Regulations, title 42, section 455.450. The surety bond must be in an amount of \$100,000 or ten percent of the provider's payments from Medicaid during the immediately preceding 12 months, whichever is greater. The surety bond must name the Department of Human Services as an obligee and must allow for recovery of costs and fees in pursuing a claim on the bond. This paragraph does not apply if the provider currently maintains a surety bond under the requirements in section 256B.0659 or 256B.85.

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

Sec. 17. Minnesota Statutes 2024, section 256B.0659, subdivision 17a, is amended to read:

Subd. 17a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for personal care assistance services shall be paid for services provided to persons who qualify for ten or more hours of personal care assistance services per day when provided by a

58.1 personal care assistant who meets the requirements of subdivision 11, paragraph (d). This  
58.2 paragraph expires upon the effective date of paragraph (b).

58.3 (b) Effective January 1, 2026, or upon federal approval, whichever is later, an enhanced  
58.4 rate of 112.5 percent of the rate paid for personal care assistance services shall be paid for  
58.5 services provided to persons who qualify for ten or more hours of personal care assistance  
58.6 services per day when provided by a personal care assistant who meets the requirements of  
58.7 subdivision 11, paragraph (d).

58.8 ~~(b)~~ (c) A personal care assistance provider must use all additional revenue attributable  
58.9 to the rate enhancements under this subdivision for the wages and wage-related costs of the  
58.10 personal care assistants, including any corresponding increase in the employer's share of  
58.11 FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers'  
58.12 compensation premiums. The agency must not use the additional revenue attributable to  
58.13 any enhanced rate under this subdivision to pay for mileage reimbursement, health and  
58.14 dental insurance, life insurance, disability insurance, long-term care insurance, uniform  
58.15 allowance, contributions to employee retirement accounts, or any other employee benefits.

58.16 ~~(c)~~ (d) Any change in the eligibility criteria for the enhanced rate for personal care  
58.17 assistance services as described in this subdivision and referenced in subdivision 11,  
58.18 paragraph (d), does not constitute a change in a term or condition for individual providers  
58.19 as defined in section 256B.0711, and is not subject to the state's obligation to meet and  
58.20 negotiate under chapter 179A.

58.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

58.22 Sec. 18. Minnesota Statutes 2024, section 256B.0911, subdivision 24, is amended to read:

58.23 Subd. 24. **Remote reassessments.** (a) Assessments performed according to subdivisions  
58.24 17 to 20 and 23 must be in person unless the assessment is a reassessment meeting the  
58.25 requirements of this subdivision. Remote reassessments conducted by interactive video or  
58.26 telephone may substitute for in-person reassessments.

58.27 (b) For services provided by the developmental disabilities waiver under section  
58.28 256B.092, and the community access for disability inclusion, community alternative care,  
58.29 and brain injury waiver programs under section 256B.49, remote reassessments may be  
58.30 substituted for ~~two~~ four consecutive reassessments if followed by an in-person reassessment.

58.31 (c) For services provided by alternative care under section 256B.0913, essential  
58.32 community supports under section 256B.0922, and the elderly waiver under chapter 256S,

59.1 remote reassessments may be substituted for one reassessment if followed by an in-person  
59.2 reassessment.

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

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

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

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

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

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

59.20 Sec. 19. Minnesota Statutes 2024, section 256B.0911, is amended by adding a subdivision  
59.21 to read:

59.22 Subd. 24a. **Verbal attestation to replace required reassessment signatures.** Effective  
59.23 January 1, 2026, or upon federal approval, whichever is later, the commissioner shall allow  
59.24 for verbal attestation to replace required reassessment signatures.

59.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

59.26 Sec. 20. Minnesota Statutes 2024, section 256B.0911, is amended by adding a subdivision  
59.27 to read:

59.28 Subd. 25a. **Attesting to no changes in needs or services.** (a) A person who is 22 to 64  
59.29 years of age and receiving home and community-based waiver services under the  
59.30 developmental disabilities waiver program under section 256B.092; community access for  
59.31 disability inclusion, community alternative care, and brain injury waiver programs under

section 256B.49; and community first services and supports under section 256B.85 may attest that they have unchanged needs from the most recent prior assessment or reassessment for up to two consecutive reassessments if the lead agency provides informed choice and the person being reassessed or the person's legal representative provides informed consent. Lead agencies must document that informed choice was offered.

(b) The person or person's legal representative must attest, verbally or through alternative communications, that the information provided in the previous assessment or reassessment is still accurate and applicable and that no changes in the person's circumstances have occurred that would require changes from the most recent prior assessment or reassessment. The person or the person's legal representative may request a full reassessment at any time.

(c) The assessor must review the most recent prior assessment or reassessment as required in subdivision 22, paragraphs (a) and (b), clause (1), before conducting the interview. The certified assessor must confirm that the information from the previous assessment or reassessment is current.

(d) The assessment conducted under this section must:

(1) verify current assessed support needs;

(2) confirm continued need for the currently assessed level of care;

(3) inform the person of alternative long-term services and supports available;

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

and

(5) identify changes in need that may require a full reassessment.

(e) The assessor must ensure that any new assessment items or requirements mandated by federal or state authority are addressed and the person must provide required information.

**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. 21. Minnesota Statutes 2024, section 256B.0911, subdivision 26, is amended to read:

Subd. 26. **Determination of institutional level of care.** (a) The determination of need for hospital and intermediate care facility levels of care must be made according to criteria developed by the commissioner, and in section 256B.092, using forms developed by the commissioner.

(b) Except as provided in paragraph (c), the determination of need for nursing facility level of care must be made based on criteria in section 144.0724, subdivision 11.

(c) Effective for determinations of need for nursing level of care made on or after January 1, 2027, for the purposes of waiver services provided under section 256B.49, the commissioner must make the determination of need for nursing facility level of care based on the criteria in section 144.0724, subdivision 11, paragraph (a), clauses (1) to (6). If a person is found ineligible for waiver services under this paragraph because of a determination that the person meets only the nursing facility level of care under section 144.0724, subdivision 11, paragraph (a), clause (7), the lead agency must review the person's latest assessment under section 256B.0911 to determine if the person meets any of the nursing facility level of care criteria under section 144.0724, subdivision 11, paragraph (a), clauses (1) to (6). If the lead agency determines after the review that the person does not meet any of the nursing facility level of care criteria under section 144.0724, subdivision 11, paragraph (a), clauses (1) to (6), the lead agency must provide a notice of action to the person informing the person specifically that the person's waiver services are being terminated because the person meets only the nursing facility level of care of under section 144.0724, subdivision 11, paragraph (a), clause (7), which is no longer a basis for waiver eligibility. The lead agency must also inform the person of other benefits options for which the person may be eligible. For existing waiver participants, the effective date of the termination of waiver services based on this paragraph must be no sooner than 90 days after the date of the assessment under section 256B.0911.

Sec. 22. Minnesota Statutes 2024, section 256B.0924, subdivision 6, is amended to read:

**Subd. 6. Payment for targeted case management.** (a) Medical assistance and MinnesotaCare payment for targeted case management shall be made on a monthly basis. In order to receive payment for an eligible adult, the provider must document at least one contact per month and not more than two consecutive months without a face-to-face contact either in person or by interactive video that meets the requirements in section 256B.0625, subdivision 20b, with the adult or the adult's legal representative, family, primary caregiver, or other relevant persons identified as necessary to the development or implementation of the goals of the personal service plan.

(b) Except as provided under paragraph (m), payment for targeted case management provided by county staff under this subdivision shall be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph (b), calculated as one combined average rate together with adult mental health case management under section

62.1 256B.0625, subdivision 20, except for calendar year 2002. In calendar year 2002, the rate  
62.2 for case management under this section shall be the same as the rate for adult mental health  
62.3 case management in effect as of December 31, 2001. Billing and payment must identify the  
62.4 recipient's primary population group to allow tracking of revenues.

62.5 (c) Payment for targeted case management provided by county-contracted vendors shall  
62.6 be based on a monthly rate calculated in accordance with section 256B.076, subdivision 2.  
62.7 The rate must not exceed the rate charged by the vendor for the same service to other payers.  
62.8 If the service is provided by a team of contracted vendors, the team shall determine how to  
62.9 distribute the rate among its members. No reimbursement received by contracted vendors  
62.10 shall be returned to the county, except to reimburse the county for advance funding provided  
62.11 by the county to the vendor.

62.12 (d) If the service is provided by a team that includes contracted vendors and county staff,  
62.13 the costs for county staff participation on the team shall be included in the rate for  
62.14 county-provided services. In this case, the contracted vendor and the county may each  
62.15 receive separate payment for services provided by each entity in the same month. In order  
62.16 to prevent duplication of services, the county must document, in the recipient's file, the need  
62.17 for team targeted case management and a description of the different roles of the team  
62.18 members.

62.19 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for  
62.20 targeted case management shall be provided by the recipient's county of responsibility, as  
62.21 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds  
62.22 used to match other federal funds.

62.23 (f) The commissioner may suspend, reduce, or terminate reimbursement to a provider  
62.24 that does not meet the reporting or other requirements of this section. The county of  
62.25 responsibility, as defined in sections 256G.01 to 256G.12, is responsible for any federal  
62.26 disallowances. The county may share this responsibility with its contracted vendors.

62.27 (g) The commissioner shall set aside five percent of the federal funds received under  
62.28 this section for use in reimbursing the state for costs of developing and implementing this  
62.29 section.

62.30 (h) Payments to counties for targeted case management expenditures under this section  
62.31 shall only be made from federal earnings from services provided under this section. Payments  
62.32 to contracted vendors shall include both the federal earnings and the county share.

62.33 (i) Notwithstanding section 256B.041, county payments for the cost of case management  
62.34 services provided by county staff shall not be made to the commissioner of management

and budget. For the purposes of targeted case management services provided by county staff under this section, the centralized disbursement of payments to counties under section 256B.041 consists only of federal earnings from services provided under this section.

(j) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital, and the recipient's institutional care is paid by medical assistance, payment for targeted case management services under this subdivision is limited to the lesser of:

(1) the last 180 days of the recipient's residency in that facility; or

(2) the limits and conditions which apply to federal Medicaid funding for this service.

(k) Payment for targeted case management services under this subdivision shall not duplicate payments made under other program authorities for the same purpose.

(l) Any growth in targeted case management services and cost increases under this section shall be the responsibility of the counties.

(m) The commissioner may make payments for Tribes according to section 256B.0625, subdivision 34, or other relevant federally approved rate setting methodologies for vulnerable adult and developmental disability targeted case management provided by Indian health services and facilities operated by a Tribe or Tribal organization.

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

Sec. 23. Minnesota Statutes 2024, section 256B.0949, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The terms used in this section have the meanings given in this subdivision.

(b) "Advanced certification" means a person who has completed advanced certification in an approved modality under subdivision 13, paragraph (b).

(c) "Agency" means the legal entity that is enrolled with Minnesota health care programs as a medical assistance provider according to Minnesota Rules, part 9505.0195, to provide EIDBI services and that has the legal responsibility to ensure that its employees or contractors carry out the responsibilities defined in this section. Agency includes a licensed individual professional who practices independently and acts as an agency.

(d) "Autism spectrum disorder or a related condition" or "ASD or a related condition" means either autism spectrum disorder (ASD) as defined in the current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) or a condition that is found to be closely related to ASD, as identified under the current version of the DSM, and meets all of the following criteria:

- 64.1 (1) is severe and chronic;
- 64.2 (2) results in impairment of adaptive behavior and function similar to that of a person  
64.3 with ASD;
- 64.4 (3) requires treatment or services similar to those required for a person with ASD; and
- 64.5 (4) results in substantial functional limitations in three core developmental deficits of  
64.6 ASD: social or interpersonal interaction; functional communication, including nonverbal  
64.7 or social communication; and restrictive or repetitive behaviors or hyperreactivity or  
64.8 hyporeactivity to sensory input; and may include deficits or a high level of support in one  
64.9 or more of the following domains:
- 64.10 (i) behavioral challenges and self-regulation;
- 64.11 (ii) cognition;
- 64.12 (iii) learning and play;
- 64.13 (iv) self-care; or
- 64.14 (v) safety.
- 64.15 (e) "Person" means a person under 21 years of age.
- 64.16 (f) "Clinical supervision" means the overall responsibility for the control and direction  
64.17 of EIDBI service delivery, including individual treatment planning, staff supervision,  
64.18 individual treatment plan progress monitoring, and treatment review for each person. Clinical  
64.19 supervision is provided by a qualified supervising professional (QSP) who takes full  
64.20 professional responsibility for the service provided by each supervisee.
- 64.21 (g) "Commissioner" means the commissioner of human services, unless otherwise  
64.22 specified.
- 64.23 (h) "Comprehensive multidisciplinary evaluation" or "CMDE" means a comprehensive  
64.24 evaluation of a person to determine medical necessity for EIDBI services based on the  
64.25 requirements in subdivision 5.
- 64.26 (i) "Department" means the Department of Human Services, unless otherwise specified.
- 64.27 (j) "Early intensive developmental and behavioral intervention benefit" or "EIDBI  
64.28 benefit" means a variety of individualized, intensive treatment modalities approved and  
64.29 published by the commissioner that are based in behavioral and developmental science  
64.30 consistent with best practices on effectiveness.

65.1 (k) "Employee" means any person who is employed by an agency, including temporary  
65.2 and part-time employees, and who performs work for at least 80 hours in a year for that  
65.3 agency in Minnesota. Employee does not include an independent contractor.

65.4 ~~(k)~~ (l) "Generalizable goals" means results or gains that are observed during a variety  
65.5 of activities over time with different people, such as providers, family members, other adults,  
65.6 and people, and in different environments including, but not limited to, clinics, homes,  
65.7 schools, and the community.

65.8 ~~(l)~~ (m) "Incident" means when any of the following occur:

65.9 (1) an illness, accident, or injury that requires first aid treatment;

65.10 (2) a bump or blow to the head; or

65.11 (3) an unusual or unexpected event that jeopardizes the safety of a person or staff,  
65.12 including a person leaving the agency unattended.

65.13 ~~(m)~~ (n) "Individual treatment plan" or "ITP" means the person-centered, individualized  
65.14 written plan of care that integrates and coordinates person and family information from the  
65.15 CMDE for a person who meets medical necessity for the EIDBI benefit. An individual  
65.16 treatment plan must meet the standards in subdivision 6.

65.17 ~~(n)~~ (o) "Legal representative" means the parent of a child who is under 18 years of age,  
65.18 a court-appointed guardian, or other representative with legal authority to make decisions  
65.19 about service for a person. For the purpose of this subdivision, "other representative with  
65.20 legal authority to make decisions" includes a health care agent or an attorney-in-fact  
65.21 authorized through a health care directive or power of attorney.

65.22 ~~(o)~~ (p) "Mental health professional" means a staff person who is qualified according to  
65.23 section 245I.04, subdivision 2.

65.24 ~~(p)~~ (q) "Person-centered" means a service that both responds to the identified needs,  
65.25 interests, values, preferences, and desired outcomes of the person or the person's legal  
65.26 representative and respects the person's history, dignity, and cultural background and allows  
65.27 inclusion and participation in the person's community.

65.28 ~~(q)~~ (r) "Qualified EIDBI provider" means a person who is a QSP or a level I, level II,  
65.29 or level III treatment provider.

65.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

66.1 Sec. 24. Minnesota Statutes 2024, section 256B.0949, subdivision 15, is amended to read:

66.2 Subd. 15. **EIDBI provider qualifications.** (a) A QSP must be ~~employed by~~ an employee  
66.3 of an agency and be:

66.4 (1) a licensed mental health professional who has at least 2,000 hours of supervised  
66.5 clinical experience or training in examining or treating people with ASD or a related condition  
66.6 or equivalent documented coursework at the graduate level by an accredited university in  
66.7 ASD diagnostics, ASD developmental and behavioral treatment strategies, and typical child  
66.8 development; or

66.9 (2) a developmental or behavioral pediatrician who has at least 2,000 hours of supervised  
66.10 clinical experience or training in examining or treating people with ASD or a related condition  
66.11 or equivalent documented coursework at the graduate level by an accredited university in  
66.12 the areas of ASD diagnostics, ASD developmental and behavioral treatment strategies, and  
66.13 typical child development.

66.14 (b) A level I treatment provider must be ~~employed by~~ an employee of an agency and:

66.15 (1) have at least 2,000 hours of supervised clinical experience or training in examining  
66.16 or treating people with ASD or a related condition or equivalent documented coursework  
66.17 at the graduate level by an accredited university in ASD diagnostics, ASD developmental  
66.18 and behavioral treatment strategies, and typical child development or an equivalent  
66.19 combination of documented coursework or hours of experience; and

66.20 (2) have or be at least one of the following:

66.21 (i) a master's degree in behavioral health or child development or related fields including,  
66.22 but not limited to, mental health, special education, social work, psychology, speech  
66.23 pathology, or occupational therapy from an accredited college or university;

66.24 (ii) a bachelor's degree in a behavioral health, child development, or related field  
66.25 including, but not limited to, mental health, special education, social work, psychology,  
66.26 speech pathology, or occupational therapy, from an accredited college or university, and  
66.27 advanced certification in a treatment modality recognized by the department;

66.28 (iii) a board-certified behavior analyst as defined by the Behavior Analyst Certification  
66.29 Board or a qualified behavior analyst as defined by the Qualified Applied Behavior Analysis  
66.30 Credentialing Board; or

66.31 (iv) a board-certified assistant behavior analyst with 4,000 hours of supervised clinical  
66.32 experience that meets all registration, supervision, and continuing education requirements  
66.33 of the certification.

67.1 (c) A level II treatment provider must be ~~employed by~~ an employee of an agency and  
67.2 must be:

67.3 (1) a person who has a bachelor's degree from an accredited college or university in a  
67.4 behavioral or child development science or related field including, but not limited to, mental  
67.5 health, special education, social work, psychology, speech pathology, or occupational  
67.6 therapy; and meets at least one of the following:

67.7 (i) has at least 1,000 hours of supervised clinical experience or training in examining or  
67.8 treating people with ASD or a related condition or equivalent documented coursework at  
67.9 the graduate level by an accredited university in ASD diagnostics, ASD developmental and  
67.10 behavioral treatment strategies, and typical child development or a combination of  
67.11 coursework or hours of experience;

67.12 (ii) has certification as a board-certified assistant behavior analyst from the Behavior  
67.13 Analyst Certification Board or a qualified autism service practitioner from the Qualified  
67.14 Applied Behavior Analysis Credentialing Board;

67.15 (iii) is a registered behavior technician as defined by the Behavior Analyst Certification  
67.16 Board or an applied behavior analysis technician as defined by the Qualified Applied  
67.17 Behavior Analysis Credentialing Board; or

67.18 (iv) is certified in one of the other treatment modalities recognized by the department;  
67.19 or

67.20 (2) a person who has:

67.21 (i) an associate's degree in a behavioral or child development science or related field  
67.22 including, but not limited to, mental health, special education, social work, psychology,  
67.23 speech pathology, or occupational therapy from an accredited college or university; and

67.24 (ii) at least 2,000 hours of supervised clinical experience in delivering treatment to people  
67.25 with ASD or a related condition. Hours worked as a mental health behavioral aide or level  
67.26 III treatment provider may be included in the required hours of experience; or

67.27 (3) a person who has at least 4,000 hours of supervised clinical experience in delivering  
67.28 treatment to people with ASD or a related condition. Hours worked as a mental health  
67.29 behavioral aide or level III treatment provider may be included in the required hours of  
67.30 experience; or

67.31 (4) a person who is a graduate student in a behavioral science, child development science,  
67.32 or related field and is receiving clinical supervision by a QSP affiliated with an agency to

68.1 meet the clinical training requirements for experience and training with people with ASD  
68.2 or a related condition; or

68.3 (5) a person who is at least 18 years of age and who:

68.4 (i) is fluent in a non-English language or is an individual certified by a Tribal Nation;

68.5 (ii) completed the level III EIDBI training requirements; and

68.6 (iii) receives observation and direction from a QSP or level I treatment provider at least  
68.7 once a week until the person meets 1,000 hours of supervised clinical experience.

68.8 (d) A level III treatment provider must be ~~employed by~~ an employee of an agency, have  
68.9 completed the level III training requirement, be at least 18 years of age, and have at least  
68.10 one of the following:

68.11 (1) a high school diploma or commissioner of education-selected high school equivalency  
68.12 certification;

68.13 (2) fluency in a non-English language or Tribal Nation certification;

68.14 (3) one year of experience as a primary personal care assistant, community health worker,  
68.15 waiver service provider, or special education assistant to a person with ASD or a related  
68.16 condition within the previous five years; or

68.17 (4) completion of all required EIDBI training within six months of employment.

68.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

68.19 Sec. 25. Minnesota Statutes 2024, section 256B.0949, subdivision 16, is amended to read:

68.20 Subd. 16. **Agency duties.** (a) An agency delivering an EIDBI service under this section  
68.21 must:

68.22 (1) enroll as a medical assistance Minnesota health care program provider according to  
68.23 Minnesota Rules, part 9505.0195, and section 256B.04, subdivision 21, and meet all  
68.24 applicable provider standards and requirements;

68.25 (2) demonstrate compliance with federal and state laws for EIDBI service;

68.26 (3) verify and maintain records of a service provided to the person or the person's legal  
68.27 representative as required under Minnesota Rules, parts 9505.2175 and 9505.2197;

68.28 (4) demonstrate that while enrolled or seeking enrollment as a Minnesota health care  
68.29 program provider the agency did not have a lead agency contract or provider agreement  
68.30 discontinued because of a conviction of fraud; or did not have an owner, board member, or

69.1 manager fail a state or federal criminal background check or appear on the list of excluded  
69.2 individuals or entities maintained by the federal Department of Human Services Office of  
69.3 Inspector General;

69.4 (5) have established business practices including written policies and procedures, internal  
69.5 controls, and a system that demonstrates the organization's ability to deliver quality EIDBI  
69.6 services;

69.7 (6) have an office located in Minnesota or a border state;

69.8 (7) conduct a criminal background check on an individual who has direct contact with  
69.9 the person or the person's legal representative;

69.10 (8) report maltreatment according to section 626.557 and chapter 260E;

69.11 (9) comply with any data requests consistent with the Minnesota Government Data  
69.12 Practices Act, sections 256B.064 and 256B.27;

69.13 (10) provide training for all agency staff on the requirements and responsibilities listed  
69.14 in the Maltreatment of Minors Act, chapter 260E, and the Vulnerable Adult Protection Act,  
69.15 section 626.557, including mandated and voluntary reporting, nonretaliation, and the agency's  
69.16 policy for all staff on how to report suspected abuse and neglect;

69.17 (11) have a written policy to resolve issues collaboratively with the person and the  
69.18 person's legal representative when possible. The policy must include a timeline for when  
69.19 the person and the person's legal representative will be notified about issues that arise in  
69.20 the provision of services;

69.21 (12) provide the person's legal representative with prompt notification if the person is  
69.22 injured while being served by the agency. An incident report must be completed by the  
69.23 agency staff member in charge of the person. A copy of all incident and injury reports must  
69.24 remain on file at the agency for at least five years from the report of the incident; ~~and~~

69.25 (13) before starting a service, provide the person or the person's legal representative a  
69.26 description of the treatment modality that the person shall receive, including the staffing  
69.27 certification levels and training of the staff who shall provide a treatment-;

69.28 (14) provide clinical supervision by a qualified supervising professional for a minimum  
69.29 of one hour of supervision for every ten hours of direct treatment per person that meets  
69.30 clinical licensure requirements for quality supervision and effective intervention; and

69.31 (15) provide clinical, in-person supervision sessions by a qualified supervising  
69.32 professional at least once per month for intervention, observation, and direction.

(b) When delivering the ITP, and annually thereafter, an agency must provide the person or the person's legal representative with:

(1) a written copy and a verbal explanation of the person's or person's legal representative's rights and the agency's responsibilities;

(2) documentation in the person's file the date that the person or the person's legal representative received a copy and explanation of the person's or person's legal representative's rights and the agency's responsibilities; and

(3) reasonable accommodations to provide the information in another format or language as needed to facilitate understanding of the person's or person's legal representative's rights and the agency's responsibilities.

Sec. 26. Minnesota Statutes 2024, section 256B.0949, subdivision 16a, is amended to read:

Subd. 16a. **Background studies.** An early intensive developmental and behavioral intervention services agency must fulfill any background studies requirements under this section by initiating a background study through the commissioner's NETStudy 2.0 system as provided under sections 245C.03, subdivision 15, and 245C.10, subdivision 17.

Sec. 27. Minnesota Statutes 2024, section 256B.0949, is amended by adding a subdivision to read:

Subd. 18. **Provisional licensure.** Beginning on January 1, 2026, the commissioner shall begin issuing provisional licenses to enrolled EIDBI agencies pursuant to section 245A.142.

Sec. 28. Minnesota Statutes 2024, section 256B.19, subdivision 1, is amended to read:

Subdivision 1. **Division of cost.** (a) The state and county share of medical assistance costs not paid by federal funds shall be as follows:

(1) beginning January 1, 1992, 50 percent state funds and 50 percent county funds for the cost of placement of severely emotionally disturbed children in regional treatment centers;

(2) beginning January 1, 2003, 80 percent state funds and 20 percent county funds for the costs of nursing facility placements of persons with disabilities under the age of 65 that have exceeded 90 days. This clause shall be subject to chapter 256G and shall not apply to placements in facilities not certified to participate in medical assistance;

(3) beginning July 1, 2004, 90 percent state funds and ten percent county funds for the costs of placements that have exceeded 90 days in intermediate care facilities for persons with developmental disabilities that have seven or more beds. This provision includes pass-through payments made under section 256B.5015; ~~and~~

(4) beginning July 1, 2004, when state funds are used to pay for a nursing facility placement due to the facility's status as an institution for mental diseases (IMD), the county shall pay 20 percent of the nonfederal share of costs that have exceeded 90 days. This clause is subject to chapter 256G; and

(5) beginning July 1, 2026, or upon federal approval, whichever is later, 98 percent state funds and two percent county funds for the costs of services for all people receiving community residential services, family residential services, customized living services, or integrated community supports under section 256B.4914.

(b) For counties that participate in a Medicaid demonstration project under sections 256B.69 and 256B.71, the division of the nonfederal share of medical assistance expenses for payments made to prepaid health plans or for payments made to health maintenance organizations in the form of prepaid capitation payments, this division of medical assistance expenses shall be 95 percent by the state and five percent by the county of financial responsibility.

(c) In counties where prepaid health plans are under contract to the commissioner to provide services to medical assistance recipients, the cost of court ordered treatment ordered without consulting the prepaid health plan that does not include diagnostic evaluation, recommendation, and referral for treatment by the prepaid health plan is the responsibility of the county of financial responsibility.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 29. Minnesota Statutes 2024, section 256B.4914, subdivision 3, is amended to read:

Subd. 3. **Applicable services.** ~~(a)~~ Applicable services are those authorized under the state's home and community-based services waivers under sections 256B.092 and 256B.49, including the following, as defined in the federally approved home and community-based services plan:

(1) 24-hour customized living;

(2) adult day services;

(3) adult day services bath;

- 72.1 (4) community residential services;
- 72.2 (5) customized living;
- 72.3 (6) day support services;
- 72.4 (7) employment development services;
- 72.5 (8) employment exploration services;
- 72.6 (9) employment support services;
- 72.7 (10) family residential services;
- 72.8 (11) individualized home supports;
- 72.9 (12) individualized home supports with family training;
- 72.10 (13) individualized home supports with training;
- 72.11 (14) integrated community supports;
- 72.12 (15) life sharing;
- 72.13 (16) effective until the effective date of clauses (17) and (18), night supervision;
- 72.14 (17) effective January 1, 2026, or upon federal approval, whichever is later, awake night
- 72.15 supervision;
- 72.16 (18) effective January 1, 2026, or upon federal approval, whichever is later, asleep night
- 72.17 supervision;
- 72.18 ~~(17)~~ (19) positive support services;
- 72.19 ~~(18)~~ (20) prevocational services;
- 72.20 ~~(19)~~ (21) residential support services;
- 72.21 ~~(20) respite services;~~
- 72.22 ~~(21)~~ (22) transportation services; and
- 72.23 ~~(22)~~ (23) other services as approved by the federal government in the state home and
- 72.24 community-based services waiver plan.
- 72.25 ~~(b) Effective January 1, 2024, or upon federal approval, whichever is later, respite~~
- 72.26 ~~services under paragraph (a), clause (20), are not an applicable service under this section.~~
- 72.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

73.1 Sec. 30. Minnesota Statutes 2024, section 256B.4914, subdivision 5, is amended to read:

73.2 Subd. 5. **Base wage index; establishment and updates.** (a) The base wage index is  
73.3 established to determine staffing costs associated with providing services to individuals  
73.4 receiving home and community-based services. For purposes of calculating the base wage,  
73.5 Minnesota-specific wages taken from job descriptions and standard occupational  
73.6 classification (SOC) codes from the Bureau of Labor Statistics as defined in the Occupational  
73.7 Handbook must be used.

73.8 (b) The commissioner shall ~~update~~ establish the base wage index in subdivision 5a,  
73.9 publish these updated values, and load them into the rate management system ~~as follows~~:

73.10 ~~(1) on January 1, 2022, based on wage data by SOC from the Bureau of Labor Statistics~~  
73.11 ~~available as of December 31, 2019;~~

73.12 ~~(2) on January 1, 2024, based on wage data by SOC from the Bureau of Labor Statistics~~  
73.13 ~~published in March 2022; and.~~

73.14 ~~(3) on January 1, 2026, and every two years thereafter, based on wage data by SOC from~~  
73.15 ~~the Bureau of Labor Statistics published in the spring approximately 21 months prior to the~~  
73.16 ~~scheduled update.~~

73.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

73.18 Sec. 31. Minnesota Statutes 2024, section 256B.4914, subdivision 5a, is amended to read:

73.19 Subd. 5a. **Base wage index; calculations.** The base wage index must be calculated as  
73.20 follows:

73.21 (1) for supervisory staff, 100 percent of the median wage for community and social  
73.22 services specialist (SOC code 21-1099), with the exception of the supervisor of positive  
73.23 supports professional, positive supports analyst, and positive supports specialist, which is  
73.24 100 percent of the median wage for clinical counseling and school psychologist (SOC code  
73.25 19-3031);

73.26 (2) for registered nurse staff, 100 percent of the median wage for registered nurses (SOC  
73.27 code 29-1141);

73.28 (3) for licensed practical nurse staff, 100 percent of the median wage for licensed practical  
73.29 nurses (SOC code 29-2061);

73.30 (4) for residential asleep-overnight staff, the minimum wage in Minnesota for large  
73.31 employers;

74.1 (5) for residential direct care staff, the sum of:

74.2 (i) 15 percent of the subtotal of 50 percent of the median wage for home health and  
74.3 personal care aide (SOC code 31-1120); 30 percent of the median wage for nursing assistant  
74.4 (SOC code 31-1131); and 20 percent of the median wage for social and human services  
74.5 aide (SOC code 21-1093); and

74.6 (ii) 85 percent of the subtotal of 40 percent of the median wage for home health and  
74.7 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant  
74.8 (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code  
74.9 29-2053); and 20 percent of the median wage for social and human services aide (SOC code  
74.10 21-1093);

74.11 (6) for adult day services staff, 70 percent of the median wage for nursing assistant (SOC  
74.12 code 31-1131); and 30 percent of the median wage for home health and personal care aide  
74.13 (SOC code 31-1120);

74.14 (7) for day support services staff and prevocational services staff, 20 percent of the  
74.15 median wage for nursing assistant (SOC code 31-1131); 20 percent of the median wage for  
74.16 psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social  
74.17 and human services aide (SOC code 21-1093);

74.18 (8) for positive supports analyst staff, 100 percent of the median wage for substance  
74.19 abuse, behavioral disorder, and mental health counselor (SOC code 21-1018);

74.20 (9) for positive supports professional staff, 100 percent of the median wage for clinical  
74.21 counseling and school psychologist (SOC code 19-3031);

74.22 (10) for positive supports specialist staff, 100 percent of the median wage for psychiatric  
74.23 technicians (SOC code 29-2053);

74.24 (11) for individualized home supports with family training staff, 20 percent of the median  
74.25 wage for nursing aide (SOC code 31-1131); 30 percent of the median wage for community  
74.26 social service specialist (SOC code 21-1099); 40 percent of the median wage for social and  
74.27 human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric  
74.28 technician (SOC code 29-2053);

74.29 (12) for individualized home supports with training services staff, 40 percent of the  
74.30 median wage for community social service specialist (SOC code 21-1099); 50 percent of  
74.31 the median wage for social and human services aide (SOC code 21-1093); and ten percent  
74.32 of the median wage for psychiatric technician (SOC code 29-2053);

(13) for employment support services staff, 50 percent of the median wage for rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for community and social services specialist (SOC code 21-1099);

(14) for employment exploration services staff, 50 percent of the median wage for education, guidance, school, and vocational counselor (SOC code 21-1012); and 50 percent of the median wage for community and social services specialist (SOC code 21-1099);

(15) for employment development services staff, 50 percent of the median wage for education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent of the median wage for community and social services specialist (SOC code 21-1099);

(16) for individualized home support without training staff, 50 percent of the median wage for home health and personal care aide (SOC code 31-1120); and 50 percent of the median wage for nursing assistant (SOC code 31-1131); ~~and~~

(17) effective until the effective date of clauses (18) and (19), for night supervision staff, 40 percent of the median wage for home health and personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

(18) effective January 1, 2026, or upon federal approval, whichever is later, for awake night supervision staff, 40 percent of the median wage for home health and personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant (SOC code 31-1131); 20 percent the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aid (SOC code 21-1093); and

(19) effective January 1, 2026, or upon federal approval, whichever is later, for asleep night supervision staff, the minimum wage in Minnesota for large employers.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 32. Minnesota Statutes 2024, section 256B.4914, subdivision 5b, is amended to read:

Subd. 5b. **Standard component value adjustments.** The commissioner shall update the base wage index under subdivision 5a; the client and programming support, transportation, and program facility cost component values as required in subdivisions 6 to 9; and the rates identified in subdivision 19 for changes in the Consumer Price Index. The commissioner shall adjust these values higher or lower, publish these updated values, and load them into the rate management system ~~as follows:~~

~~(1) on January 1, 2022, by the percentage change in the CPI-U from the date of the previous update to the data available on December 31, 2019;~~

~~(2) on January 1, 2024, by the percentage change in the CPI-U from the date of the previous update to the data available as of December 31, 2022; and~~

(3) on January 1, 2026, and every two years thereafter, by the percentage change in the CPI-U from the date of the previous update to the data available 24 months and one day prior to the scheduled update.

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

Sec. 33. Minnesota Statutes 2024, section 256B.4914, subdivision 6a, is amended to read:

Subd. 6a. **Community residential services; component values and calculation of payment rates.** (a) Component values for community residential services are:

(1) competitive workforce factor: ~~6.7 percent;~~

(i) 6.7 percent. This item expires upon the effective date of item (ii);

(ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

This item expires upon the effective date of item (iii); and

(iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

(2) supervisory span of control ratio: 11 percent;

(3) employee vacation, sick, and training allowance ratio: 8.71 percent;

(4) employee-related cost ratio: 23.6 percent;

(5) general administrative support ratio: 13.25 percent;

(6) program-related expense ratio: 1.3 percent; and

(7) absence and utilization factor ratio: 3.9 percent.

(b) Payments for community residential services must be calculated as follows:

(1) determine the number of shared direct staffing and individual direct staffing hours to meet a recipient's needs provided on site or through monitoring technology;

(2) determine the appropriate hourly staff wage rates derived by the commissioner as provided in subdivisions 5 and 5a;

77.1 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
77.2 product of one plus the competitive workforce factor;

77.3 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
77.4 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
77.5 to the result of clause (3);

77.6 (5) multiply the number of shared direct staffing and individual direct staffing hours  
77.7 provided on site or through monitoring technology and nursing hours by the appropriate  
77.8 staff wages;

77.9 (6) multiply the number of shared direct staffing and individual direct staffing hours  
77.10 provided on site or through monitoring technology and nursing hours by the product of the  
77.11 supervision span of control ratio and the appropriate supervisory staff wage in subdivision  
77.12 5a, clause (1);

77.13 (7) combine the results of clauses (5) and (6), excluding any shared direct staffing and  
77.14 individual direct staffing hours provided through monitoring technology, and multiply the  
77.15 result by one plus the employee vacation, sick, and training allowance ratio. This is defined  
77.16 as the direct staffing cost;

77.17 (8) for employee-related expenses, multiply the direct staffing cost, excluding any shared  
77.18 direct staffing and individual hours provided through monitoring technology, by one plus  
77.19 the employee-related cost ratio;

77.20 (9) for client programming and supports, add \$2,260.21 divided by 365. The  
77.21 commissioner shall update the amount in this clause as specified in subdivision 5b;

77.22 (10) for transportation, if provided, add \$1,742.62 divided by 365, or \$3,111.81 divided  
77.23 by 365 if customized for adapted transport, based on the resident with the highest assessed  
77.24 need. The commissioner shall update the amounts in this clause as specified in subdivision  
77.25 5b;

77.26 (11) subtotal clauses (8) to (10) and the direct staffing cost of any shared direct staffing  
77.27 and individual direct staffing hours provided through monitoring technology that was  
77.28 excluded in clause (8);

77.29 (12) sum the standard general administrative support ratio, the program-related expense  
77.30 ratio, and the absence and utilization factor ratio;

77.31 (13) divide the result of clause (11) by one minus the result of clause (12). This is the  
77.32 total payment amount; and

78.1 (14) adjust the result of clause (13) by a factor to be determined by the commissioner  
78.2 to adjust for regional differences in the cost of providing services.

78.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

78.4 Sec. 34. Minnesota Statutes 2024, section 256B.4914, subdivision 6b, is amended to read:

78.5 Subd. 6b. **Family residential services; component values and calculation of payment**  
78.6 **rates.** (a) Component values for family residential services are:

78.7 (1) competitive workforce factor: ~~6.7 percent;~~

78.8 (i) 6.7 percent. This item expires upon the effective date of item (ii);

78.9 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

78.10 This item expires upon the effective date of item (iii); and

78.11 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

78.12 (2) supervisory span of control ratio: 11 percent;

78.13 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

78.14 (4) employee-related cost ratio: 23.6 percent;

78.15 (5) general administrative support ratio: 3.3 percent;

78.16 (6) program-related expense ratio: 1.3 percent; and

78.17 (7) absence factor: 1.7 percent.

78.18 (b) Payments for family residential services must be calculated as follows:

78.19 (1) determine the number of shared direct staffing and individual direct staffing hours  
78.20 to meet a recipient's needs provided on site or through monitoring technology;

78.21 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
78.22 provided in subdivisions 5 and 5a;

78.23 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
78.24 product of one plus the competitive workforce factor;

78.25 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
78.26 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
78.27 to the result of clause (3);

(5) multiply the number of shared direct staffing and individual direct staffing hours provided on site or through monitoring technology and nursing hours by the appropriate staff wages;

(6) multiply the number of shared direct staffing and individual direct staffing hours provided on site or through monitoring technology and nursing hours by the product of the supervisory span of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);

(7) combine the results of clauses (5) and (6), excluding any shared direct staffing and individual direct staffing hours provided through monitoring technology, and multiply the result by one plus the employee vacation, sick, and training allowance ratio. This is defined as the direct staffing cost;

(8) for employee-related expenses, multiply the direct staffing cost, excluding any shared and individual direct staffing hours provided through monitoring technology, by one plus the employee-related cost ratio;

(9) for client programming and supports, add \$2,260.21 divided by 365. The commissioner shall update the amount in this clause as specified in subdivision 5b;

(10) for transportation, if provided, add \$1,742.62 divided by 365, or \$3,111.81 divided by 365 if customized for adapted transport, based on the resident with the highest assessed need. The commissioner shall update the amounts in this clause as specified in subdivision 5b;

(11) subtotal clauses (8) to (10) and the direct staffing cost of any shared direct staffing and individual direct staffing hours provided through monitoring technology that was excluded in clause (8);

(12) sum the standard general administrative support ratio, the program-related expense ratio, and the absence and utilization factor ratio;

(13) divide the result of clause (11) by one minus the result of clause (12). This is the total payment rate; and

(14) adjust the result of clause (13) by a factor to be determined by the commissioner to adjust for regional differences in the cost of providing services.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

- 80.1 Sec. 35. Minnesota Statutes 2024, section 256B.4914, subdivision 6c, is amended to read:
- 80.2 Subd. 6c. **Integrated community supports; component values and calculation of**
- 80.3 **payment rates.** (a) Component values for integrated community supports are:
- 80.4 (1) competitive workforce factor: ~~6.7 percent~~;
- 80.5 (i) 6.7 percent. This item expires upon the effective date of item (ii);
- 80.6 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.
- 80.7 This item expires upon the effective date of item (iii); and
- 80.8 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;
- 80.9 (2) supervisory span of control ratio: 11 percent;
- 80.10 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 80.11 (4) employee-related cost ratio: 23.6 percent;
- 80.12 (5) general administrative support ratio: 13.25 percent;
- 80.13 (6) program-related expense ratio: 1.3 percent; and
- 80.14 (7) absence and utilization factor ratio: 3.9 percent.
- 80.15 (b) Payments for integrated community supports must be calculated as follows:
- 80.16 (1) determine the number of shared direct staffing and individual direct staffing hours
- 80.17 to meet a recipient's needs. The base shared direct staffing hours must be eight hours divided
- 80.18 by the number of people receiving support in the integrated community support setting, and
- 80.19 the individual direct staffing hours must be the average number of direct support hours
- 80.20 provided directly to the service recipient;
- 80.21 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 80.22 provided in subdivisions 5 and 5a;
- 80.23 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 80.24 product of one plus the competitive workforce factor;
- 80.25 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 80.26 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 80.27 to the result of clause (3);
- 80.28 (5) multiply the number of shared direct staffing and individual direct staffing hours in
- 80.29 clause (1) by the appropriate staff wages;

81.1 (6) multiply the number of shared direct staffing and individual direct staffing hours in  
81.2 clause (1) by the product of the supervisory span of control ratio and the appropriate  
81.3 supervisory staff wage in subdivision 5a, clause (1);

81.4 (7) combine the results of clauses (5) and (6) and multiply the result by one plus the  
81.5 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
81.6 cost;

81.7 (8) for employee-related expenses, multiply the direct staffing cost by one plus the  
81.8 employee-related cost ratio;

81.9 (9) for client programming and supports, add \$2,260.21 divided by 365. The  
81.10 commissioner shall update the amount in this clause as specified in subdivision 5b;

81.11 (10) add the results of clauses (8) and (9);

81.12 (11) add the standard general administrative support ratio, the program-related expense  
81.13 ratio, and the absence and utilization factor ratio;

81.14 (12) divide the result of clause (10) by one minus the result of clause (11). This is the  
81.15 total payment amount; and

81.16 (13) adjust the result of clause (12) by a factor to be determined by the commissioner  
81.17 to adjust for regional differences in the cost of providing services.

81.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

81.19 Sec. 36. Minnesota Statutes 2024, section 256B.4914, subdivision 7a, is amended to read:

81.20 Subd. 7a. **Adult day services; component values and calculation of payment rates.** (a)  
81.21 Component values for adult day services are:

81.22 (1) competitive workforce factor: ~~6.7 percent~~;

81.23 (i) 6.7 percent. This item expires upon the effective date of item (ii);

81.24 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

81.25 This item expires upon the effective date of item (iii); and

81.26 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

81.27 (2) supervisory span of control ratio: 11 percent;

81.28 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

81.29 (4) employee-related cost ratio: 23.6 percent;

81.30 (5) program plan support ratio: 5.6 percent;

- 82.1 (6) client programming and support ratio: 7.4 percent, updated as specified in subdivision  
82.2 5b;
- 82.3 (7) general administrative support ratio: 13.25 percent;
- 82.4 (8) program-related expense ratio: 1.8 percent; and
- 82.5 (9) absence and utilization factor ratio: ~~9.4~~ 3.9 percent.
- 82.6 (b) A unit of service for adult day services is either a day or 15 minutes. A day unit of  
82.7 service is six or more hours of time spent providing direct service.
- 82.8 (c) Payments for adult day services must be calculated as follows:
- 82.9 (1) determine the number of units of service and the staffing ratio to meet a recipient's  
82.10 needs;
- 82.11 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
82.12 provided in subdivisions 5 and 5a;
- 82.13 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
82.14 product of one plus the competitive workforce factor;
- 82.15 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
82.16 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
82.17 to the result of clause (3);
- 82.18 (5) multiply the number of day program direct staffing hours and nursing hours by the  
82.19 appropriate staff wage;
- 82.20 (6) multiply the number of day program direct staffing hours by the product of the  
82.21 supervisory span of control ratio and the appropriate supervisory staff wage in subdivision  
82.22 5a, clause (1);
- 82.23 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the  
82.24 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
82.25 rate;
- 82.26 (8) for program plan support, multiply the result of clause (7) by one plus the program  
82.27 plan support ratio;
- 82.28 (9) for employee-related expenses, multiply the result of clause (8) by one plus the  
82.29 employee-related cost ratio;
- 82.30 (10) for client programming and supports, multiply the result of clause (9) by one plus  
82.31 the client programming and support ratio;

83.1 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios  
83.2 to meet individual needs, updated as specified in subdivision 5b;

83.3 (12) for adult day bath services, add \$7.01 per 15 minute unit;

83.4 (13) this is the subtotal rate;

83.5 (14) sum the standard general administrative rate support ratio, the program-related  
83.6 expense ratio, and the absence and utilization factor ratio;

83.7 (15) divide the result of clause (13) by one minus the result of clause (14). This is the  
83.8 total payment amount; and

83.9 (16) adjust the result of clause (15) by a factor to be determined by the commissioner  
83.10 to adjust for regional differences in the cost of providing services.

83.11 **EFFECTIVE DATE.** The amendments to paragraph (a), clause (1), are effective the  
83.12 day following final enactment. The amendment to paragraph (a), clause (9), is effective  
83.13 January 1, 2026.

83.14 Sec. 37. Minnesota Statutes 2024, section 256B.4914, subdivision 7b, is amended to read:

83.15 Subd. 7b. **Day support services; component values and calculation of payment**  
83.16 **rates.** (a) Component values for day support services are:

83.17 (1) competitive workforce factor: ~~6.7 percent;~~

83.18 (i) 6.7 percent. This item expires upon the effective date of item (ii);

83.19 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

83.20 This item expires upon the effective date of item (iii); and

83.21 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

83.22 (2) supervisory span of control ratio: 11 percent;

83.23 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

83.24 (4) employee-related cost ratio: 23.6 percent;

83.25 (5) program plan support ratio: 5.6 percent;

83.26 (6) client programming and support ratio: 10.37 percent, updated as specified in  
83.27 subdivision 5b;

83.28 (7) general administrative support ratio: 13.25 percent;

83.29 (8) program-related expense ratio: 1.8 percent; and

- 84.1 (9) absence and utilization factor ratio: ~~9.4~~ 3.9 percent.
- 84.2 (b) A unit of service for day support services is 15 minutes.
- 84.3 (c) Payments for day support services must be calculated as follows:
- 84.4 (1) determine the number of units of service and the staffing ratio to meet a recipient's
- 84.5 needs;
- 84.6 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 84.7 provided in subdivisions 5 and 5a;
- 84.8 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 84.9 product of one plus the competitive workforce factor;
- 84.10 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 84.11 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 84.12 to the result of clause (3);
- 84.13 (5) multiply the number of day program direct staffing hours and nursing hours by the
- 84.14 appropriate staff wage;
- 84.15 (6) multiply the number of day program direct staffing hours by the product of the
- 84.16 supervisory span of control ratio and the appropriate supervisory staff wage in subdivision
- 84.17 5a, clause (1);
- 84.18 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
- 84.19 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
- 84.20 rate;
- 84.21 (8) for program plan support, multiply the result of clause (7) by one plus the program
- 84.22 plan support ratio;
- 84.23 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
- 84.24 employee-related cost ratio;
- 84.25 (10) for client programming and supports, multiply the result of clause (9) by one plus
- 84.26 the client programming and support ratio;
- 84.27 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios
- 84.28 to meet individual needs, updated as specified in subdivision 5b;
- 84.29 (12) this is the subtotal rate;
- 84.30 (13) sum the standard general administrative rate support ratio, the program-related
- 84.31 expense ratio, and the absence and utilization factor ratio;

85.1 (14) divide the result of clause (12) by one minus the result of clause (13). This is the  
85.2 total payment amount; and

85.3 (15) adjust the result of clause (14) by a factor to be determined by the commissioner  
85.4 to adjust for regional differences in the cost of providing services.

85.5 **EFFECTIVE DATE.** The amendments to paragraph (a), clause (1), are effective the  
85.6 day following final enactment. The amendment to paragraph (a), clause (9), is effective  
85.7 January 1, 2026.

85.8 Sec. 38. Minnesota Statutes 2024, section 256B.4914, subdivision 7c, is amended to read:

85.9 Subd. 7c. **Prevocational services; component values and calculation of payment**  
85.10 **rates.** (a) Component values for prevocational services are:

85.11 (1) competitive workforce factor: ~~6.7 percent~~;

85.12 (i) 6.7 percent. This item expires upon the effective date of item (ii);

85.13 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

85.14 This item expires upon the effective date of item (iii); and

85.15 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

85.16 (2) supervisory span of control ratio: 11 percent;

85.17 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

85.18 (4) employee-related cost ratio: 23.6 percent;

85.19 (5) program plan support ratio: 5.6 percent;

85.20 (6) client programming and support ratio: 10.37 percent, updated as specified in  
85.21 subdivision 5b;

85.22 (7) general administrative support ratio: 13.25 percent;

85.23 (8) program-related expense ratio: 1.8 percent; and

85.24 (9) absence and utilization factor ratio: ~~9.4~~ 3.9 percent.

85.25 (b) A unit of service for prevocational services is either a day or 15 minutes. A day unit  
85.26 of service is six or more hours of time spent providing direct service.

85.27 (c) Payments for prevocational services must be calculated as follows:

85.28 (1) determine the number of units of service and the staffing ratio to meet a recipient's  
85.29 needs;

86.1 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
86.2 provided in subdivisions 5 and 5a;

86.3 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
86.4 product of one plus the competitive workforce factor;

86.5 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
86.6 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
86.7 to the result of clause (3);

86.8 (5) multiply the number of day program direct staffing hours and nursing hours by the  
86.9 appropriate staff wage;

86.10 (6) multiply the number of day program direct staffing hours by the product of the  
86.11 supervisory span of control ratio and the appropriate supervisory staff wage in subdivision  
86.12 5a, clause (1);

86.13 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the  
86.14 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
86.15 rate;

86.16 (8) for program plan support, multiply the result of clause (7) by one plus the program  
86.17 plan support ratio;

86.18 (9) for employee-related expenses, multiply the result of clause (8) by one plus the  
86.19 employee-related cost ratio;

86.20 (10) for client programming and supports, multiply the result of clause (9) by one plus  
86.21 the client programming and support ratio;

86.22 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios  
86.23 to meet individual needs, updated as specified in subdivision 5b;

86.24 (12) this is the subtotal rate;

86.25 (13) sum the standard general administrative rate support ratio, the program-related  
86.26 expense ratio, and the absence and utilization factor ratio;

86.27 (14) divide the result of clause (12) by one minus the result of clause (13). This is the  
86.28 total payment amount; and

86.29 (15) adjust the result of clause (14) by a factor to be determined by the commissioner  
86.30 to adjust for regional differences in the cost of providing services.

87.1 **EFFECTIVE DATE.** The amendments to paragraph (a), clause (1), are effective the  
87.2 day following final enactment. The amendment to paragraph (a), clause (9), is effective  
87.3 January 1, 2026.

87.4 Sec. 39. Minnesota Statutes 2024, section 256B.4914, subdivision 8, is amended to read:

87.5 Subd. 8. **Unit-based services with programming; component values and calculation**  
87.6 **of payment rates.** (a) For the purpose of this section, unit-based services with programming  
87.7 include employment exploration services, employment development services, employment  
87.8 support services, individualized home supports with family training, individualized home  
87.9 supports with training, and positive support services provided to an individual outside of  
87.10 any service plan for a day program or residential support service.

87.11 (b) Component values for unit-based services with programming are:

87.12 (1) competitive workforce factor: ~~6.7 percent~~;

87.13 (i) 6.7 percent. This item expires upon the effective date of item (ii);

87.14 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

87.15 This item expires upon the effective date of item (iii); and

87.16 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

87.17 (2) supervisory span of control ratio: 11 percent;

87.18 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

87.19 (4) employee-related cost ratio: 23.6 percent;

87.20 (5) program plan support ratio: 15.5 percent;

87.21 (6) client programming and support ratio: 4.7 percent, updated as specified in subdivision  
87.22 5b;

87.23 (7) general administrative support ratio: 13.25 percent;

87.24 (8) program-related expense ratio: 6.1 percent; and

87.25 (9) absence and utilization factor ratio: 3.9 percent.

87.26 (c) A unit of service for unit-based services with programming is 15 minutes.

87.27 (d) Payments for unit-based services with programming must be calculated as follows,  
87.28 unless the services are reimbursed separately as part of a residential support services or day  
87.29 program payment rate:

87.30 (1) determine the number of units of service to meet a recipient's needs;

88.1 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
88.2 provided in subdivisions 5 and 5a;

88.3 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
88.4 product of one plus the competitive workforce factor;

88.5 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
88.6 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
88.7 to the result of clause (3);

88.8 (5) multiply the number of direct staffing hours by the appropriate staff wage;

88.9 (6) multiply the number of direct staffing hours by the product of the supervisory span  
88.10 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);

88.11 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the  
88.12 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
88.13 rate;

88.14 (8) for program plan support, multiply the result of clause (7) by one plus the program  
88.15 plan support ratio;

88.16 (9) for employee-related expenses, multiply the result of clause (8) by one plus the  
88.17 employee-related cost ratio;

88.18 (10) for client programming and supports, multiply the result of clause (9) by one plus  
88.19 the client programming and support ratio;

88.20 (11) this is the subtotal rate;

88.21 (12) sum the standard general administrative support ratio, the program-related expense  
88.22 ratio, and the absence and utilization factor ratio;

88.23 (13) divide the result of clause (11) by one minus the result of clause (12). This is the  
88.24 total payment amount;

88.25 (14) for services provided in a shared manner, divide the total payment in clause (13)  
88.26 as follows:

88.27 (i) for employment exploration services, divide by the number of service recipients, not  
88.28 to exceed five;

88.29 (ii) for employment support services, divide by the number of service recipients, not to  
88.30 exceed six;

(iii) for individualized home supports with training and individualized home supports with family training, divide by the number of service recipients, not to exceed three; and

(iv) for night supervision, divide by the number of service recipients, not to exceed two; and

(15) adjust the result of clause (14) by a factor to be determined by the commissioner to adjust for regional differences in the cost of providing services.

(e) Effective January 1, 2026, or upon federal approval, whichever is later, the commissioner must bill individualized home supports with training and individualized home supports with family training at a maximum of eight hours per day.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 40. Minnesota Statutes 2024, section 256B.4914, subdivision 9, is amended to read:

**Subd. 9. Unit-based services without programming; component values and calculation of payment rates.** (a) For the purposes of this section, unit-based services without programming include individualized home supports without training and night supervision provided to an individual outside of any service plan for a day program or residential support service. Unit-based services without programming do not include respite. This paragraph expires upon the effective date of paragraph (b).

(b) Effective January 1, 2026, or upon federal approval, whichever is later, for the purposes of this section, unit-based services without programming include individualized home supports without training, awake night supervision, and asleep night supervision provided to an individual outside of any service plan for a day program or residential support service.

~~(b)~~ (c) Component values for unit-based services without programming are:

(1) competitive workforce factor: ~~6.7 percent~~;

(i) 6.7 percent. This item expires upon the effective date of item (ii);

(ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent. This item expires upon the effective date of item (iii); and

(iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

(2) supervisory span of control ratio: 11 percent;

(3) employee vacation, sick, and training allowance ratio: 8.71 percent;

(4) employee-related cost ratio: 23.6 percent;

- 90.1 (5) program plan support ratio: 7.0 percent;
- 90.2 (6) client programming and support ratio: 2.3 percent, updated as specified in subdivision
- 90.3 5b;
- 90.4 (7) general administrative support ratio: 13.25 percent;
- 90.5 (8) program-related expense ratio: 2.9 percent; and
- 90.6 (9) absence and utilization factor ratio: 3.9 percent.
- 90.7 ~~(e)~~ (d) A unit of service for unit-based services without programming is 15 minutes.
- 90.8 ~~(d)~~ (e) Payments for unit-based services without programming must be calculated as
- 90.9 follows unless the services are reimbursed separately as part of a residential support services
- 90.10 or day program payment rate:
- 90.11 (1) determine the number of units of service to meet a recipient's needs;
- 90.12 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 90.13 provided in subdivisions 5 to 5a;
- 90.14 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 90.15 product of one plus the competitive workforce factor;
- 90.16 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 90.17 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 90.18 to the result of clause (3);
- 90.19 (5) multiply the number of direct staffing hours by the appropriate staff wage;
- 90.20 (6) multiply the number of direct staffing hours by the product of the supervisory span
- 90.21 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);
- 90.22 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
- 90.23 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
- 90.24 rate;
- 90.25 (8) for program plan support, multiply the result of clause (7) by one plus the program
- 90.26 plan support ratio;
- 90.27 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
- 90.28 employee-related cost ratio;
- 90.29 (10) for client programming and supports, multiply the result of clause (9) by one plus
- 90.30 the client programming and support ratio;

91.1 (11) this is the subtotal rate;

91.2 (12) sum the standard general administrative support ratio, the program-related expense  
91.3 ratio, and the absence and utilization factor ratio;

91.4 (13) divide the result of clause (11) by one minus the result of clause (12). This is the  
91.5 total payment amount;

91.6 (14) for individualized home supports without training provided in a shared manner,  
91.7 divide the total payment amount in clause (13) by the number of service recipients, not to  
91.8 exceed three; and

91.9 (15) adjust the result of clause (14) by a factor to be determined by the commissioner  
91.10 to adjust for regional differences in the cost of providing services.

91.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

91.12 Sec. 41. Minnesota Statutes 2024, section 256B.4914, is amended by adding a subdivision  
91.13 to read:

91.14 **Subd. 14a. Limitations on rate exceptions for residential services.** (a) Effective July  
91.15 1, 2026, the commissioner must implement limitations on the size and number of rate  
91.16 exceptions for community residential services, customized living services, family residential  
91.17 services, and integrated community supports.

91.18 **(b) The commissioner must restrict rate exceptions to the absence and utilization factor**  
91.19 **ratio to people temporarily receiving hospital or crisis respite services.**

91.20 **(c) For rate exceptions related to behavioral needs, the commissioner must include:**

91.21 **(1) a documented behavioral diagnosis; or**

91.22 **(2) determined assessed needs for behavioral supports as identified in the person's most**  
91.23 **recent assessment.**

91.24 **(d) Community residential services rate exceptions must not include positive supports**  
91.25 **costs.**

91.26 **(e) The commissioner must not approve rate exception requests related to increased**  
91.27 **community time or transportation.**

91.28 **(f) For the commissioner to approve a rate exception annual renewal, the person's most**  
91.29 **recent assessment must indicate continued extraordinary needs in the areas cited in the**  
91.30 **exception request. If a person's assessment continues to identify these extraordinary needs,**

92.1 lead agencies requesting an annual renewal of rate exceptions must submit the following  
92.2 provider-created documentation supporting the continuation of the exception:

92.3 (1) the pay scale for staff working in the setting in which the person lives; and

92.4 (2) a description of other costs the provider incurred as a result of the additional revenue  
92.5 the rate exception provided.

92.6 (g) The commissioner must not increase rate exception annual renewals that request an  
92.7 exception to direct care or supervision wages more than the most recently implemented  
92.8 base wage index determined under subdivision 5.

92.9 (h) The commissioner must publish online an annual report detailing the impact of the  
92.10 limitations under this subdivision on home and community-based services spending, including  
92.11 but not limited to:

92.12 (1) the number and percentage of rate exceptions granted and denied;

92.13 (2) total spending on community residential setting services and rate exceptions;

92.14 (3) trends in the percentage of spending attributable to rate exceptions; and

92.15 (4) an evaluation of the effectiveness of the limitations in controlling spending growth.

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

92.17 Sec. 42. Minnesota Statutes 2024, section 256B.4914, is amended by adding a subdivision  
92.18 to read:

92.19 Subd. 20. **Sanctions and monetary recovery.** Payments under this section are subject  
92.20 to the sanctions and monetary recovery requirements under section 256B.064.

92.21 Sec. 43. Minnesota Statutes 2024, section 256B.85, subdivision 2, is amended to read:

92.22 Subd. 2. **Definitions.** (a) For the purposes of this section and section 256B.851, the terms  
92.23 defined in this subdivision have the meanings given.

92.24 (b) "Activities of daily living" or "ADLs" means:

92.25 (1) dressing, including assistance with choosing, applying, and changing clothing and  
92.26 applying special appliances, wraps, or clothing;

92.27 (2) grooming, including assistance with basic hair care, oral care, shaving, applying  
92.28 cosmetics and deodorant, and care of eyeglasses and hearing aids. Grooming includes nail  
92.29 care, except for recipients who are diabetic or have poor circulation;

93.1 (3) bathing, including assistance with basic personal hygiene and skin care;

93.2 (4) eating, including assistance with hand washing and applying orthotics required for  
93.3 eating or feeding;

93.4 (5) transfers, including assistance with transferring the participant from one seating or  
93.5 reclining area to another;

93.6 (6) mobility, including assistance with ambulation and use of a wheelchair. Mobility  
93.7 does not include providing transportation for a participant;

93.8 (7) positioning, including assistance with positioning or turning a participant for necessary  
93.9 care and comfort; and

93.10 (8) toileting, including assistance with bowel or bladder elimination and care, transfers,  
93.11 mobility, positioning, feminine hygiene, use of toileting equipment or supplies, cleansing  
93.12 the perineal area, inspection of the skin, and adjusting clothing.

93.13 (c) "Agency-provider model" means a method of CFSS under which a qualified agency  
93.14 provides services and supports through the agency's own employees and policies. The agency  
93.15 must allow the participant to have a significant role in the selection and dismissal of support  
93.16 workers of their choice for the delivery of their specific services and supports.

93.17 (d) "Behavior" means a description of a need for services and supports used to determine  
93.18 the home care rating and additional service units. The presence of Level I behavior is used  
93.19 to determine the home care rating.

93.20 (e) "Budget model" means a service delivery method of CFSS that allows the use of a  
93.21 service budget and assistance from a financial management services (FMS) provider for a  
93.22 participant to directly employ support workers and purchase supports and goods.

93.23 (f) "Complex health-related needs" means an intervention listed in clauses (1) to (8) that  
93.24 has been ordered by a physician, advanced practice registered nurse, or physician's assistant  
93.25 and is specified in an assessment summary, including:

93.26 (1) tube feedings requiring:

93.27 (i) a gastrojejunostomy tube; or

93.28 (ii) continuous tube feeding lasting longer than 12 hours per day;

93.29 (2) wounds described as:

93.30 (i) stage III or stage IV;

93.31 (ii) multiple wounds;

- 94.1 (iii) requiring sterile or clean dressing changes or a wound vac; or
- 94.2 (iv) open lesions such as burns, fistulas, tube sites, or ostomy sites that require specialized
- 94.3 care;
- 94.4 (3) parenteral therapy described as:
- 94.5 (i) IV therapy more than two times per week lasting longer than four hours for each
- 94.6 treatment; or
- 94.7 (ii) total parenteral nutrition (TPN) daily;
- 94.8 (4) respiratory interventions, including:
- 94.9 (i) oxygen required more than eight hours per day;
- 94.10 (ii) respiratory vest more than one time per day;
- 94.11 (iii) bronchial drainage treatments more than two times per day;
- 94.12 (iv) sterile or clean suctioning more than six times per day;
- 94.13 (v) dependence on another to apply respiratory ventilation augmentation devices such
- 94.14 as BiPAP and CPAP; and
- 94.15 (vi) ventilator dependence under section 256B.0651;
- 94.16 (5) insertion and maintenance of catheter, including:
- 94.17 (i) sterile catheter changes more than one time per month;
- 94.18 (ii) clean intermittent catheterization, and including self-catheterization more than six
- 94.19 times per day; or
- 94.20 (iii) bladder irrigations;
- 94.21 (6) bowel program more than two times per week requiring more than 30 minutes to
- 94.22 perform each time;
- 94.23 (7) neurological intervention, including:
- 94.24 (i) seizures more than two times per week and requiring significant physical assistance
- 94.25 to maintain safety; or
- 94.26 (ii) swallowing disorders diagnosed by a physician, advanced practice registered nurse,
- 94.27 or physician's assistant and requiring specialized assistance from another on a daily basis;
- 94.28 and

(8) other congenital or acquired diseases creating a need for significantly increased direct hands-on assistance and interventions in six to eight activities of daily living.

(g) "Community first services and supports" or "CFSS" means the assistance and supports program under this section needed for accomplishing activities of daily living, instrumental activities of daily living, and health-related tasks through hands-on assistance to accomplish the task or constant supervision and cueing to accomplish the task, or the purchase of goods as defined in subdivision 7, clause (3), that replace the need for human assistance.

(h) "Community first services and supports service delivery plan" or "CFSS service delivery plan" means a written document detailing the services and supports chosen by the participant to meet assessed needs that are within the approved CFSS service authorization, as determined in subdivision 8. Services and supports are based on the support plan identified in sections 256B.092, subdivision 1b, and 256S.10.

(i) "Consultation services" means ~~a Minnesota health care program enrolled provider organization that provides assistance to the~~ assisting a participant in making informed choices about CFSS services in general and self-directed tasks in particular, and in developing a person-centered CFSS service delivery plan to achieve quality service outcomes.

(j) "Critical activities of daily living" means transferring, mobility, eating, and toileting.

(k) "Dependency" in activities of daily living means a person requires hands-on assistance or constant supervision and cueing to accomplish one or more of the activities of daily living every day or on the days during the week that the activity is performed; however, a child must not be found to be dependent in an activity of daily living if, because of the child's age, an adult would either perform the activity for the child or assist the child with the activity and the assistance needed is the assistance appropriate for a typical child of the same age.

(l) "Extended CFSS" means CFSS services and supports provided under CFSS that are included in the CFSS service delivery plan through one of the home and community-based services waivers and as approved and authorized under chapter 256S and sections 256B.092, subdivision 5, and 256B.49, which exceed the amount, duration, and frequency of the state plan CFSS services for participants. Extended CFSS excludes the purchase of goods.

(m) "Financial management services provider" or "FMS provider" means a qualified organization required for participants using the budget model under subdivision 13 that is an enrolled provider with the department to provide vendor fiscal/employer agent financial management services (FMS).

(n) "Health-related procedures and tasks" means procedures and tasks related to the specific assessed health needs of a participant that can be taught or assigned by a state-licensed health care or mental health professional and performed by a support worker.

(o) "Instrumental activities of daily living" means activities related to living independently in the community, including but not limited to: meal planning, preparation, and cooking; shopping for food, clothing, or other essential items; laundry; housecleaning; assistance with medications; managing finances; communicating needs and preferences during activities; arranging supports; and assistance with traveling around and participating in the community, including traveling to medical appointments. For purposes of this paragraph, traveling includes driving and accompanying the recipient in the recipient's chosen mode of transportation and according to the individual CFSS service delivery plan.

(p) "Lead agency" has the meaning given in section 256B.0911, subdivision 10.

(q) "Legal representative" means parent of a minor, a court-appointed guardian, or another representative with legal authority to make decisions about services and supports for the participant. Other representatives with legal authority to make decisions include but are not limited to a health care agent or an attorney-in-fact authorized through a health care directive or power of attorney.

(r) "Level I behavior" means physical aggression toward self or others or destruction of property that requires the immediate response of another person.

(s) "Medication assistance" means providing verbal or visual reminders to take regularly scheduled medication, and includes any of the following supports listed in clauses (1) to (3) and other types of assistance, except that a support worker must not determine medication dose or time for medication or inject medications into veins, muscles, or skin:

(1) under the direction of the participant or the participant's representative, bringing medications to the participant including medications given through a nebulizer, opening a container of previously set-up medications, emptying the container into the participant's hand, opening and giving the medication in the original container to the participant, or bringing to the participant liquids or food to accompany the medication;

(2) organizing medications as directed by the participant or the participant's representative; and

(3) providing verbal or visual reminders to perform regularly scheduled medications.

(t) "Participant" means a person who is eligible for CFSS.

97.1 (u) "Participant's representative" means a parent, family member, advocate, or other  
97.2 adult authorized by the participant or participant's legal representative, if any, to serve as a  
97.3 representative in connection with the provision of CFSS. If the participant is unable to assist  
97.4 in the selection of a participant's representative, the legal representative shall appoint one.

97.5 (v) "Person-centered planning process" means a process that is directed by the participant  
97.6 to plan for CFSS services and supports.

97.7 (w) "Service budget" means the authorized dollar amount used for the budget model or  
97.8 for the purchase of goods.

97.9 (x) "Shared services" means the provision of CFSS services by the same CFSS support  
97.10 worker to two or three participants who voluntarily enter into a written agreement to receive  
97.11 services at the same time, in the same setting, and through the same agency-provider or  
97.12 FMS provider.

97.13 (y) "Support worker" means a qualified and trained employee of the agency-provider  
97.14 as required by subdivision 11b or of the participant employer under the budget model as  
97.15 required by subdivision 14 who has direct contact with the participant and provides services  
97.16 as specified within the participant's CFSS service delivery plan.

97.17 (z) "Unit" means the increment of service based on hours or minutes identified in the  
97.18 service agreement.

97.19 (aa) "Vendor fiscal employer agent" means an agency that provides financial management  
97.20 services.

97.21 (bb) "Wages and benefits" means the hourly wages and salaries, the employer's share  
97.22 of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation,  
97.23 mileage reimbursement, health and dental insurance, life insurance, disability insurance,  
97.24 long-term care insurance, uniform allowance, contributions to employee retirement accounts,  
97.25 or other forms of employee compensation and benefits.

97.26 (cc) "Worker training and development" means services provided according to subdivision  
97.27 18a for developing workers' skills as required by the participant's individual CFSS service  
97.28 delivery plan that are arranged for or provided by the agency-provider or purchased by the  
97.29 participant employer. These services include training, education, direct observation and  
97.30 supervision, and evaluation and coaching of job skills and tasks, including supervision of  
97.31 health-related tasks or behavioral supports.

98.1 Sec. 44. Minnesota Statutes 2024, section 256B.85, subdivision 5, is amended to read:

98.2 Subd. 5. **Assessment requirements.** (a) The assessment of functional need must:

98.3 (1) be conducted by a certified assessor according to the criteria established in section  
98.4 256B.0911, subdivisions 17 to 21, 23, 24, and 29 to 31;

98.5 (2) be conducted face-to-face, initially and at least annually thereafter, or when there is  
98.6 a significant change in the participant's condition or a change in the need for services and  
98.7 supports, or at the request of the participant when the participant experiences a change in  
98.8 condition or needs a change in the services or supports; and

98.9 (3) be completed using the format established by the commissioner.

98.10 (b) The results of the assessment and any recommendations and authorizations for CFSS  
98.11 must be determined and communicated in writing by the lead agency's assessor as defined  
98.12 in section 256B.0911 to the participant or the participant's representative and chosen CFSS  
98.13 providers within ten business days and must include the participant's right to appeal the  
98.14 assessment under section 256.045, subdivision 3.

98.15 ~~(c) The lead agency assessor may authorize a temporary authorization for CFSS services~~  
98.16 ~~to be provided under the agency-provider model. The lead agency assessor may authorize~~  
98.17 ~~a temporary authorization for CFSS services to be provided under the agency-provider~~  
98.18 ~~model without using the assessment process described in this subdivision. Authorization~~  
98.19 ~~for a temporary level of CFSS services under the agency-provider model is limited to the~~  
98.20 ~~time specified by the commissioner, but shall not exceed 45 days. The level of services~~  
98.21 ~~authorized under this paragraph shall have no bearing on a future authorization. For CFSS~~  
98.22 ~~services needed beyond the 45-day temporary authorization, the lead agency must conduct~~  
98.23 ~~an assessment as described in this subdivision and participants must use consultation services~~  
98.24 ~~to complete their orientation and selection of a service model.~~

98.25 Sec. 45. Minnesota Statutes 2024, section 256B.85, is amended by adding a subdivision  
98.26 to read:

98.27 Subd. 5a. **Temporary authorization without assessment.** The lead agency assessor  
98.28 may authorize a temporary authorization for CFSS services to be provided under the  
98.29 agency-provider model. The lead agency assessor may authorize a temporary authorization  
98.30 for CFSS services to be provided under the agency-provider model without using the  
98.31 assessment process described in subdivision 5. Authorization for a temporary level of CFSS  
98.32 services under the agency-provider model is limited to the time specified by the  
98.33 commissioner, but shall not exceed 45 days. The level of services authorized under this

99.1 subdivision shall have no bearing on a future authorization. For CFSS services needed  
99.2 beyond the 45-day temporary authorization, the lead agency must conduct an assessment  
99.3 as described in subdivision 5.

99.4 Sec. 46. Minnesota Statutes 2024, section 256B.85, subdivision 6, is amended to read:

99.5 Subd. 6. **Community first services and supports service delivery plan.** (a) The CFSS  
99.6 service delivery plan must be developed and evaluated through a person-centered planning  
99.7 process by the participant, or the participant's representative or legal representative who  
99.8 may be assisted by a consultation services provider. The CFSS service delivery plan must  
99.9 reflect the services and supports that are important to the participant and for the participant  
99.10 to meet the needs assessed by the certified assessor and identified in the support plan  
99.11 identified in sections 256B.092, subdivision 1b, and 256S.10. ~~The CFSS service delivery~~  
99.12 ~~plan must be reviewed by the participant, the consultation services provider, and the~~  
99.13 ~~agency provider or FMS provider prior to starting services and at least annually upon~~  
99.14 ~~reassessment, or when there is a significant change in the participant's condition, or a change~~  
99.15 ~~in the need for services and supports.~~

99.16 (b) The commissioner shall establish the format and criteria for the CFSS service delivery  
99.17 plan.

99.18 (c) The CFSS service delivery plan must be person-centered and:

99.19 (1) specify the consultation services provider, selected by the participant, if any, and  
99.20 either the agency-provider, or FMS provider selected by the participant;

99.21 (2) reflect the setting in which the participant resides that is chosen by the participant;

99.22 (3) reflect the participant's strengths and preferences;

99.23 (4) include the methods and supports used to address the needs as identified through an  
99.24 assessment of functional needs;

99.25 (5) include the participant's identified goals and desired outcomes;

99.26 (6) reflect the services and supports, paid and unpaid, that will assist the participant to  
99.27 achieve identified goals, including the costs of the services and supports, and the providers  
99.28 of those services and supports, including natural supports;

99.29 (7) identify the amount and frequency of face-to-face supports and amount and frequency  
99.30 of remote supports and technology that will be used;

99.31 (8) identify risk factors and measures in place to minimize them, including individualized  
99.32 backup plans;

100.1 (9) be understandable to the participant and the individuals providing support;

100.2 (10) identify the individual or entity responsible for monitoring the plan;

100.3 (11) be finalized and agreed to in writing by the participant and signed by individuals  
100.4 and providers responsible for its implementation;

100.5 (12) be distributed to the participant and other people involved in the plan;

100.6 (13) prevent the provision of unnecessary or inappropriate care;

100.7 (14) include a detailed budget for expenditures for budget model participants or  
100.8 participants under the agency-provider model if purchasing goods; and

100.9 (15) include a plan for worker training and development provided according to  
100.10 subdivision 18a detailing what service components will be used, when the service components  
100.11 will be used, how they will be provided, and how these service components relate to the  
100.12 participant's individual needs and CFSS support worker services.

100.13 (d) The CFSS service delivery plan must describe the units or dollar amount available  
100.14 to the participant. The total units of agency-provider services or the service budget amount  
100.15 for the budget model include both annual totals and a monthly average amount that cover  
100.16 the number of months of the service agreement. The amount used each month may vary,  
100.17 but additional funds must not be provided above the annual service authorization amount,  
100.18 determined according to subdivision 8, unless a change in condition is assessed and  
100.19 authorized by the certified assessor and documented in the support plan and CFSS service  
100.20 delivery plan.

100.21 (e) ~~It~~ If assisting with the development or modification of the CFSS service delivery  
100.22 plan during the authorization time period, the consultation services provider shall:

100.23 (1) consult with the FMS provider on the spending budget when applicable; and

100.24 (2) consult with the participant or participant's representative, agency-provider, and case  
100.25 manager or care coordinator.

100.26 (f) Prior to starting services and at least annually upon reassessment, or when there is a  
100.27 significant change in the participant's condition or a change in the need for services and  
100.28 supports, the CFSS service delivery plan must be reviewed by the participant; by the  
100.29 consultation services provider, unless the participant has selected the agency-provider model  
100.30 without optional consultation services; and by either the agency-provider or FMS provider.

100.31 (g) The CFSS service delivery plan must be approved by the lead agency for participants  
100.32 without a case manager or care coordinator who is responsible for authorizing services. A

101.1 case manager or care coordinator must approve the plan for a waiver or alternative care  
101.2 program participant.

101.3 Sec. 47. Minnesota Statutes 2024, section 256B.85, subdivision 7, is amended to read:

101.4 Subd. 7. **Community first services and supports; covered services.** Services and  
101.5 supports covered under CFSS include:

101.6 (1) assistance to accomplish activities of daily living (ADLs), instrumental activities of  
101.7 daily living (IADLs), and health-related procedures and tasks through hands-on assistance  
101.8 to accomplish the task or constant supervision and cueing to accomplish the task;

101.9 (2) assistance to acquire, maintain, or enhance the skills necessary for the participant to  
101.10 accomplish activities of daily living, instrumental activities of daily living, or health-related  
101.11 tasks;

101.12 (3) expenditures for items, services, supports, environmental modifications, or goods,  
101.13 including assistive technology. These expenditures must:

101.14 (i) relate to a need identified in a participant's CFSS service delivery plan; and

101.15 (ii) increase independence or substitute for human assistance, to the extent that  
101.16 expenditures would otherwise be made for human assistance for the participant's assessed  
101.17 needs;

101.18 (4) observation and redirection for behavior or symptoms where there is a need for  
101.19 assistance;

101.20 (5) back-up systems or mechanisms, such as the use of pagers or other electronic devices,  
101.21 to ensure continuity of the participant's services and supports;

101.22 (6) swimming lessons for a participant whose disability puts the participant at a higher  
101.23 risk of drowning according to the Centers for Disease Control Vital Statistics System;

101.24 ~~(6)~~ (7) services described under subdivision 17 provided by a consultation services  
101.25 provider as defined under subdivision 17, that is under contract with the department and  
101.26 enrolled as a Minnesota health care program provider meeting the requirements of subdivision  
101.27 17a;

101.28 ~~(7)~~ (8) services provided by an FMS provider as defined under subdivision 13a, that is  
101.29 an enrolled provider with the department;

102.1 ~~(8)~~ (9) CFSS services provided by a support worker who is a parent, stepparent, or legal  
102.2 guardian of a participant under age 18, or who is the participant's spouse. Covered services  
102.3 under this clause are subject to the limitations described in subdivision 7b; and

102.4 ~~(9)~~ (10) worker training and development services as described in subdivision 18a.

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

102.8 Sec. 48. Minnesota Statutes 2024, section 256B.85, subdivision 7a, is amended to read:

102.9 Subd. 7a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for  
102.10 CFSS must be paid for services provided to persons who qualify for ten or more hours of  
102.11 CFSS per day when provided by a support worker who meets the requirements of subdivision  
102.12 16, paragraph (e). This paragraph expires upon the effective date of paragraph (b).

102.13 (b) Effective January 1, 2026, or upon federal approval, whichever is later, an enhanced  
102.14 rate of 112.5 percent of the rate paid for CFSS must be paid for services provided to persons  
102.15 who qualify for ten or more hours of CFSS per day when provided by a support worker  
102.16 who meets the requirements of subdivision 16, paragraph (e). This paragraph expires upon  
102.17 the effective date of paragraph (c).

102.18 (c) Effective January 1, 2027, or upon federal approval, whichever is later, an enhanced  
102.19 rate of 112.5 percent of the rate paid for CFSS must be paid for services provided to persons  
102.20 who qualify for ten or more hours of CFSS per day.

102.21 ~~(b)~~ (d) An agency provider must use all additional revenue attributable to the rate  
102.22 enhancements under this subdivision for the wages and wage-related costs of the support  
102.23 workers, including any corresponding increase in the employer's share of FICA taxes,  
102.24 Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums.  
102.25 The agency provider must not use the additional revenue attributable to any enhanced rate  
102.26 under this subdivision to pay for mileage reimbursement, health and dental insurance, life  
102.27 insurance, disability insurance, long-term care insurance, uniform allowance, contributions  
102.28 to employee retirement accounts, or any other employee benefits.

102.29 ~~(e)~~ (e) Any change in the eligibility criteria for the enhanced rate for CFSS as described  
102.30 in this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a  
102.31 change in a term or condition for individual providers as defined in section 256B.0711, and  
102.32 is not subject to the state's obligation to meet and negotiate under chapter 179A.

102.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

103.1 Sec. 49. Minnesota Statutes 2024, section 256B.85, subdivision 8, is amended to read:

103.2 Subd. 8. **Determination of CFSS service authorization amount.** (a) All community  
103.3 first services and supports must be authorized by the commissioner or the commissioner's  
103.4 designee before services begin. The authorization for CFSS must be completed as soon as  
103.5 possible following an assessment but no later than 40 calendar days from the date of the  
103.6 assessment.

103.7 (b) The amount of CFSS authorized must be based on the participant's home care rating  
103.8 described in paragraphs (d) and (e) and any additional service units for which the participant  
103.9 qualifies as described in paragraph (f).

103.10 (c) The home care rating shall be determined by the commissioner or the commissioner's  
103.11 designee based on information submitted to the commissioner identifying the following for  
103.12 a participant:

103.13 (1) the total number of dependencies of activities of daily living;

103.14 (2) the presence of complex health-related needs; and

103.15 (3) the presence of Level I behavior.

103.16 (d) The methodology to determine the total service units for CFSS for each home care  
103.17 rating is based on the median paid units per day for each home care rating from fiscal year  
103.18 2007 data for the PCA program.

103.19 (e) Each home care rating is designated by the letters P through Z and EN and has the  
103.20 following base number of service units assigned:

103.21 (1) P home care rating requires Level I behavior or one to three dependencies in ADLs  
103.22 and qualifies the person for five service units;

103.23 (2) Q home care rating requires Level I behavior and one to three dependencies in ADLs  
103.24 and qualifies the person for six service units;

103.25 (3) R home care rating requires a complex health-related need and one to three  
103.26 dependencies in ADLs and qualifies the person for seven service units;

103.27 (4) S home care rating requires four to six dependencies in ADLs and qualifies the person  
103.28 for ten service units;

103.29 (5) T home care rating requires four to six dependencies in ADLs and Level I behavior  
103.30 and qualifies the person for 11 service units;

104.1 (6) U home care rating requires four to six dependencies in ADLs and a complex  
104.2 health-related need and qualifies the person for 14 service units;

104.3 (7) V home care rating requires seven to eight dependencies in ADLs and qualifies the  
104.4 person for 17 service units;

104.5 (8) W home care rating requires seven to eight dependencies in ADLs and Level I  
104.6 behavior and qualifies the person for 20 service units;

104.7 (9) Z home care rating requires seven to eight dependencies in ADLs and a complex  
104.8 health-related need and qualifies the person for 30 service units; and

104.9 (10) EN home care rating includes ventilator dependency as defined in section 256B.0651,  
104.10 subdivision 1, paragraph (g). A person who meets the definition of ventilator-dependent  
104.11 and the EN home care rating and utilize a combination of CFSS and home care nursing  
104.12 services is limited to a total of 96 service units per day for those services in combination.  
104.13 Additional units may be authorized when a person's assessment indicates a need for two  
104.14 staff to perform activities. Additional time is limited to 16 service units per day.

104.15 (f) Additional service units are provided through the assessment and identification of  
104.16 the following:

104.17 (1) 30 additional minutes per day for a dependency in each critical activity of daily  
104.18 living;

104.19 (2) 30 additional minutes per day for each complex health-related need; and

104.20 (3) 30 additional minutes per day for each behavior under this clause that requires  
104.21 assistance at least four times per week:

104.22 (i) level I behavior that requires the immediate response of another person;

104.23 (ii) increased vulnerability due to cognitive deficits or socially inappropriate behavior;  
104.24 or

104.25 (iii) increased need for assistance for participants who are verbally aggressive or resistive  
104.26 to care so that the time needed to perform activities of daily living is increased.

104.27 (g) The service budget for budget model participants shall be based on:

104.28 (1) assessed units as determined by the home care rating; and

104.29 (2) an adjustment needed for administrative expenses. This paragraph expires upon the  
104.30 effective date of paragraph (h).

105.1 (h) Effective January 1, 2026, or upon federal approval, whichever is later, the service  
105.2 budget for budget model participants shall be based on:

105.3 (1) assessed units as determined by the home care rating and the payment methodologies  
105.4 under section 256B.851; and

105.5 (2) an adjustment needed for administrative expenses.

105.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

105.7 Sec. 50. Minnesota Statutes 2024, section 256B.85, subdivision 8a, is amended to read:

105.8 Subd. 8a. **Authorization; exceptions.** All CFSS services must be authorized by the  
105.9 commissioner or the commissioner's designee as described in subdivision 8 except when:

105.10 (1) the lead agency temporarily authorizes services in the agency-provider model as  
105.11 described in subdivision 5, ~~paragraph (e)~~ 5a;

105.12 (2) CFSS services in the agency-provider model were required to treat an emergency  
105.13 medical condition that if not immediately treated could cause a participant serious physical  
105.14 or mental disability, continuation of severe pain, or death. The CFSS agency provider must  
105.15 request retroactive authorization from the lead agency no later than five working days after  
105.16 providing the initial emergency service. The CFSS agency provider must be able to  
105.17 substantiate the emergency through documentation such as reports, notes, and admission  
105.18 or discharge histories. A lead agency must follow the authorization process in subdivision  
105.19 5 after the lead agency receives the request for authorization from the agency provider;

105.20 (3) the lead agency authorizes a temporary increase to the amount of services authorized  
105.21 in the agency or budget model to accommodate the participant's temporary higher need for  
105.22 services. Authorization for a temporary level of CFSS services is limited to the time specified  
105.23 by the commissioner, but shall not exceed 45 days. The level of services authorized under  
105.24 this clause shall have no bearing on a future authorization;

105.25 (4) a participant's medical assistance eligibility has lapsed, is then retroactively reinstated,  
105.26 and an authorization for CFSS services is completed based on the date of a current  
105.27 assessment, eligibility, and request for authorization;

105.28 (5) a third-party payer for CFSS services has denied or adjusted a payment. Authorization  
105.29 requests must be submitted by the provider within 20 working days of the notice of denial  
105.30 or adjustment. A copy of the notice must be included with the request;

105.31 (6) the commissioner has determined that a lead agency or state human services agency  
105.32 has made an error; or

(7) a participant enrolled in managed care experiences a temporary disenrollment from a health plan, in which case the commissioner shall accept the current health plan authorization for CFSS services for up to 60 days. The request must be received within the first 30 days of the disenrollment. If the recipient's reenrollment in managed care is after the 60 days and before 90 days, the provider shall request an additional 30-day extension of the current health plan authorization, for a total limit of 90 days from the time of disenrollment.

Sec. 51. Minnesota Statutes 2024, section 256B.85, subdivision 11, is amended to read:

Subd. 11. **Agency-provider model.** (a) The agency-provider model includes services provided by support workers and staff providing worker training and development services who are employed by an agency-provider that meets the criteria established by the commissioner, including required training.

(b) The agency-provider shall allow the participant to have a significant role in the selection and dismissal of the support workers for the delivery of the services and supports specified in the participant's CFSS service delivery plan. The agency must make a reasonable effort to fulfill the participant's request for the participant's preferred support worker.

(c) A participant may use authorized units of CFSS services as needed within a service agreement that is not greater than 12 months. Using authorized units in a flexible manner in either the agency-provider model or the budget model does not increase the total amount of services and supports authorized for a participant or included in the participant's CFSS service delivery plan.

(d) A participant may share CFSS services. Two or three CFSS participants may share services at the same time provided by the same support worker.

(e) The agency-provider must use a minimum of 72.5 percent of the revenue generated by the medical assistance payment for CFSS for support worker wages and benefits, except all of the revenue generated by a medical assistance rate increase due to a collective bargaining agreement under section 179A.54 must be used for support worker wages and benefits. The agency-provider must document how this requirement is being met. The revenue generated by the worker training and development services and the reasonable costs associated with the worker training and development services must not be used in making this calculation.

107.1 (f) The agency-provider model must be used by participants who are restricted by the  
107.2 Minnesota restricted recipient program under Minnesota Rules, parts 9505.2160 to  
107.3 9505.2245.

107.4 (g) Participants purchasing goods under ~~this~~ the agency-provider model, along with  
107.5 support worker services, must:

107.6 (1) specify the goods in the CFSS service delivery plan and detailed budget for  
107.7 expenditures that must be approved by the lead agency, case manager, or care coordinator;  
107.8 and

107.9 (2) use the FMS provider for the billing and payment of such goods.

107.10 (h) The agency provider is responsible for ensuring that any worker driving a participant  
107.11 under subdivision 2, paragraph (o), has a valid driver's license and the vehicle used is  
107.12 registered and insured according to Minnesota law.

107.13 (i) The use of consultation services under the agency-provider model is optional. A  
107.14 participant may select the agency-provider model without using consultation services to  
107.15 make the selection, to complete orientation to CFSS, or to select the agency-provider model.

107.16 (j) If a participant selects the agency-provider model without optional consultation  
107.17 services, the agency-provider must provide an initial and annual orientation to CFSS  
107.18 information and policies and a copy of the participant protections under subdivision 20 at  
107.19 the start of services.

107.20 Sec. 52. Minnesota Statutes 2024, section 256B.85, subdivision 13, is amended to read:

107.21 Subd. 13. **Budget model.** (a) Under the budget model participants exercise responsibility  
107.22 and control over the services and supports described and budgeted within the CFSS service  
107.23 delivery plan. Participants must use consultation services specified in subdivision 17 and  
107.24 services specified in subdivision 13a provided by an FMS provider. Under this model,  
107.25 participants may use their approved service budget allocation to:

107.26 (1) directly employ support workers, and pay wages, federal and state payroll taxes, and  
107.27 premiums for workers' compensation, liability, family and medical benefit insurance, and  
107.28 health insurance coverage; and

107.29 (2) obtain supports and goods as defined in subdivision 7.

107.30 (b) Participants who are unable to fulfill any of the functions listed in paragraph (a) may  
107.31 authorize a legal representative or participant's representative to do so on their behalf.

108.1 (c) If two or more participants using the budget model live in the same household and  
108.2 have the same support worker, the participants must use the same FMS provider.

108.3 (d) If the FMS provider advises that there is a joint employer in the budget model, all  
108.4 participants associated with that joint employer must use the same FMS provider.

108.5 (e) The commissioner shall disenroll or exclude participants from the budget model and  
108.6 transfer them to the agency-provider model under, but not limited to, the following  
108.7 circumstances:

108.8 (1) when a participant has been restricted by the Minnesota restricted recipient program,  
108.9 in which case the participant may be excluded for a specified time period under Minnesota  
108.10 Rules, parts 9505.2160 to 9505.2245;

108.11 (2) when a participant exits the budget model during the participant's service plan year.  
108.12 Upon transfer, the participant shall not access the budget model for the remainder of that  
108.13 service plan year; or

108.14 (3) when the department determines that the participant or participant's representative  
108.15 or legal representative is unable to fulfill the responsibilities under the budget model, as  
108.16 specified in subdivision 14.

108.17 (f) A participant may appeal in writing to the department under section 256.045,  
108.18 subdivision 3, to contest the department's decision under paragraph (e), clause (3), to disenroll  
108.19 or exclude the participant from the budget model.

108.20 Sec. 53. Minnesota Statutes 2024, section 256B.85, subdivision 16, is amended to read:

108.21 Subd. 16. **Support workers requirements.** (a) Support workers shall:

108.22 (1) enroll with the department as a support worker after a background study under chapter  
108.23 245C has been completed and the support worker has received a notice from the  
108.24 commissioner that the support worker:

108.25 (i) is not disqualified under section 245C.14; or

108.26 (ii) is disqualified, but has received a set-aside of the disqualification under section  
108.27 245C.22;

108.28 (2) have the ability to effectively communicate with the participant or the participant's  
108.29 representative;

108.30 (3) have the skills and ability to provide the services and supports according to the  
108.31 participant's CFSS service delivery plan and respond appropriately to the participant's needs;

109.1 (4) complete the basic standardized CFSS training as determined by the commissioner  
109.2 before completing enrollment. The training must be available in languages other than English  
109.3 and to those who need accommodations due to disabilities. CFSS support worker training  
109.4 must include successful completion of the following training components: basic first aid,  
109.5 vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and  
109.6 responsibilities of support workers including information about basic body mechanics,  
109.7 emergency preparedness, orientation to positive behavioral practices, orientation to  
109.8 responding to a mental health crisis, fraud issues, time cards and documentation, and an  
109.9 overview of person-centered planning and self-direction. Upon completion of the training  
109.10 components, the support worker must pass the certification test to provide assistance to  
109.11 participants;

109.12 (5) complete employer-directed training and orientation on the participant's individual  
109.13 needs;

109.14 (6) maintain the privacy and confidentiality of the participant; and

109.15 (7) not independently determine the medication dose or time for medications for the  
109.16 participant.

109.17 (b) The commissioner may deny or terminate a support worker's provider enrollment  
109.18 and provider number if the support worker:

109.19 (1) does not meet the requirements in paragraph (a);

109.20 (2) fails to provide the authorized services required by the employer;

109.21 (3) has been intoxicated by alcohol or drugs while providing authorized services to the  
109.22 participant or while in the participant's home;

109.23 (4) has manufactured or distributed drugs while providing authorized services to the  
109.24 participant or while in the participant's home; or

109.25 (5) has been excluded as a provider by the commissioner of human services, or by the  
109.26 United States Department of Health and Human Services, Office of Inspector General, from  
109.27 participation in Medicaid, Medicare, or any other federal health care program.

109.28 (c) A support worker may appeal in writing to the commissioner to contest the decision  
109.29 to terminate the support worker's provider enrollment and provider number.

109.30 (d) A support worker must not provide or be paid for more than 310 hours of CFSS per  
109.31 month, regardless of the number of participants the support worker serves or the number  
109.32 of agency-providers or participant employers by which the support worker is employed.

110.1 The department shall not disallow the number of hours per day a support worker works  
110.2 unless it violates other law.

110.3 (e) CFSS qualify for an enhanced rate or budget if the support worker providing the  
110.4 services:

110.5 (1) provides services, within the scope of CFSS described in subdivision 7, to a participant  
110.6 who qualifies for ten or more hours per day of CFSS; and

110.7 (2) satisfies the current requirements of Medicare for training and competency or  
110.8 competency evaluation of home health aides or nursing assistants, as provided in the Code  
110.9 of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved  
110.10 training or competency requirements. This paragraph expires December 31, 2026.

110.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

110.12 Sec. 54. Minnesota Statutes 2024, section 256B.85, subdivision 17, is amended to read:

110.13 Subd. 17. **Consultation services duties.** Consultation services are a required service  
110.14 for the budget model and an optional service for the agency-provider model. Consultation  
110.15 services is a required service that includes include:

110.16 (1) entering into a written agreement with the participant, participant's representative,  
110.17 or legal representative that includes but is not limited to the details of services, service  
110.18 delivery methods, dates of services, and contact information;

110.19 (2) providing an initial and annual orientation to CFSS information and policies, including  
110.20 selecting a service model;

110.21 (3) assisting with accessing FMS providers or agency-providers;

110.22 (4) providing assistance with the development, implementation, management,  
110.23 documentation, and evaluation of the person-centered CFSS service delivery plan;

110.24 (5) maintaining documentation of the approved CFSS service delivery plan;

110.25 (6) distributing copies of the final CFSS service delivery plan to the participant and to  
110.26 the agency-provider or FMS provider, case manager or care coordinator, and other designated  
110.27 parties;

110.28 (7) assisting to fulfill responsibilities and requirements of CFSS, including modifying  
110.29 CFSS service delivery plans and changing service models;

110.30 (8) if requested, providing consultation on recruiting, selecting, training, managing,  
110.31 directing, supervising, and evaluating support workers;

111.1 (9) evaluating services upon receiving information from an FMS provider indicating  
111.2 spending or participant employer concerns;

111.3 (10) reviewing the use of and access to informal and community supports, goods, or  
111.4 resources;

111.5 (11) a semiannual review of services if the participant does not have a case manager or  
111.6 care coordinator and when the support worker is a paid parent of a minor participant or the  
111.7 participant's spouse;

111.8 (12) collecting and reporting of data as required by the department;

111.9 (13) providing the participant with a copy of the participant protections under subdivision  
111.10 20 at the start of consultation services;

111.11 (14) providing assistance to resolve issues of noncompliance with the requirements of  
111.12 CFSS;

111.13 (15) providing recommendations to the commissioner for changes to services when  
111.14 support to participants to resolve issues of noncompliance have been unsuccessful; and

111.15 (16) other duties as assigned by the commissioner.

111.16 Sec. 55. Minnesota Statutes 2024, section 256B.85, subdivision 17a, is amended to read:

111.17 Subd. 17a. **Consultation services provider qualifications and**  
111.18 **requirements.** Consultation services providers must meet the following qualifications and  
111.19 requirements:

111.20 (1) meet the requirements under subdivision 10, paragraph (a), excluding clauses (4)  
111.21 and (5);

111.22 (2) ~~are~~ be under contract with the department and enrolled as a Minnesota health care  
111.23 program provider;

111.24 (3) ~~are not~~ not be the FMS provider, the lead agency, or the CFSS or home and  
111.25 community-based services waiver vendor or agency-provider to the participant;

111.26 (4) meet the service standards as established by the commissioner;

111.27 (5) have proof of surety bond coverage. Upon new enrollment, or if the consultation  
111.28 service provider's Medicaid revenue in the previous calendar year is less than or equal to  
111.29 \$300,000, the consultation service provider must purchase a surety bond of \$50,000. If the  
111.30 agency-provider's Medicaid revenue in the previous calendar year is greater than \$300,000,  
111.31 the consultation service provider must purchase a surety bond of \$100,000. The surety bond

112.1 must be in a form approved by the commissioner, must be renewed annually, and must  
112.2 allow for recovery of costs and fees in pursuing a claim on the bond;

112.3 (6) employ lead professional staff with a minimum of two years of experience in  
112.4 providing services such as support planning, support broker, case management or care  
112.5 coordination, or consultation services and consumer education to participants using a  
112.6 self-directed program using FMS under medical assistance;

112.7 (7) report maltreatment as required under chapter 260E and section 626.557;

112.8 (8) comply with medical assistance provider requirements;

112.9 (9) understand the CFSS program and its policies;

112.10 (10) ~~are~~ be knowledgeable about self-directed principles and the application of the  
112.11 person-centered planning process;

112.12 (11) have general knowledge of the FMS provider duties and the vendor fiscal/employer  
112.13 agent model, including all applicable federal, state, and local laws and regulations regarding  
112.14 tax, labor, employment, and liability and workers' compensation coverage for household  
112.15 workers; and

112.16 (12) have all employees, including lead professional staff, staff in management and  
112.17 supervisory positions, and owners of the agency who are active in the day-to-day management  
112.18 and operations of the agency, complete training as specified in the contract with the  
112.19 department.

112.20 Sec. 56. Minnesota Statutes 2024, section 256B.85, subdivision 20, is amended to read:

112.21 Subd. 20. **Participant protections.** (a) All CFSS participants have the protections  
112.22 identified in this subdivision.

112.23 (b) Participants or ~~participant's~~ participants' representatives must be provided with  
112.24 adequate information, counseling, training, and assistance, as needed, to ensure that the  
112.25 participant is able to choose and manage services, models, and budgets. For budget model  
112.26 participants and participants who selected the agency-provider model with optional  
112.27 consultation services, this information must be provided by the consultation services provider  
112.28 at the time of the initial or annual orientation to CFSS, at the time of reassessment, or when  
112.29 requested by the participant or participant's representative. For participants who selected  
112.30 the agency-provider model without optional consultation services, this information must  
112.31 be provided by the agency-provider at the time of the initial or annual orientation to CFSS,

113.1 at the time of reassessment, or when requested by the participant or participant's  
113.2 representative. This information must explain:

113.3 (1) person-centered planning;

113.4 (2) the range and scope of participant choices, including the differences between the  
113.5 agency-provider model and the budget model, available CFSS providers, and other services  
113.6 available in the community to meet the participant's needs;

113.7 (3) the process for changing plans, services, and budgets;

113.8 (4) identifying and assessing appropriate services; and

113.9 (5) risks to and responsibilities of the participant under the budget model.

113.10 (c) The consultation services provider or agency-provider, as applicable, must ensure  
113.11 that the participant chooses freely between the agency-provider model and the budget model  
113.12 and among available agency-providers and that the participant may change agency-providers  
113.13 after services have begun.

113.14 (d) A participant who appeals a reduction in previously authorized CFSS services may  
113.15 continue previously authorized services pending an appeal in accordance with section  
113.16 256.045.

113.17 (e) If the units of service or budget allocation for CFSS are reduced, denied, or terminated,  
113.18 the commissioner must provide notice of the reasons for the reduction in the participant's  
113.19 notice of denial, termination, or reduction.

113.20 (f) If all or part of a CFSS service delivery plan is denied approval by the lead agency,  
113.21 the lead agency must provide a notice that describes the basis of the denial.

113.22 Sec. 57. Minnesota Statutes 2024, section 256B.851, subdivision 5, is amended to read:

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

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

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

113.27 (3) employee benefits factor, 12.04 percent;

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

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

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

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

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

114.3 (b) For purposes of implementation, the commissioner shall use the following  
114.4 implementation components:

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

114.6 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 88.19  
114.7 percent; and

114.8 (3) qualified professional services and CFSS worker training and development: 88.19  
114.9 percent.

114.10 (c) Effective January 1, 2025, for purposes of implementation, the commissioner shall  
114.11 use the following implementation components:

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

114.13 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 92.08  
114.14 percent; and

114.15 (3) qualified professional services and CFSS worker training and development: 92.08  
114.16 percent. This paragraph expires upon the effective date of subdivision 5a.

114.17 (d) The commissioner shall use the following worker retention components:

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

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

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

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

114.27 (5) for workers who have provided more than 10,000 cumulative hours in personal care  
114.28 assistance services or CFSS, the worker retention component is 10.81 percent. This paragraph  
114.29 expires upon the effective date of subdivision 5b.

114.30 (e) The commissioner shall define the appropriate worker retention component based  
114.31 on the total number of units billed for services rendered by the individual provider since

115.1 July 1, 2017. The worker retention component must be determined by the commissioner  
115.2 for each individual provider and is not subject to appeal.

115.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

115.4 Sec. 58. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision  
115.5 to read:

115.6 **Subd. 5a. Payment rates; implementation factor.** Effective January 1, 2026, or upon  
115.7 federal approval, whichever is later, for purposes of implementation, the commissioner shall  
115.8 use the following implementation components:

115.9 (1) personal care assistance services and CFSS: 92.20 percent;

115.10 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 92.20  
115.11 percent; and

115.12 (3) qualified professional services and CFSS worker training and development: 92.20  
115.13 percent.

115.14 Sec. 59. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision  
115.15 to read:

115.16 **Subd. 5b. Payment rates; worker retention component.** Effective January 1, 2026,  
115.17 or upon federal approval, whichever is later, the commissioner shall use the following  
115.18 worker retention components:

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

115.21 (2) for workers who have provided between 1,001 and 2,000 cumulative hours in personal  
115.22 care assistance services or CFSS, the worker retention component is 4.05 percent;

115.23 (3) for workers who have provided between 2,001 and 6,000 cumulative hours in personal  
115.24 care assistance services or CFSS, the worker retention component is 6.24 percent;

115.25 (4) for workers who have provided between 6,001 and 10,000 cumulative hours in  
115.26 personal care assistance services or CFSS, the worker retention component is 9.23 percent;  
115.27 and

115.28 (5) for workers who have provided more than 10,000 cumulative hours in personal care  
115.29 assistance services or CFSS, the worker retention component is 12.69 percent.

Sec. 60. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision to read:

Subd. 5c. **Payment rates; enhanced worker retention component.** Effective January 1, 2027, or upon federal approval, whichever is later, for purposes of implementation, the commissioner shall use the following implementation components if a worker has completed either the orientation for individual providers offered through the Home Care Orientation Trust or an orientation defined and offered by the commissioner:

(1) for workers who have provided fewer than 1,001 cumulative hours in personal care assistance services or CFSS, the worker retention component is 1.88 percent;

(2) for workers who have provided between 1,001 and 2,000 cumulative hours in personal care assistance services or CFSS, the worker retention component is 5.92 percent;

(3) for workers who have provided between 2,001, and 6,000 cumulative hours in personal care assistance services or CFSS, the worker retention component is 8.11 percent;

(4) for workers who have provided between 6,001 and 10,000 cumulative hours in personal care assistance services or CFSS, the worker retention component is 11.10 percent; and

(5) for workers who have provided more than 10,000 cumulative hours in personal care assistance services or CFSS, the worker retention component is 14.56 percent.

Sec. 61. Minnesota Statutes 2024, section 256B.851, subdivision 6, is amended to read:

**Subd. 6. Payment rates; rate determination.** (a) The commissioner must determine the rate for personal care assistance services, CFSS, extended personal care assistance services, extended CFSS, enhanced rate personal care assistance services, enhanced rate CFSS, qualified professional services, and CFSS worker training and development as follows:

(1) multiply the appropriate total wage component value calculated in subdivision 4 by one plus the employee vacation, sick, and training factor in subdivision 5;

(2) for program plan support, multiply the result of clause (1) by one plus the program plan support factor in subdivision 5;

(3) for employee-related expenses, add the employer taxes and workers' compensation factor in subdivision 5 and the employee benefits factor in subdivision 5. The sum is employee-related expenses. Multiply the product of clause (2) by one plus the value for employee-related expenses;

117.1 (4) for client programming and supports, multiply the product of clause (3) by one plus  
 117.2 the client programming and supports factor in subdivision 5;

117.3 (5) for administrative expenses, add the general business and administrative expenses  
 117.4 factor in subdivision 5, the program administration expenses factor in subdivision 5, and  
 117.5 the absence and utilization factor in subdivision 5;

117.6 (6) divide the result of clause (4) by one minus the result of clause (5). The quotient is  
 117.7 the hourly rate;

117.8 (7) multiply the hourly rate by the appropriate implementation component under  
 117.9 subdivision 5 or 5a. This is the adjusted hourly rate; and

117.10 (8) divide the adjusted hourly rate by four. The quotient is the total adjusted payment  
 117.11 rate.

117.12 (b) In processing personal care assistance provider agency and CFSS provider agency  
 117.13 claims, the commissioner shall incorporate the applicable worker retention component  
 117.14 components specified in subdivision 5, 5b, or 5c, by multiplying one plus the total adjusted  
 117.15 payment rate by the appropriate worker retention component under subdivision 5, ~~paragraph~~  
 117.16 ~~(d)~~ 5b, or 5c.

117.17 (c) The commissioner must publish the total final payment rates.

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

117.21 Sec. 62. Minnesota Statutes 2024, section 256B.851, subdivision 7, is amended to read:

117.22 Subd. 7. **Treatment of rate adjustments provided outside of cost components.** Any  
 117.23 rate adjustments applied to the service rates calculated under this section outside of the cost  
 117.24 components and rate methodology specified in this section, including but not limited to  
 117.25 those implemented to enable participant-employers and provider agencies to meet the terms  
 117.26 and conditions of any collective bargaining agreement negotiated under chapter 179A, shall  
 117.27 be applied as changes to the value of component values ~~or~~ <sub>2</sub> implementation components,  
 117.28 or worker retention components in subdivision subdivisions 5 to 5c.

118.1 Sec. 63. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision  
118.2 to read:

118.3 Subd. 7a. **Budget determinations.** The commissioner shall increase the authorized  
118.4 amount for the CFSS budget model of those CFSS participant-employers employing  
118.5 individual providers who have provided more than 1,000 hours of services and individual  
118.6 providers who have completed the orientation offered by the Home Care Orientation Trust  
118.7 or an orientation defined and offered by the commissioner. The commissioner shall determine  
118.8 the amount and method of the authorized amount increase.

118.9 Sec. 64. Minnesota Statutes 2024, section 260E.14, subdivision 1, is amended to read:

118.10 Subdivision 1. **Facilities and schools.** (a) The local welfare agency is the agency  
118.11 responsible for investigating allegations of maltreatment in child foster care, family child  
118.12 care, legally nonlicensed child care, and reports involving children served by an unlicensed  
118.13 personal care provider organization under section 256B.0659. Copies of findings related to  
118.14 personal care provider organizations under section 256B.0659 must be forwarded to the  
118.15 Department of Human Services provider enrollment.

118.16 (b) The Department of Children, Youth, and Families is the agency responsible for  
118.17 screening and investigating allegations of maltreatment in juvenile correctional facilities  
118.18 listed under section 241.021 located in the local welfare agency's county and in facilities  
118.19 licensed or certified under chapters 245A and 245D.

118.20 (c) The Department of Health is the agency responsible for screening and investigating  
118.21 allegations of maltreatment in facilities licensed under sections 144.50 to 144.58 and 144A.43  
118.22 to 144A.482 or chapter 144H.

118.23 (d) The Department of Education is the agency responsible for screening and investigating  
118.24 allegations of maltreatment in a school as defined in section 120A.05, subdivisions 9, 11,  
118.25 and 13, and chapter 124E. The Department of Education's responsibility to screen and  
118.26 investigate includes allegations of maltreatment involving students 18 through 21 years of  
118.27 age, including students receiving special education services, up to and including graduation  
118.28 and the issuance of a secondary or high school diploma.

118.29 (e) The Department of Human Services is the agency responsible for screening and  
118.30 investigating allegations of maltreatment of minors in an EIDBI agency operating under  
118.31 sections 245A.142 and 256B.0949.

118.32 ~~(e)~~ (f) A health or corrections agency receiving a report may request the local welfare  
118.33 agency to provide assistance pursuant to this section and sections 260E.20 and 260E.22.

(f) (g) The Department of Children, Youth, and Families is the agency responsible for screening and investigating allegations of maltreatment in facilities or programs not listed in paragraph (a) that are licensed or certified under chapters 142B and 142C.

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

Sec. 65. Minnesota Statutes 2024, section 626.5572, subdivision 13, is amended to read:

Subd. 13. **Lead investigative agency.** "Lead investigative agency" is the primary administrative agency responsible for investigating reports made under section 626.557.

(a) The Department of Health is the lead investigative agency for facilities or services licensed or required to be licensed as hospitals, home care providers, nursing homes, boarding care homes, hospice providers, residential facilities that are also federally certified as intermediate care facilities that serve people with developmental disabilities, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Health for the care of vulnerable adults. "Home care provider" has the meaning provided in section 144A.43, subdivision 4, and applies when care or services are delivered in the vulnerable adult's home.

(b) The Department of Human Services is the lead investigative agency for facilities or services licensed or required to be licensed as adult day care, adult foster care, community residential settings, programs for people with disabilities, family adult day services, mental health programs, mental health clinics, substance use disorder programs, the Minnesota Sex Offender Program, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Human Services, including EIDBI agencies under sections 245A.142 and 256B.0949.

(c) The county social service agency or its designee is the lead investigative agency for all other reports, including, but not limited to, reports involving vulnerable adults receiving services from a personal care provider organization under section 256B.0659.

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

Sec. 66. Laws 2021, First Special Session chapter 7, article 13, section 73, is amended to read:

Sec. 73. **WAIVER REIMAGINE PHASE II.**

(a) Effective January 1, 2028, or upon federal approval, whichever is later, the commissioner of human services must implement a two-home and community-based services

120.1 waiver program structure, as authorized under section 1915(c) of the federal Social Security  
120.2 Act, that serves persons who are determined by a certified assessor to require the levels of  
120.3 care provided in a nursing home, a hospital, a neurobehavioral hospital, or an intermediate  
120.4 care facility for persons with developmental disabilities.

120.5 (b) The commissioner of human services must implement an individualized budget  
120.6 methodology, as authorized under section 1915(c) of the federal Social Security Act, that  
120.7 serves persons who are determined by a certified assessor to require the levels of care  
120.8 provided in a nursing home, a hospital, a neurobehavioral hospital, or an intermediate care  
120.9 facility for persons with developmental disabilities.

120.10 (c) The commissioner must develop an individualized budget methodology exception  
120.11 to support access to self-directed home care nursing services. Lead agencies must submit  
120.12 budget exception requests to the commissioner in a manner identified by the commissioner.  
120.13 Eligibility for the budget exception in this paragraph is limited to persons meeting all of the  
120.14 following criteria in the person's most recent assessment:

120.15 (1) the person is assessed to need the level of care delivered in a hospital setting as  
120.16 evidenced by the submission of the Department of Human Services form 7096, primary  
120.17 medical provider's documentation of medical monitoring and treatment needs;

120.18 (2) the person is assessed to receive a support range budget of E or H; and

120.19 (3) the person does not receive community residential services, family residential services,  
120.20 integrated community supports services, or customized living services.

120.21 (d) Home care nursing services funded through the budget exception developed under  
120.22 paragraph (c) must be ordered by a physician, physician assistant, or advanced practice  
120.23 registered nurse. If the participant chooses home care nursing, the home care nursing services  
120.24 must be performed by a registered nurse or licensed practical nurse practicing within the  
120.25 registered nurse's or licensed practical nurse's scope of practice as defined under Minnesota  
120.26 Statutes, sections 148.171 to 148.285. If after a person's annual reassessment under Minnesota  
120.27 Statutes, section 256B.0911, any requirements of this paragraph or paragraph (c) are no  
120.28 longer met, the commissioner must terminate the budget exception.

120.29 ~~(e)~~ (e) The commissioner of human services may seek all federal authority necessary to  
120.30 implement this section.

120.31 ~~(d)~~ (f) The commissioner must ensure that the new waiver service menu and individual  
120.32 budgets allow people to live in their own home, family home, or any home and  
120.33 community-based setting of their choice. The commissioner must ensure, within available

121.1 resources and subject to state and federal regulations and law, that waiver reimagine does  
121.2 not result in unintended service disruptions.

121.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

121.4 Sec. 67. Laws 2021, First Special Session chapter 7, article 13, section 75, subdivision 6,  
121.5 as amended by Laws 2024, chapter 108, article 1, section 28, is amended to read:

121.6 Subd. 6. **Online support planning tool.** The commissioner must develop an online  
121.7 support planning and tracking tool for people using disability waiver services that allows  
121.8 access to the total budget available to the person, the services for which they are eligible,  
121.9 and the services they have chosen and used. The commissioner must explore operability  
121.10 options that would facilitate real-time tracking of a person's remaining available budget  
121.11 throughout the service year. The online support planning tool must provide information in  
121.12 an accessible format to support the person's informed choice. The commissioner must seek  
121.13 input from people with disabilities about the online support planning tool prior to its  
121.14 implementation. The commissioner must implement the online support planning and tracking  
121.15 tool no later than January 1, 2027.

121.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

121.17 Sec. 68. **BUDGET INCREASE FOR CONSUMER-DIRECTED COMMUNITY**  
121.18 **SUPPORTS.**

121.19 Effective January 1, 2026, or upon federal approval, whichever is later, the commissioner  
121.20 of human services must increase the consumer-directed community support budgets identified  
121.21 in the waiver plans under Minnesota Statutes, sections 256B.092 and 256B.49, and chapter  
121.22 256S; and the alternative care program under Minnesota Statutes, section 256B.0913, by  
121.23 0.13 percent.

121.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

121.25 Sec. 69. **ENHANCED BUDGET INCREASE FOR CONSUMER-DIRECTED**  
121.26 **COMMUNITY SUPPORTS.**

121.27 Effective January 1, 2026, or upon federal approval, whichever is later, the commissioner  
121.28 of human services must increase the consumer-directed community supports budget exception  
121.29 percentage identified in the waiver plans under Minnesota Statutes, sections 256B.092 and  
121.30 256B.49, and chapter 256S; and the alternative care program under Minnesota Statutes,  
121.31 section 256B.0913, from 7.5 to 12.5.

122.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

122.2 Sec. 70. **STIPEND PAYMENTS TO SEIU HEALTHCARE MINNESOTA & IOWA**  
122.3 **BARGAINING UNIT MEMBERS.**

122.4 (a) The commissioner of human services shall issue stipend payments to collective  
122.5 bargaining unit members as required by the labor agreement between the state of Minnesota  
122.6 and the Service Employees International Union (SEIU) Healthcare Minnesota & Iowa.

122.7 (b) The definitions in Minnesota Statutes, section 290.01, apply to this section.

122.8 (c) For the purposes of this section, "subtraction" has the meaning given in Minnesota  
122.9 Statutes, section 290.0132, subdivision 1, and the rules in that subdivision apply to this  
122.10 section.

122.11 (d) The amount of stipend payments received by SEIU Healthcare Minnesota & Iowa  
122.12 collective bargaining unit members under this section is a subtraction.

122.13 (e) The amount of stipend payments received by SEIU Healthcare Minnesota & Iowa  
122.14 collective bargaining unit members under this section is excluded from income as defined  
122.15 in Minnesota Statutes, sections 290.0693, subdivision 1, paragraph (i), and 290A.03,  
122.16 subdivision 3.

122.17 (f) Notwithstanding any law to the contrary, stipend payments under this section must  
122.18 not be considered income, assets, or personal property for purposes of determining or  
122.19 recertifying eligibility for:

122.20 (1) child care assistance programs under Minnesota Statutes, chapter 142E;

122.21 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota  
122.22 Statutes, chapter 256D;

122.23 (3) housing support under Minnesota Statutes, chapter 256I;

122.24 (4) the Minnesota family investment program under Minnesota Statutes, chapter 142G;  
122.25 and

122.26 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

122.27 (g) The commissioner of human services must not consider stipend payments under this  
122.28 section as income or assets under Minnesota Statutes, section 256B.056, subdivision 1a,  
122.29 paragraph (a); 3; or 3c, or for persons with eligibility determined under Minnesota Statutes,  
122.30 section 256B.057, subdivision 3, 3a, or 3b.

122.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

123.1      Sec. 71. **DIRECTION TO COMMISSIONER; COST REPORTING IMPROVEMENT**  
123.2      **AND DIRECT CARE STAFF REVIEW.**

123.3          (a) The commissioner of human services must consult with interested parties and make  
123.4      recommendations to the legislature to clarify provider cost reporting obligations to promote  
123.5      more uniform and meaningful data collection under Minnesota Statutes, section 256B.4914.  
123.6      By February 15, 2026, the commissioner must submit to the chairs and ranking minority  
123.7      members of the legislative committees with jurisdiction over health and human services  
123.8      policy and finance draft legislation required to implement the commissioner's  
123.9      recommendations.

123.10        (b) The commissioner of human services must consult with interested parties and, based  
123.11      on the results of the cost reporting completed for calendar year 2026, recommend what, if  
123.12      any, encumbrance of medical assistance reimbursement is appropriate to support direct care  
123.13      staff retention and the provision of quality services under Minnesota Statutes, section  
123.14      256B.4914. By January 15, 2028, the commissioner must submit to the chairs and ranking  
123.15      minority members of the legislative committees with jurisdiction over health and human  
123.16      services policy and finance draft legislation required to implement the commissioner's  
123.17      recommendations.

123.18      Sec. 72. **COMMUNITY FIRST SERVICES AND SUPPORTS REIMBURSEMENT**  
123.19      **DURING ACUTE CARE HOSPITAL STAYS.**

123.20        (a) The commissioner of human services must seek to amend Minnesota's federally  
123.21      approved community first services and supports program, authorized under United States  
123.22      Code, title 42, sections 1915(i) and 1915(k), to reimburse for delivery of community first  
123.23      services and supports under Minnesota Statutes, sections 256B.85 and 256B.851, during  
123.24      an acute care stay in an acute care hospital setting that does not have the effect of isolating  
123.25      individuals receiving community first services and supports from the broader community  
123.26      of individuals not receiving community first services and supports, as permitted under Code  
123.27      of Federal Regulations, title 42, section 441.530.

123.28        (b) Reimbursed services must:

123.29        (1) be identified in an individual's person-centered support plan as required under  
123.30      Minnesota Statutes, section 256B.0911;

123.31        (2) be provided to meet the needs of the person that are not met through the provision  
123.32      of hospital services;

124.1 (3) not substitute services that the hospital is obligated to provide as required under state  
124.2 and federal law; and

124.3 (4) be designed to preserve the person's functional abilities during a hospital stay for  
124.4 acute care and to ensure smooth transitions between acute care settings and home and  
124.5 community-based settings.

124.6 **EFFECTIVE DATE.** Paragraph (a) is effective the day following final enactment.  
124.7 Paragraph (b) is effective January 1, 2026, or upon federal approval, whichever is later. The  
124.8 commissioner of human services shall notify the revisor of statutes when federal approval  
124.9 is obtained.

124.10 Sec. 73. **POSITIVE SUPPORTS COMPETENCY PROGRAM.**

124.11 (a) The commissioner shall establish a positive supports competency program with the  
124.12 money appropriated for this purpose.

124.13 (b) When establishing the positive supports competency program, the commissioner  
124.14 must use a community-partner-driven process to:

124.15 (1) define the core activities associated with effective intervention services at the levels  
124.16 of positive support specialist, positive support analyst, and positive support professional;

124.17 (2) create tools providers may use to track whether their positive supports specialists,  
124.18 positive support analysts, and positive support professionals are competently performing  
124.19 the core activities associated with effective intervention services;

124.20 (3) align existing training systems funded through the Department of Human Services  
124.21 and develop free online modules for competency-based training to prepare positive support  
124.22 specialists, positive support analysts, and positive support professionals to provide effective  
124.23 intervention services;

124.24 (4) assist providers interested in utilizing a competency-based training model to create  
124.25 a career pathway for the positive support analysts and positive support specialists within  
124.26 their organizations by using experienced professionals;

124.27 (5) create written guidelines, stories, and examples for providers that will be placed on  
124.28 Department of Human Services websites promoting capacity building; and

124.29 (6) disseminate resources and guidance to providers interested in meeting  
124.30 competency-based qualifications for positive supports through existing regional networks  
124.31 of experts, including communities of practice, and develop new avenues for disseminating  
124.32 these resources and guidance, including through implementation of ECHO models.

125.1     Sec. 74. **DIRECTION TO COMMISSIONER; INTEGRATED COMMUNITY**  
125.2     **SUPPORTS CODIFICATION.**

125.3         (a) The commissioner of human services must develop draft language to codify in  
125.4     Minnesota Statutes the standards and requirements for integrated community supports as  
125.5     specified in the federally approved brain injury, community access for disability inclusion,  
125.6     community alternative care, and developmental disabilities waiver plans.

125.7         (b) When developing and drafting the proposed legislative language, the commissioner  
125.8     must consult with interested parties, including the Association of Residential Resources in  
125.9     Minnesota, the Residential Providers Association of Minnesota, the Minnesota Association  
125.10    of County Social Service Administrators, and people with disabilities currently or potentially  
125.11    receiving integrated community supports. The commissioner must ensure that the interested  
125.12    parties with whom the commissioner consults represent a broad spectrum of active and  
125.13    potential providers and service recipients. The commissioner's consultation with interested  
125.14    parties must be transparent and provide the opportunity for meaningful input from active  
125.15    and potential providers and service recipients.

125.16        (c) The commissioner must submit the draft legislation to the chairs and ranking minority  
125.17    members of the legislative committees with jurisdiction over health and human services  
125.18    policy and finance by January 1, 2026.

125.19     Sec. 75. **DIRECTION TO COMMISSIONER; PROVISIONAL OR TRANSITIONAL**  
125.20     **APPROVAL OF INTEGRATED COMMUNITY SERVICES SETTINGS.**

125.21        (a) The commissioner of human services must develop draft language to improve the  
125.22    process for approving integrated community supports settings, including a process for issuing  
125.23    provisional or transitional licenses to allow applicants to obtain an initial approval to operate  
125.24    prior to securing control of the approved setting. This process must also allow applicants  
125.25    to change the approved setting during the application review period when needed to ensure  
125.26    an available setting.

125.27        (b) The commissioner must submit the draft legislation to the chairs and ranking minority  
125.28    members of the legislative committees with jurisdiction over health and human services  
125.29    policy and finance by January 1, 2026.

125.30     Sec. 76. **DIRECTION TO COMMISSIONER; GUIDANCE TO COUNTIES.**

125.31        Upon receipt of approval from the Centers for Medicare and Medicaid Services, the  
125.32    commissioner of human services shall provide guidance to counties on the administration

126.1 of the family support program under Minnesota Statutes, section 252.32; the consumer  
126.2 support program under Minnesota Statutes, section 256.476; disability waivers under  
126.3 Minnesota Statutes, sections 256B.092 and 256B.49; and the community first services and  
126.4 supports program under Minnesota Statutes, section 256B.85, to clarify that the cost of  
126.5 adaptive or one-on-one swimming lessons is an allowable use of money.

126.6 Sec. 77. **DIRECTION TO COMMISSIONER; SWIMMING LESSONS COVERED**  
126.7 **UNDER DISABILITY WAIVERS.**

126.8 The commissioner of human services shall include swimming lessons for a participant  
126.9 whose disability puts the participant at a higher risk of drowning as a covered service under  
126.10 the disability waivers, including the consumer-directed community supports option, under  
126.11 Minnesota Statutes, sections 256B.092 and 256B.49.

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

126.15 Sec. 78. **REPEALER.**

126.16 Subdivision 1. **Obsolete home and community-based services licensing**  
126.17 **provisions.** Minnesota Statutes 2024, section 245A.042, subdivisions 2, 3, and 4, are  
126.18 repealed.

126.19 Subd. 2. **Direct care provider premiums.** Laws 2023, chapter 59, article 3, section 11,  
126.20 is repealed.

126.21 Subd. 3. **Legislative Task Force on Guardianship.** Laws 2024, chapter 127, article  
126.22 46, section 39, is repealed.

### 126.23 ARTICLE 3

### 126.24 SUBSTANCE USE DISORDER TREATMENT

126.25 Section 1. Minnesota Statutes 2024, section 245G.01, subdivision 13b, is amended to  
126.26 read:

126.27 Subd. 13b. **Guest speaker.** "Guest speaker" means an individual who is not an alcohol  
126.28 and drug counselor qualified according to section 245G.11, subdivision 5; is not qualified  
126.29 according to the commissioner's list of professionals under section 245G.07, subdivision 3,  
126.30 clause (1); and who works under the direct observation of an alcohol and drug counselor to  
126.31 present to clients on topics in which the guest speaker has expertise and that the license

127.1 holder has determined to be beneficial to a client's recovery. Tribally licensed programs  
127.2 have autonomy to identify the qualifications of their guest speakers.

127.3 Sec. 2. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
127.4 read:

127.5 Subd. 13d. **Individual counseling.** "Individual counseling" means professionally led  
127.6 psychotherapeutic treatment for substance use disorders that is delivered in a one-to-one  
127.7 setting or in a setting with the client and the client's family and other natural supports.

127.8 Sec. 3. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
127.9 read:

127.10 Subd. 20f. **Psychoeducation.** "Psychoeducation" means the services described in section  
127.11 245G.07, subdivision 1a, clause (2).

127.12 Sec. 4. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
127.13 read:

127.14 Subd. 20g. **Psychosocial treatment services.** "Psychosocial treatment services" means  
127.15 the services described in section 245G.07, subdivision 1a.

127.16 Sec. 5. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
127.17 read:

127.18 Subd. 20h. **Recovery support services.** "Recovery support services" means the services  
127.19 described in section 245G.07, subdivision 2a, paragraph (b), clause (1).

127.20 Sec. 6. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
127.21 read:

127.22 Subd. 26a. **Treatment coordination.** "Treatment coordination" means the services  
127.23 described in section 245G.07, subdivision 1b.

127.24 Sec. 7. Minnesota Statutes 2024, section 245G.02, subdivision 2, is amended to read:

127.25 Subd. 2. **Exemption from license requirement.** This chapter does not apply to a county  
127.26 or recovery community organization that is providing a service for which the county or  
127.27 recovery community organization is an eligible vendor under section 254B.05. This chapter  
127.28 does not apply to an organization whose primary functions are information, referral,  
127.29 diagnosis, case management, and assessment for the purposes of client placement, education,

128.1 support group services, or self-help programs. This chapter does not apply to the activities  
128.2 of a licensed professional in private practice. A license holder providing the initial set of  
128.3 substance use disorder services allowable under section 254A.03, subdivision 3, paragraph  
128.4 (c), to an individual referred to a licensed nonresidential substance use disorder treatment  
128.5 program after a positive screen for alcohol or substance misuse is exempt from sections  
128.6 245G.05; 245G.06, subdivisions 1, 1a, and 4; 245G.07, ~~subdivisions 1, paragraph (a), clauses~~  
128.7 ~~(2) to (4), and 2, clauses (1) to (7)~~ subdivision 1a, clause (2); and 245G.17.

128.8 **EFFECTIVE DATE.** This section is effective July 1, 2026.

128.9 Sec. 8. Minnesota Statutes 2024, section 245G.05, subdivision 1, is amended to read:

128.10 Subdivision 1. **Comprehensive assessment.** (a) A comprehensive assessment of the  
128.11 client's substance use disorder must be administered face-to-face ~~by an alcohol and drug~~  
128.12 ~~counselor~~ within five calendar days from the day of service initiation for a residential  
128.13 program or by the end of the fifth day on which a treatment service is provided in a  
128.14 nonresidential program. The number of days to complete the comprehensive assessment  
128.15 excludes the day of service initiation.

128.16 (b) A comprehensive assessment must be administered by:

128.17 (1) an alcohol and drug counselor;

128.18 (2) a mental health professional who meets the qualifications under section 245I.04,  
128.19 subdivision 2, practices within the scope of their professional licensure, and has training in  
128.20 addiction, co-occurring disorders, and substance use disorder diagnosis and treatment  
128.21 according to the requirements in section 245G.13, subdivision 2, paragraph (f);

128.22 (3) a clinical trainee who meets the qualifications under section 245I.04, subdivision 6,  
128.23 practicing under the supervision of a mental health professional who meets the requirements  
128.24 of clause (2); or

128.25 (4) an advanced practice registered nurse as defined in section 148.171, subdivision 3,  
128.26 who practices within the scope of their professional licensure and has training in addiction,  
128.27 co-occurring disorders, and substance use disorder diagnosis and treatment according to  
128.28 the requirements in section 245G.13, subdivision 2, paragraph (f).

128.29 (c) If the comprehensive assessment is not completed within the required time frame,  
128.30 the person-centered reason for the delay and the planned completion date must be documented  
128.31 in the client's file. The comprehensive assessment is complete upon a qualified staff member's  
128.32 dated signature. If the client received a comprehensive assessment that authorized the  
128.33 treatment service, ~~an alcohol and drug counselor~~ a staff member qualified under paragraph

129.1 (b) may use the comprehensive assessment for requirements of this subdivision but must  
129.2 document a review of the comprehensive assessment and update the comprehensive  
129.3 assessment as clinically necessary to ensure compliance with this subdivision within  
129.4 applicable timelines. ~~An alcohol and drug counselor~~ A staff member qualified under  
129.5 paragraph (b) must sign and date the comprehensive assessment review and update.

129.6 Sec. 9. Minnesota Statutes 2024, section 245G.07, subdivision 1, is amended to read:

129.7 Subdivision 1. **Treatment service.** (a) A licensed ~~residential~~ treatment program must  
129.8 offer the treatment services in ~~clauses (1) to (5)~~ subdivisions 1a and 1b and may offer the  
129.9 treatment services in subdivision 2 to each client, unless clinically inappropriate and the  
129.10 justifying clinical rationale is documented. ~~A nonresidential~~ The treatment program must  
129.11 ~~offer all treatment services in clauses (1) to (5) and~~ document in the individual treatment  
129.12 plan the specific services for which a client has an assessed need and the plan to provide  
129.13 the services.

129.14 ~~(1) individual and group counseling to help the client identify and address needs related~~  
129.15 ~~to substance use and develop strategies to avoid harmful substance use after discharge and~~  
129.16 ~~to help the client obtain the services necessary to establish a lifestyle free of the harmful~~  
129.17 ~~effects of substance use disorder;~~

129.18 ~~(2) client education strategies to avoid inappropriate substance use and health problems~~  
129.19 ~~related to substance use and the necessary lifestyle changes to regain and maintain health.~~  
129.20 ~~Client education must include information on tuberculosis education on a form approved~~  
129.21 ~~by the commissioner, the human immunodeficiency virus according to section 245A.19,~~  
129.22 ~~other sexually transmitted diseases, drug and alcohol use during pregnancy, and hepatitis;~~

129.23 ~~(3) a service to help the client integrate gains made during treatment into daily living~~  
129.24 ~~and to reduce the client's reliance on a staff member for support;~~

129.25 ~~(4) a service to address issues related to co-occurring disorders, including client education~~  
129.26 ~~on symptoms of mental illness, the possibility of comorbidity, and the need for continued~~  
129.27 ~~medication compliance while recovering from substance use disorder. A group must address~~  
129.28 ~~co-occurring disorders, as needed. When treatment for mental health problems is indicated,~~  
129.29 ~~the treatment must be integrated into the client's individual treatment plan; and~~

129.30 ~~(5) treatment coordination provided one-to-one by an individual who meets the staff~~  
129.31 ~~qualifications in section 245G.11, subdivision 7. Treatment coordination services include:~~

129.32 ~~(i) assistance in coordination with significant others to help in the treatment planning~~  
129.33 ~~process whenever possible;~~

130.1 ~~(ii) assistance in coordination with and follow-up for medical services as identified in~~  
130.2 ~~the treatment plan;~~

130.3 ~~(iii) facilitation of referrals to substance use disorder services as indicated by a client's~~  
130.4 ~~medical provider, comprehensive assessment, or treatment plan;~~

130.5 ~~(iv) facilitation of referrals to mental health services as identified by a client's~~  
130.6 ~~comprehensive assessment or treatment plan;~~

130.7 ~~(v) assistance with referrals to economic assistance, social services, housing resources,~~  
130.8 ~~and prenatal care according to the client's needs;~~

130.9 ~~(vi) life skills advocacy and support accessing treatment follow-up, disease management,~~  
130.10 ~~and education services, including referral and linkages to long-term services and supports~~  
130.11 ~~as needed; and~~

130.12 ~~(vii) documentation of the provision of treatment coordination services in the client's~~  
130.13 ~~file.~~

130.14 (b) A treatment service provided to a client must be provided according to the individual  
130.15 treatment plan and must consider cultural differences and special needs of a client.

130.16 (c) A supportive service alone does not constitute a treatment service. Supportive services  
130.17 include:

130.18 (1) milieu management or supervising or monitoring clients without also providing a  
130.19 treatment service identified in subdivision 1a, 1b, or 2a;

130.20 (2) transporting clients;

130.21 (3) waiting with clients for appointments at social service agencies, court hearings, and  
130.22 similar activities; and

130.23 (4) collecting urinalysis samples.

130.24 (d) A treatment service provided in a group setting must be provided in a cohesive  
130.25 manner and setting that allows every client receiving the service to interact and receive the  
130.26 same service at the same time.

130.27 Sec. 10. Minnesota Statutes 2024, section 245G.07, is amended by adding a subdivision  
130.28 to read:

130.29 Subd. 1a. **Psychosocial treatment service.** Psychosocial treatment services must be  
130.30 provided according to the hours identified in section 254B.19 for the ASAM level of care

131.1 provided to the client. A license holder must provide the following psychosocial treatment  
131.2 services as a part of the client's individual treatment:

131.3 (1) counseling services that provide a client with professional assistance in managing  
131.4 substance use disorder and co-occurring conditions, either individually or in a group setting.

131.5 Counseling must:

131.6 (i) use evidence-based techniques to help a client modify behavior, overcome obstacles,  
131.7 and achieve and sustain recovery through techniques such as active listening, guidance,  
131.8 discussion, feedback, and clarification;

131.9 (ii) help the client to identify and address needs related to substance use, develop  
131.10 strategies to avoid harmful substance use, and establish a lifestyle free of the harmful effects  
131.11 of substance use disorder; and

131.12 (iii) work to improve well-being and mental health, resolve or mitigate symptomatic  
131.13 behaviors, beliefs, compulsions, thoughts, and emotions, and enhance relationships and  
131.14 social skills, while addressing client-centered psychological and emotional needs; and

131.15 (2) psychoeducation services to provide a client with information about substance use  
131.16 and co-occurring conditions, either individually or in a group setting. Psychoeducation  
131.17 includes structured presentations, interactive discussions, and practical exercises to help  
131.18 clients understand and manage their conditions effectively. Topics include but are not limited  
131.19 to:

131.20 (i) the causes of substance use disorder and co-occurring disorders;

131.21 (ii) behavioral techniques that help a client change behaviors, thoughts, and feelings;

131.22 (iii) the importance of maintaining mental health, including understanding symptoms  
131.23 of mental illness;

131.24 (iv) medications for addiction and psychiatric disorders and the importance of medication  
131.25 adherence;

131.26 (v) the importance of maintaining physical health, health-related risk factors associated  
131.27 with substance use disorder, and specific health education on tuberculosis, HIV, other  
131.28 sexually transmitted diseases, drug and alcohol use during pregnancy, and hepatitis; and

131.29 (vi) harm-reduction strategies.

132.1 Sec. 11. Minnesota Statutes 2024, section 245G.07, is amended by adding a subdivision  
132.2 to read:

132.3 Subd. 1b. **Treatment coordination.** (a) Treatment coordination must be provided to a  
132.4 single client by an individual who meets the staff qualifications in section 245G.11,  
132.5 subdivision 7. Treatment coordination services include:

132.6 (1) coordinating directly with others involved in the client's treatment and recovery,  
132.7 including the referral source, family or natural supports, social services agencies, and external  
132.8 care providers;

132.9 (2) providing clients with training and facilitating connections to community resources  
132.10 that support recovery;

132.11 (3) assisting clients in obtaining necessary resources and services such as financial  
132.12 assistance, housing, food, clothing, medical care, education, harm reduction services,  
132.13 vocational support, and recreational services that promote recovery;

132.14 (4) helping clients connect and engage with self-help support groups and expand social  
132.15 support networks with family, friends, and organizations; and

132.16 (5) assisting clients in transitioning between levels of care, including providing direct  
132.17 connections to ensure continuity of care.

132.18 (b) Treatment coordination does not include coordinating services or communicating  
132.19 with staff members within the licensed program.

132.20 (c) Treatment coordination may be provided in a setting with the individual client and  
132.21 others involved in the client's treatment and recovery.

132.22 Sec. 12. Minnesota Statutes 2024, section 245G.07, is amended by adding a subdivision  
132.23 to read:

132.24 Subd. 2a. **Ancillary treatment service.** (a) A license holder may provide ancillary  
132.25 services in addition to the hours of psychosocial treatment services identified in section  
132.26 254B.19 for the ASAM level of care provided to the client.

132.27 (b) A license holder may provide the following ancillary treatment services as a part of  
132.28 the client's individual treatment:

132.29 (1) recovery support services provided individually or in a group setting, that include:

132.30 (i) supporting clients in restoring daily living skills, such as health and health care  
132.31 navigation and self-care to enhance personal well-being;

(ii) providing resources and assistance to help clients restore life skills, including effective parenting, financial management, pro-social behavior, education, employment, and nutrition;

(iii) assisting clients in restoring daily functioning and routines affected by substance use and supporting them in developing skills for successful community integration; and

(iv) helping clients respond to or avoid triggers that threaten their community stability, assisting the client in identifying potential crises and developing a plan to address them, and providing support to restore the client's stability and functioning; and

(2) peer recovery support services provided according to sections 254B.05, subdivision 5, and 254B.052.

Sec. 13. Minnesota Statutes 2024, section 245G.07, subdivision 3, is amended to read:

Subd. 3. ~~Counselors~~ **Treatment service providers.** (a) All treatment services, except peer recovery support services and treatment coordination, must be provided by an alcohol and drug counselor qualified according to section 245G.11, subdivision 5, unless the individual providing the service is specifically qualified according to the accepted credential required to provide the service. The commissioner shall maintain a current list of professionals qualified to provide treatment services.

(b) Psychosocial treatment services must be provided by an alcohol and drug counselor qualified according to section 245G.11, subdivision 5, unless the individual providing the service is specifically qualified according to the accepted credential required to provide the service. The commissioner shall maintain a current list of professionals qualified to provide psychosocial treatment services.

(c) Treatment coordination must be provided by a treatment coordinator qualified according to section 245G.11, subdivision 7.

(d) Recovery support services must be provided by a behavioral health practitioner qualified according to section 245G.11, subdivision 12.

(e) Peer recovery support services must be provided by a recovery peer qualified according to section 245I.04, subdivision 18.

Sec. 14. Minnesota Statutes 2024, section 245G.07, subdivision 4, is amended to read:

Subd. 4. **Location of service provision.** (a) The license holder must provide all treatment services a client receives at one of the license holder's substance use disorder treatment licensed locations or at a location allowed under paragraphs (b) to (f). If the services are

134.1 provided at the locations in paragraphs (b) to (d), the license holder must document in the  
134.2 client record the location services were provided.

134.3 (b) The license holder may provide nonresidential individual treatment services at a  
134.4 client's home or place of residence.

134.5 (c) If the license holder provides treatment services by telehealth, the services must be  
134.6 provided according to this paragraph:

134.7 (1) the license holder must maintain a licensed physical location in Minnesota where  
134.8 the license holder must offer all treatment services in subdivision 1, ~~paragraph (a), clauses~~  
134.9 ~~(1) to (4),~~ 1a physically in-person to each client;

134.10 (2) the license holder must meet all requirements for the provision of telehealth in sections  
134.11 254B.05, subdivision 5, paragraph (f), and 256B.0625, subdivision 3b. The license holder  
134.12 must document all items in section 256B.0625, subdivision 3b, paragraph (c), for each client  
134.13 receiving services by telehealth, regardless of payment type or whether the client is a medical  
134.14 assistance enrollee;

134.15 (3) the license holder may provide treatment services by telehealth to clients individually;

134.16 (4) the license holder may provide treatment services by telehealth to a group of clients  
134.17 that are each in a separate physical location;

134.18 (5) the license holder must not provide treatment services remotely by telehealth to a  
134.19 group of clients meeting together in person, unless permitted under clause (7);

134.20 (6) clients and staff may join an in-person group by telehealth if a staff member qualified  
134.21 to provide the treatment service is physically present with the group of clients meeting  
134.22 together in person; and

134.23 (7) the qualified professional providing a residential group treatment service by telehealth  
134.24 must be physically present on-site at the licensed residential location while the service is  
134.25 being provided. If weather conditions or short-term illness prohibit a qualified professional  
134.26 from traveling to the residential program and another qualified professional is not available  
134.27 to provide the service, a qualified professional may provide a residential group treatment  
134.28 service by telehealth from a location away from the licensed residential location. In such  
134.29 circumstances, the license holder must ensure that a qualified professional does not provide  
134.30 a residential group treatment service by telehealth from a location away from the licensed  
134.31 residential location for more than one day at a time, must ensure that a staff person who  
134.32 qualifies as a paraprofessional is physically present with the group of clients, and must  
134.33 document the reason for providing the remote telehealth service in the records of clients

135.1 receiving the service. The license holder must document the dates that residential group  
135.2 treatment services were provided by telehealth from a location away from the licensed  
135.3 residential location in a central log and must provide the log to the commissioner upon  
135.4 request.

135.5 (d) The license holder may provide the ~~additional~~ ancillary treatment services under  
135.6 subdivision 2, ~~clauses (2) to (6) and (8), 2a~~ away from the licensed location at a suitable  
135.7 location appropriate to the treatment service.

135.8 (e) Upon written approval from the commissioner for each satellite location, the license  
135.9 holder may provide nonresidential treatment services at satellite locations that are in a  
135.10 school, jail, or nursing home. A satellite location may only provide services to students of  
135.11 the school, inmates of the jail, or residents of the nursing home. Schools, jails, and nursing  
135.12 homes are exempt from the licensing requirements in section 245A.04, subdivision 2a, to  
135.13 document compliance with building codes, fire and safety codes, health rules, and zoning  
135.14 ordinances.

135.15 (f) The commissioner may approve other suitable locations as satellite locations for  
135.16 nonresidential treatment services. The commissioner may require satellite locations under  
135.17 this paragraph to meet all applicable licensing requirements. The license holder may not  
135.18 have more than two satellite locations per license under this paragraph.

135.19 (g) The license holder must provide the commissioner access to all files, documentation,  
135.20 staff persons, and any other information the commissioner requires at the main licensed  
135.21 location for all clients served at any location under paragraphs (b) to (f).

135.22 (h) Notwithstanding sections 245A.65, subdivision 2, and 626.557, subdivision 14, a  
135.23 program abuse prevention plan is not required for satellite or other locations under paragraphs  
135.24 (b) to (e). An individual abuse prevention plan is still required for any client that is a  
135.25 vulnerable adult as defined in section 626.5572, subdivision 21.

135.26 Sec. 15. Minnesota Statutes 2024, section 245G.11, subdivision 6, is amended to read:

135.27 Subd. 6. **Paraprofessionals.** A paraprofessional who does not meet the qualifications  
135.28 of the behavioral health practitioner as described in section 245G.11, subdivision 12, must  
135.29 have knowledge of client rights, according to section 148F.165, and staff member  
135.30 responsibilities. A paraprofessional may not make decisions to admit, transfer, or discharge  
135.31 a client but may perform tasks related to intake and orientation. A paraprofessional may be  
135.32 the responsible for the delivery of treatment service staff member according to section

136.1 245G.10, subdivision 3. A paraprofessional is not qualified to provide a treatment service  
136.2 according to section 245G.07, subdivisions 1a, 1b, and 2a.

136.3 Sec. 16. Minnesota Statutes 2024, section 245G.11, subdivision 7, is amended to read:

136.4 Subd. 7. **Treatment coordination provider qualifications.** (a) Treatment coordination  
136.5 must be provided by qualified staff. An individual is qualified to provide treatment  
136.6 coordination if the individual meets the qualifications of an alcohol and drug counselor  
136.7 under subdivision 5 or if the individual:

136.8 (1) is skilled in the process of identifying and assessing a wide range of client needs;

136.9 (2) is knowledgeable about local community resources and how to use those resources  
136.10 for the benefit of the client;

136.11 (3) has ~~successfully completed 30 hours of classroom instruction on treatment~~  
136.12 ~~coordination for an individual with substance use disorder~~ specific training on substance  
136.13 use disorder and co-occurring disorders that is consistent with national evidence-based  
136.14 practices; and

136.15 (4) ~~has either~~ meets one of the following criteria:

136.16 (i) has a bachelor's degree in one of the behavioral sciences or related fields and at least  
136.17 1,000 hours of supervised experience working with individuals with substance use disorder;  
136.18 ~~or~~

136.19 (ii) has current certification as an alcohol and drug counselor, level I, by the Upper  
136.20 Midwest Indian Council on Addictive Disorders; ~~and~~ or

136.21 (iii) is a mental health practitioner who meets the qualifications under section 245I.04,  
136.22 subdivision 4.

136.23 ~~(5) has at least 2,000 hours of supervised experience working with individuals with~~  
136.24 ~~substance use disorder.~~

136.25 (b) A treatment coordinator must receive at least one hour of supervision regarding  
136.26 individual service delivery from an alcohol and drug counselor, or a mental health  
136.27 professional who has substance use treatment and assessments within the scope of their  
136.28 practice, on a monthly basis.

137.1 Sec. 17. Minnesota Statutes 2024, section 245G.11, is amended by adding a subdivision  
137.2 to read:

137.3 Subd. 12. **Behavioral health practitioners.** (a) A behavioral health practitioner must  
137.4 meet the qualifications in section 245I.04, subdivision 4.

137.5 (b) A behavioral health practitioner working within a substance use disorder treatment  
137.6 program licensed under this chapter has the following scope of practice:

137.7 (1) a behavioral health practitioner may provide clients with recovery support services,  
137.8 as defined in section 245G.07, subdivision 2a, paragraph (b), clause (1); and

137.9 (2) a behavioral health practitioner must not provide treatment supervision to other staff  
137.10 persons.

137.11 (c) A behavioral health practitioner working within a substance use disorder treatment  
137.12 program licensed under this chapter must receive at least one hour of supervision per month  
137.13 on individual service delivery from an alcohol and drug counselor or a mental health  
137.14 professional who has substance use treatment and assessments within the scope of their  
137.15 practice.

137.16 Sec. 18. Minnesota Statutes 2024, section 245G.22, subdivision 11, is amended to read:

137.17 Subd. 11. **Waiting list.** An opioid treatment program must have a waiting list system.  
137.18 If the person seeking admission cannot be admitted within 14 days of the date of application,  
137.19 each person seeking admission must be placed on the waiting list, unless the person seeking  
137.20 admission is assessed by the program and found ineligible for admission according to this  
137.21 chapter and Code of Federal Regulations, title 42, part 1, subchapter A, section 8.12 (e),  
137.22 and title 45, parts 160 to 164. The waiting list must assign a unique client identifier for each  
137.23 person seeking treatment while awaiting admission. A person seeking admission on a waiting  
137.24 list who receives no services under section 245G.07, subdivision ~~4~~ 1a or 1b, must not be  
137.25 considered a client as defined in section 245G.01, subdivision 9.

137.26 Sec. 19. Minnesota Statutes 2024, section 245G.22, subdivision 15, is amended to read:

137.27 Subd. 15. **Nonmedication treatment services; documentation.** (a) The program must  
137.28 offer at least 50 consecutive minutes of individual or group therapy treatment services as  
137.29 defined in section 245G.07, subdivision ~~4~~, ~~paragraph (a)~~ 1a, clause (1), per week, for the  
137.30 first ten weeks following the day of service initiation, and at least 50 consecutive minutes  
137.31 per month thereafter. As clinically appropriate, the program may offer these services  
137.32 cumulatively and not consecutively in increments of no less than 15 minutes over the required

138.1 time period, and for a total of 60 minutes of treatment services over the time period, and  
138.2 must document the reason for providing services cumulatively in the client's record. The  
138.3 program may offer additional levels of service when deemed clinically necessary.

138.4 (b) Notwithstanding the requirements of comprehensive assessments in section 245G.05,  
138.5 the assessment must be completed within 21 days from the day of service initiation.

138.6 Sec. 20. Minnesota Statutes 2024, section 254A.19, subdivision 4, is amended to read:

138.7 Subd. 4. **Civil commitments.** For the purposes of determining level of care, a  
138.8 comprehensive assessment does not need to be completed for an individual being committed  
138.9 as a chemically dependent person, as defined in section 253B.02, and for the duration of a  
138.10 civil commitment under section 253B.09 or 253B.095 in order for ~~a county~~ the individual  
138.11 to access be eligible for the behavioral health fund under section 254B.04. The ~~county~~  
138.12 commissioner must determine if the individual meets the financial eligibility requirements  
138.13 for the behavioral health fund under section 254B.04.

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

138.15 Sec. 21. Minnesota Statutes 2024, section 254B.01, subdivision 10, is amended to read:

138.16 Subd. 10. ~~Skilled Psychosocial treatment services.~~ "Skilled Psychosocial treatment  
138.17 services" includes the treatment services described in section 245G.07, ~~subdivisions 1,~~  
138.18 ~~paragraph (a), clauses (1) to (4), and 2, clauses (1) to (6).~~ Skilled subdivision 1a. Psychosocial  
138.19 treatment services must be provided by qualified professionals as identified in section  
138.20 245G.07, subdivision 3, paragraph (b).

138.21 Sec. 22. Minnesota Statutes 2024, section 254B.02, subdivision 5, is amended to read:

138.22 Subd. 5. ~~Local agency Tribal allocation.~~ The commissioner may make payments to  
138.23 ~~local agencies~~ Tribal Nation servicing agencies from money allocated under this section to  
138.24 support individuals with substance use disorders and determine eligibility for behavioral  
138.25 health fund payments. The payment must not be less than 133 percent of the ~~local agency~~  
138.26 Tribal Nations payment for the fiscal year ending June 30, 2009, adjusted in proportion to  
138.27 the statewide change in the appropriation for this chapter.

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

Sec. 23. Minnesota Statutes 2024, section 254B.03, subdivision 1, is amended to read:

Subdivision 1. ~~Local agency duties~~ **Financial eligibility determinations.** (a) ~~Every local agency~~ The commissioner of human services or Tribal Nation servicing agencies must determine financial eligibility for substance use disorder services and provide substance use disorder services to persons residing within its jurisdiction who meet criteria established by the commissioner. Substance use disorder money must be administered by the local agencies according to law and rules adopted by the commissioner under sections 14.001 to 14.69.

(b) In order to contain costs, the commissioner of human services shall select eligible vendors of substance use disorder services who can provide economical and appropriate treatment. ~~Unless the local agency is a social services department directly administered by a county or human services board, the local agency shall not be an eligible vendor under section 254B.05.~~ The commissioner may approve proposals from county boards to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. If a county implements a demonstration or experimental medical services funding plan, the commissioner shall transfer the money as appropriate.

(c) An individual may choose to obtain a comprehensive assessment as provided in section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled provider that is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision 3. If the individual is enrolled in a prepaid health plan, the individual must comply with any provider network requirements or limitations.

~~(d) Beginning July 1, 2022, local agencies shall not make placement location determinations.~~

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

Sec. 24. Minnesota Statutes 2024, section 254B.03, subdivision 3, is amended to read:

Subd. 3. ~~Local agencies~~ **Counties to pay state for county share.** ~~Local agencies~~ Counties shall pay the state for the county share of the services authorized by the ~~local agency commissioner~~, except when the payment is made according to section 254B.09, subdivision 8.

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

140.1 Sec. 25. Minnesota Statutes 2024, section 254B.04, subdivision 1a, is amended to read:

140.2 Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal  
140.3 Regulations, title 25, part 20, who meet the income standards of section 256B.056,  
140.4 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health  
140.5 fund services. State money appropriated for this paragraph must be placed in a separate  
140.6 account established for this purpose.

140.7 (b) Persons with dependent children who are determined to be in need of substance use  
140.8 disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in  
140.9 need of chemical dependency treatment pursuant to a case plan under section 260C.201,  
140.10 subdivision 6, or 260C.212, shall be assisted by the ~~local agency~~ commissioner to access  
140.11 needed treatment services. Treatment services must be appropriate for the individual or  
140.12 family, which may include long-term care treatment or treatment in a facility that allows  
140.13 the dependent children to stay in the treatment facility. The county shall pay for out-of-home  
140.14 placement costs, if applicable.

140.15 (c) Notwithstanding paragraph (a), any person enrolled in medical assistance or  
140.16 MinnesotaCare is eligible for room and board services under section 254B.05, subdivision  
140.17 5, paragraph (b), clause (9).

140.18 (d) A client is eligible to have substance use disorder treatment paid for with funds from  
140.19 the behavioral health fund when the client:

140.20 (1) is eligible for MFIP as determined under chapter 142G;

140.21 (2) is eligible for medical assistance as determined under Minnesota Rules, parts  
140.22 9505.0010 to ~~9505.0150~~ 9505.140;

140.23 (3) is eligible for general assistance, general assistance medical care, or work readiness  
140.24 as determined under Minnesota Rules, parts 9500.1200 to ~~9500.1318~~ 9500.1272; or

140.25 (4) has income that is within current household size and income guidelines for entitled  
140.26 persons, as defined in this subdivision and subdivision 7.

140.27 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have  
140.28 a third-party payment source are eligible for the behavioral health fund if the third-party  
140.29 payment source pays less than 100 percent of the cost of treatment services for eligible  
140.30 clients.

140.31 (f) A client is ineligible to have substance use disorder treatment services paid for with  
140.32 behavioral health fund money if the client:

141.1 (1) has an income that exceeds current household size and income guidelines for entitled  
141.2 persons as defined in this subdivision and subdivision 7; or

141.3 (2) has an available third-party payment source that will pay the total cost of the client's  
141.4 treatment.

141.5 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode  
141.6 is eligible for continued treatment service that is paid for by the behavioral health fund until  
141.7 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan  
141.8 if the client:

141.9 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance  
141.10 medical care; or

141.11 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local  
141.12 agency ~~the commissioner~~ under section 254B.04.

141.13 (h) When a county commits a client under chapter 253B to a regional treatment center  
141.14 for substance use disorder services and the client is ineligible for the behavioral health fund,  
141.15 the county is responsible for the payment to the regional treatment center according to  
141.16 section 254B.05, subdivision 4.

141.17 (i) Persons enrolled in MinnesotaCare are eligible for room and board services when  
141.18 provided through intensive residential treatment services and residential crisis services under  
141.19 section 256B.0622.

141.20 (j) A person is eligible for one 60-consecutive-calendar-day period per year. A person  
141.21 may submit a request for additional eligibility to the commissioner. A person denied  
141.22 additional eligibility under this paragraph may request a state agency hearing under section  
141.23 256.045.

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

141.25 Sec. 26. Minnesota Statutes 2024, section 254B.04, subdivision 5, is amended to read:

141.26 Subd. 5. **Local agency Commissioner responsibility to provide administrative**  
141.27 **services.** ~~The local agency commissioner of human services~~ may employ individuals to  
141.28 conduct administrative activities and facilitate access to substance use disorder treatment  
141.29 services.

142.1 Sec. 27. Minnesota Statutes 2024, section 254B.04, subdivision 6, is amended to read:

142.2 Subd. 6. **Local agency Commissioner to determine client financial eligibility.** (a)

142.3 The ~~local agency commissioner~~ shall determine a client's financial eligibility for the  
142.4 behavioral health fund according to section 254B.04, subdivision 1a, with the income  
142.5 calculated prospectively for one year from the date of request. The ~~local agency commissioner~~  
142.6 shall pay for eligible clients according to chapter 256G. Client eligibility must be determined  
142.7 using only forms prescribed by the commissioner ~~unless the local agency has a reasonable~~  
142.8 ~~basis for believing that the information submitted on a form is false.~~ To determine a client's  
142.9 eligibility, the ~~local agency commissioner~~ must determine the client's income, the size of  
142.10 the client's household, the availability of a third-party payment source, and a responsible  
142.11 relative's ability to pay for the client's substance use disorder treatment.

142.12 (b) A client who is a minor child must not be deemed to have income available to pay  
142.13 for substance use disorder treatment, unless the minor child is responsible for payment under  
142.14 section 144.347 for substance use disorder treatment services sought under section 144.343,  
142.15 subdivision 1.

142.16 (c) The ~~local agency commissioner~~ must determine the client's household size as follows:

142.17 (1) if the client is a minor child, the household size includes the following persons living  
142.18 in the same dwelling unit:

142.19 (i) the client;

142.20 (ii) the client's birth or adoptive parents; and

142.21 (iii) the client's siblings who are minors; and

142.22 (2) if the client is an adult, the household size includes the following persons living in  
142.23 the same dwelling unit:

142.24 (i) the client;

142.25 (ii) the client's spouse;

142.26 (iii) the client's minor children; and

142.27 (iv) the client's spouse's minor children.

142.28 For purposes of this paragraph, household size includes a person listed in clauses (1) and  
142.29 (2) who is in an out-of-home placement if a person listed in clause (1) or (2) is contributing  
142.30 to the cost of care of the person in out-of-home placement.

(d) The ~~local agency~~ commissioner must determine the client's current prepaid health plan enrollment, the availability of a third-party payment source, including the availability of total payment, partial payment, and amount of co-payment.

~~(e) The local agency must provide the required eligibility information to the department in the manner specified by the department.~~

~~(f)~~ (e) The ~~local agency~~ commissioner shall require the client and policyholder to conditionally assign to the department the client and policyholder's rights and the rights of minor children to benefits or services provided to the client if the department is required to collect from a third-party pay source.

~~(g)~~ (f) The ~~local agency~~ commissioner must ~~redetermine~~ determine a client's eligibility for the behavioral health fund ~~every 12 months~~ for a 60-consecutive-calendar-day period per calendar year.

~~(h)~~ (g) A client, responsible relative, and policyholder must provide income or wage verification, household size verification, and must make an assignment of third-party payment rights under paragraph ~~(f)~~ (e). If a client, responsible relative, or policyholder does not comply with the provisions of this subdivision, the client is ineligible for behavioral health fund payment for substance use disorder treatment, and the client and responsible relative must be obligated to pay for the full cost of substance use disorder treatment services provided to the client.

Sec. 28. Minnesota Statutes 2024, section 254B.04, subdivision 6a, is amended to read:

Subd. 6a. **Span of eligibility.** The ~~local agency~~ commissioner must enter the financial eligibility span within five business days of a request. If the comprehensive assessment is completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date services were initiated. If the comprehensive assessment is not completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date the comprehensive assessment was completed.

Sec. 29. Minnesota Statutes 2024, section 254B.05, subdivision 1, is amended to read:

Subdivision 1. **Licensure or certification required.** (a) Programs licensed by the commissioner are eligible vendors. Hospitals may apply for and receive licenses to be eligible vendors, notwithstanding the provisions of section 245A.03. American Indian programs that provide substance use disorder treatment, extended care, transitional residence, or outpatient treatment services, and are licensed by tribal government are eligible vendors.

(b) A licensed professional in private practice as defined in section 245G.01, subdivision 17, who meets the requirements of section 245G.11, subdivisions 1 and 4, is an eligible vendor of a comprehensive assessment provided according to section 254A.19, subdivision 3, and treatment services provided according to sections 245G.06 and 245G.07, ~~subdivision 1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2, clauses (1) to (6).~~ subdivisions 1, 1a, and 1b.

(c) A county is an eligible vendor for a comprehensive assessment when provided by an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 5, and completed according to the requirements of section 254A.19, subdivision 3. A county is an eligible vendor of ~~care~~ treatment coordination services when provided by an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 7, and provided according to the requirements of section 245G.07, subdivision ~~1, paragraph (a), clause (5).~~ 1b. A county is an eligible vendor of peer recovery services when the services are provided by an individual who meets the requirements of section 245G.11, subdivision 8, and according to section 254B.052.

(d) A recovery community organization that meets the requirements of clauses (1) to (14) and meets certification or accreditation requirements of the Alliance for Recovery Centered Organizations, the Council on Accreditation of Peer Recovery Support Services, or a Minnesota statewide recovery organization identified by the commissioner is an eligible vendor of peer recovery support services. A Minnesota statewide recovery organization identified by the commissioner must update recovery community organization applicants for certification or accreditation on the status of the application within 45 days of receipt. If the approved statewide recovery organization denies an application, it must provide a written explanation for the denial to the recovery community organization. Eligible vendors under this paragraph must:

(1) be nonprofit organizations under section 501(c)(3) of the Internal Revenue Code, be free from conflicting self-interests, and be autonomous in decision-making, program development, peer recovery support services provided, and advocacy efforts for the purpose of supporting the recovery community organization's mission;

(2) be led and governed by individuals in the recovery community, with more than 50 percent of the board of directors or advisory board members self-identifying as people in personal recovery from substance use disorders;

(3) have a mission statement and conduct corresponding activities indicating that the organization's primary purpose is to support recovery from substance use disorder;

145.1 (4) demonstrate ongoing community engagement with the identified primary region and  
145.2 population served by the organization, including individuals in recovery and their families,  
145.3 friends, and recovery allies;

145.4 (5) be accountable to the recovery community through documented priority-setting and  
145.5 participatory decision-making processes that promote the engagement of, and consultation  
145.6 with, people in recovery and their families, friends, and recovery allies;

145.7 (6) provide nonclinical peer recovery support services, including but not limited to  
145.8 recovery support groups, recovery coaching, telephone recovery support, skill-building,  
145.9 and harm-reduction activities, and provide recovery public education and advocacy;

145.10 (7) have written policies that allow for and support opportunities for all paths toward  
145.11 recovery and refrain from excluding anyone based on their chosen recovery path, which  
145.12 may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based  
145.13 paths;

145.14 (8) maintain organizational practices to meet the needs of Black, Indigenous, and people  
145.15 of color communities, LGBTQ+ communities, and other underrepresented or marginalized  
145.16 communities. Organizational practices may include board and staff training, service offerings,  
145.17 advocacy efforts, and culturally informed outreach and services;

145.18 (9) use recovery-friendly language in all media and written materials that is supportive  
145.19 of and promotes recovery across diverse geographical and cultural contexts and reduces  
145.20 stigma;

145.21 (10) establish and maintain a publicly available recovery community organization code  
145.22 of ethics and grievance policy and procedures;

145.23 (11) not classify or treat any recovery peer hired on or after July 1, 2024, as an  
145.24 independent contractor;

145.25 (12) not classify or treat any recovery peer as an independent contractor on or after  
145.26 January 1, 2025;

145.27 (13) provide an orientation for recovery peers that includes an overview of the consumer  
145.28 advocacy services provided by the Ombudsman for Mental Health and Developmental  
145.29 Disabilities and other relevant advocacy services; and

145.30 (14) provide notice to peer recovery support services participants that includes the  
145.31 following statement: "If you have a complaint about the provider or the person providing  
145.32 your peer recovery support services, you may contact the Minnesota Alliance of Recovery

146.1 Community Organizations. You may also contact the Office of Ombudsman for Mental  
146.2 Health and Developmental Disabilities." The statement must also include:

146.3 (i) the telephone number, website address, email address, and mailing address of the  
146.4 Minnesota Alliance of Recovery Community Organizations and the Office of Ombudsman  
146.5 for Mental Health and Developmental Disabilities;

146.6 (ii) the recovery community organization's name, address, email, telephone number, and  
146.7 name or title of the person at the recovery community organization to whom problems or  
146.8 complaints may be directed; and

146.9 (iii) a statement that the recovery community organization will not retaliate against a  
146.10 peer recovery support services participant because of a complaint.

146.11 (e) A recovery community organization approved by the commissioner before June 30,  
146.12 2023, must have begun the application process as required by an approved certifying or  
146.13 accrediting entity and have begun the process to meet the requirements under paragraph (d)  
146.14 by September 1, 2024, in order to be considered as an eligible vendor of peer recovery  
146.15 support services.

146.16 (f) A recovery community organization that is aggrieved by an accreditation, certification,  
146.17 or membership determination and believes it meets the requirements under paragraph (d)  
146.18 may appeal the determination under section 256.045, subdivision 3, paragraph (a), clause  
146.19 (14), for reconsideration as an eligible vendor. If the human services judge determines that  
146.20 the recovery community organization meets the requirements under paragraph (d), the  
146.21 recovery community organization is an eligible vendor of peer recovery support services.

146.22 (g) All recovery community organizations must be certified or accredited by an entity  
146.23 listed in paragraph (d) by June 30, 2025.

146.24 (h) Detoxification programs licensed under Minnesota Rules, parts 9530.6510 to  
146.25 9530.6590, are not eligible vendors. Programs that are not licensed as a residential or  
146.26 nonresidential substance use disorder treatment or withdrawal management program by the  
146.27 commissioner or by tribal government or do not meet the requirements of subdivisions 1a  
146.28 and 1b are not eligible vendors.

146.29 (i) Hospitals, federally qualified health centers, and rural health clinics are eligible  
146.30 vendors of a comprehensive assessment when the comprehensive assessment is completed  
146.31 according to section 254A.19, subdivision 3, and by an individual who meets the criteria  
146.32 of an alcohol and drug counselor according to section 245G.11, subdivision 5. The alcohol

147.1 and drug counselor must be individually enrolled with the commissioner and reported on  
147.2 the claim as the individual who provided the service.

147.3 (j) Any complaints about a recovery community organization or peer recovery support  
147.4 services may be made to and reviewed or investigated by the ombudsperson for behavioral  
147.5 health and developmental disabilities under sections 245.91 and 245.94.

147.6 Sec. 30. Minnesota Statutes 2024, section 254B.05, subdivision 5, is amended to read:

147.7 Subd. 5. **Rate requirements.** (a) Subject to the requirements of subdivision 6, the  
147.8 commissioner shall establish rates for the following substance use disorder treatment services  
147.9 ~~and service enhancements~~ funded under this chapter;

147.10 ~~(b) Eligible substance use disorder treatment services include:~~

147.11 (1) those licensed, as applicable, according to chapter 245G or applicable Tribal license  
147.12 and provided according to the following ASAM levels of care:

147.13 (i) ASAM level 0.5 early intervention services provided according to section 254B.19,  
147.14 subdivision 1, clause (1);

147.15 (ii) ASAM level 1.0 outpatient services provided according to section 254B.19,  
147.16 subdivision 1, clause (2);

147.17 (iii) ASAM level 2.1 intensive outpatient services provided according to section 254B.19,  
147.18 subdivision 1, clause (3);

147.19 (iv) ASAM level 2.5 partial hospitalization services provided according to section  
147.20 254B.19, subdivision 1, clause (4);

147.21 (v) ASAM level 3.1 clinically managed low-intensity residential services provided  
147.22 according to section 254B.19, subdivision 1, clause (5). ~~The commissioner shall use the~~  
147.23 ~~base payment rate of \$79.84 per day for services provided under this item;~~

147.24 (vi) ASAM level 3.1 clinically managed low-intensity residential services provided  
147.25 according to section 254B.19, subdivision 1, clause (5), at 15 or more hours of skilled  
147.26 treatment services each week. ~~The commissioner shall use the base payment rate of \$166.13~~  
147.27 ~~per day for services provided under this item;~~

147.28 (vii) ASAM level 3.3 clinically managed population-specific high-intensity residential  
147.29 services provided according to section 254B.19, subdivision 1, clause (6). ~~The commissioner~~  
147.30 ~~shall use the specified base payment rate of \$224.06 per day for services provided under~~  
147.31 ~~this item; and~~

- 148.1 (viii) ASAM level 3.5 clinically managed high-intensity residential services provided  
148.2 according to section 254B.19, subdivision 1, clause (7). ~~The commissioner shall use the~~  
148.3 ~~specified base payment rate of \$224.06 per day for services provided under this item;~~
- 148.4 (2) comprehensive assessments provided according to section 254A.19, subdivision 3;
- 148.5 (3) treatment coordination services provided according to section 245G.07, subdivision  
148.6 1, paragraph (a), clause (5);
- 148.7 (4) peer recovery support services provided according to section 245G.07, subdivision  
148.8 2, clause (8);
- 148.9 (5) withdrawal management services provided according to chapter 245F;
- 148.10 (6) hospital-based treatment services that are licensed according to sections 245G.01 to  
148.11 245G.17 or applicable Tribal license and licensed as a hospital under sections 144.50 to  
148.12 144.56;
- 148.13 (7) substance use disorder treatment services with medications for opioid use disorder  
148.14 provided in an opioid treatment program licensed according to sections 245G.01 to 245G.17  
148.15 and 245G.22, or under an applicable Tribal license;
- 148.16 (8) medium-intensity residential treatment services that provide 15 hours of skilled  
148.17 treatment services each week and are licensed according to sections 245G.01 to 245G.17  
148.18 and 245G.21 or applicable Tribal license;
- 148.19 (9) adolescent treatment programs that are licensed as outpatient treatment programs  
148.20 according to sections 245G.01 to 245G.18 or as residential treatment programs according  
148.21 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or  
148.22 applicable Tribal license;
- 148.23 (10) ASAM 3.5 clinically managed high-intensity residential services that are licensed  
148.24 according to sections 245G.01 to 245G.17 and 245G.21 or applicable Tribal license, which  
148.25 provide ASAM level of care 3.5 according to section 254B.19, subdivision 1, clause (7),  
148.26 and are provided by a state-operated vendor or to clients who have been civilly committed  
148.27 to the commissioner, present the most complex and difficult care needs, and are a potential  
148.28 threat to the community; and
- 148.29 (11) room and board facilities that meet the requirements of subdivision 1a.
- 148.30 ~~(e)~~ (b) The commissioner shall establish higher rates for programs that meet the  
148.31 requirements of paragraph ~~(b)~~ (a) and ~~one of the following additional requirements: the~~  
148.32 requirements of one clause in this paragraph.

149.1 (1) Programs that serve parents with their children are eligible for an enhanced payment  
149.2 rate if the program:

149.3 (i) provides on-site child care during the hours of treatment activity that:

149.4 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter  
149.5 9503; or

149.6 (B) is licensed under chapter 245A and sections 245G.01 to 245G.19; or

149.7 (ii) arranges for off-site child care during hours of treatment activity at a facility that is  
149.8 licensed under chapter 245A as:

149.9 (A) a child care center under Minnesota Rules, chapter 9503; or

149.10 (B) a family child care home under Minnesota Rules, chapter 9502;

149.11 In order to be eligible for a higher rate under this clause, a program that provides  
149.12 arrangements for off-site child care must maintain current documentation at the substance  
149.13 use disorder facility of the child care provider's current licensure to provide child care  
149.14 services.

149.15 (2) Culturally specific or culturally responsive programs as defined in section 254B.01,  
149.16 subdivision 4a; are eligible for an enhanced payment rate.

149.17 (3) Disability responsive programs as defined in section 254B.01, subdivision 4b; are  
149.18 eligible for an enhanced payment rate.

149.19 (4) Programs that offer medical services delivered by appropriately credentialed health  
149.20 care staff in an amount equal to one hour per client per week are eligible for an enhanced  
149.21 payment rate if the medical needs of the client and the nature and provision of any medical  
149.22 services provided are documented in the client file; ~~or.~~

149.23 (5) Programs that offer services to individuals with co-occurring mental health and  
149.24 substance use disorder problems are eligible for an enhanced payment rate if:

149.25 (i) the program meets the co-occurring requirements in section 245G.20;

149.26 (ii) the program employs a mental health professional as defined in section 245I.04,  
149.27 subdivision 2;

149.28 (iii) clients scoring positive on a standardized mental health screen receive a mental  
149.29 health diagnostic assessment within ten days of admission;

150.1 (iv) the program has standards for multidisciplinary case review that include a monthly  
150.2 review for each client that, at a minimum, includes a licensed mental health professional  
150.3 and licensed alcohol and drug counselor, and their involvement in the review is documented;

150.4 (v) family education is offered that addresses mental health and substance use disorder  
150.5 and the interaction between the two; and

150.6 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder  
150.7 training annually.

150.8 ~~(d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program~~  
150.9 ~~that provides arrangements for off-site child care must maintain current documentation at~~  
150.10 ~~the substance use disorder facility of the child care provider's current licensure to provide~~  
150.11 ~~child care services.~~

150.12 ~~(e)~~ Adolescent residential programs that meet the requirements of Minnesota Rules, parts  
150.13 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements  
150.14 in ~~paragraph (c), clause (5)~~, items (i) to (iv).

150.15 ~~(f)~~ (c) Substance use disorder services that are otherwise covered as direct face-to-face  
150.16 services may be provided via telehealth as defined in section 256B.0625, subdivision 3b.  
150.17 The use of telehealth to deliver services must be medically appropriate to the condition and  
150.18 needs of the person being served. Reimbursement shall be at the same rates and under the  
150.19 same conditions that would otherwise apply to direct face-to-face services.

150.20 ~~(g)~~ (d) For the purpose of reimbursement under this section, substance use disorder  
150.21 treatment services provided in a group setting without a group participant maximum or  
150.22 maximum client to staff ratio under chapter 245G shall not exceed a client to staff ratio of  
150.23 48 to one. At least one of the attending staff must meet the qualifications as established  
150.24 under this chapter for the type of treatment service provided. A recovery peer may not be  
150.25 included as part of the staff ratio.

150.26 ~~(h)~~ (e) Payment for outpatient substance use disorder services that are licensed according  
150.27 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless  
150.28 prior authorization of a greater number of hours is obtained from the commissioner.

150.29 ~~(i)~~ (f) Payment for substance use disorder services under this section must start from the  
150.30 day of service initiation, when the comprehensive assessment is completed within the  
150.31 required timelines.

150.32 ~~(j)~~ (g) A license holder that is unable to provide all residential treatment services because  
150.33 a client missed services remains eligible to bill for the client's intensity level of services

151.1 under this paragraph if the license holder can document the reason the client missed services  
151.2 and the interventions done to address the client's absence.

151.3 ~~(k)~~ (h) Hours in a treatment week may be reduced in observance of federally recognized  
151.4 holidays.

151.5 ~~(h)~~ (i) Eligible vendors of peer recovery support services must:

151.6 (1) submit to a review by the commissioner of up to ten percent of all medical assistance  
151.7 and behavioral health fund claims to determine the medical necessity of peer recovery  
151.8 support services for entities billing for peer recovery support services individually and not  
151.9 receiving a daily rate; and

151.10 (2) limit an individual client to 14 hours per week for peer recovery support services  
151.11 from an individual provider of peer recovery support services.

151.12 ~~(m)~~ (j) Peer recovery support services not provided in accordance with section 254B.052  
151.13 are subject to monetary recovery under section 256B.064 as money improperly paid.

151.14 Sec. 31. Minnesota Statutes 2024, section 254B.05, is amended by adding a subdivision  
151.15 to read:

151.16 Subd. 6. **Rate adjustments.** (a) Effective for services rendered on or after January 1,  
151.17 2026, the commissioner must implement the following base payment rates for substance  
151.18 use disorder treatment services under subdivision 5, paragraph (a):

151.19 (1) for low-intensity residential, 100 percent of the modeled rate included in the final  
151.20 report required by Laws 2021, First Special Session chapter 7, article 17, section 18;

151.21 (2) for high-intensity residential services, the rates in effect on December 31, 2025; and

151.22 (3) for all other services not included in clause (1) or (2), 55 percent of the modeled rate  
151.23 included in the final report required by Laws 2021, First Special Session chapter 7, article  
151.24 17, section 18.

151.25 (b) Effective January 1, 2028, and annually thereafter, the commissioner of human  
151.26 services must adjust the payment rates under paragraph (a) according to the change from  
151.27 the midpoint of the previous rate year to the midpoint of the rate year for which the rate is  
151.28 being determined using the Centers for Medicare and Medicaid Services Medicare Economic  
151.29 Index as forecasted in the fourth quarter of the calendar year before the rate year.

152.1 Sec. 32. Minnesota Statutes 2024, section 254B.06, is amended by adding a subdivision  
152.2 to read:

152.3 Subd. 5. **Prohibition of duplicative claim submission.** (a) For time-based claims,  
152.4 submissions must follow the guidelines in the Centers for Medicare and Medicaid Services'  
152.5 Healthcare Common Procedure Coding System and the American Medical Association's  
152.6 Current Procedural Terminology to determine the appropriate units of time to report.

152.7 (b) More than half the duration of a time-based code must be spent performing the service  
152.8 to be eligible under this section. Any provision of service during the remaining balance of  
152.9 the unit of time is not eligible for any other claims submission and would be considered a  
152.10 duplicative claim submission.

152.11 (c) A provider may only round up to the next whole number of service units on a  
152.12 submitted claim when more than one and one-half times the defined value of the code has  
152.13 occurred and no additional time increment code exists.

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

152.15 Sec. 33. Minnesota Statutes 2024, section 254B.09, subdivision 2, is amended to read:

152.16 Subd. 2. **American Indian agreements.** The commissioner may enter into agreements  
152.17 with federally recognized Tribal units to pay for substance use disorder treatment services  
152.18 provided under Laws 1986, chapter 394, sections 8 to 20. The agreements must clarify how  
152.19 the governing body of the Tribal unit fulfills ~~local agency~~ the Tribal unit's responsibilities  
152.20 regarding the form and manner of invoicing.

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

152.22 Sec. 34. Minnesota Statutes 2024, section 254B.19, subdivision 1, is amended to read:

152.23 Subdivision 1. **Level of care requirements.** (a) For each client assigned an ASAM level  
152.24 of care, eligible vendors must implement the standards set by the ASAM for the respective  
152.25 level of care. Additionally, vendors must meet the following requirements:

152.26 (1) For ASAM level 0.5 early intervention targeting individuals who are at risk of  
152.27 developing a substance-related problem but may not have a diagnosed substance use disorder,  
152.28 early intervention services may include individual or group counseling, treatment  
152.29 coordination, peer recovery support, screening brief intervention, and referral to treatment  
152.30 provided according to section 254A.03, subdivision 3, paragraph (c).

153.1 (2) For ASAM level 1.0 outpatient clients, adults must receive up to eight hours per  
153.2 week of ~~skilled~~ psychosocial treatment services and adolescents must receive up to five  
153.3 hours per week. Services must be licensed according to section 245G.20 and meet  
153.4 requirements under section 256B.0759. ~~Peer-recovery~~ Ancillary services and treatment  
153.5 coordination may be provided beyond the hourly ~~skilled~~ psychosocial treatment service  
153.6 hours allowable per week.

153.7 (3) For ASAM level 2.1 intensive outpatient clients, adults must receive nine to 19 hours  
153.8 per week of ~~skilled~~ psychosocial treatment services and adolescents must receive six or  
153.9 more hours per week. Vendors must be licensed according to section 245G.20 and must  
153.10 meet requirements under section 256B.0759. ~~Peer-recovery~~ Ancillary services and treatment  
153.11 coordination may be provided beyond the hourly ~~skilled~~ psychosocial treatment service  
153.12 hours allowable per week. If clinically indicated on the client's treatment plan, this service  
153.13 may be provided in conjunction with room and board according to section 254B.05,  
153.14 subdivision 1a.

153.15 (4) For ASAM level 2.5 partial hospitalization clients, adults must receive 20 hours or  
153.16 more of ~~skilled~~ psychosocial treatment services. Services must be licensed according to  
153.17 section 245G.20 ~~and must meet requirements under section 256B.0759~~. Level 2.5 is for  
153.18 clients who need daily monitoring in a structured setting, as directed by the individual  
153.19 treatment plan and in accordance with the limitations in section 254B.05, subdivision 5,  
153.20 paragraph (h). If clinically indicated on the client's treatment plan, this service may be  
153.21 provided in conjunction with room and board according to section 254B.05, subdivision  
153.22 1a.

153.23 (5) For ASAM level 3.1 clinically managed low-intensity residential clients, programs  
153.24 must provide at least 5 hours of ~~skilled~~ psychosocial treatment services per week according  
153.25 to each client's specific treatment schedule, as directed by the individual treatment plan.  
153.26 Programs must be licensed according to section 245G.20 and must meet requirements under  
153.27 section 256B.0759.

153.28 (6) For ASAM level 3.3 clinically managed population-specific high-intensity residential  
153.29 clients, programs must be licensed according to section 245G.20 and must meet requirements  
153.30 under section 256B.0759. Programs must have 24-hour staffing coverage. Programs must  
153.31 be enrolled as a disability responsive program as described in section 254B.01, subdivision  
153.32 4b, and must specialize in serving persons with a traumatic brain injury or a cognitive  
153.33 impairment so significant, and the resulting level of impairment so great, that outpatient or  
153.34 other levels of residential care would not be feasible or effective. Programs must provide,

154.1 at a minimum, daily ~~skilled~~ psychosocial treatment services seven days a week according  
154.2 to each client's specific treatment schedule, as directed by the individual treatment plan.

154.3 (7) For ASAM level 3.5 clinically managed high-intensity residential clients, services  
154.4 must be licensed according to section 245G.20 and must meet requirements under section  
154.5 256B.0759. Programs must have 24-hour staffing coverage and provide, at a minimum,  
154.6 daily ~~skilled~~ psychosocial treatment services seven days a week according to each client's  
154.7 specific treatment schedule, as directed by the individual treatment plan.

154.8 (8) For ASAM level withdrawal management 3.2 clinically managed clients, withdrawal  
154.9 management must be provided according to chapter 245F.

154.10 (9) For ASAM level withdrawal management 3.7 medically monitored clients, withdrawal  
154.11 management must be provided according to chapter 245F.

154.12 (b) Notwithstanding the minimum daily ~~skilled~~ psychosocial treatment service  
154.13 requirements under paragraph (a), clauses (6) and (7), ASAM level 3.3 and 3.5 vendors  
154.14 must provide each client at least 30 hours of treatment services per week for the period  
154.15 between January 1, 2024, through June 30, 2024.

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

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

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

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

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

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

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

(g) \$3,000,000 in fiscal year 2025 and \$3,000,000 each year thereafter is appropriated to the commissioner of human services for safe recovery sites start-up and capacity building 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

156.1 current state or local funding received for child protection services for children and families  
156.2 who are affected by addiction.

156.3 (n) After the appropriations in paragraphs (b) to (m) are made, the remaining amount in  
156.4 the account is appropriated to the commissioner of human services to award grants as  
156.5 specified by the Opiate Epidemic Response Advisory Council in accordance with section  
156.6 256.042, unless otherwise appropriated by the legislature.

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

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

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

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

156.19 Sec. 37. Minnesota Statutes 2024, section 256B.0625, subdivision 5m, is amended to read:

156.20 Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical  
156.21 assistance covers services provided by a not-for-profit certified community behavioral health  
156.22 clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

156.23 (b) The commissioner shall reimburse CCBHCs on a per-day basis for each day that an  
156.24 eligible service is delivered using the CCBHC daily bundled rate system for medical  
156.25 assistance payments as described in paragraph (c). The commissioner shall include a quality  
156.26 incentive payment in the CCBHC daily bundled rate system as described in paragraph (e).  
156.27 There is no county share for medical assistance services when reimbursed through the  
156.28 CCBHC daily bundled rate system.

156.29 (c) The commissioner shall ensure that the CCBHC daily bundled rate system for CCBHC  
156.30 payments under medical assistance meets the following requirements:

156.31 (1) the CCBHC daily bundled rate shall be a provider-specific rate calculated for each  
156.32 CCBHC, based on the daily cost of providing CCBHC services and the total annual allowable

157.1 CCBHC costs divided by the total annual number of CCBHC visits. For calculating the  
157.2 payment rate, total annual visits include visits covered by medical assistance and visits not  
157.3 covered by medical assistance. Allowable costs include but are not limited to the salaries  
157.4 and benefits of medical assistance providers; the cost of CCBHC services provided under  
157.5 section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as  
157.6 insurance or supplies needed to provide CCBHC services;

157.7 (2) payment shall be limited to one payment per day per medical assistance enrollee  
157.8 when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement  
157.9 if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph  
157.10 (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or  
157.11 licensed agency employed by or under contract with a CCBHC;

157.12 (3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735,  
157.13 subdivision 3, shall be established by the commissioner using a provider-specific rate based  
157.14 on the newly certified CCBHC's audited historical cost report data adjusted for the expected  
157.15 cost of delivering CCBHC services. Estimates are subject to review by the commissioner  
157.16 and must include the expected cost of providing the full scope of CCBHC services and the  
157.17 expected number of visits for the rate period;

157.18 (4) the commissioner shall rebase CCBHC rates once every two years following the last  
157.19 rebasing and no less than 12 months following an initial rate or a rate change due to a change  
157.20 in the scope of services. For CCBHCs certified after September 31, 2020, and before January  
157.21 1, 2021, the commissioner shall rebase rates according to this clause for services provided  
157.22 on or after January 1, 2024;

157.23 (5) the commissioner shall provide for a 60-day appeals process after notice of the results  
157.24 of the rebasing;

157.25 (6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal  
157.26 Medicaid rate is not eligible for the CCBHC rate methodology;

157.27 (7) payments for CCBHC services to individuals enrolled in managed care shall be  
157.28 coordinated with the state's phase-out of CCBHC wrap payments. The commissioner shall  
157.29 complete the phase-out of CCBHC wrap payments within 60 days of the implementation  
157.30 of the CCBHC daily bundled rate system in the Medicaid Management Information System  
157.31 (MMIS), for CCBHCs reimbursed under this chapter, with a final settlement of payments  
157.32 due made payable to CCBHCs no later than 18 months thereafter;

157.33 (8) the CCBHC daily bundled rate for each CCBHC shall be updated by trending each  
157.34 provider-specific rate by the Medicare Economic Index for primary care services. This

158.1 update shall occur each year in between rebasing periods determined by the commissioner  
158.2 in accordance with clause (4). CCBHCs must provide data on costs and visits to the state  
158.3 annually using the CCBHC cost report established by the commissioner; and

158.4 (9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of  
158.5 services when such changes are expected to result in an adjustment to the CCBHC payment  
158.6 rate by 2.5 percent or more. The CCBHC must provide the commissioner with information  
158.7 regarding the changes in the scope of services, including the estimated cost of providing  
158.8 the new or modified services and any projected increase or decrease in the number of visits  
158.9 resulting from the change. Estimated costs are subject to review by the commissioner. Rate  
158.10 adjustments for changes in scope shall occur no more than once per year in between rebasing  
158.11 periods per CCBHC and are effective on the date of the annual CCBHC rate update.

158.12 (d) Managed care plans and county-based purchasing plans shall reimburse CCBHC  
158.13 providers at the CCBHC daily bundled rate. The commissioner shall monitor the effect of  
158.14 this requirement on the rate of access to the services delivered by CCBHC providers. If, for  
158.15 any contract year, federal approval is not received for this paragraph, the commissioner  
158.16 must adjust the capitation rates paid to managed care plans and county-based purchasing  
158.17 plans for that contract year to reflect the removal of this provision. Contracts between  
158.18 managed care plans and county-based purchasing plans and providers to whom this paragraph  
158.19 applies must allow recovery of payments from those providers if capitation rates are adjusted  
158.20 in accordance with this paragraph. Payment recoveries must not exceed the amount equal  
158.21 to any increase in rates that results from this provision. This paragraph expires if federal  
158.22 approval is not received for this paragraph at any time.

158.23 (e) The commissioner shall implement a quality incentive payment program for CCBHCs  
158.24 that meets the following requirements:

158.25 (1) a CCBHC shall receive a quality incentive payment upon meeting specific numeric  
158.26 thresholds for performance metrics established by the commissioner, in addition to payments  
158.27 for which the CCBHC is eligible under the CCBHC daily bundled rate system described in  
158.28 paragraph (c);

158.29 (2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement  
158.30 year to be eligible for incentive payments;

158.31 (3) each CCBHC shall receive written notice of the criteria that must be met in order to  
158.32 receive quality incentive payments at least 90 days prior to the measurement year; and

158.33 (4) a CCBHC must provide the commissioner with data needed to determine incentive  
158.34 payment eligibility within six months following the measurement year. The commissioner

159.1 shall notify CCBHC providers of their performance on the required measures and the  
159.2 incentive payment amount within 12 months following the measurement year.

159.3 (f) All claims to managed care plans for CCBHC services as provided under this section  
159.4 shall be submitted directly to, and paid by, the commissioner on the dates specified no later  
159.5 than January 1 of the following calendar year, if:

159.6 (1) one or more managed care plans does not comply with the federal requirement for  
159.7 payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42,  
159.8 section 447.45(b), and the managed care plan does not resolve the payment issue within 30  
159.9 days of noncompliance; and

159.10 (2) the total amount of clean claims not paid in accordance with federal requirements  
159.11 by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims  
159.12 eligible for payment by managed care plans.

159.13 If the conditions in this paragraph are met between January 1 and June 30 of a calendar  
159.14 year, claims shall be submitted to and paid by the commissioner beginning on January 1 of  
159.15 the following year. If the conditions in this paragraph are met between July 1 and December  
159.16 31 of a calendar year, claims shall be submitted to and paid by the commissioner beginning  
159.17 on July 1 of the following year.

159.18 (g) Peer services provided by a CCBHC certified under section 245.735 are a covered  
159.19 service under medical assistance when a licensed mental health professional or alcohol and  
159.20 drug counselor determines that peer services are medically necessary. Eligibility under this  
159.21 subdivision for peer services provided by a CCBHC supersede eligibility standards under  
159.22 sections 256B.0615, 256B.0616, and 245G.07, subdivision ~~2~~ 2a, paragraph (b), clause (8)  
159.23 (2).

159.24 Sec. 38. Minnesota Statutes 2024, section 256B.0757, subdivision 4c, is amended to read:

159.25 Subd. 4c. **Behavioral health home services staff qualifications.** (a) A behavioral health  
159.26 home services provider must maintain staff with required professional qualifications  
159.27 appropriate to the setting.

159.28 (b) If behavioral health home services are offered in a mental health setting, the  
159.29 integration specialist must be a licensed nurse, as defined in section 148.171, subdivision  
159.30 9.

159.31 (c) If behavioral health home services are offered in a primary care setting, the integration  
159.32 specialist must be a mental health professional who is qualified according to section 245I.04,  
159.33 subdivision 2.

(d) If behavioral health home services are offered in either a primary care setting or mental health setting, the systems navigator must be a mental health practitioner who is qualified according to section 245I.04, subdivision 4, or a community health worker as defined in section 256B.0625, subdivision 49.

(e) If behavioral health home services are offered in either a primary care setting or mental health setting, the qualified health home specialist must be one of the following:

(1) a mental health certified peer specialist who is qualified according to section 245I.04, subdivision 10;

(2) a mental health certified family peer specialist who is qualified according to section 245I.04, subdivision 12;

(3) a case management associate as defined in section 245.462, subdivision 4, paragraph (g), or 245.4871, subdivision 4, paragraph (j);

(4) a mental health rehabilitation worker who is qualified according to section 245I.04, subdivision 14;

(5) a community paramedic as defined in section 144E.28, subdivision 9;

(6) a peer recovery specialist as defined in section ~~245G.07, subdivision 1, clause (5)~~ 245G.11, subdivision 8; or

(7) a community health worker as defined in section 256B.0625, subdivision 49.

Sec. 39. Minnesota Statutes 2024, section 256B.0761, subdivision 4, is amended to read:

**Subd. 4. Services and duration.** (a) Services must be provided 90 days prior to an individual's release date or, if an individual's confinement is less than 90 days, during the time period between a medical assistance eligibility determination and the release to the community.

(b) Facilities must offer the following services using either community-based or corrections-based providers:

(1) case management activities to address physical and behavioral health needs, including a comprehensive assessment of individual needs, development of a person-centered care plan, referrals and other activities to address assessed needs, and monitoring and follow-up activities;

(2) drug coverage in accordance with section 256B.0625, subdivision 13, including up to a 30-day supply of drugs upon release;

161.1 (3) substance use disorder comprehensive assessments according to section 254B.05,  
161.2 subdivision 5, paragraph (b), clause (2);

161.3 (4) treatment coordination services according to section 254B.05, subdivision 5, paragraph  
161.4 (b), clause (3);

161.5 (5) peer recovery support services according to sections 245I.04, subdivisions 18 and  
161.6 19, and 254B.05, subdivision 5, paragraph (b), clause (4);

161.7 (6) substance use disorder individual and group counseling provided according to sections  
161.8 245G.07, subdivision 1, paragraph (a), clause (1), and 254B.05;

161.9 (7) mental health diagnostic assessments as required under section 245I.10;

161.10 (8) group and individual psychotherapy as required under section 256B.0671;

161.11 (9) peer specialist services as required under sections 245I.04 and 256B.0615;

161.12 (10) family planning and obstetrics and gynecology services; ~~and~~

161.13 (11) physical health well-being and screenings and care for adults and youth; and

161.14 (12) medications and nonmedication treatment services for opioid use disorder under  
161.15 section 245G.22.

161.16 (c) Services outlined in this subdivision must only be authorized when an individual  
161.17 demonstrates medical necessity or other eligibility as required under this chapter or applicable  
161.18 state and federal laws.

161.19 Sec. 40. Minnesota Statutes 2024, section 256B.761, is amended to read:

161.20 **256B.761 REIMBURSEMENT FOR MENTAL HEALTH SERVICES.**

161.21 (a) Effective for services rendered on or after July 1, 2001, payment for medication  
161.22 management provided to psychiatric patients, outpatient mental health services, day treatment  
161.23 services, home-based mental health services, and family community support services shall  
161.24 be paid at the lower of (1) submitted charges, or (2) 75.6 percent of the 50th percentile of  
161.25 1999 charges.

161.26 (b) Effective July 1, 2001, the medical assistance rates for outpatient mental health  
161.27 services provided by an entity that operates: (1) a Medicare-certified comprehensive  
161.28 outpatient rehabilitation facility; and (2) a facility that was certified prior to January 1, 1993,  
161.29 with at least 33 percent of the clients receiving rehabilitation services in the most recent  
161.30 calendar year who are medical assistance recipients, will be increased by 38 percent, when

162.1 those services are provided within the comprehensive outpatient rehabilitation facility and  
162.2 provided to residents of nursing facilities owned by the entity.

162.3 (c) In addition to rate increases otherwise provided, the commissioner may restructure  
162.4 coverage policy and rates to improve access to adult rehabilitative mental health services  
162.5 under section 256B.0623 and related mental health support services under section 256B.021,  
162.6 subdivision 4, paragraph (f), clause (2). For state fiscal years 2015 and 2016, the projected  
162.7 state share of increased costs due to this paragraph is transferred from adult mental health  
162.8 grants under sections 245.4661 and 256K.10. The transfer for fiscal year 2016 is a permanent  
162.9 base adjustment for subsequent fiscal years. Payments made to managed care plans and  
162.10 county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect  
162.11 the rate changes described in this paragraph.

162.12 (d) Any rates effective before July 1, 2015, do not apply to early intensive  
162.13 developmental and behavioral intervention (EIDBI) benefits described in section 256B.0949.

162.14 (e) Effective for services rendered on or after January 1, 2024, payment rates for  
162.15 behavioral health services included in the rate analysis required by Laws 2021, First Special  
162.16 Session chapter 7, article 17, section 18, except for adult day treatment services under section  
162.17 256B.0671, subdivision 3; early intensive developmental and behavioral intervention services  
162.18 under section 256B.0949; and substance use disorder services under chapter 254B, must be  
162.19 increased by three percent from the rates in effect on December 31, 2023. Effective for  
162.20 services rendered on or after January 1, 2025, payment rates for behavioral health services  
162.21 included in the rate analysis required by Laws 2021, First Special Session chapter 7, article  
162.22 17, section 18, and early intensive developmental behavioral intervention services under  
162.23 ~~section 256B.0949; and substance use disorder services under chapter 254B,~~ must be annually  
162.24 adjusted according to the change from the midpoint of the previous rate year to the midpoint  
162.25 of the rate year for which the rate is being determined using the Centers for Medicare and  
162.26 Medicaid Services Medicare Economic Index as forecasted in the fourth quarter of the  
162.27 calendar year before the rate year. For payments made in accordance with this paragraph,  
162.28 if and to the extent that the commissioner identifies that the state has received federal  
162.29 financial participation for behavioral health services in excess of the amount allowed under  
162.30 United States Code, title 42, section 447.321, the state shall repay the excess amount to the  
162.31 Centers for Medicare and Medicaid Services with state money and maintain the full payment  
162.32 rate under this paragraph. This paragraph does not apply to federally qualified health centers,  
162.33 rural health centers, Indian health services, certified community behavioral health clinics,  
162.34 cost-based rates, and rates that are negotiated with the county. This paragraph expires upon

163.1 legislative implementation of the new rate methodology resulting from the rate analysis  
163.2 required by Laws 2021, First Special Session chapter 7, article 17, section 18.

163.3 (f) Effective January 1, 2024, the commissioner shall increase capitation payments made  
163.4 to managed care plans and county-based purchasing plans to reflect the behavioral health  
163.5 service rate increase provided in paragraph (e). Managed care and county-based purchasing  
163.6 plans must use the capitation rate increase provided under this paragraph to increase payment  
163.7 rates to behavioral health services providers. The commissioner must monitor the effect of  
163.8 this rate increase on enrollee access to behavioral health services. If for any contract year  
163.9 federal approval is not received for this paragraph, the commissioner must adjust the  
163.10 capitation rates paid to managed care plans and county-based purchasing plans for that  
163.11 contract year to reflect the removal of this provision. Contracts between managed care plans  
163.12 and county-based purchasing plans and providers to whom this paragraph applies must  
163.13 allow recovery of payments from those providers if capitation rates are adjusted in accordance  
163.14 with this paragraph. Payment recoveries must not exceed the amount equal to any increase  
163.15 in rates that results from this provision.

163.16 Sec. 41. **DIRECTION TO COMMISSIONER; SUBSTANCE USE DISORDER**  
163.17 **TREATMENT STAFF REPORT AND RECOMMENDATIONS.**

163.18 The commissioner of human services must, in consultation with the Board of Nursing,  
163.19 Board of Behavioral Health and Therapy, and Board of Medical Practice, conduct a study  
163.20 and develop recommendations to the legislature for amendments to Minnesota Statutes,  
163.21 chapter 245G, that would eliminate any limitations on licensed health professionals' ability  
163.22 to provide substance use disorder treatment services while practicing within their licensed  
163.23 or statutory scopes of practice. The commissioner must submit a report on the study and  
163.24 recommendations to the chairs and ranking minority members of the legislative committees  
163.25 with jurisdiction over human services finance and policy by January 15, 2027.

163.26 Sec. 42. **DIRECTION TO THE COMMISSIONER; SUBSTANCE USE DISORDER**  
163.27 **TREATMENT BILLING UNITS.**

163.28 The commissioner of human services must establish six new billing codes for  
163.29 nonresidential substance use disorder individual and group counseling, individual and group  
163.30 psychoeducation, and individual and group recovery support services. The new billing codes  
163.31 must correspond to a 15-minute unit and become effective for services provided on or after  
163.32 July 1, 2026.

164.1 **EFFECTIVE DATE.** This section is effective July 1, 2026, or upon federal approval,  
164.2 whichever is later. The commissioner of human services must inform the revisor of statutes  
164.3 when federal approval is obtained.

164.4 Sec. 43. **REVISOR INSTRUCTION.**

164.5 The revisor of statutes, in consultation with the House Research Department; the Office  
164.6 of Senate Counsel, Research and Fiscal Analysis; and the Department of Human Services  
164.7 shall make necessary cross-reference changes and remove statutory cross-references in  
164.8 Minnesota Statutes to conform with the renumbering in this act. The revisor may make  
164.9 technical and other necessary changes to sentence structure to preserve the meaning of the  
164.10 text. The revisor may alter the coding in this act to incorporate statutory changes made by  
164.11 other law in the 2025 regular legislative session or a special session. If a provision stricken  
164.12 in this act is also amended in the 2025 regular legislative session or a special session by  
164.13 other law, the revisor shall merge the amendment into the numbering, notwithstanding  
164.14 Minnesota Statutes, section 645.30.

164.15 Sec. 44. **REVISOR INSTRUCTION.**

164.16 The revisor of statutes shall renumber each provision of Minnesota Statutes listed in  
164.17 column A as amended in this act to the number listed in column B. The revisor shall also  
164.18 make necessary cross-reference changes consistent with the renumbering.

| 164.19 | <u>Column A</u>                               | <u>Column B</u>                                |
|--------|-----------------------------------------------|------------------------------------------------|
| 164.20 | <u>254B.05, subdivision 1, paragraph (a)</u>  | <u>254B.0501, subdivision 1</u>                |
| 164.21 | <u>254B.05, subdivision 1, paragraph (i)</u>  | <u>254B.0501, subdivision 2</u>                |
| 164.22 | <u>254B.05, subdivision 4</u>                 | <u>254B.0501, subdivision 3</u>                |
| 164.23 | <u>254B.05, subdivision 1, paragraph (b)</u>  | <u>254B.0501, subdivision 4</u>                |
| 164.24 | <u>254B.05, subdivision 1, paragraph (c)</u>  | <u>254B.0501, subdivision 5</u>                |
| 164.25 | <u>254B.05, subdivision 1, paragraph (d)</u>  | <u>254B.0501, subdivision 6, paragraph (a)</u> |
| 164.26 | <u>254B.05, subdivision 1, paragraph (e)</u>  | <u>254B.0501, subdivision 6, paragraph (b)</u> |
| 164.27 | <u>254B.05, subdivision 1, paragraph (f)</u>  | <u>254B.0501, subdivision 6, paragraph (c)</u> |
| 164.28 | <u>254B.05, subdivision 1, paragraph (g)</u>  | <u>254B.0501, subdivision 6, paragraph (d)</u> |
| 164.29 | <u>254B.05, subdivision 1, paragraph (h)</u>  | <u>254B.0501, subdivision 7</u>                |
| 164.30 | <u>254B.05, subdivision 1b</u>                | <u>254B.0501, subdivision 8</u>                |
| 164.31 | <u>254B.05, subdivision 2</u>                 | <u>254B.0501, subdivision 9</u>                |
| 164.32 | <u>254B.05, subdivision 3</u>                 | <u>254B.0501, subdivision 10</u>               |
| 164.33 | <u>254B.05, subdivision 1a, paragraph (a)</u> | <u>254B.0503, subdivision 1, paragraph (a)</u> |
| 164.34 | <u>254B.05, subdivision 1a, paragraph (c)</u> | <u>254B.0503, subdivision 1, paragraph (b)</u> |

|        |                                                      |                                                |
|--------|------------------------------------------------------|------------------------------------------------|
| 165.1  | <u>254B.05, subdivision 1a, paragraph (d)</u>        | <u>254B.0503, subdivision 1, paragraph (c)</u> |
| 165.2  | <u>254B.05, subdivision 1a, paragraph (e)</u>        | <u>254B.0503, subdivision 1, paragraph (d)</u> |
| 165.3  | <u>254B.05, subdivision 1a, paragraph (b)</u>        | <u>254B.0503, subdivision 2, paragraph (a)</u> |
| 165.4  | <u>254B.05, subdivision 1a, paragraph (e)</u>        | <u>254B.0503, subdivision 2, paragraph (b)</u> |
| 165.5  | <u>254B.05, subdivision 5, paragraph (a)</u>         | <u>254B.0505, subdivision 1</u>                |
| 165.6  | <u>254B.05, subdivision 5, paragraph (c)</u>         | <u>254B.0505, subdivision 2</u>                |
| 165.7  | <u>254B.05, subdivision 5, paragraph (d)</u>         | <u>254B.0505, subdivision 3</u>                |
| 165.8  | <u>254B.05, subdivision 5, paragraph (e)</u>         | <u>254B.0505, subdivision 4</u>                |
| 165.9  | <u>254B.05, subdivision 5, paragraph (f)</u>         | <u>254B.0505, subdivision 5</u>                |
| 165.10 | <u>254B.05, subdivision 5, paragraph (g)</u>         | <u>254B.0505, subdivision 6</u>                |
| 165.11 | <u>254B.05, subdivision 5, paragraph (h)</u>         | <u>254B.0505, subdivision 7</u>                |
| 165.12 | <u>254B.05, subdivision 5, paragraph (i)</u>         | <u>254B.0505, subdivision 8</u>                |
| 165.13 | <u>254B.05, subdivision 5, paragraph (b), first</u>  | <u>254B.0507, subdivision 1</u>                |
| 165.14 | <u>sentence</u>                                      |                                                |
| 165.15 | <u>254B.05, subdivision 5, paragraph (b), clause</u> | <u>254B.0507, subdivision 2, paragraph (a)</u> |
| 165.16 | <u>(1), items (i) and (ii)</u>                       |                                                |
| 165.17 | <u>254B.05, subdivision 5, paragraph (b), block</u>  | <u>254B.0507, subdivision 2, paragraph (b)</u> |
| 165.18 | <u>left paragraph</u>                                |                                                |
| 165.19 | <u>254B.05, subdivision 5, paragraph (b), clause</u> | <u>254B.0507, subdivision 3</u>                |
| 165.20 | <u>(2)</u>                                           |                                                |
| 165.21 | <u>254B.05, subdivision 5, paragraph (b), clause</u> | <u>254B.0507, subdivision 4</u>                |
| 165.22 | <u>(3)</u>                                           |                                                |
| 165.23 | <u>254B.05, subdivision 5, paragraph (b), clause</u> | <u>254B.0507, subdivision 5</u>                |
| 165.24 | <u>(4)</u>                                           |                                                |
| 165.25 | <u>254B.05, subdivision 5, paragraph (b), clause</u> | <u>254B.0507, subdivision 6, paragraph (a)</u> |
| 165.26 | <u>(5)</u>                                           |                                                |
| 165.27 | <u>254B.05, subdivision 5, paragraph (b), clause</u> | <u>254B.0507, subdivision 6, paragraph (b)</u> |
| 165.28 | <u>(5), block left paragraph</u>                     |                                                |
| 165.29 | <u>254B.05, subdivision 6, paragraph (a)</u>         | <u>254B.0509, subdivision 1</u>                |
| 165.30 | <u>254B.05, subdivision 6, paragraph (b)</u>         | <u>254B.0509, subdivision 2</u>                |
| 165.31 | <u>254B.05, subdivision 1, paragraph (j)</u>         | <u>254B.052, subdivision 4</u>                 |
| 165.32 | <u>254B.05, subdivision 5, paragraph (j)</u>         | <u>254B.052, subdivision 5</u>                 |

165.33 **Sec. 45. REVISOR INSTRUCTION.**

165.34 The revisor of statutes shall change the terms "mental health practitioner" and "mental  
 165.35 health practitioners" to "behavioral health practitioner" or "behavioral health practitioners"  
 165.36 wherever they appear in Minnesota Statutes, chapter 245I.

Sec. 46. **REPEALER.**

Minnesota Statutes 2024, sections 245G.01, subdivision 20d; 245G.07, subdivision 2; and 254B.01, subdivision 5, are repealed.

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

**ARTICLE 4**

**HOUSING SUPPORTS**

Section 1. Minnesota Statutes 2024, section 256I.05, is amended by adding a subdivision to read:

Subd. 1v. **Supplemental rate; Blue Earth County.** Notwithstanding the provisions of subdivisions 1a and 1c, beginning July 1, 2025, a county agency shall negotiate a supplementary rate in addition to the rate specified in subdivision 1, not to exceed \$750 per month, including any legislatively authorized inflationary adjustments, for a housing support provider located in Blue Earth County that operates long-term residential facilities with a total of 20 beds that serve chemically dependent women and provide 24-hour-a-day supervision and other support services.

Sec. 2. Minnesota Statutes 2024, section 256I.05, is amended by adding a subdivision to read:

Subd. 1w. **Supplemental rate; Otter Tail County.** Notwithstanding the provisions in this section, beginning July 1, 2025, a county agency shall negotiate a supplemental rate for up to 24 beds in addition to the rate specified in subdivision 1, not to exceed the maximum rate allowed under subdivision 1a, including any legislatively authorized inflationary adjustments, for housing support providers located in Otter Tail County that operate facilities and provide room and board and supplementary services to adults recovering from substance use disorder, mental illness, or housing instability.

**ARTICLE 5**

**HEALTH CARE**

Section 1. Minnesota Statutes 2024, section 256.01, subdivision 29, is amended to read:

**Subd. 29. State medical review team.** (a) To ensure the timely processing of determinations of disability by the commissioner's state medical review team under sections 256B.055, subdivisions 7, paragraph (b), and 12, and 256B.057, subdivision 9, the commissioner shall review all medical evidence and seek information from providers,

167.1 applicants, and enrollees to support the determination of disability where necessary. Disability  
167.2 shall be determined according to the rules of title XVI and title XIX of the Social Security  
167.3 Act and pertinent rules and policies of the Social Security Administration.

167.4 (b) Medical assistance providers must grant the state medical review team access to  
167.5 electronic health records held by the medical assistance providers, when available, to support  
167.6 efficient and accurate disability determinations.

167.7 (c) Medicaid providers shall accept electronically signed authorizations to release medical  
167.8 records provided by the state medical review team.

167.9 ~~(b)~~ (d) Prior to a denial or withdrawal of a requested determination of disability due to  
167.10 insufficient evidence, the commissioner shall (1) ensure that the missing evidence is necessary  
167.11 and appropriate to a determination of disability, and (2) assist applicants and enrollees to  
167.12 obtain the evidence, including, but not limited to, medical examinations and electronic  
167.13 medical records.

167.14 ~~(e)~~ (e) Any appeal made under section 256.045, subdivision 3, of a disability  
167.15 determination made by the state medical review team must be decided according to the  
167.16 timelines under section 256.0451, subdivision 22, paragraph (a). If a written decision is not  
167.17 issued within the timelines under section 256.0451, subdivision 22, paragraph (a), the appeal  
167.18 must be immediately reviewed by the chief human services judge.

167.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

167.20 Sec. 2. Minnesota Statutes 2024, section 256B.0625, subdivision 17, is amended to read:

167.21 Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service"  
167.22 means motor vehicle transportation provided by a public or private person that serves  
167.23 Minnesota health care program beneficiaries who do not require emergency ambulance  
167.24 service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

167.25 (b) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means  
167.26 a census-tract based classification system under which a geographical area is determined  
167.27 to be urban, rural, or super rural.

167.28 (c) Medical assistance covers medical transportation costs incurred solely for obtaining  
167.29 emergency medical care or transportation costs incurred by eligible persons in obtaining  
167.30 emergency or nonemergency medical care when paid directly to an ambulance company,  
167.31 nonemergency medical transportation company, or other recognized providers of  
167.32 transportation services. Medical transportation must be provided by:

168.1 (1) nonemergency medical transportation providers who meet the requirements of this  
168.2 subdivision;

168.3 (2) ambulances, as defined in section 144E.001, subdivision 2;

168.4 (3) taxicabs that meet the requirements of this subdivision;

168.5 (4) public transportation, within the meaning of "public transportation" as defined in  
168.6 section 174.22, subdivision 7; or

168.7 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472,  
168.8 subdivision 1, paragraph (p).

168.9 (d) Medical assistance covers nonemergency medical transportation provided by  
168.10 nonemergency medical transportation providers enrolled in the Minnesota health care  
168.11 programs. All nonemergency medical transportation providers must comply with the  
168.12 operating standards for special transportation service as defined in sections 174.29 to 174.30  
168.13 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the  
168.14 commissioner and reported on the claim as the individual who provided the service. All  
168.15 nonemergency medical transportation providers shall bill for nonemergency medical  
168.16 transportation services in accordance with Minnesota health care programs criteria. Publicly  
168.17 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the  
168.18 requirements outlined in this paragraph.

168.19 (e) An organization may be terminated, denied, or suspended from enrollment if:

168.20 (1) the provider has not initiated background studies on the individuals specified in  
168.21 section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

168.22 (2) the provider has initiated background studies on the individuals specified in section  
168.23 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

168.24 (i) the commissioner has sent the provider a notice that the individual has been  
168.25 disqualified under section 245C.14; and

168.26 (ii) the individual has not received a disqualification set-aside specific to the special  
168.27 transportation services provider under sections 245C.22 and 245C.23.

168.28 (f) The administrative agency of nonemergency medical transportation must:

168.29 (1) adhere to the policies defined by the commissioner;

168.30 (2) pay nonemergency medical transportation providers for services provided to  
168.31 Minnesota health care programs beneficiaries to obtain covered medical services;

169.1 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled  
169.2 trips, and number of trips by mode; and

169.3 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single  
169.4 administrative structure assessment tool that meets the technical requirements established  
169.5 by the commissioner, reconciles trip information with claims being submitted by providers,  
169.6 and ensures prompt payment for nonemergency medical transportation services.

169.7 (g) Until the commissioner implements the single administrative structure and delivery  
169.8 system under subdivision 18e, clients shall obtain their level-of-service certificate from the  
169.9 commissioner or an entity approved by the commissioner that does not dispatch rides for  
169.10 clients using modes of transportation under paragraph (l), clauses (4), (5), (6), and (7).

169.11 (h) The commissioner may use an order by the recipient's attending physician, advanced  
169.12 practice registered nurse, physician assistant, or a medical or mental health professional to  
169.13 certify that the recipient requires nonemergency medical transportation services.

169.14 Nonemergency medical transportation providers shall perform driver-assisted services for  
169.15 eligible individuals, when appropriate. Driver-assisted service includes passenger pickup  
169.16 at and return to the individual's residence or place of business, assistance with admittance  
169.17 of the individual to the medical facility, and assistance in passenger securement or in securing  
169.18 of wheelchairs, child seats, or stretchers in the vehicle.

169.19 (i) Nonemergency medical transportation providers must take clients to the health care  
169.20 provider using the most direct route, and must not exceed 30 miles for a trip to a primary  
169.21 care provider or 60 miles for a trip to a specialty care provider, unless the client receives  
169.22 authorization from the local agency.

169.23 (j) Nonemergency medical transportation providers may not bill for separate base rates  
169.24 for the continuation of a trip beyond the original destination. Nonemergency medical  
169.25 transportation providers must maintain trip logs, which include pickup and drop-off times,  
169.26 signed by the medical provider or client, whichever is deemed most appropriate, attesting  
169.27 to mileage traveled to obtain covered medical services. Clients requesting client mileage  
169.28 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical  
169.29 services.

169.30 (k) The administrative agency shall use the level of service process established by the  
169.31 commissioner to determine the client's most appropriate mode of transportation. If public  
169.32 transit or a certified transportation provider is not available to provide the appropriate service  
169.33 mode for the client, the client may receive a onetime service upgrade.

169.34 (l) The covered modes of transportation are:

170.1 (1) client reimbursement, which includes client mileage reimbursement provided to  
170.2 clients who have their own transportation, or to family or an acquaintance who provides  
170.3 transportation to the client;

170.4 (2) volunteer transport, which includes transportation by volunteers using their own  
170.5 vehicle;

170.6 (3) unassisted transport, which includes transportation provided to a client by a taxicab  
170.7 or public transit. If a taxicab or public transit is not available, the client can receive  
170.8 transportation from another nonemergency medical transportation provider;

170.9 (4) assisted transport, which includes transport provided to clients who require assistance  
170.10 by a nonemergency medical transportation provider;

170.11 (5) lift-equipped/ramp transport, which includes transport provided to a client who is  
170.12 dependent on a device and requires a nonemergency medical transportation provider with  
170.13 a vehicle containing a lift or ramp;

170.14 (6) protected transport, which includes transport provided to a client who has received  
170.15 a prescreening that has deemed other forms of transportation inappropriate and who requires  
170.16 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety  
170.17 locks, a video recorder, and a transparent thermoplastic partition between the passenger and  
170.18 the vehicle driver; and (ii) who is certified as a protected transport provider; and

170.19 (7) stretcher transport, which includes transport for a client in a prone or supine position  
170.20 and requires a nonemergency medical transportation provider with a vehicle that can transport  
170.21 a client in a prone or supine position.

170.22 (m) The local agency shall be the single administrative agency and shall administer and  
170.23 reimburse for modes defined in paragraph (l) according to paragraphs (p) and (q) when the  
170.24 commissioner has developed, made available, and funded the web-based single administrative  
170.25 structure, assessment tool, and level of need assessment under subdivision 18e. The local  
170.26 agency's financial obligation is limited to funds provided by the state or federal government.

170.27 (n) The commissioner shall:

170.28 (1) verify that the mode and use of nonemergency medical transportation is appropriate;

170.29 (2) verify that the client is going to an approved medical appointment; and

170.30 (3) investigate all complaints and appeals.

170.31 (o) The administrative agency shall pay for the services provided in this subdivision and  
170.32 seek reimbursement from the commissioner, if appropriate. As vendors of medical care,

171.1 local agencies are subject to the provisions in section 256B.041, the sanctions and monetary  
171.2 recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.

171.3 (p) Payments for nonemergency medical transportation must be paid based on the client's  
171.4 assessed mode under paragraph (k), not the type of vehicle used to provide the service. The  
171.5 medical assistance reimbursement rates for nonemergency medical transportation services  
171.6 that are payable by or on behalf of the commissioner for nonemergency medical  
171.7 transportation services are:

171.8 (1) \$0.22 per mile for client reimbursement;

171.9 (2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer  
171.10 transport;

171.11 (3) equivalent to the standard fare for unassisted transport when provided by public  
171.12 transit, and \$12.10 for the base rate and \$1.43 per mile when provided by a nonemergency  
171.13 medical transportation provider;

171.14 (4) \$14.30 for the base rate and \$1.43 per mile for assisted transport;

171.15 (5) \$19.80 for the base rate and \$1.70 per mile for lift-equipped/ramp transport;

171.16 (6) \$75 for the base rate for the first 100 miles and an additional \$75 for trips over 100  
171.17 miles and \$2.40 per mile for protected transport; and

171.18 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for  
171.19 an additional attendant if deemed medically necessary.

171.20 (q) The base rate for nonemergency medical transportation services in areas defined  
171.21 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in  
171.22 paragraph (p), clauses (1) to (7). The mileage rate for nonemergency medical transportation  
171.23 services in areas defined under RUCA to be rural or super rural areas is:

171.24 (1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage  
171.25 rate in paragraph (p), clauses (1) to (7); and

171.26 (2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage  
171.27 rate in paragraph (p), clauses (1) to (7).

171.28 (r) For purposes of reimbursement rates for nonemergency medical transportation services  
171.29 under paragraphs (p) and (q), the zip code of the recipient's place of residence shall determine  
171.30 whether the urban, rural, or super rural reimbursement rate applies.

(s) The commissioner, when determining reimbursement rates for nonemergency medical transportation under paragraphs (p) and (q), shall exempt all modes of transportation listed under paragraph (l) from Minnesota Rules, part 9505.0445, item R, subitem (2).

(t) Effective for the first day of each calendar quarter in which the price of gasoline as posted publicly by the United States Energy Information Administration exceeds \$3.00 per gallon, the commissioner shall adjust the rate paid per mile in paragraph (p) by one percent up or down for every increase or decrease of ten cents for the price of gasoline. The increase or decrease must be calculated using a base gasoline price of \$3.00. The percentage increase or decrease must be calculated using the average of the most recently available price of all grades of gasoline for Minnesota as posted publicly by the United States Energy Information Administration.

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

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.

**Subd. 4. Temporary payment reductions effective September 1, 2011.** ~~(c)~~ ~~(a)~~ Effective for services provided on or after September 1, 2011, through June 30, 2013, total payments

173.1 for outpatient hospital facility fees shall be reduced by five percent from the rates in effect  
173.2 on August 31, 2011.

173.3 ~~(d)~~ (b) Effective for services provided on or after September 1, 2011, through June 30,  
173.4 2013, total payments for ambulatory surgery centers facility fees, medical supplies and  
173.5 durable medical equipment not subject to a volume purchase contract, prosthetics and  
173.6 orthotics, renal dialysis services, laboratory services, public health nursing services, physical  
173.7 therapy services, occupational therapy services, speech therapy services, eyeglasses not  
173.8 subject to a volume purchase contract, hearing aids not subject to a volume purchase contract,  
173.9 and anesthesia services shall be reduced by three percent from the rates in effect on August  
173.10 31, 2011.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

175.10 **Subd. 12. Rates subject to the upper payment limit.** ~~(4)~~ Payment rates for durable  
175.11 medical equipment, prosthetics, orthotics or supplies, that are subject to the upper payment  
175.12 limit in accordance with section 1903(i)(27) of the Social Security Act, shall be paid the  
175.13 Medicare rate. Rate increases provided in this chapter shall not be applied to the items listed  
175.14 in this ~~paragraph~~ subdivision.

175.15 **Subd. 13. Temporary rates for enteral nutrition and supplies.** ~~(m)~~ ~~(a)~~ For dates of  
175.16 service on or after July 1, 2023, through June 30, ~~2025~~ 2027, enteral nutrition and supplies  
175.17 must be paid according to this ~~paragraph~~ subdivision. If sufficient data exists for a product  
175.18 or supply, payment must be based upon the 50th percentile of the usual and customary  
175.19 charges per product code submitted to the commissioner, using only charges submitted per  
175.20 unit. Increases in rates resulting from the 50th percentile payment method must not exceed  
175.21 150 percent of the previous fiscal year's rate per code and product combination. Data are  
175.22 sufficient if: (1) the commissioner has at least 100 paid claim lines by at least ten different  
175.23 providers for a given product or supply; or (2) in the absence of the data in clause (1), the  
175.24 commissioner has at least 20 claim lines by at least five different providers for a product or  
175.25 supply that does not meet the requirements of clause (1). If sufficient data are not available  
175.26 to calculate the 50th percentile for enteral products or supplies, the payment rate must be  
175.27 the payment rate in effect on June 30, 2023.

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

175.29 **Subd. 14. Rates for enteral nutrition and supplies.** ~~(n)~~ For dates of service on or after  
175.30 July 1, ~~2025~~ 2027, enteral nutrition and supplies must be paid according to this ~~paragraph~~  
175.31 subdivision and updated annually each January 1. If sufficient data exists for a product or  
175.32 supply, payment must be based upon the 50th percentile of the usual and customary charges  
175.33 per product code submitted to the commissioner for the previous calendar year, using only  
175.34 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.

## ARTICLE 6

### DIRECT CARE AND TREATMENT

Section 1. **[246.0142] FREE COMMUNICATION SERVICES FOR PATIENTS AND CLIENTS.**

Subdivision 1. **Free communication services.** The commissioner of human services and the Direct Care and Treatment executive board and all facilities, settings, and programs owned, operated, or under the programmatic or fiscal control of the commissioner of human services or the Direct Care and Treatment executive board are subject to section 241.252. The commissioner and executive board must not include the cost of voice or other communication services in the cost of care as defined under section 246.50 or 246B.01.

Subd. 2. **Communication service restrictions.** Notwithstanding section 241.252, subdivisions 2 and 4, nothing in this section entitles a civilly committed person to communication services restricted or limited under section 253B.03, subdivision 3, or 253D.19.

Sec. 2. Minnesota Statutes 2024, section 256G.08, subdivision 1, is amended to read:

Subdivision 1. **Commitment and competency proceedings.** In cases of voluntary admission, ~~or~~ commitment to state or other institutions, or criminal orders for inpatient examination or participation in a competency attainment program under chapter 611, the committing county or the county from which the first criminal order for inpatient examination

177.1 or order for participation in a competency attainment program under chapter 611 is issued  
177.2 shall initially pay for all costs. This includes the expenses of the taking into custody,  
177.3 confinement, emergency holds under sections 253B.051, subdivisions 1 and 2, and 253B.07,  
177.4 examination, commitment, conveyance to the place of detention, rehearing, and hearings  
177.5 under ~~section~~ sections 253B.092 and 611.47, including hearings held under ~~that section~~  
177.6 ~~which~~ those sections that are venued outside the county of commitment or the county of  
177.7 the chapter 611 competency proceedings order.

177.8 Sec. 3. Minnesota Statutes 2024, section 256G.08, subdivision 2, is amended to read:

177.9 Subd. 2. **Responsibility for nonresidents.** If a person committed, ~~or~~ voluntarily admitted  
177.10 to a state institution, or ordered for inpatient examination or participation in a competency  
177.11 attainment program under chapter 611 has no residence in this state, financial responsibility  
177.12 belongs to the county of commitment or the county from which the first criminal order for  
177.13 inpatient examination or order for participation in a competency attainment program under  
177.14 chapter 611 was issued.

177.15 Sec. 4. Minnesota Statutes 2024, section 256G.09, subdivision 1, is amended to read:

177.16 Subdivision 1. **General procedures.** If upon investigation the local agency decides that  
177.17 the application, ~~or~~ commitment, or first criminal order under chapter 611 was not filed in  
177.18 the county of financial responsibility as defined by this chapter, but that the applicant is  
177.19 otherwise eligible for assistance, it shall send a copy of the application, ~~or~~ commitment  
177.20 claim, or chapter 611 claim together with the record of any investigation it has made, to the  
177.21 county it believes is financially responsible. The copy and record must be sent within 60  
177.22 days of the date the application was approved or the claim was paid. The first local agency  
177.23 shall provide assistance to the applicant until financial responsibility is transferred under  
177.24 this section.

177.25 The county receiving the transmittal has 30 days to accept or reject financial  
177.26 responsibility. A failure to respond within 30 days establishes financial responsibility by  
177.27 the receiving county.

177.28 Sec. 5. Minnesota Statutes 2024, section 256G.09, subdivision 2, is amended to read:

177.29 Subd. 2. **Financial disputes.** (a) If the county receiving the transmittal does not believe  
177.30 it is financially responsible, it should provide to the commissioner of human services and  
177.31 the initially responsible county a statement of all facts and documents necessary for the  
177.32 commissioner to make the requested determination of financial responsibility. The submission

178.1 must clearly state the program area in dispute and must state the specific basis upon which  
178.2 the submitting county is denying financial responsibility.

178.3 (b) The initially responsible county then has 15 calendar days to submit its position and  
178.4 any supporting evidence to the commissioner. The absence of a submission by the initially  
178.5 responsible county does not limit the right of the commissioner of human services or Direct  
178.6 Care and Treatment executive board to issue a binding opinion based on the evidence actually  
178.7 submitted.

178.8 (c) A case must not be submitted until the local agency taking the application, ~~or making~~  
178.9 the commitment, or residing in the county from which the first criminal order under chapter  
178.10 611 was issued has made an initial determination about eligibility and financial responsibility,  
178.11 and services have been initiated. This paragraph does not prohibit the submission of closed  
178.12 cases that otherwise meet the applicable statute of limitations.

178.13 Sec. 6. Minnesota Statutes 2024, section 611.43, is amended by adding a subdivision to  
178.14 read:

178.15 Subd. 5. **Costs related to confined treatment.** (a) When a defendant is ordered to  
178.16 participate in an examination in a treatment facility, a locked treatment facility, or a  
178.17 state-operated treatment facility under subdivision 1, paragraph (b), the facility shall bill  
178.18 the responsible health plan first. The county in which the criminal charges are filed is  
178.19 responsible to pay any charges not covered by the health plan, including co-pays and  
178.20 deductibles. If the defendant has health plan coverage and is confined in a hospital, but the  
178.21 hospitalization does not meet the criteria in section 62M.07, subdivision 2, clause (1);  
178.22 62Q.53; 62Q.535, subdivision 1; or 253B.045, subdivision 6, the county in which criminal  
178.23 charges are filed is responsible for payment.

178.24 (b) The Direct Care and Treatment executive board shall determine the cost of  
178.25 confinement in a state-operated treatment facility based on the executive board's  
178.26 determination of cost of care pursuant to section 246.50, subdivision 5.

178.27 Sec. 7. Minnesota Statutes 2024, section 611.46, subdivision 1, is amended to read:

178.28 Subdivision 1. **Order to competency attainment program.** (a) If the court finds the  
178.29 defendant incompetent and the charges have not been dismissed, the court shall order the  
178.30 defendant to participate in a program to assist the defendant in attaining competency. The  
178.31 court may order participation in a competency attainment program provided outside of a  
178.32 jail, a jail-based competency attainment program, or an alternative program. The court must  
178.33 determine the least-restrictive program appropriate to meet the defendant's needs and public

179.1 safety. In making this determination, the court must consult with the forensic navigator and  
179.2 consider any recommendations of the court examiner. The court shall not order a defendant  
179.3 to participate in a jail-based program or a state-operated treatment program if the highest  
179.4 criminal charge is a targeted misdemeanor.

179.5 (b) If the court orders the defendant to a locked treatment facility or jail-based program,  
179.6 the court must calculate the defendant's custody credit and cannot order the defendant to a  
179.7 locked treatment facility or jail-based program for a period that would cause the defendant's  
179.8 custody credit to exceed the maximum sentence for the underlying charge.

179.9 (c) The court may only order the defendant to participate in competency attainment at  
179.10 an inpatient or residential treatment program under this section if the head of the treatment  
179.11 program determines that admission to the program is clinically appropriate and consents to  
179.12 the defendant's admission. The court may only order the defendant to participate in  
179.13 competency attainment at a state-operated treatment facility under this section if the Direct  
179.14 Care and Treatment executive board or a designee determines that admission of the defendant  
179.15 is clinically appropriate and consents to the defendant's admission. The court may require  
179.16 a competency program that qualifies as a locked facility or a state-operated treatment program  
179.17 to notify the court in writing of the basis for refusing consent for admission of the defendant  
179.18 in order to ensure transparency and maintain an accurate record. The court may not require  
179.19 personal appearance of any representative of a competency program. The court shall send  
179.20 a written request for notification to the locked facility or state-operated treatment program  
179.21 and the locked facility or state-operated treatment program shall provide a written response  
179.22 to the court within ten days of receipt of the court's request.

179.23 (d) If the defendant is confined in jail and has not received competency attainment  
179.24 services within 30 days of the finding of incompetency, the court shall review the case with  
179.25 input from the prosecutor and defense counsel and may:

179.26 (1) order the defendant to participate in an appropriate competency attainment program  
179.27 that takes place outside of a jail;

179.28 (2) order a conditional release of the defendant with conditions that include but are not  
179.29 limited to a requirement that the defendant participate in a competency attainment program  
179.30 when one becomes available and accessible;

179.31 (3) make a determination as to whether the defendant is likely to attain competency in  
179.32 the reasonably foreseeable future and proceed under section 611.49; or

179.33 (4) upon a motion, dismiss the charges in the interest of justice.

(e) The court may order any hospital, treatment facility, or correctional facility that has provided care or supervision to a defendant in the previous two years to provide copies of the defendant's medical records to the competency attainment program or alternative program in which the defendant was ordered to participate. This information shall be provided in a consistent and timely manner and pursuant to all applicable laws.

(f) If at any time the defendant refuses to participate in a competency attainment program or an alternative program, the head of the program shall notify the court and any entity responsible for supervision of the defendant.

(g) At any time, the head of the program may discharge the defendant from the program or facility. The head of the program must notify the court, prosecutor, defense counsel, and any entity responsible for the supervision of the defendant prior to any planned discharge. Absent emergency circumstances, this notification shall be made five days prior to the discharge if the defendant is not being discharged to jail or a correctional facility. Upon the receipt of notification of discharge or upon the request of either party in response to notification of discharge, the court may order that a defendant who is subject to bail or unmet conditions of release be returned to jail upon being discharged from the program or facility. If the court orders a defendant returned to jail, the court shall notify the parties and head of the program at least one day before the defendant's planned discharge, except in the event of an emergency discharge where one day notice is not possible. The court must hold a review hearing within seven days of the defendant's return to jail. The forensic navigator must be given notice of the hearing and be allowed to participate.

(h) If the defendant is discharged from the program or facility under emergency circumstances, notification of emergency discharge shall include a description of the emergency circumstances and may include a request for emergency transportation. The court shall make a determination on a request for emergency transportation within 24 hours. Nothing in this section prohibits a law enforcement agency from transporting a defendant pursuant to any other authority.

(i) If the defendant is ordered to participate in an inpatient or residential competency attainment or alternative program, the program or facility must notify the court, prosecutor, defense counsel, forensic navigator, and any entity responsible for the supervision of the defendant if the defendant is placed on a leave or elopement status from the program and if the defendant returns to the program from a leave or elopement status.

181.1 (j) Defense counsel, prosecutors, and forensic navigators must have access to information  
181.2 relevant to a defendant's participation and treatment in a competency attainment program  
181.3 or alternative program, including but not limited to discharge planning.

181.4 Sec. 8. Minnesota Statutes 2024, section 611.55, is amended by adding a subdivision to  
181.5 read:

181.6 Subd. 5. **Data access.** Forensic navigators must have access to all data collected, created,  
181.7 or maintained by a competency attainment program or an alternative program regarding a  
181.8 defendant in order for navigators to carry out their duties under this section. A competency  
181.9 attainment program or alternative program may request a copy of the court order appointing  
181.10 the forensic navigator before disclosing any private information about a defendant.

181.11 **ARTICLE 7**

181.12 **DEPARTMENT OF DIRECT CARE AND TREATMENT ESTABLISHMENT**

181.13 Section 1. Minnesota Statutes 2024, section 10.65, subdivision 2, is amended to read:

181.14 Subd. 2. **Definitions.** As used in this section, the following terms have the meanings  
181.15 given:

181.16 (1) "agency" means the Department of Administration; Department of Agriculture;  
181.17 Department of Children, Youth, and Families; Department of Commerce; Department of  
181.18 Corrections; Department of Direct Care and Treatment; Department of Education; Department  
181.19 of Employment and Economic Development; Department of Health; Office of Higher  
181.20 Education; Housing Finance Agency; Department of Human Rights; Department of Human  
181.21 Services; Department of Information Technology Services; Department of Iron Range  
181.22 Resources and Rehabilitation; Department of Labor and Industry; Minnesota Management  
181.23 and Budget; Bureau of Mediation Services; Department of Military Affairs; Metropolitan  
181.24 Council; Department of Natural Resources; Pollution Control Agency; Department of Public  
181.25 Safety; Department of Revenue; Department of Transportation; Department of Veterans  
181.26 Affairs; ~~Direct Care and Treatment~~; Gambling Control Board; Racing Commission; the  
181.27 Minnesota Lottery; the Animal Health Board; the Public Utilities Commission; and the  
181.28 Board of Water and Soil Resources;

181.29 (2) "consultation" means the direct and interactive involvement of the Minnesota Tribal  
181.30 governments in the development of policy on matters that have Tribal implications.  
181.31 Consultation is the proactive, affirmative process of identifying and seeking input from  
181.32 appropriate Tribal governments and considering their interest as a necessary and integral  
181.33 part of the decision-making process. This definition adds to statutorily mandated notification

procedures. During a consultation, the burden is on the agency to show that it has made a good faith effort to elicit feedback. Consultation is a formal engagement between agency officials and the governing body or bodies of an individual Minnesota Tribal government that the agency or an individual Tribal government may initiate. Formal meetings or communication between top agency officials and the governing body of a Minnesota Tribal government is a necessary element of consultation;

(3) "matters that have Tribal implications" means rules, legislative proposals, policy statements, or other actions that have substantial direct effects on one or more Minnesota Tribal governments, or on the distribution of power and responsibilities between the state and Minnesota Tribal governments;

(4) "Minnesota Tribal governments" means the federally recognized Indian Tribes located in Minnesota including: Bois Forte Band; Fond Du Lac Band; Grand Portage Band; Leech Lake Band; Mille Lacs Band; White Earth Band; Red Lake Nation; Lower Sioux Indian Community; Prairie Island Indian Community; Shakopee Mdewakanton Sioux Community; and Upper Sioux Community; and

(5) "timely and meaningful" means done or occurring at a favorable or useful time that allows the result of consultation to be included in the agency's decision-making process for a matter that has Tribal implications.

Sec. 2. Minnesota Statutes 2024, section 15.01, is amended to read:

**15.01 DEPARTMENTS OF THE STATE.**

The following agencies are designated as the departments of the state government: the Department of Administration; the Department of Agriculture; the Department of Children, Youth, and Families; the Department of Commerce; the Department of Corrections; the Department of Direct Care and Treatment; the Department of Education; the Department of Employment and Economic Development; the Department of Health; the Department of Human Rights; the Department of Human Services; the Department of Information Technology Services; the Department of Iron Range Resources and Rehabilitation; the Department of Labor and Industry; the Department of Management and Budget; the Department of Military Affairs; the Department of Natural Resources; the Department of Public Safety; the Department of Revenue; the Department of Transportation; the Department of Veterans Affairs; and their successor departments.

183.1 Sec. 3. Minnesota Statutes 2024, section 15.06, subdivision 1, is amended to read:

183.2 Subdivision 1. **Applicability.** This section applies to the following departments or  
183.3 agencies: the Departments of Administration; Agriculture; Children, Youth, and Families;  
183.4 Commerce; Corrections; Direct Care and Treatment; Education; Employment and Economic  
183.5 Development; Health; Human Rights; Human Services; Iron Range Resources and  
183.6 Rehabilitation; Labor and Industry; Management and Budget; Natural Resources; Public  
183.7 Safety; Revenue; Transportation; and Veterans Affairs; the Housing Finance and Pollution  
183.8 Control Agencies; the Department of Information Technology Services; the Bureau of  
183.9 Mediation Services; and their successor departments and agencies. The heads of the foregoing  
183.10 departments or agencies are "commissioners."

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

183.12 **43A.241 INSURANCE CONTRIBUTIONS; FORMER EMPLOYEES.**

183.13 (a) This section applies to a person who:

183.14 (1) was employed by the commissioner of corrections, the commissioner of human  
183.15 services, or the commissioner of direct care and treatment ~~executive board~~;

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

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

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

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

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

183.26 (b) For a person to whom this section applies, the commissioner of corrections, the  
183.27 commissioner of human services, or the commissioner of direct care and treatment ~~executive~~  
183.28 ~~board~~, using existing budget resources, must continue to make the employer contribution  
183.29 for medical and dental benefits under the State Employee Group Insurance Program after  
183.30 the person terminates state service. If the person had dependent coverage at the time of  
183.31 terminating state service, employer contributions for dependent coverage also must continue  
183.32 under this section. The employer contributions must be in the amount of the employer

184.1 contribution for active state employees at the time each payment is made. The employer  
184.2 contributions must continue until the person reaches age 65, provided the person makes the  
184.3 required employee contributions, in the amount required of an active state employee, at the  
184.4 time and in the manner specified by the commissioner ~~or executive board~~.

184.5 Sec. 5. Minnesota Statutes 2024, section 246C.01, is amended to read:

184.6 **246C.01 TITLE.**

184.7 This chapter may be cited as the "Department of Direct Care and Treatment Act."

184.8 Sec. 6. Minnesota Statutes 2024, section 246C.015, subdivision 3, is amended to read:

184.9 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of ~~human services~~  
184.10 direct care and treatment.

184.11 Sec. 7. Minnesota Statutes 2024, section 246C.015, is amended by adding a subdivision  
184.12 to read:

184.13 Subd. 5b. **Department.** "Department" means the Department of Direct Care and  
184.14 Treatment.

184.15 Sec. 8. Minnesota Statutes 2024, section 246C.02, subdivision 1, is amended to read:

184.16 Subdivision 1. **Establishment.** The Department of Direct Care and Treatment is created  
184.17 ~~as an agency headed by an executive board~~ established.

184.18 Sec. 9. Minnesota Statutes 2024, section 246C.04, subdivision 2, is amended to read:

184.19 Subd. 2. **Transfer of custody of civilly committed persons.** The commissioner of  
184.20 human services shall continue to exercise all authority and responsibility for and retain  
184.21 custody of persons subject to civil commitment under chapter 253B or 253D until July 1,  
184.22 2025. Effective July 1, 2025, custody of persons subject to civil commitment under chapter  
184.23 253B or 253D and in the custody of the commissioner of human services as of that date is  
184.24 hereby transferred to the ~~executive board~~ commissioner without any further act or proceeding.  
184.25 Authority and responsibility for the commitment of such persons is transferred to the  
184.26 ~~executive board~~ commissioner July 1, 2025.

184.27 Sec. 10. Minnesota Statutes 2024, section 246C.04, subdivision 3, is amended to read:

184.28 Subd. 3. **Control of direct care and treatment.** The commissioner of human services  
184.29 shall continue to exercise all authorities and responsibilities under this chapter and chapters

185.1 13, 245, 246, 246B, 252, 253, 253B, 253C, 253D, 254A, 254B, and 256, with reference to  
185.2 any state-operated service, program, or facility subject to transfer under Laws 2024, chapter  
185.3 79; Laws 2024, chapter 125, article 5; and Laws 2024, chapter 127, article 50, until July 1,  
185.4 2025. Effective July 1, 2025, the powers and duties vested in or imposed upon the  
185.5 commissioner of human services with reference to any state-operated service, program, or  
185.6 facility are hereby transferred to, vested in, and imposed upon the ~~executive board~~  
185.7 commissioner according to this chapter and applicable state law. Effective July 1, 2025, the  
185.8 ~~executive board~~ commissioner has the exclusive power of administration and management  
185.9 of all state hospitals for persons with a developmental disability, mental illness, or substance  
185.10 use disorder. Effective July 1, 2025, the ~~executive board~~ commissioner has the power and  
185.11 authority to determine all matters relating to the development of all of the foregoing  
185.12 institutions and of such other institutions vested in the ~~executive board~~ commissioner.  
185.13 Effective July 1, 2025, the powers, functions, and authority vested in the commissioner of  
185.14 human services relative to such state institutions are transferred to the ~~executive board~~  
185.15 commissioner according to this chapter and applicable state law.

185.16 Sec. 11. Minnesota Statutes 2024, section 246C.07, subdivision 1, is amended to read:

185.17 Subdivision 1. **Generally.** (a) The ~~executive board~~ commissioner must operate the  
185.18 ~~agency department~~ according to this chapter and applicable state and federal law. The overall  
185.19 management and control of the ~~agency department~~ is vested in the ~~executive board~~  
185.20 commissioner in accordance with this chapter.

185.21 (b) The ~~executive board~~ commissioner must appoint a chief executive officer according  
185.22 to section 246C.08. The chief executive officer is responsible for the administrative and  
185.23 operational duties of the Department of Direct Care and Treatment in accordance with this  
185.24 chapter and serves as the deputy commissioner for the purposes of section 15.06 and as  
185.25 deputy agency head for the purposes of section 43A.08.

185.26 (c) The ~~executive board~~ commissioner may delegate duties imposed by this chapter and  
185.27 under applicable state and federal law as deemed appropriate by the ~~board~~ commissioner  
185.28 and in accordance with this chapter. Any delegation of a specified statutory duty or power  
185.29 to an employee of the Department of Direct Care and Treatment other than the chief executive  
185.30 officer must be made by written order and filed with the secretary of state. Only the chief  
185.31 executive officer shall have the powers and duties of the ~~executive board~~ commissioner as  
185.32 specified in section 246C.08.

Sec. 12. Minnesota Statutes 2024, section 246C.07, subdivision 2, is amended to read:

Subd. 2. **Principles.** The ~~executive board~~ commissioner, in undertaking ~~its~~ the commissioner's duties and responsibilities and within the Department of Direct Care and Treatment resources, shall act according to the following principles:

(1) prevent the waste or unnecessary spending of public money;

(2) use innovative fiscal and human resource practices to manage the state's resources and operate the ~~agency~~ department as efficiently as possible;

(3) coordinate Department of Direct Care and Treatment activities wherever appropriate with the activities of other governmental agencies;

(4) use technology where appropriate to increase ~~agency~~ department productivity, improve customer service, increase public access to information about government, and increase public participation in the business of government; and

(5) utilize constructive and cooperative labor management practices to the extent otherwise required by chapter 43A or 179A.

Sec. 13. Minnesota Statutes 2024, section 246C.07, subdivision 8, is amended to read:

Subd. 8. **Biennial estimates; suggestions for legislation.** The ~~executive board~~ commissioner shall prepare, for the use of the legislature, biennial estimates of appropriations necessary or expedient to be made for the support of the institutions and for extraordinary and special expenditures for buildings and other improvements. The ~~executive board~~ commissioner shall make suggestions relative to legislation for the benefit of the institutions. The ~~executive board~~ commissioner shall report the estimates and suggestions to the legislature on or before November 15 in each even-numbered year. ~~A designee of the executive board~~ The commissioner on request shall appear before any legislative committee and furnish any required information in regard to the condition of any such institution.

Sec. 14. **[246C.075] ADVISORY COUNCIL ON DIRECT CARE AND TREATMENT.**

Subdivision 1. Establishment. An Advisory Council on Direct Care and Treatment is established.

Subd. 2. Membership. (a) The Advisory Council on Direct Care and Treatment must consist of no more than 15 members appointed as provided in section 15.0597. The advisory council must include:

- 187.1 (1) one member who is a licensed physician with experience serving behavioral health  
187.2 patients or a licensed psychiatrist, appointed by the commissioner;
- 187.3 (2) two members with executive management experience at a hospital or health care  
187.4 system, or experience serving on the board of a hospital or health care system, appointed  
187.5 by the commissioner;
- 187.6 (3) three members, each appointed by the commissioner, who have experience working:
- 187.7 (i) in the delivery of behavioral health services;
- 187.8 (ii) in care coordination;
- 187.9 (iii) in traditional healing practices;
- 187.10 (iv) as a licensed health care professional;
- 187.11 (v) within health care administration; or
- 187.12 (vi) with residential services;
- 187.13 (4) one member appointed by the Association of Counties;
- 187.14 (5) one member who has an active role as a union representative representing staff at  
187.15 the Department of Direct Care and Treatment appointed by joint representatives of the  
187.16 following unions: American Federation of State, County, and Municipal Employees  
187.17 (AFSCME); Minnesota Association of Professional Employees (MAPE); Minnesota Nurses  
187.18 Association (MNA); Middle Management Association (MMA); and State Residential  
187.19 Schools Education Association (SRSEA);
- 187.20 (6) one member appointed by the National Alliance on Mental Illness Minnesota;
- 187.21 (7) two members representing people with lived experience being served by state-operated  
187.22 treatment programs or their families, appointed by the commissioner;
- 187.23 (8) one member appointed by the Minnesota Disability Law Center; and
- 187.24 (9) up to three additional members appointed by the commissioner reflecting community  
187.25 interests or perspectives the commissioner deems valuable.
- 187.26 (b) Membership on the advisory council must include representation from outside the  
187.27 seven-county metropolitan area, as defined in section 473.121, subdivision 2.
- 187.28 (c) Appointing authorities under paragraph (a) must make initial appointments by  
187.29 September 1, 2025.

Subd. 3. **Terms; compensation; removal; vacancies; expiration.** (a) The membership terms, compensation, removal of members, and filling of vacancies of members are as provided in section 15.059, except that council members shall not receive a per diem.

(b) The advisory council does not expire.

Subd. 4. **Meetings.** (a) The members of the advisory council shall elect a chair from among their membership at the first meeting and annually thereafter or upon a vacancy in the chair. The advisory council shall meet at the call of the commissioner, the call of the chair, or upon the call of a majority of members.

(b) The first meeting of the advisory council must be held no later than September 15, 2025.

Subd. 5. **Duties.** The advisory council shall advise the commissioner regarding the operations of the Department of Direct Care and Treatment, the clinical standards of care for patients and clients of state-operated programs, and provide recommendations to the commissioner for improving the department's role in the state's mental health care system.

Sec. 15. Minnesota Statutes 2024, section 246C.08, is amended to read:

**246C.08 CHIEF EXECUTIVE OFFICER; SERVICE; DUTIES.**

Subdivision 1. **Service.** (a) ~~The direct care and treatment chief executive officer is appointed by the executive board, in consultation with the governor, and serves at the pleasure of the executive board, with the advice and consent of the senate~~ commissioner, and is the deputy commissioner for the purposes of section 15.06.

(b) The chief executive officer shall serve in the unclassified service in accordance with section 43A.08. The Compensation Council under section 15A.082 shall establish the salary of the chief executive officer.

Subd. 2. **Powers and duties.** (a) The chief executive officer's primary duty is to assist the ~~executive board~~ commissioner. The chief executive officer is responsible for the administrative and operational management of the agency.

~~(b) The chief executive officer shall have all the powers of the executive board unless the executive board directs otherwise. The chief executive officer shall have the authority to speak for the executive board and Direct Care and Treatment within and outside the agency.~~

~~(e)~~ (b) In the event that a vacancy occurs for any reason within the chief executive officer position, the executive medical director appointed under section 246C.09 shall immediately

189.1 become the temporary chief executive officer until the ~~executive board~~ commissioner  
189.2 appoints a new chief executive officer. During this period, the executive medical director  
189.3 shall have all the powers and authority delegated to the chief executive officer by the ~~board~~  
189.4 commissioner and specified in this chapter.

189.5 Subd. 3. **Minimum qualifications.** The chief executive officer must be selected by the  
189.6 commissioner without regard to political affiliation and must have wide and successful  
189.7 administrative experience in and understanding of health care, preferably behavioral health  
189.8 care, including clinical and operational needs of a large health care service and delivery  
189.9 organization.

189.10 Sec. 16. Minnesota Statutes 2024, section 246C.09, subdivision 3, is amended to read:

189.11 Subd. 3. **Duties.** The executive medical director shall:

189.12 (1) oversee the clinical provision of inpatient mental health services provided in the  
189.13 state's regional treatment centers;

189.14 (2) recruit and retain psychiatrists to serve on the ~~Direct Care and Treatment~~ department  
189.15 medical staff established in subdivision 4;

189.16 (3) consult with the ~~executive board, the chief executive officer,~~ commissioner, the chief  
189.17 executive officer, and community mental health center directors to develop standards for  
189.18 treatment and care of patients in state-operated service programs;

189.19 (4) develop and oversee a continuing education program for members of the medical  
189.20 staff; and

189.21 (5) participate and cooperate in the development and maintenance of a quality assurance  
189.22 program for state-operated services that assures that residents receive continuous quality  
189.23 inpatient, outpatient, and postdischarge care.

189.24 Sec. 17. Minnesota Statutes 2024, section 246C.091, subdivision 2, is amended to read:

189.25 Subd. 2. **Facilities management account.** A facilities management account is created  
189.26 in the special revenue fund of the state treasury. Beginning July 1, 2025, money in the  
189.27 account is appropriated to the commissioner of direct care and treatment ~~executive board~~  
189.28 and may be used to maintain buildings, acquire facilities, renovate existing buildings, or  
189.29 acquire land for the design and construction of buildings for ~~Direct Care and Treatment~~  
189.30 department use. Money received for maintaining state property under control of the ~~executive~~  
189.31 ~~board~~ commissioner may be deposited into this account.

190.1 Sec. 18. Minnesota Statutes 2024, section 246C.091, subdivision 3, is amended to read:

190.2 Subd. 3. **Direct care and treatment systems account.** (a) The direct care and treatment  
190.3 systems account is created in the special revenue fund of the state treasury. Beginning July  
190.4 1, 2025, money in the account is appropriated to the commissioner of direct care and  
190.5 treatment ~~executive board~~ and may be used for security systems and information technology  
190.6 projects, services, and support under the control of the ~~executive board~~ commissioner.

190.7 (b) The commissioner of human services shall transfer all money allocated to the direct  
190.8 care and treatment systems projects under section 256.014 to the direct care and treatment  
190.9 systems account under this section by June 30, 2026.

190.10 Sec. 19. Minnesota Statutes 2024, section 246C.091, subdivision 4, is amended to read:

190.11 Subd. 4. **Cemetery maintenance account.** The cemetery maintenance account is created  
190.12 in the special revenue fund of the state treasury. Money in the account is appropriated to  
190.13 the ~~executive board~~ commissioner of direct care and treatment for the maintenance of  
190.14 cemeteries under control of the ~~executive board~~ commissioner. Money allocated to ~~Direct~~  
190.15 ~~Care and Treatment~~ department cemeteries may be transferred to this account.

190.16 Sec. 20. Laws 2024, chapter 127, article 50, section 41, subdivision 2, is amended to read:

190.17 Subd. 2. **Chief executive officer.** (a) The commissioner of direct care and treatment  
190.18 ~~executive board~~ must appoint as the initial chief executive officer for direct care and treatment  
190.19 under Minnesota Statutes, section ~~246C.07~~ 246C.08, the chief executive officer of the direct  
190.20 care and treatment division of the Department of Human Services holding that position at  
190.21 the time the initial appointment is made by the ~~board~~ commissioner. The initial appointment  
190.22 of the chief executive officer must be made by the ~~executive board~~ commissioner by July  
190.23 1, 2025. ~~The initial appointment of the chief executive officer is subject to confirmation by~~  
190.24 ~~the senate.~~

190.25 (b) In its report issued April 1, 2025, the Compensation Council under Minnesota Statutes,  
190.26 section 15A.082, must establish the salary of the chief executive officer at an amount equal  
190.27 to or greater than the amount paid to the chief executive officer of the direct care and  
190.28 treatment division of the Department of Human Services as of the date of initial appointment.  
190.29 The salary of the chief executive officer shall become effective July 1, 2025, pursuant to  
190.30 Minnesota Statutes, section 15A.082, subdivision 3. Notwithstanding Minnesota Statutes,  
190.31 sections 15A.082 and 246C.08, subdivision 1, if the initial appointment of the chief executive  
190.32 officer occurs prior to the effective date of the salary specified by the Compensation Council  
190.33 in its April 1, 2025, report, the salary of the chief executive officer must equal the amount

191.1 paid to the chief executive officer of the direct care and treatment division of the Department  
191.2 of Human Services as of the date of initial appointment.

191.3 Sec. 21. **INITIAL APPOINTMENT OF COMMISSIONER OF DIRECT CARE**  
191.4 **AND TREATMENT.**

191.5 The initial appointment of a commissioner of direct care and treatment or initial  
191.6 designation of a temporary commissioner of direct care and treatment by the governor under  
191.7 Minnesota Statutes, section 15.06, must be made by July 1, 2025. Notwithstanding Minnesota  
191.8 Statutes, section 15.066, subdivision 2, clause (4), the initial appointment of a commissioner  
191.9 of direct care and treatment or initial designation of a temporary commissioner of direct  
191.10 care and treatment is effective no earlier than July 1, 2025.

191.11 Sec. 22. **SALARY FOR THE COMMISSIONER OF THE DEPARTMENT OF**  
191.12 **DIRECT CARE AND TREATMENT.**

191.13 If the initial appointment of the commissioner of the Department of Direct Care and  
191.14 Treatment occurs prior to the commissioner's salary being determined by the Compensation  
191.15 Council under Minnesota Statutes, section 15A.082, the commissioner's salary must equal  
191.16 the salary of the chief executive officer of direct care and treatment, as determined under  
191.17 Minnesota Statutes, section 15A.0815, subdivision 2.

191.18 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
191.19 expires upon adoption by the Compensation Council of a salary for the position of  
191.20 commissioner of the Department of Direct Care and Treatment.

191.21 Sec. 23. **DISSOLUTION OF THE DIRECT CARE AND TREATMENT EXECUTIVE**  
191.22 **BOARD.**

191.23 Subdivision 1. **Dissolution of executive board.** Upon the effective date of this section,  
191.24 the direct care and treatment executive board under Minnesota Statutes, section 246C.06,  
191.25 is dissolved.

191.26 Subd. 2. **Transfer of duties.** (a) Any authorities and responsibilities that were vested  
191.27 in the executive board prior to July 1, 2025, are transferred to the commissioner of human  
191.28 services. Minnesota Statutes, section 15.039, applies to the transfer of responsibilities from  
191.29 the direct care and treatment executive board to the commissioner of human services between  
191.30 the effective date of this section and July 1, 2025.

192.1 (b) Minnesota Statutes, section 246C.04, governs the transfer of authority and  
192.2 responsibility on July 1, 2025, from the commissioner of human services to the commissioner  
192.3 of direct care and treatment.

192.4 Sec. 24. **REVISOR INSTRUCTION.**

192.5 (a) The revisor of statutes shall change the term "Direct Care and Treatment" to "the  
192.6 Department of Direct Care and Treatment" and "agency" to "department" wherever the  
192.7 terms appear in respect to the governmental entity with programmatic direction and fiscal  
192.8 control over state-operated services, programs, or facilities under Minnesota Statutes, chapter  
192.9 246C. The revisor may make technical and other necessary changes to sentence structure  
192.10 to preserve the meaning of the text.

192.11 (b) The revisor of statutes shall change the term "executive board" to "commissioner"  
192.12 and "Direct Care and Treatment executive board" to "commissioner of direct care and  
192.13 treatment" wherever the terms appear in respect to the head of the governmental entity with  
192.14 programmatic direction and fiscal control over state-operated services, programs, or facilities  
192.15 under Minnesota Statutes, chapter 246C. The revisor may make technical and other necessary  
192.16 changes to sentence structure to preserve the meaning of the text.

192.17 Sec. 25. **REVISOR INSTRUCTION.**

192.18 The revisor of statutes, in consultation with the House Research Department; the Office  
192.19 of Senate Counsel, Research and Fiscal Analysis; the Department of Human Services; and  
192.20 the Department of Direct Care and Treatment, shall make necessary cross-reference changes  
192.21 to conform with this act. The revisor may make technical and other necessary changes to  
192.22 sentence structure to preserve the meaning of the text. The revisor may alter the coding in  
192.23 this act to incorporate statutory changes made by other law in the 2025 regular legislative  
192.24 session.

192.25 Sec. 26. **REVISOR INSTRUCTION.**

192.26 The revisor of statutes shall renumber Minnesota Statutes, section 246C.06, subdivision  
192.27 11, as Minnesota Statutes, section 246C.07, subdivision 4a, and correct all cross-references.

192.28 Sec. 27. **REPEALER.**

192.29 (a) Minnesota Statutes 2024, sections 246C.015, subdivisions 5a and 6; 246C.06,  
192.30 subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; and 246C.07, subdivisions 4 and 5, are repealed.

192.31 (b) Laws 2024, chapter 79, article 1, section 20, is repealed.

193.1 (c) Laws 2024, chapter 125, article 5, sections 40; and 41; and Laws 2024, chapter 127,  
193.2 article 50, sections 40; and 41, subdivisions 1, and 3, are repealed retroactive to July 1,  
193.3 2024.

193.4 Sec. 28. **EFFECTIVE DATE.**

193.5 This article is effective the day following final enactment.

193.6 **ARTICLE 8**

193.7 **DEPARTMENT OF DIRECT CARE AND TREATMENT CONFORMING CHANGES**

193.8 Section 1. Minnesota Statutes 2024, section 15A.0815, subdivision 2, is amended to read:

193.9 Subd. 2. **Agency head salaries.** The salary for a position listed in this subdivision shall  
193.10 be determined by the Compensation Council under section 15A.082. The commissioner of  
193.11 management and budget must publish the salaries on the department's website. This  
193.12 subdivision applies to the following positions:

193.13 Commissioner of administration;

193.14 Commissioner of agriculture;

193.15 Commissioner of education;

193.16 Commissioner of children, youth, and families;

193.17 Commissioner of commerce;

193.18 Commissioner of corrections;

193.19 Commissioner of health;

193.20 Commissioner, Minnesota Office of Higher Education;

193.21 Commissioner, Minnesota IT Services;

193.22 Commissioner, Housing Finance Agency;

193.23 Commissioner of human rights;

193.24 Commissioner of human services;

193.25 Commissioner of labor and industry;

193.26 Commissioner of management and budget;

193.27 Commissioner of natural resources;

193.28 Commissioner, Pollution Control Agency;

- 194.1 Commissioner of public safety;
- 194.2 Commissioner of revenue;
- 194.3 Commissioner of employment and economic development;
- 194.4 Commissioner of transportation;
- 194.5 Commissioner of veterans affairs;
- 194.6 Commissioner of direct care and treatment;
- 194.7 Executive director of the Gambling Control Board;
- 194.8 Executive director of the Minnesota State Lottery;
- 194.9 Executive director of the Office of Cannabis Management;
- 194.10 Commissioner of Iron Range resources and rehabilitation;
- 194.11 Commissioner, Bureau of Mediation Services;
- 194.12 Ombudsman for mental health and developmental disabilities;
- 194.13 Ombudsperson for corrections;
- 194.14 Chair, Metropolitan Council;
- 194.15 Chair, Metropolitan Airports Commission;
- 194.16 School trust lands director;
- 194.17 Executive director of pari-mutuel racing;
- 194.18 Commissioner, Public Utilities Commission;
- 194.19 ~~Chief Executive Officer, Direct Care and Treatment;~~ and
- 194.20 Director of the Office of Emergency Medical Services.

194.21 Sec. 2. Minnesota Statutes 2024, section 15A.082, subdivision 1, is amended to read:

194.22 Subdivision 1. **Creation.** A Compensation Council is created each odd-numbered year  
 194.23 to establish the compensation of constitutional officers and the heads of state and metropolitan  
 194.24 agencies identified in section 15A.0815; and to assist the legislature in establishing the  
 194.25 compensation of justices of the supreme court and judges of the court of appeals and district  
 194.26 court, ~~and to determine the daily compensation for voting members of the Direct Care and~~  
 194.27 ~~Treatment executive board.~~

195.1 Sec. 3. Minnesota Statutes 2024, section 15A.082, subdivision 3, is amended to read:

195.2 Subd. 3. **Submission of recommendations and determination.** (a) By April 1 in each  
195.3 odd-numbered year, the Compensation Council shall submit to the speaker of the house and  
195.4 the president of the senate salary recommendations for justices of the supreme court, and  
195.5 judges of the court of appeals and district court. The recommended salaries take effect on  
195.6 July 1 of that year and July 1 of the subsequent even-numbered year and at whatever interval  
195.7 the council recommends thereafter, unless the legislature by law provides otherwise. The  
195.8 salary recommendations take effect if an appropriation of money to pay the recommended  
195.9 salaries is enacted after the recommendations are submitted and before their effective date.  
195.10 Recommendations may be expressly modified or rejected.

195.11 (b) By April 1 in each odd-numbered year, the Compensation Council must prescribe  
195.12 salaries for constitutional officers, and for the agency and metropolitan agency heads  
195.13 identified in section 15A.0815. The prescribed salary for each office must take effect July  
195.14 1 of that year and July 1 of the subsequent even-numbered year and at whatever interval  
195.15 the council determines thereafter, unless the legislature by law provides otherwise. An  
195.16 appropriation by the legislature to fund the relevant office, branch, or agency of an amount  
195.17 sufficient to pay the salaries prescribed by the council constitutes a prescription by law as  
195.18 provided in the Minnesota Constitution, article V, sections 4 and 5.

195.19 ~~(c) By April 1 in each odd-numbered year, the Compensation Council must prescribe~~  
195.20 ~~daily compensation for voting members of the Direct Care and Treatment executive board.~~  
195.21 ~~The recommended daily compensation takes effect on July 1 of that year and July 1 of the~~  
195.22 ~~subsequent even-numbered year and at whatever interval the council recommends thereafter,~~  
195.23 ~~unless the legislature by law provides otherwise.~~

195.24 Sec. 4. Minnesota Statutes 2024, section 15A.082, subdivision 7, is amended to read:

195.25 Subd. 7. **No ex parte communications.** Members may not have any communication  
195.26 with a constitutional officer, a head of a state agency, or a member of the judiciary, ~~or a~~  
195.27 ~~member of the Direct Care and Treatment executive board~~ during the period after the first  
195.28 meeting is convened under this section and the date the prescribed and recommended salaries  
195.29 ~~and daily compensation~~ are submitted under subdivision 3.

195.30 Sec. 5. Minnesota Statutes 2024, section 43A.08, subdivision 1, is amended to read:

195.31 Subdivision 1. **Unclassified positions.** Unclassified positions are held by employees  
195.32 who are:

- 196.1 (1) chosen by election or appointed to fill an elective office;
- 196.2 (2) heads of agencies required by law to be appointed by the governor or other elective  
196.3 officers, and the executive or administrative heads of departments, bureaus, divisions, and  
196.4 institutions specifically established by law in the unclassified service;
- 196.5 (3) deputy and assistant agency heads and one confidential secretary in the agencies  
196.6 listed in subdivision 1a;
- 196.7 (4) the confidential secretary to each of the elective officers of this state and, for the  
196.8 secretary of state and state auditor, an additional deputy, clerk, or employee;
- 196.9 (5) intermittent help employed by the commissioner of public safety to assist in the  
196.10 issuance of vehicle licenses;
- 196.11 (6) employees in the offices of the governor and of the lieutenant governor and one  
196.12 confidential employee for the governor in the Office of the Adjutant General;
- 196.13 (7) employees of the Washington, D.C., office of the state of Minnesota;
- 196.14 (8) employees of the legislature and of legislative committees or commissions; provided  
196.15 that employees of the Legislative Audit Commission, except for the legislative auditor, the  
196.16 deputy legislative auditors, and their confidential secretaries, shall be employees in the  
196.17 classified service;
- 196.18 (9) presidents, vice-presidents, deans, other managers and professionals in academic  
196.19 and academic support programs, administrative or service faculty, teachers, research  
196.20 assistants, and student employees eligible under terms of the federal Economic Opportunity  
196.21 Act work study program in the Perpich Center for Arts Education and the Minnesota State  
196.22 Colleges and Universities, but not the custodial, clerical, or maintenance employees, or any  
196.23 professional or managerial employee performing duties in connection with the business  
196.24 administration of these institutions;
- 196.25 (10) officers and enlisted persons in the National Guard;
- 196.26 (11) attorneys, legal assistants, and three confidential employees appointed by the attorney  
196.27 general or employed with the attorney general's authorization;
- 196.28 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and  
196.29 notaries public, except referees and adjusters employed by the Department of Labor and  
196.30 Industry;
- 196.31 (13) members of the State Patrol; provided that selection and appointment of State Patrol  
196.32 troopers must be made in accordance with applicable laws governing the classified service;

197.1 (14) examination monitors and intermittent training instructors employed by the  
197.2 Departments of Management and Budget and Commerce and by professional examining  
197.3 boards and intermittent staff employed by the technical colleges for the administration of  
197.4 practical skills tests and for the staging of instructional demonstrations;

197.5 (15) student workers;

197.6 (16) executive directors or executive secretaries appointed by and reporting to any  
197.7 policy-making board or commission established by statute;

197.8 (17) employees unclassified pursuant to other statutory authority;

197.9 (18) intermittent help employed by the commissioner of agriculture to perform duties  
197.10 relating to pesticides, fertilizer, and seed regulation;

197.11 (19) the administrators and the deputy administrators at the State Academies for the  
197.12 Deaf and the Blind; and

197.13 (20) the chief executive officer of Direct Care and Treatment who serves as the deputy  
197.14 agency head.

197.15 Sec. 6. Minnesota Statutes 2024, section 43A.08, subdivision 1a, is amended to read:

197.16 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following  
197.17 agencies may designate additional unclassified positions according to this subdivision: the  
197.18 Departments of Administration; Agriculture; Children, Youth, and Families; Commerce;  
197.19 Corrections; Direct Care and Treatment; Education; Employment and Economic  
197.20 Development; Explore Minnesota Tourism; Management and Budget; Health; Human  
197.21 Rights; Human Services; Labor and Industry; Natural Resources; Public Safety; Revenue;  
197.22 Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies;  
197.23 the State Lottery; the State Board of Investment; the Office of Administrative Hearings; the  
197.24 Department of Information Technology Services; the Offices of the Attorney General,  
197.25 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the  
197.26 Minnesota Office of Higher Education; the Perpich Center for Arts Education; ~~Direct Care~~  
197.27 ~~and Treatment~~; the Minnesota Zoological Board; and the Office of Emergency Medical  
197.28 Services.

197.29 A position designated by an appointing authority according to this subdivision must  
197.30 meet the following standards and criteria:

197.31 (1) the designation of the position would not be contrary to other law relating specifically  
197.32 to that agency;

198.1 (2) the person occupying the position would report directly to the agency head or deputy  
198.2 agency head and would be designated as part of the agency head's management team;

198.3 (3) the duties of the position would involve significant discretion and substantial  
198.4 involvement in the development, interpretation, and implementation of agency policy;

198.5 (4) the duties of the position would not require primarily personnel, accounting, or other  
198.6 technical expertise where continuity in the position would be important;

198.7 (5) there would be a need for the person occupying the position to be accountable to,  
198.8 loyal to, and compatible with, the governor and the agency head, the employing statutory  
198.9 board or commission, or the employing constitutional officer;

198.10 (6) the position would be at the level of division or bureau director or assistant to the  
198.11 agency head; and

198.12 (7) the commissioner has approved the designation as being consistent with the standards  
198.13 and criteria in this subdivision.

198.14 Sec. 7. Minnesota Statutes 2024, section 245.021, is amended to read:

198.15 **245.021 DEFINITIONS DEFINITION.**

198.16 (a) For the purposes of this chapter, the ~~definitions~~ definition in this section ~~have~~ has  
198.17 the ~~meanings~~ meaning given ~~them~~.

198.18 (b) "Commissioner" means the commissioner of human services.

198.19 ~~(c) "Executive board" has the meaning given in section 246C.015.~~

198.20 Sec. 8. Minnesota Statutes 2024, section 245.073, is amended to read:

198.21 **245.073 TECHNICAL TRAINING; COMMUNITY-BASED PROGRAMS.**

198.22 (a) In conjunction with the discharge of persons from regional treatment centers and  
198.23 their admission to state-operated and privately operated community-based programs, the  
198.24 commissioner may provide technical training assistance to the community-based programs.  
198.25 The commissioner may apply for and accept money from any source including reimbursement  
198.26 charges from the community-based programs for reasonable costs of training. Money  
198.27 received must be deposited in the general fund and is appropriated annually to the  
198.28 commissioner of human services for training under this section.

198.29 (b) The commissioner must coordinate with the ~~executive board~~ commissioner of direct  
198.30 care and treatment or the commissioner's designee to provide technical training assistance  
198.31 to community-based programs under this section and section 246C.11, subdivision 5.

199.1 Sec. 9. Minnesota Statutes 2024, section 246.13, subdivision 1, is amended to read:

199.2 Subdivision 1. ~~Executive board~~ **Record responsibilities.** (a) The chief executive officer  
199.3 or a designee shall have, accessible only by consent of the ~~executive board~~ commissioner  
199.4 or on the order of a judge or court of record, a record showing:

199.5 (1) the residence, sex, age, nativity, occupation, civil condition, and date of entrance or  
199.6 commitment of every person, in the state-operated services facilities as defined under section  
199.7 246C.02 under exclusive control of the ~~executive board~~ commissioner;

199.8 (2) the date of discharge of any such person and whether such discharge was final;

199.9 (3) the condition of the person when the person left the state-operated services facility;

199.10 (4) the vulnerable adult abuse prevention associated with the person; and

199.11 (5) the date and cause of any death of such person.

199.12 (b) The record in paragraph (a) must state every transfer of a person from one  
199.13 state-operated services facility to another, naming each state-operated services facility. The  
199.14 head of each facility or a designee must provide this transfer information to the ~~executive~~  
199.15 ~~board~~ commissioner, along with other obtainable facts as the ~~executive board~~ commissioner  
199.16 requests.

199.17 (c) The head of the state-operated services facility or designee shall inform the ~~executive~~  
199.18 ~~board~~ commissioner of any discharge, transfer, or death of a person in that facility within  
199.19 ten days of the date of discharge, transfer, or death in a manner determined by the ~~executive~~  
199.20 ~~board~~ commissioner.

199.21 (d) The ~~executive board~~ commissioner shall maintain an adequate system of records and  
199.22 statistics for all basic record forms, including patient personal records and medical record  
199.23 forms. The use and maintenance of such records must be consistent throughout all  
199.24 state-operated services facilities.

199.25 Sec. 10. Minnesota Statutes 2024, section 246B.01, is amended by adding a subdivision  
199.26 to read:

199.27 Subd. 2e. **Commissioner.** "Commissioner" means the commissioner of direct care and  
199.28 treatment.

199.29 Sec. 11. Minnesota Statutes 2024, section 252.021, is amended by adding a subdivision  
199.30 to read:

199.31 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of human services.

200.1 Sec. 12. Minnesota Statutes 2024, section 252.50, subdivision 5, is amended to read:

200.2 Subd. 5. **Location of programs.** (a) In determining the location of state-operated,  
200.3 community-based programs, the needs of the individual client shall be paramount. The  
200.4 ~~executive board~~ commissioner of direct care and treatment shall also take into account:

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

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

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

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

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

200.15 (6) the availability of qualified staff;

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

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

200.20 (b) The ~~executive board~~ commissioner of direct care and treatment must locate  
200.21 state-operated, community-based programs in coordination with the commissioner of human  
200.22 services according to section 252.28.

200.23 Sec. 13. Minnesota Statutes 2024, section 253.195, is amended by adding a subdivision  
200.24 to read:

200.25 Subd. 2a. **Commissioner.** "Commissioner" means the commissioner of direct care and  
200.26 treatment.

200.27 Sec. 14. Minnesota Statutes 2024, section 253B.02, is amended by adding a subdivision  
200.28 to read:

200.29 Subd. 2a. **Commissioner.** "Commissioner" means the commissioner of direct care and  
200.30 treatment.

201.1 Sec. 15. Minnesota Statutes 2024, section 253B.02, subdivision 3, is amended to read:

201.2 Subd. 3. **Commissioner of human services.** "Commissioner of human services" means  
201.3 the commissioner of human services or the commissioner's designee.

201.4 Sec. 16. Minnesota Statutes 2024, section 253B.02, subdivision 4c, is amended to read:

201.5 Subd. 4c. **County of financial responsibility.** (a) "County of financial responsibility"  
201.6 has the meaning specified in chapter 256G. This definition does not require that the person  
201.7 qualifies for or receives any other form of financial, medical, or social service assistance  
201.8 in addition to the services under this chapter. Disputes about the county of financial  
201.9 responsibility shall be submitted for determination to the ~~executive board~~ commissioner  
201.10 through the commissioner of human services in the manner prescribed in section 256G.09.

201.11 (b) For purposes of proper venue for filing a petition pursuant to section 253B.064,  
201.12 subdivision 1, paragraph (a); 253B.07, subdivision 1, paragraph (a); or 253D.07, where the  
201.13 designated agency of a county has determined that it is the county of financial responsibility,  
201.14 then that county is the county of financial responsibility until a different determination is  
201.15 made by the appropriate county agencies or the commissioner of human services pursuant  
201.16 to chapter 256G.

201.17 Sec. 17. Minnesota Statutes 2024, section 253B.03, subdivision 7, is amended to read:

201.18 Subd. 7. **Treatment plan.** A patient receiving services under this chapter has the right  
201.19 to receive proper care and treatment, best adapted, according to contemporary professional  
201.20 standards, to rendering further supervision unnecessary. The treatment facility, state-operated  
201.21 treatment program, or community-based treatment program shall devise a written treatment  
201.22 plan for each patient which describes in behavioral terms the case problems, the precise  
201.23 goals, including the expected period of time for treatment, and the specific measures to be  
201.24 employed. The development and review of treatment plans must be conducted as required  
201.25 under the license or certification of the treatment facility, state-operated treatment program,  
201.26 or community-based treatment program. If there are no review requirements under the  
201.27 license or certification, the treatment plan must be reviewed quarterly. The treatment plan  
201.28 shall be devised and reviewed with the designated agency and with the patient. The clinical  
201.29 record shall reflect the treatment plan review. If the designated agency or the patient does  
201.30 not participate in the planning and review, the clinical record shall include reasons for  
201.31 nonparticipation and the plans for future involvement. The commissioner of human services  
201.32 shall monitor the treatment plan and review process for state-operated treatment programs  
201.33 to ensure compliance with the provisions of this subdivision.

202.1 Sec. 18. Minnesota Statutes 2024, section 253B.041, subdivision 4, is amended to read:

202.2 Subd. 4. **Evaluation.** Counties may, but are not required to, provide engagement services.  
202.3 The commissioner of human services may conduct a pilot project evaluating the impact of  
202.4 engagement services in decreasing commitments, increasing engagement in treatment, and  
202.5 other measures.

202.6 Sec. 19. Minnesota Statutes 2024, section 253B.09, subdivision 3a, is amended to read:

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

202.14 Sec. 20. Minnesota Statutes 2024, section 253B.18, subdivision 6, is amended to read:

202.15 Subd. 6. **Transfer.** (a) A patient who is a person who has a mental illness and is  
202.16 dangerous to the public shall not be transferred out of a secure treatment facility unless it  
202.17 appears to the satisfaction of the ~~executive board~~ commissioner, after a hearing and favorable  
202.18 recommendation by a majority of the special review board, that the transfer is appropriate.  
202.19 Transfer may be to another state-operated treatment program. In those instances where a  
202.20 commitment also exists to the Department of Corrections, transfer may be to a facility  
202.21 designated by the commissioner of corrections.

202.22 (b) The following factors must be considered in determining whether a transfer is  
202.23 appropriate:

202.24 (1) the person's clinical progress and present treatment needs;

202.25 (2) the need for security to accomplish continuing treatment;

202.26 (3) the need for continued institutionalization;

202.27 (4) which facility can best meet the person's needs; and

202.28 (5) whether transfer can be accomplished with a reasonable degree of safety for the  
202.29 public.

203.1 (c) If a committed person has been transferred out of a secure treatment facility pursuant  
203.2 to this subdivision, that committed person may voluntarily return to a secure treatment  
203.3 facility for a period of up to 60 days with the consent of the head of the treatment facility.

203.4 (d) If the committed person is not returned to the original, nonsecure transfer facility  
203.5 within 60 days of being readmitted to a secure treatment facility, the transfer is revoked and  
203.6 the committed person must remain in a secure treatment facility. The committed person  
203.7 must immediately be notified in writing of the revocation.

203.8 (e) Within 15 days of receiving notice of the revocation, the committed person may  
203.9 petition the special review board for a review of the revocation. The special review board  
203.10 shall review the circumstances of the revocation and shall recommend to the commissioner  
203.11 whether or not the revocation should be upheld. The special review board may also  
203.12 recommend a new transfer at the time of the revocation hearing.

203.13 (f) No action by the special review board is required if the transfer has not been revoked  
203.14 and the committed person is returned to the original, nonsecure transfer facility with no  
203.15 substantive change to the conditions of the transfer ordered under this subdivision.

203.16 (g) The head of the treatment facility may revoke a transfer made under this subdivision  
203.17 and require a committed person to return to a secure treatment facility if:

203.18 (1) remaining in a nonsecure setting does not provide a reasonable degree of safety to  
203.19 the committed person or others; or

203.20 (2) the committed person has regressed clinically and the facility to which the committed  
203.21 person was transferred does not meet the committed person's needs.

203.22 (h) Upon the revocation of the transfer, the committed person must be immediately  
203.23 returned to a secure treatment facility. A report documenting the reasons for revocation  
203.24 must be issued by the head of the treatment facility within seven days after the committed  
203.25 person is returned to the secure treatment facility. Advance notice to the committed person  
203.26 of the revocation is not required.

203.27 (i) The committed person must be provided a copy of the revocation report and informed,  
203.28 orally and in writing, of the rights of a committed person under this section. The revocation  
203.29 report must be served upon the committed person, the committed person's counsel, and the  
203.30 designated agency. The report must outline the specific reasons for the revocation, including  
203.31 but not limited to the specific facts upon which the revocation is based.

203.32 (j) If a committed person's transfer is revoked, the committed person may re-petition for  
203.33 transfer according to subdivision 5.

204.1 (k) A committed person aggrieved by a transfer revocation decision may petition the  
204.2 special review board within seven business days after receipt of the revocation report for a  
204.3 review of the revocation. The matter must be scheduled within 30 days. The special review  
204.4 board shall review the circumstances leading to the revocation and, after considering the  
204.5 factors in paragraph (b), shall recommend to the commissioner whether or not the revocation  
204.6 shall be upheld. The special review board may also recommend a new transfer out of a  
204.7 secure treatment facility at the time of the revocation hearing.

204.8 Sec. 21. Minnesota Statutes 2024, section 253B.19, subdivision 2, is amended to read:

204.9 Subd. 2. **Petition; hearing.** (a) A patient committed as a person who has a mental illness  
204.10 and is dangerous to the public under section 253B.18, or the county attorney of the county  
204.11 from which the patient was committed or the county of financial responsibility, may petition  
204.12 the judicial appeal panel for a rehearing and reconsideration of a decision by the  
204.13 commissioner under section 253B.18, subdivision 5. The judicial appeal panel must not  
204.14 consider petitions for relief other than those considered by the ~~executive board~~ commissioner  
204.15 from which the appeal is taken. The petition must be filed with the supreme court within  
204.16 30 days after the decision of the ~~executive board~~ commissioner is signed. The hearing must  
204.17 be held within 45 days of the filing of the petition unless an extension is granted for good  
204.18 cause.

204.19 (b) For an appeal under paragraph (a), the supreme court shall refer the petition to the  
204.20 chief judge of the judicial appeal panel. The chief judge shall notify the patient, the county  
204.21 attorney of the county of commitment, the designated agency, the ~~executive board~~  
204.22 commissioner, the head of the facility or program to which the patient was committed, any  
204.23 interested person, and other persons the chief judge designates, of the time and place of the  
204.24 hearing on the petition. The notice shall be given at least 14 days prior to the date of the  
204.25 hearing.

204.26 (c) Any person may oppose the petition. The patient, the patient's counsel, the county  
204.27 attorney of the committing county or the county of financial responsibility, and the ~~executive~~  
204.28 ~~board~~ commissioner shall participate as parties to the proceeding pending before the judicial  
204.29 appeal panel and shall, except when the patient is committed solely as a person who has a  
204.30 mental illness and is dangerous to the public, no later than 20 days before the hearing on  
204.31 the petition, inform the judicial appeal panel and the opposing party in writing whether they  
204.32 support or oppose the petition and provide a summary of facts in support of their position.  
204.33 The judicial appeal panel may appoint court examiners and may adjourn the hearing from  
204.34 time to time. It shall hear and receive all relevant testimony and evidence and make a record

205.1 of all proceedings. The patient, the patient's counsel, and the county attorney of the  
205.2 committing county or the county of financial responsibility have the right to be present and  
205.3 may present and cross-examine all witnesses and offer a factual and legal basis in support  
205.4 of their positions. The petitioning party seeking discharge or provisional discharge bears  
205.5 the burden of going forward with the evidence, which means presenting a prima facie case  
205.6 with competent evidence to show that the person is entitled to the requested relief. If the  
205.7 petitioning party has met this burden, the party opposing discharge or provisional discharge  
205.8 bears the burden of proof by clear and convincing evidence that the discharge or provisional  
205.9 discharge should be denied. A party seeking transfer under section 253B.18, subdivision 6,  
205.10 must establish by a preponderance of the evidence that the transfer is appropriate.

205.11 Sec. 22. Minnesota Statutes 2024, section 253B.20, subdivision 2, is amended to read:

205.12 Subd. 2. **Necessities.** (a) The state-operated treatment program shall make necessary  
205.13 arrangements at the expense of the state to insure that no patient is discharged or provisionally  
205.14 discharged without suitable clothing. The head of the state-operated treatment program  
205.15 shall, if necessary, provide the patient with a sufficient sum of money to secure transportation  
205.16 home, or to another destination of the patient's choice, if the destination is located within a  
205.17 reasonable distance of the state-operated treatment program.

205.18 (b) The commissioner of human services shall establish procedures by rule to help the  
205.19 patient receive all public assistance benefits provided by state or federal law to which the  
205.20 patient is entitled by residence and circumstances. The rule shall be uniformly applied in  
205.21 all counties. All counties shall provide temporary relief whenever necessary to meet the  
205.22 intent of this subdivision.

205.23 (c) The commissioner of human services and the ~~executive board~~ commissioner may  
205.24 adopt joint rules necessary to accomplish the requirements under paragraph (b).

205.25 Sec. 23. Minnesota Statutes 2024, section 253D.02, is amended by adding a subdivision  
205.26 to read:

205.27 Subd. 2a. **Commissioner.** "Commissioner" means the commissioner of direct care and  
205.28 treatment.

205.29 Sec. 24. Minnesota Statutes 2024, section 253D.02, subdivision 3, is amended to read:

205.30 Subd. 3. **Commissioner of corrections.** "Commissioner of corrections" means the  
205.31 commissioner of corrections or the commissioner's designee.

206.1 Sec. 25. Minnesota Statutes 2024, section 254B.05, subdivision 4, is amended to read:

206.2 Subd. 4. **Regional treatment centers.** Regional treatment center substance use disorder  
206.3 treatment units are eligible vendors. The ~~executive board~~ commissioner of direct care and  
206.4 treatment may expand the capacity of substance use disorder treatment units beyond the  
206.5 capacity funded by direct legislative appropriation to serve individuals who are referred for  
206.6 treatment by counties and whose treatment will be paid for by funding under this chapter  
206.7 or other funding sources. Notwithstanding the provisions of sections 254B.03 to 254B.04,  
206.8 payment for any person committed at county request to a regional treatment center under  
206.9 chapter 253B for chemical dependency treatment and determined to be ineligible under the  
206.10 behavioral health fund, shall become the responsibility of the county.

206.11 Sec. 26. Minnesota Statutes 2024, section 256.045, is amended by adding a subdivision  
206.12 to read:

206.13 Subd. 1b. **Commissioner.** For purposes of this section, "commissioner" means the  
206.14 commissioner of human services.

206.15 Sec. 27. Minnesota Statutes 2024, section 256.045, subdivision 6, is amended to read:

206.16 Subd. 6. **Additional powers of commissioner; subpoenas.** (a) The commissioner of  
206.17 human services, the commissioner of health for matters within the commissioner's jurisdiction  
206.18 under subdivision 3b, or the ~~Direct Care and Treatment executive board~~ commissioner of  
206.19 direct care and treatment for matters within the commissioner's jurisdiction ~~of the executive~~  
206.20 ~~board~~ under subdivision 5a, may initiate a review of any action or decision of a county  
206.21 agency and direct that the matter be presented to a state human services judge for a hearing  
206.22 held under subdivision 3, 3a, 3b, or 4a. In all matters dealing with human services committed  
206.23 by law to the discretion of the county agency, the judgment of the applicable commissioner  
206.24 ~~or executive board~~ may be substituted for that of the county agency. The applicable  
206.25 commissioner ~~or executive board~~ may order an independent examination when appropriate.

206.26 (b) Any party to a hearing held pursuant to subdivision 3, 3a, 3b, or 4a may request that  
206.27 the applicable commissioner ~~or executive board~~ issue a subpoena to compel the attendance  
206.28 of witnesses and the production of records at the hearing. A local agency may request that  
206.29 the applicable commissioner ~~or executive board~~ issue a subpoena to compel the release of  
206.30 information from third parties prior to a request for a hearing under section 256.046 upon  
206.31 a showing of relevance to such a proceeding. The issuance, service, and enforcement of  
206.32 subpoenas under this subdivision is governed by section 357.22 and the Minnesota Rules  
206.33 of Civil Procedure.

207.1 (c) The commissioner of human services may issue a temporary order staying a proposed  
207.2 demission by a residential facility licensed under chapter 245A:

207.3 (1) while an appeal by a recipient under subdivision 3 is pending;

207.4 (2) for the period of time necessary for the case management provider to implement the  
207.5 commissioner's order; or

207.6 (3) for appeals under subdivision 3, paragraph (a), clause (11), when the individual is  
207.7 seeking a temporary stay of demission on the basis that the county has not yet finalized an  
207.8 alternative arrangement for a residential facility, a program, or services that will meet the  
207.9 assessed needs of the individual by the effective date of the service termination, a temporary  
207.10 stay of demission may be issued for no more than 30 calendar days to allow for such  
207.11 arrangements to be finalized.

207.12 Sec. 28. Minnesota Statutes 2024, section 256.045, subdivision 7, is amended to read:

207.13 Subd. 7. **Judicial review.** Except for a prepaid health plan, any party who is aggrieved  
207.14 by an order of the commissioner of human services; the commissioner of health; or the  
207.15 commissioner of children, youth, and families in appeals within the commissioner's  
207.16 jurisdiction under subdivision 3b; or the ~~Direct Care and Treatment executive board~~  
207.17 commissioner of direct care and treatment in appeals within the commissioner's jurisdiction  
207.18 ~~of the executive board~~ under subdivision 5a may appeal the order to the district court of the  
207.19 county responsible for furnishing assistance, or, in appeals under subdivision 3b, the county  
207.20 where the maltreatment occurred, by serving a written copy of a notice of appeal upon the  
207.21 applicable commissioner ~~or executive board~~ and any adverse party of record within 30 days  
207.22 after the date the commissioner ~~or executive board~~ issued the order, the amended order, or  
207.23 order affirming the original order, and by filing the original notice and proof of service with  
207.24 the court administrator of the district court. Service may be made personally or by mail;  
207.25 service by mail is complete upon mailing; no filing fee shall be required by the court  
207.26 administrator in appeals taken pursuant to this subdivision, with the exception of appeals  
207.27 taken under subdivision 3b. The applicable commissioner ~~or executive board~~ may elect to  
207.28 become a party to the proceedings in the district court. Except for appeals under subdivision  
207.29 3b, any party may demand that the applicable commissioner ~~or executive board~~ furnish all  
207.30 parties to the proceedings with a copy of the decision, and a transcript of any testimony,  
207.31 evidence, or other supporting papers from the hearing held before the human services judge,  
207.32 by serving a written demand upon the applicable commissioner ~~or executive board~~ within  
207.33 30 days after service of the notice of appeal. Any party aggrieved by the failure of an adverse  
207.34 party to obey an order issued by the applicable commissioner ~~or executive board~~ under

208.1 subdivision 5 or 5a may compel performance according to the order in the manner prescribed  
208.2 in sections 586.01 to 586.12.

208.3 Sec. 29. Minnesota Statutes 2024, section 256G.09, subdivision 3, is amended to read:

208.4 Subd. 3. **Commissioner obligations.** (a) Except as provided in paragraph (b) for matters  
208.5 under the jurisdiction of the ~~Direct Care and Treatment executive board~~ commissioner of  
208.6 direct care and treatment, the commissioner shall then promptly decide any question of  
208.7 financial responsibility as outlined in this chapter and make an order referring the application  
208.8 to the local agency of the proper county for further action. Further action may include  
208.9 reimbursement by that county of assistance that another county has provided to the applicant  
208.10 under this subdivision. The commissioner shall decide disputes within 60 days of the last  
208.11 county evidentiary submission and shall issue an immediate opinion.

208.12 (b) For disputes regarding financial responsibility relating to matters under the jurisdiction  
208.13 of the ~~direct care and treatment executive board~~ commissioner of direct care and treatment,  
208.14 the commissioner shall promptly issue an advisory opinion on any question of financial  
208.15 responsibility as outlined in this chapter and recommend to the ~~executive board~~ commissioner  
208.16 of direct care and treatment an order referring the application to the local agency of the  
208.17 proper county for further action. Further action may include reimbursement by that county  
208.18 of assistance that another county has provided to the applicant under this subdivision. The  
208.19 commissioner shall provide an advisory opinion and recommended order to the ~~executive~~  
208.20 ~~board~~ commissioner of direct care and treatment within 30 days of the last county evidentiary  
208.21 submission. The ~~executive board~~ commissioner of direct care and treatment shall decide to  
208.22 accept or reject the commissioner's advisory opinion and recommended order within 60  
208.23 days of the last county evidentiary submission and shall issue an immediate opinion stating  
208.24 the reasons for accepting or rejecting the commissioner's recommendation.

208.25 (c) The commissioner may make any investigation ~~if the commissioner~~ if the commissioner considers proper  
208.26 before making a decision or a recommendation to the ~~executive board~~ commissioner of  
208.27 direct care and treatment. The commissioner may prescribe rules ~~if the commissioner~~  
208.28 considers necessary to carry out this subdivision except that the commissioner must not  
208.29 create rules purporting to bind the ~~executive board's decision~~ of the commissioner of direct  
208.30 care and treatment on any advisory opinion or recommended order under paragraph (b).

208.31 (d) Except as provided in paragraph (e) for matters under the jurisdiction of the ~~executive~~  
208.32 ~~board~~ commissioner of direct care and treatment, the order of the commissioner binds the  
208.33 local agency involved and the applicant or recipient. That agency shall comply with the

209.1 order unless reversed on appeal as provided in section 256.045, subdivision 7. The agency  
209.2 shall comply with the order pending the appeal.

209.3 (e) For disputes regarding financial responsibility relating to matters under the jurisdiction  
209.4 of the ~~Direct Care and Treatment executive board~~ commissioner of direct care and treatment,  
209.5 the order of the ~~executive board~~ commissioner of direct care and treatment binds the local  
209.6 agency involved and the applicant or recipient. That agency shall comply with the order of  
209.7 the ~~executive board~~ commissioner of direct care and treatment unless the order is reversed  
209.8 on appeal as provided in section 256.045, subdivision 7. The agency shall comply with the  
209.9 order of the ~~executive board~~ commissioner of direct care and treatment pending the appeal.

209.10 Sec. 30. Minnesota Statutes 2024, section 352.91, subdivision 2a, is amended to read:

209.11 Subd. 2a. **Special teachers.** "Covered correctional service" also means service rendered  
209.12 by a state employee as a special teacher employed by the Department of Corrections or by  
209.13 the Department of Direct Care and Treatment at a security unit, provided that at least 75  
209.14 percent of the employee's working time is spent in direct contact with inmates or patients  
209.15 and the fact of this direct contact is certified to the executive director by the appropriate  
209.16 commissioner ~~or executive board~~, unless the person elects to retain the current retirement  
209.17 coverage under Laws 1996, chapter 408, article 8, section 21.

209.18 Sec. 31. Minnesota Statutes 2024, section 352.91, subdivision 3c, is amended to read:

209.19 Subd. 3c. **Nursing personnel.** (a) "Covered correctional service" means service by a  
209.20 state employee in one of the employment positions at a correctional facility, in the  
209.21 state-operated forensic services program, or in the Minnesota Sex Offender Program that  
209.22 are specified in paragraph (b) if at least 75 percent of the employee's working time is spent  
209.23 in direct contact with inmates or patients and the fact of this direct contact is certified to the  
209.24 executive director by the appropriate commissioner ~~or executive board~~.

209.25 (b) The employment positions are as follows:

209.26 (1) registered nurse - senior;

209.27 (2) registered nurse;

209.28 (3) registered nurse - principal;

209.29 (4) licensed practical nurse;

209.30 (5) registered nurse advance practice; and

209.31 (6) psychiatric advance practice registered nurse.

210.1 Sec. 32. Minnesota Statutes 2024, section 352.91, subdivision 3d, is amended to read:

210.2 Subd. 3d. **Other correctional personnel.** (a) "Covered correctional service" means  
210.3 service by a state employee in one of the employment positions at a correctional facility or  
210.4 in the state-operated forensic services program specified in paragraph (b) if at least 75  
210.5 percent of the employee's working time is spent in direct contact with inmates or patients  
210.6 and the fact of this direct contact is certified to the executive director by the appropriate  
210.7 commissioner ~~or executive board~~.

210.8 (b) The employment positions are:

210.9 (1) automotive mechanic;

210.10 (2) baker;

210.11 (3) central services administrative specialist, intermediate;

210.12 (4) central services administrative specialist, principal;

210.13 (5) chaplain;

210.14 (6) chief cook;

210.15 (7) clinical program therapist 1;

210.16 (8) clinical program therapist 2;

210.17 (9) clinical program therapist 3;

210.18 (10) clinical program therapist 4;

210.19 (11) cook;

210.20 (12) cook coordinator;

210.21 (13) corrections inmate program coordinator;

210.22 (14) corrections transitions program coordinator;

210.23 (15) corrections security caseworker;

210.24 (16) corrections security caseworker career;

210.25 (17) corrections teaching assistant;

210.26 (18) delivery van driver;

210.27 (19) dentist;

210.28 (20) electrician supervisor;

- 211.1 (21) general maintenance worker lead;
- 211.2 (22) general repair worker;
- 211.3 (23) library/information research services specialist;
- 211.4 (24) library/information research services specialist senior;
- 211.5 (25) library technician;
- 211.6 (26) painter lead;
- 211.7 (27) plant maintenance engineer lead;
- 211.8 (28) plumber supervisor;
- 211.9 (29) psychologist 1;
- 211.10 (30) psychologist 3;
- 211.11 (31) recreation therapist;
- 211.12 (32) recreation therapist coordinator;
- 211.13 (33) recreation program assistant;
- 211.14 (34) recreation therapist senior;
- 211.15 (35) sports medicine specialist;
- 211.16 (36) work therapy assistant;
- 211.17 (37) work therapy program coordinator; and
- 211.18 (38) work therapy technician.

211.19 Sec. 33. Minnesota Statutes 2024, section 352.91, subdivision 4a, is amended to read:

211.20 Subd. 4a. **Process for evaluating and recommending potential employment positions**  
211.21 **for membership inclusion.** (a) The Department of Corrections and the Department of  
211.22 Direct Care and Treatment must establish a procedure for evaluating periodic requests by  
211.23 department and agency employees for qualification for recommendation by the applicable  
211.24 commissioner or executive board for inclusion of the employment position in the correctional  
211.25 facility or direct care and treatment facility in the correctional retirement plan and for  
211.26 periodically determining employment positions that no longer qualify for continued  
211.27 correctional retirement plan coverage.

211.28 (b) The procedure must provide for an evaluation of the extent of the employee's working  
211.29 time spent in direct contact with patients or inmates, the extent of the physical hazard that

212.1 the employee is routinely subjected to in the course of employment, and the extent of  
212.2 intervention routinely expected of the employee in the event of a facility incident. The  
212.3 percentage of routine direct contact with inmates or patients may not be less than 75 percent.

212.4 (c) The applicable commissioner ~~or executive board~~ shall notify the employee of the  
212.5 determination of the appropriateness of recommending the employment position for inclusion  
212.6 in the correctional retirement plan, if the evaluation procedure results in a finding that the  
212.7 employee:

212.8 (1) routinely spends 75 percent of the employee's time in direct contact with inmates or  
212.9 patients; and

212.10 (2) is regularly engaged in the rehabilitation, treatment, custody, or supervision of inmates  
212.11 or patients.

212.12 (d) After providing the affected employee an opportunity to dispute or clarify any  
212.13 evaluation determinations, if the applicable commissioner ~~or executive board~~ determines  
212.14 that the employment position is appropriate for inclusion in the correctional retirement plan,  
212.15 the commissioner ~~or executive board~~ shall forward that recommendation and supporting  
212.16 documentation to the chair of the Legislative Commission on Pensions and Retirement, the  
212.17 chair of the State and Local Governmental Operations Committee of the senate, the chair  
212.18 of the Governmental Operations and Veterans Affairs Policy Committee of the house of  
212.19 representatives, and the executive director of the Legislative Commission on Pensions and  
212.20 Retirement in the form of the appropriate proposed legislation. The recommendation must  
212.21 be forwarded to the legislature before January 15 for the recommendation to be considered  
212.22 in that year's legislative session.

212.23 Sec. 34. Minnesota Statutes 2024, section 524.3-801, is amended to read:

212.24 **524.3-801 NOTICE TO CREDITORS.**

212.25 (a) Unless notice has already been given under this section, upon appointment of a  
212.26 general personal representative in informal proceedings or upon the filing of a petition for  
212.27 formal appointment of a general personal representative, notice thereof, in the form prescribed  
212.28 by court rule, shall be given under the direction of the court administrator by publication  
212.29 once a week for two successive weeks in a legal newspaper in the county wherein the  
212.30 proceedings are pending giving the name and address of the general personal representative  
212.31 and notifying creditors of the estate to present their claims within four months after the date  
212.32 of the court administrator's notice which is subsequently published or be forever barred,  
212.33 unless they are entitled to further service of notice under paragraph (b) or (c).

213.1 (b) The personal representative shall, within three months after the date of the first  
213.2 publication of the notice, serve a copy of the notice upon each then known and identified  
213.3 creditor in the manner provided in paragraph (c). If the decedent or a predeceased spouse  
213.4 of the decedent received assistance for which a claim could be filed under section 246.53,  
213.5 256B.15, 256D.16, or 261.04, notice to the commissioner of human services or ~~Direct Care~~  
213.6 ~~and Treatment executive board~~ the commissioner of direct care and treatment, as applicable,  
213.7 must be given under paragraph (d) instead of under this paragraph or paragraph (c). A  
213.8 creditor is "known" if: (i) the personal representative knows that the creditor has asserted  
213.9 a claim that arose during the decedent's life against either the decedent or the decedent's  
213.10 estate; (ii) the creditor has asserted a claim that arose during the decedent's life and the fact  
213.11 is clearly disclosed in accessible financial records known and available to the personal  
213.12 representative; or (iii) the claim of the creditor would be revealed by a reasonably diligent  
213.13 search for creditors of the decedent in accessible financial records known and available to  
213.14 the personal representative. Under this section, a creditor is "identified" if the personal  
213.15 representative's knowledge of the name and address of the creditor will permit service of  
213.16 notice to be made under paragraph (c).

213.17 (c) Unless the claim has already been presented to the personal representative or paid,  
213.18 the personal representative shall serve a copy of the notice required by paragraph (b) upon  
213.19 each creditor of the decedent who is then known to the personal representative and identified  
213.20 either by delivery of a copy of the required notice to the creditor, or by mailing a copy of  
213.21 the notice to the creditor by certified, registered, or ordinary first class mail addressed to  
213.22 the creditor at the creditor's office or place of residence.

213.23 (d)(1) Effective for decedents dying on or after July 1, 1997, if the decedent or a  
213.24 predeceased spouse of the decedent received assistance for which a claim could be filed  
213.25 under section 246.53, 256B.15, 256D.16, or 261.04, the personal representative or the  
213.26 attorney for the personal representative shall serve the commissioner of human services or  
213.27 ~~executive board~~ the commissioner of direct care and treatment, as applicable, with notice  
213.28 in the manner prescribed in paragraph (c), or electronically in a manner prescribed by the  
213.29 applicable commissioner or executive board, as soon as practicable after the appointment  
213.30 of the personal representative. The notice must state the decedent's full name, date of birth,  
213.31 and Social Security number and, to the extent then known after making a reasonably diligent  
213.32 inquiry, the full name, date of birth, and Social Security number for each of the decedent's  
213.33 predeceased spouses. The notice may also contain a statement that, after making a reasonably  
213.34 diligent inquiry, the personal representative has determined that the decedent did not have  
213.35 any predeceased spouses or that the personal representative has been unable to determine

214.1 one or more of the previous items of information for a predeceased spouse of the decedent.  
214.2 A copy of the notice to creditors must be attached to and be a part of the notice to the  
214.3 applicable commissioner ~~or executive board~~.

214.4 (2) Notwithstanding a will or other instrument or law to the contrary, except as allowed  
214.5 in this paragraph, no property subject to administration by the estate may be distributed by  
214.6 the estate or the personal representative until 70 days after the date the notice is served on  
214.7 the commissioner of human services or ~~executive board~~ commissioner of direct care and  
214.8 treatment as provided in paragraph (c), unless the local agency consents as provided for in  
214.9 clause (6). This restriction on distribution does not apply to the personal representative's  
214.10 sale of real or personal property, but does apply to the net proceeds the estate receives from  
214.11 these sales. The personal representative, or any person with personal knowledge of the facts,  
214.12 may provide an affidavit containing the description of any real or personal property affected  
214.13 by this paragraph and stating facts showing compliance with this paragraph. If the affidavit  
214.14 describes real property, it may be filed or recorded in the office of the county recorder or  
214.15 registrar of titles for the county where the real property is located. This paragraph does not  
214.16 apply to proceedings under sections 524.3-1203 and 525.31, or when a duly authorized  
214.17 agent of a county is acting as the personal representative of the estate.

214.18 (3) At any time before an order or decree is entered under section 524.3-1001 or  
214.19 524.3-1002, or a closing statement is filed under section 524.3-1003, the personal  
214.20 representative or the attorney for the personal representative may serve an amended notice  
214.21 on the commissioner of human services or ~~executive board~~ commissioner of direct care and  
214.22 treatment to add variations or other names of the decedent or a predeceased spouse named  
214.23 in the notice, the name of a predeceased spouse omitted from the notice, to add or correct  
214.24 the date of birth or Social Security number of a decedent or predeceased spouse named in  
214.25 the notice, or to correct any other deficiency in a prior notice. The amended notice must  
214.26 state the decedent's name, date of birth, and Social Security number, the case name, case  
214.27 number, and district court in which the estate is pending, and the date the notice being  
214.28 amended was served on the applicable commissioner ~~or executive board~~. If the amendment  
214.29 adds the name of a predeceased spouse omitted from the notice, it must also state that  
214.30 spouse's full name, date of birth, and Social Security number. The amended notice must be  
214.31 served on the applicable commissioner ~~or executive board~~ in the same manner as the original  
214.32 notice. Upon service, the amended notice relates back to and is effective from the date the  
214.33 notice it amends was served, and the time for filing claims arising under section 246.53,  
214.34 256B.15, 256D.16 or 261.04 is extended by 60 days from the date of service of the amended  
214.35 notice. Claims filed during the 60-day period are undischarged and unbarred claims, may

215.1 be prosecuted by the entities entitled to file those claims in accordance with section  
215.2 524.3-1004, and the limitations in section 524.3-1006 do not apply. The personal  
215.3 representative or any person with personal knowledge of the facts may provide and file or  
215.4 record an affidavit in the same manner as provided for in clause (1).

215.5 (4) Within one year after the date an order or decree is entered under section 524.3-1001  
215.6 or 524.3-1002 or a closing statement is filed under section 524.3-1003, any person who has  
215.7 an interest in property that was subject to administration by the estate may serve an amended  
215.8 notice on the commissioner of human services or ~~executive board~~ commissioner of direct  
215.9 care and treatment to add variations or other names of the decedent or a predeceased spouse  
215.10 named in the notice, the name of a predeceased spouse omitted from the notice, to add or  
215.11 correct the date of birth or Social Security number of a decedent or predeceased spouse  
215.12 named in the notice, or to correct any other deficiency in a prior notice. The amended notice  
215.13 must be served on the applicable commissioner or ~~executive board~~ in the same manner as  
215.14 the original notice and must contain the information required for amendments under clause  
215.15 (3). If the amendment adds the name of a predeceased spouse omitted from the notice, it  
215.16 must also state that spouse's full name, date of birth, and Social Security number. Upon  
215.17 service, the amended notice relates back to and is effective from the date the notice it amends  
215.18 was served. If the amended notice adds the name of an omitted predeceased spouse or adds  
215.19 or corrects the Social Security number or date of birth of the decedent or a predeceased  
215.20 spouse already named in the notice, then, notwithstanding any other laws to the contrary,  
215.21 claims against the decedent's estate on account of those persons resulting from the amendment  
215.22 and arising under section 246.53, 256B.15, 256D.16, or 261.04 are undischarged and  
215.23 unbarred claims, may be prosecuted by the entities entitled to file those claims in accordance  
215.24 with section 524.3-1004, and the limitations in section 524.3-1006 do not apply. The person  
215.25 filing the amendment or any other person with personal knowledge of the facts may provide  
215.26 and file or record an affidavit describing affected real or personal property in the same  
215.27 manner as clause (1).

215.28 (5) After one year from the date an order or decree is entered under section 524.3-1001  
215.29 or 524.3-1002, or a closing statement is filed under section 524.3-1003, no error, omission,  
215.30 or defect of any kind in the notice to the commissioner of human services or ~~executive board~~  
215.31 commissioner of direct care and treatment required under this paragraph or in the process  
215.32 of service of the notice on the applicable commissioner or ~~executive board~~, or the failure  
215.33 to serve the applicable commissioner or ~~executive board~~ with notice as required by this  
215.34 paragraph, makes any distribution of property by a personal representative void or voidable.

216.1 The distributee's title to the distributed property shall be free of any claims based upon a  
216.2 failure to comply with this paragraph.

216.3 (6) The local agency may consent to a personal representative's request to distribute  
216.4 property subject to administration by the estate to distributees during the 70-day period after  
216.5 service of notice on the applicable commissioner ~~or executive board~~. The local agency may  
216.6 grant or deny the request in whole or in part and may attach conditions to its consent as it  
216.7 deems appropriate. When the local agency consents to a distribution, it shall give the estate  
216.8 a written certificate evidencing its consent to the early distribution of assets at no cost. The  
216.9 certificate must include the name, case number, and district court in which the estate is  
216.10 pending, the name of the local agency, describe the specific real or personal property to  
216.11 which the consent applies, state that the local agency consents to the distribution of the  
216.12 specific property described in the consent during the 70-day period following service of the  
216.13 notice on the applicable commissioner ~~or executive board~~, state that the consent is  
216.14 unconditional or list all of the terms and conditions of the consent, be dated, and may include  
216.15 other contents as may be appropriate. The certificate must be signed by the director of the  
216.16 local agency or the director's designees and is effective as of the date it is dated unless it  
216.17 provides otherwise. The signature of the director or the director's designee does not require  
216.18 any acknowledgment. The certificate shall be prima facie evidence of the facts it states,  
216.19 may be attached to or combined with a deed or any other instrument of conveyance and,  
216.20 when so attached or combined, shall constitute a single instrument. If the certificate describes  
216.21 real property, it shall be accepted for recording or filing by the county recorder or registrar  
216.22 of titles in the county in which the property is located. If the certificate describes real property  
216.23 and is not attached to or combined with a deed or other instrument of conveyance, it shall  
216.24 be accepted for recording or filing by the county recorder or registrar of titles in the county  
216.25 in which the property is located. The certificate constitutes a waiver of the 70-day period  
216.26 provided for in clause (2) with respect to the property it describes and is prima facie evidence  
216.27 of service of notice on the applicable commissioner ~~or executive board~~. The certificate is  
216.28 not a waiver or relinquishment of any claims arising under section 246.53, 256B.15, 256D.16,  
216.29 or 261.04, and does not otherwise constitute a waiver of any of the personal representative's  
216.30 duties under this paragraph. Distributees who receive property pursuant to a consent to an  
216.31 early distribution shall remain liable to creditors of the estate as provided for by law.

216.32 (7) All affidavits provided for under this paragraph:

216.33 (i) shall be provided by persons who have personal knowledge of the facts stated in the  
216.34 affidavit;

217.1 (ii) may be filed or recorded in the office of the county recorder or registrar of titles in  
217.2 the county in which the real property they describe is located for the purpose of establishing  
217.3 compliance with the requirements of this paragraph; and

217.4 (iii) are prima facie evidence of the facts stated in the affidavit.

217.5 (8) This paragraph applies to the estates of decedents dying on or after July 1, 1997.  
217.6 Clause (5) also applies with respect to all notices served on the commissioner of human  
217.7 services before July 1, 1997, under Laws 1996, chapter 451, article 2, section 55. All notices  
217.8 served on the commissioner of human services before July 1, 1997, pursuant to Laws 1996,  
217.9 chapter 451, article 2, section 55, shall be deemed to be legally sufficient for the purposes  
217.10 for which they were intended, notwithstanding any errors, omissions or other defects.

217.11 Sec. 35. Minnesota Statutes 2024, section 611.57, subdivision 2, is amended to read:

217.12 Subd. 2. **Membership.** (a) The Certification Advisory Committee consists of the  
217.13 following members:

217.14 (1) a mental health professional, as defined in section 245I.02, subdivision 27, with  
217.15 community behavioral health experience, appointed by the governor;

217.16 (2) a board-certified forensic psychiatrist with experience in competency evaluations,  
217.17 providing competency attainment services, or both, appointed by the governor;

217.18 (3) a board-certified forensic psychologist with experience in competency evaluations,  
217.19 providing competency attainment services, or both, appointed by the governor;

217.20 (4) the president of the Minnesota Corrections Association or a designee;

217.21 (5) the ~~direct care and treatment deputy commissioner~~ chief executive officer of direct  
217.22 care and treatment or a designee;

217.23 (6) the president of the Minnesota Association of County Social Service Administrators  
217.24 or a designee;

217.25 (7) the president of the Minnesota Association of Community Mental Health Providers  
217.26 or a designee;

217.27 (8) the president of the Minnesota Sheriffs' Association or a designee; and

217.28 (9) the executive director of the National Alliance on Mental Illness Minnesota or a  
217.29 designee.

(b) Members of the advisory committee serve without compensation and at the pleasure of the appointing authority. Vacancies shall be filled by the appointing authority consistent with the qualifications of the vacating member required by this subdivision.

Sec. 36. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber each provision of Minnesota Statutes listed in column A to the number listed in column B.

| <u>Column A</u>                | <u>Column B</u>                |
|--------------------------------|--------------------------------|
| <u>246B.01, subdivision 2b</u> | <u>246B.01, subdivision 2f</u> |
| <u>246B.01, subdivision 2c</u> | <u>246B.01, subdivision 2g</u> |
| <u>246B.01, subdivision 2d</u> | <u>246B.01, subdivision 2h</u> |

Sec. 37. **REPEALER.**

Minnesota Statutes 2024, sections 246B.01, subdivision 2; 252.021, subdivision 2; 253.195, subdivision 2; 253B.02, subdivision 7b; 253D.02, subdivision 7a; 254B.01, subdivision 15; 256.045, subdivision 1a; and 256G.02, subdivision 5a, are repealed.

Sec. 38. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

**ARTICLE 9**  
**DEPARTMENT OF HEALTH**

Section 1. Minnesota Statutes 2024, section 144A.474, subdivision 11, is amended to read:

Subd. 11. **Fines.** (a) Fines and enforcement actions under this subdivision may be assessed based on the level and scope of the violations described in paragraph (b) and imposed immediately with no opportunity to correct the violation first as follows:

- (1) Level 1, no fines or enforcement;
- (2) Level 2, a fine of \$500 per violation, in addition to any of the enforcement mechanisms authorized in section 144A.475 for widespread violations;
- (3) Level 3, a fine of \$3,000 per incident, in addition to any of the enforcement mechanisms authorized in section 144A.475;

219.1 (4) Level 4, a fine of \$5,000 per incident, in addition to any of the enforcement  
219.2 mechanisms authorized in section 144A.475;

219.3 (5) for maltreatment violations for which the licensee was determined to be responsible  
219.4 for the maltreatment under section 626.557, subdivision 9c, paragraph (c), a fine of \$1,000.  
219.5 A fine of \$5,000 may be imposed if the commissioner determines the licensee is responsible  
219.6 for maltreatment consisting of sexual assault, death, or abuse resulting in serious injury;  
219.7 and

219.8 (6) the fines in clauses (1) to (4) are increased and immediate fine imposition is authorized  
219.9 for both surveys and investigations conducted.

219.10 When a fine is assessed against a facility for substantiated maltreatment, the commissioner  
219.11 shall not also impose an immediate fine under this chapter for the same circumstance.

219.12 (b) Correction orders for violations are categorized by both level and scope and fines  
219.13 shall be assessed as follows:

219.14 (1) level of violation:

219.15 (i) Level 1 is a violation that has no potential to cause more than a minimal impact on  
219.16 the client and does not affect health or safety;

219.17 (ii) Level 2 is a violation that did not harm a client's health or safety but had the potential  
219.18 to have harmed a client's health or safety, but was not likely to cause serious injury,  
219.19 impairment, or death;

219.20 (iii) Level 3 is a violation that harmed a client's health or safety, not including serious  
219.21 injury, impairment, or death, or a violation that has the potential to lead to serious injury,  
219.22 impairment, or death; and

219.23 (iv) Level 4 is a violation that results in serious injury, impairment, or death;

219.24 (2) scope of violation:

219.25 (i) isolated, when one or a limited number of clients are affected or one or a limited  
219.26 number of staff are involved or the situation has occurred only occasionally;

219.27 (ii) pattern, when more than a limited number of clients are affected, more than a limited  
219.28 number of staff are involved, or the situation has occurred repeatedly but is not found to be  
219.29 pervasive; and

219.30 (iii) widespread, when problems are pervasive or represent a systemic failure that has  
219.31 affected or has the potential to affect a large portion or all of the clients.

220.1 (c) If the commissioner finds that the applicant or a home care provider has not corrected  
220.2 violations by the date specified in the correction order or conditional license resulting from  
220.3 a survey or complaint investigation, the commissioner shall provide a notice of  
220.4 noncompliance with a correction order by email to the applicant's or provider's last known  
220.5 email address. The noncompliance notice must list the violations not corrected.

220.6 (d) For every violation identified by the commissioner, the commissioner shall issue an  
220.7 immediate fine pursuant to paragraph (a), clause (6). The license holder must still correct  
220.8 the violation in the time specified. The issuance of an immediate fine can occur in addition  
220.9 to any enforcement mechanism authorized under section 144A.475. The immediate fine  
220.10 may be appealed as allowed under this subdivision.

220.11 (e) The license holder must pay the fines assessed on or before the payment date specified.  
220.12 If the license holder fails to fully comply with the order, the commissioner may issue a  
220.13 second fine or suspend the license until the license holder complies by paying the fine. A  
220.14 timely appeal shall stay payment of the fine until the commissioner issues a final order.

220.15 (f) A license holder shall promptly notify the commissioner in writing when a violation  
220.16 specified in the order is corrected. If upon reinspection the commissioner determines that  
220.17 a violation has not been corrected as indicated by the order, the commissioner may issue a  
220.18 second fine. The commissioner shall notify the license holder by mail to the last known  
220.19 address in the licensing record that a second fine has been assessed. The license holder may  
220.20 appeal the second fine as provided under this subdivision.

220.21 (g) A home care provider that has been assessed a fine under this subdivision has a right  
220.22 to a reconsideration or a hearing under this section and chapter 14.

220.23 (h) When a fine has been assessed, the license holder may not avoid payment by closing,  
220.24 selling, or otherwise transferring the licensed program to a third party. In such an event, the  
220.25 license holder shall be liable for payment of the fine.

220.26 (i) In addition to any fine imposed under this section, the commissioner may assess a  
220.27 penalty amount based on costs related to an investigation that results in a final order assessing  
220.28 a fine or other enforcement action authorized by this chapter.

220.29 (j) Fines collected under paragraph (a), clauses (1) to (4), shall be deposited in a dedicated  
220.30 special revenue account. On an annual basis, the balance in the special revenue account  
220.31 shall be appropriated to the commissioner to implement the recommendations of the advisory  
220.32 council established in section 144A.4799. The commissioner must publish on the department's  
220.33 website an annual report on the fines assessed and collected, and how the appropriated  
220.34 money was allocated.

221.1 ~~(k) Fines collected under paragraph (a), clause (5), shall be deposited in a dedicated~~  
221.2 ~~special revenue account and appropriated to the commissioner to provide compensation~~  
221.3 ~~according to subdivision 14 to clients subject to maltreatment. A client may choose to receive~~  
221.4 ~~compensation from this fund, not to exceed \$5,000 for each substantiated finding of~~  
221.5 ~~maltreatment, or take civil action. This paragraph expires July 31, 2021.~~

221.6 Sec. 2. Minnesota Statutes 2024, section 144A.4799, is amended to read:

221.7 **144A.4799 DEPARTMENT OF HEALTH LICENSED HOME CARE PROVIDER**  
221.8 **AND ASSISTED LIVING ADVISORY COUNCIL.**

221.9 Subdivision 1. **Membership.** The commissioner of health shall appoint ~~13~~ 14 persons  
221.10 to a home care and assisted living ~~program~~ advisory council consisting of the following:

221.11 (1) ~~two~~ four public members as defined in section 214.02 ~~who shall be persons who are~~  
221.12 ~~currently receiving home care services, persons who have received home care services~~  
221.13 ~~within five years of the application date, persons who have family members receiving home~~  
221.14 ~~care services, or persons who have family members who have received home care services~~  
221.15 ~~within five years of the application date, one of whom must be a person who either is~~  
221.16 receiving or has received home care services preferably within the five years prior to initial  
221.17 appointment, one of whom must be a person who has or had a family member receiving  
221.18 home care services preferably within the five years prior to initial appointment, one of whom  
221.19 must be a person who either is or has been a resident in an assisted living facility preferably  
221.20 within the five years prior to initial appointment, and one of whom must be a person who  
221.21 has or had a family member residing in an assisted living facility preferably within the five  
221.22 years prior to initial appointment;

221.23 (2) two Minnesota home care licensees representing basic and comprehensive levels of  
221.24 licensure who may be a managerial official, an administrator, a supervising registered nurse,  
221.25 or an unlicensed personnel performing home care tasks;

221.26 (3) one member representing the Minnesota Board of Nursing;

221.27 (4) one member representing the Office of Ombudsman for Long-Term Care;

221.28 (5) one member representing the Office of Ombudsman for Mental Health and  
221.29 Developmental Disabilities;

221.30 (6) ~~beginning July 1, 2021,~~ one member of a county health and human services or county  
221.31 adult protection office;

222.1 (7) two Minnesota assisted living facility licensees representing assisted living facilities  
222.2 and assisted living facilities with dementia care levels of licensure who may be the facility's  
222.3 assisted living director, managerial official, or clinical nurse supervisor;

222.4 (8) one organization representing long-term care providers, home care providers, and  
222.5 assisted living providers in Minnesota; and

222.6 (9) ~~two public members as defined in section 214.02. One public member shall be a~~  
222.7 ~~person who either is or has been a resident in an assisted living facility and one public~~  
222.8 ~~member shall be a person who has or had a family member living in an assisted living~~  
222.9 ~~facility setting~~ one representative of a consumer advocacy organization representing  
222.10 individuals receiving long-term care from licensed home care or assisted living providers.

222.11 Subd. 2. **Organizations and meetings.** The advisory council shall be organized and  
222.12 administered under section 15.059 with per diems and costs paid within the limits of available  
222.13 appropriations. Meetings will be held quarterly and hosted by the department. Subcommittees  
222.14 may be developed as necessary by the commissioner. Advisory council meetings are subject  
222.15 to the Open Meeting Law under chapter 13D.

222.16 Subd. 3. **Duties.** (a) At the commissioner's request, the advisory council shall provide  
222.17 advice regarding regulations of Department of Health licensed assisted living and home  
222.18 care providers in this chapter and chapter 144G, including advice on the following:

222.19 (1) community standards for home care practices;

222.20 (2) enforcement of licensing standards and whether certain disciplinary actions are  
222.21 appropriate;

222.22 (3) ways of distributing information to licensees and consumers of home care and  
222.23 assisted living services defined under chapter 144G;

222.24 (4) training standards;

222.25 (5) identifying emerging issues and opportunities in home care and assisted living services  
222.26 defined under chapter 144G;

222.27 (6) identifying the use of technology in home and telehealth capabilities;

222.28 (7) allowable home care licensing modifications and exemptions, including a method  
222.29 for an integrated license with an existing license for rural licensed nursing homes to provide  
222.30 limited home care services in an adjacent independent living apartment building owned by  
222.31 the licensed nursing home; and

223.1 (8) recommendations for studies using the data in section 62U.04, subdivision 4, including  
223.2 but not limited to studies concerning costs related to dementia and chronic disease among  
223.3 an elderly population over 60 and additional long-term care costs, ~~as described in section~~  
223.4 ~~62U.10, subdivision 6.~~

223.5 (b) The advisory council shall perform other duties as directed by the commissioner.

223.6 (c) The advisory council shall ~~annually~~ make recommendations annually to the  
223.7 commissioner for the purposes of allocating the appropriation in section sections 144A.474,  
223.8 subdivision 11, paragraph (i) (j), and 144G.31, subdivision 8. The commissioner shall act  
223.9 upon the recommendations of the advisory council within one year of the advisory council  
223.10 submitting its recommendations to the commissioner. The recommendations shall address  
223.11 ways the commissioner may improve protection of the public under existing statutes and  
223.12 laws and improve quality of care. The council's recommendations may include but are not  
223.13 limited to special projects or initiatives that:

223.14 (1) create and administer training of licensees and ongoing training for their employees  
223.15 to improve clients' and residents' lives, supporting ways that support licensees, ~~can~~ improve  
223.16 and enhance quality care, ~~and ways to~~ provide technical assistance to licensees to improve  
223.17 compliance;

223.18 (2) develop and implement information technology and data projects that analyze and  
223.19 communicate information about trends ~~of~~ in violations or lead to ways of improving resident  
223.20 and client care;

223.21 (3) improve communications strategies to licensees and the public;

223.22 (4) recruit and retain direct care staff;

223.23 (5) recommend education related to the care of vulnerable adults in professional nursing  
223.24 programs, nurse aide programs, and home health aide programs; and

223.25 (6) ~~other projects or pilots that~~ benefit residents, clients, families, and the public in other  
223.26 ways.

223.27 **EFFECTIVE DATE.** This section is effective July 1, 2025, and the amendments to  
223.28 subdivision 1, clause (1), apply to members whose initial appointment occurs on or after  
223.29 that date.

223.30 Sec. 3. Minnesota Statutes 2024, section 144G.31, subdivision 8, is amended to read:

223.31 Subd. 8. **Deposit of fines.** Fines collected under this section shall be deposited in a  
223.32 dedicated special revenue account. On an annual basis, the balance in the special revenue

224.1 account shall be appropriated to the commissioner for special projects to improve resident  
224.2 quality of care and outcomes in assisted living facilities licensed under this chapter in  
224.3 Minnesota as recommended by the advisory council established in section 144A.4799. The  
224.4 commissioner must publish on the department's website an annual report on the fines assessed  
224.5 and collected, and how the appropriated money was allocated.

224.6 Sec. 4. Minnesota Statutes 2024, section 144G.52, subdivision 1, is amended to read:

224.7 Subdivision 1. **Definition.** For purposes of sections 144G.52 to 144G.55, "termination"  
224.8 means:

224.9 (1) a facility-initiated termination of ~~housing provided to the resident under the contract~~  
224.10 an assisted living contract; or

224.11 (2) a facility-initiated termination ~~or nonrenewal~~ of all assisted living services the resident  
224.12 receives from the facility under the assisted living contract.

224.13 Sec. 5. Minnesota Statutes 2024, section 144G.52, subdivision 2, is amended to read:

224.14 Subd. 2. **Prerequisite to termination of a contract.** (a) Before issuing a notice of  
224.15 termination of an assisted living contract, a facility must schedule and participate in a meeting  
224.16 with the resident and the resident's legal representative and designated representative. The  
224.17 purposes of the meeting are to:

224.18 (1) explain in detail the reasons for the proposed termination; and

224.19 (2) identify and offer reasonable accommodations or modifications, interventions, or  
224.20 alternatives to avoid the termination or enable the resident to remain in the facility, including  
224.21 but not limited to securing services from another provider of the resident's choosing that  
224.22 may allow the resident to avoid the termination. A facility is not required to offer  
224.23 accommodations, modifications, interventions, or alternatives that fundamentally alter the  
224.24 nature of the operation of the facility.

224.25 (b) For a termination pursuant to subdivision 3 or 4, the meeting must be scheduled to  
224.26 take place at least seven days before a notice of termination is issued. The facility must  
224.27 make reasonable efforts to ensure that the resident, legal representative, and designated  
224.28 representative are able to attend the meeting.

224.29 (c) For a termination pursuant to subdivision 5, the meeting must be scheduled to take  
224.30 place at least 24 hours before a notice of termination is issued. The facility must make  
224.31 reasonable efforts to ensure that the resident, legal representative, and designated

225.1 representative are able to attend the meeting. Notice of the meeting must be provided at  
225.2 least 24 hours prior to the meeting.

225.3 (d) The facility must notify the resident that the resident may invite family members,  
225.4 relevant health professionals, a representative of the Office of Ombudsman for Long-Term  
225.5 Care, a representative of the Office of Ombudsman for Mental Health and Developmental  
225.6 Disabilities, or other persons of the resident's choosing to participate in the meeting. For  
225.7 residents who receive home and community-based waiver services under chapter 256S and  
225.8 section 256B.49, the facility must notify the resident's case manager of the meeting.

225.9 ~~(d)~~ (e) In the event of an emergency relocation under subdivision 9, where the facility  
225.10 intends to issue a notice of termination and an in-person meeting is impractical or impossible,  
225.11 the facility must use telephone, video, or other electronic means to conduct and participate  
225.12 in the meeting required under this subdivision and rules within Minnesota Rules, chapter  
225.13 4659.

225.14 Sec. 6. Minnesota Statutes 2024, section 144G.52, subdivision 3, is amended to read:

225.15 Subd. 3. **Termination for nonpayment.** (a) A facility may initiate a termination of  
225.16 ~~housing~~ an assisted living contract because of nonpayment of rent or a termination of services  
225.17 because of nonpayment for services. Upon issuance of a notice of termination for  
225.18 nonpayment, the facility must inform the resident that public benefits may be available and  
225.19 must provide contact information for the Senior LinkAge Line under section 256.975,  
225.20 subdivision 7, or the Disability Hub under section 256.01, subdivision 24.

225.21 (b) An interruption to a resident's public benefits that lasts for no more than 60 days  
225.22 does not constitute nonpayment.

225.23 Sec. 7. Minnesota Statutes 2024, section 144G.52, subdivision 5, is amended to read:

225.24 Subd. 5. **Expedited termination.** ~~(a)~~ A facility may initiate an expedited termination  
225.25 of ~~housing or services~~ an assisted living contract, including both the housing and assisted  
225.26 living services provided thereunder, or of assisted living services if:

225.27 (1) the resident has engaged in conduct that substantially interferes with the rights, health,  
225.28 or safety of other residents;

225.29 (2) the resident has engaged in conduct that substantially and intentionally interferes  
225.30 with the safety or physical health of facility staff; ~~or~~

225.31 (3) the resident has committed an act listed in section 504B.171 that substantially  
225.32 interferes with the rights, health, or safety of other residents;

226.1 ~~(b) A facility may initiate an expedited termination of services if:~~

226.2 ~~(1) the resident has engaged in conduct that substantially interferes with the resident's~~  
226.3 ~~health or safety;~~

226.4 ~~(2)~~ (4) the resident's assessed needs exceed the scope of services agreed upon in the  
226.5 assisted living contract and are not included in the services the facility disclosed in the  
226.6 uniform checklist; or

226.7 ~~(3)~~ (5) extraordinary circumstances exist, causing the facility to be unable to provide  
226.8 the resident with the services disclosed in the uniform checklist that are necessary to meet  
226.9 the resident's needs.

226.10 Sec. 8. Minnesota Statutes 2024, section 144G.52, subdivision 7, is amended to read:

226.11 Subd. 7. **Notice of contract termination required.** (a) A facility terminating a contract  
226.12 must issue a written notice of termination according to this section. The facility must also  
226.13 send a copy of the termination notice to the Office of Ombudsman for Long-Term Care  
226.14 and, for residents who receive home and community-based waiver services under chapter  
226.15 256S and section 256B.49, to the resident's case manager, as soon as practicable after  
226.16 providing notice to the resident. A facility may terminate an assisted living contract only  
226.17 as permitted under subdivisions 3, 4, and 5.

226.18 (b) A facility terminating a contract under subdivision 3 or 4 must provide a written  
226.19 termination notice at least 30 days before the effective date of the termination to the resident,  
226.20 legal representative, and designated representative.

226.21 (c) A facility terminating a contract under subdivision 5 must provide a written  
226.22 termination notice at least ~~15~~ seven days before the effective date of the termination to the  
226.23 resident, legal representative, and designated representative.

226.24 (d) If a resident moves out of a facility or cancels services received from the facility,  
226.25 nothing in this section prohibits a facility from enforcing against the resident any notice  
226.26 periods with which the resident must comply under the assisted living contract.

226.27 Sec. 9. Minnesota Statutes 2024, section 144G.52, subdivision 8, is amended to read:

226.28 Subd. 8. **Content of notice of termination.** (a) The notice required under subdivision  
226.29 7 must contain, at a minimum:

226.30 (1) the effective date of the termination of the assisted living contract;

227.1 (2) a detailed explanation of the basis for the termination, including the clinical or other  
227.2 supporting rationale;

227.3 (3) a detailed explanation of the conditions under which a new or amended contract may  
227.4 be executed;

227.5 (4) a statement that the resident has the right to appeal the termination by requesting a  
227.6 hearing, and information concerning the time frame within which the request must be  
227.7 submitted and the contact information for the agency to which the request must be submitted;

227.8 (5) a statement that the facility must participate in a coordinated move to another provider  
227.9 or caregiver, as required under section 144G.55;

227.10 (6) the name and contact information of the person employed by the facility with whom  
227.11 the resident may discuss the notice of termination;

227.12 (7) information on how to contact the Office of Ombudsman for Long-Term Care and  
227.13 the Office of Ombudsman for Mental Health and Developmental Disabilities to request an  
227.14 advocate to assist regarding the termination;

227.15 (8) information on how to contact the Senior LinkAge Line under section 256.975,  
227.16 subdivision 7, or the Disability Hub under section 256.01, subdivision 24, and an explanation  
227.17 that the Senior LinkAge Line and the Disability Hub may provide information about other  
227.18 available housing or service options; and

227.19 (9) if the termination is only for services, a statement that the resident may remain in  
227.20 the facility and may secure any necessary services from another provider of the resident's  
227.21 choosing.

227.22 (b) When a facility used good faith efforts to substantially comply with the content or  
227.23 timing requirements of this subdivision or corresponding rules, and the noncompliance did  
227.24 not prejudice the resident, a failure to comply does not invalidate the termination process  
227.25 and is not permissible grounds for appeal of a termination under section 144G.54, subdivision  
227.26 2.

227.27 Sec. 10. Minnesota Statutes 2024, section 144G.52, subdivision 9, is amended to read:

227.28 Subd. 9. **Emergency relocation.** (a) A facility may remove a resident from the facility  
227.29 in an emergency if necessary due to a resident's urgent medical needs or an imminent risk  
227.30 the resident poses to the health or safety of another facility resident or facility staff member.  
227.31 An emergency relocation is not a termination. An emergency relocation does not occur  
227.32 when a resident or the resident's representative requests or consents to be transported to the

228.1 emergency room or hospital regardless of whether the facility initiates communications  
228.2 regarding the need to relocate the resident.

228.3 (b) In the event of an emergency relocation, the facility must provide a written notice  
228.4 that contains, at a minimum:

228.5 (1) the reason for the relocation;

228.6 (2) the name and contact information for the location to which the resident has been  
228.7 relocated and any new service provider;

228.8 (3) contact information for the Office of Ombudsman for Long-Term Care and the Office  
228.9 of Ombudsman for Mental Health and Developmental Disabilities;

228.10 (4) if known and applicable, the approximate date or range of dates within which the  
228.11 resident is expected to return to the facility, or a statement that a return date is not currently  
228.12 known; and

228.13 (5) a statement that, if the facility refuses to provide housing or services after a relocation,  
228.14 the resident has the right to appeal under section 144G.54. The facility must provide contact  
228.15 information for the agency to which the resident may submit an appeal.

228.16 (c) The notice required under paragraph (b) must be delivered as soon as practicable to:

228.17 (1) the resident, legal representative, and designated representative;

228.18 (2) for residents who receive home and community-based waiver services under chapter  
228.19 256S and section 256B.49, the resident's case manager; and

228.20 (3) the Office of Ombudsman for Long-Term Care if the resident has been relocated  
228.21 and has not returned to the facility within four days.

228.22 (d) Following an emergency relocation, a facility's refusal to provide housing or services  
228.23 constitutes a termination and triggers the termination process in this section.

228.24 (e) In the event of an emergency relocation during which a resident is removed by law  
228.25 enforcement, ambulance personnel, or other first responders, the notice required under  
228.26 paragraph (b) may be provided retroactively but in no event no more than 72 hours after  
228.27 the emergency relocation.

228.28 Sec. 11. Minnesota Statutes 2024, section 144G.52, subdivision 10, is amended to read:

228.29 Subd. 10. **Right to return.** (a) If a resident is absent from a facility for any reason,  
228.30 including an emergency relocation, the facility shall not refuse to allow a resident to return  
228.31 if a termination of ~~housing~~ the assisted living contract has not been effectuated.

- 229.1 (b) Notwithstanding paragraph (a), a facility may refuse to allow a resident to return if:  
229.2 (1) another resident or employee of the facility has obtained a harassment restraining  
229.3 order, order for protection, or similar court order seeking to protect them from the resident;  
229.4 or  
229.5 (2) the resident has been charged with a crime where the alleged victim is another resident  
229.6 or employee of the facility.

229.7 Sec. 12. Minnesota Statutes 2024, section 144G.53, is amended to read:

229.8 **144G.53 NONRENEWAL OF HOUSING ASSISTED LIVING CONTRACT**  
229.9 **NONRENEWAL.**

229.10 (a) If a facility decides to not renew a resident's ~~housing under a contract~~ assisted living  
229.11 contract, including both the housing and assisted living services provided thereunder, the  
229.12 facility must either (1) provide the resident with 60 calendar days' notice of the nonrenewal  
229.13 and assistance with relocation planning, or (2) follow the termination procedure under  
229.14 section 144G.52. A facility may not decline to renew only the assisted living services  
229.15 provided to a resident under the resident's assisted living contract.

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

229.19 (c) A facility must:

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

229.21 (2) for residents who receive home and community-based waiver services under chapter  
229.22 256S and section 256B.49, provide notice to the resident's case manager;

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

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

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

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

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

230.6 Sec. 13. Minnesota Statutes 2024, section 144G.54, subdivision 2, is amended to read:

230.7 Subd. 2. **Permissible grounds to appeal termination.** (a) A resident may appeal a  
230.8 termination initiated under section 144G.52, subdivision 3, 4, or 5, on the ground that:

230.9 (1) there is a factual dispute as to whether the facility had a permissible basis to initiate  
230.10 the termination;

230.11 (2) the termination would result in great harm or the potential for great harm to the  
230.12 resident as determined by the totality of the circumstances, except in circumstances where  
230.13 there is a greater risk of harm to other residents or staff at the facility;

230.14 (3) the resident has cured or demonstrated the ability to cure the reasons for the  
230.15 termination, or has identified a reasonable accommodation or modification, intervention,  
230.16 or alternative to the termination; or

230.17 (4) the facility has terminated the contract in violation of state or federal law.

230.18 (b) When submitting an appeal, a resident must specify which permissible grounds under  
230.19 paragraph (a) are grounds for the appeal.

230.20 (c) The resident or resident's representative must provide the facility a copy of all appeals  
230.21 within three calendar days of filing them.

230.22 Sec. 14. Minnesota Statutes 2024, section 144G.54, subdivision 3, is amended to read:

230.23 Subd. 3. **Appeals process.** (a) The Office of Administrative Hearings must conduct an  
230.24 expedited hearing as soon as practicable under this section, but in no event later than 14  
230.25 calendar days after the office receives the request, unless the parties agree otherwise or the  
230.26 chief administrative law judge deems the timing to be unreasonable, given the complexity  
230.27 of the issues presented. For terminations initiated pursuant to section 144G.52, subdivision  
230.28 5, the Office of Administrative Hearings must conduct an expedited hearing as soon as  
230.29 practicable but in no event later than seven calendar days after the office receives the request.

230.30 (b) The hearing must be held at the facility where the resident lives, unless holding the  
230.31 hearing at that location is impractical, the parties agree to hold the hearing at a different

231.1 location, or the chief administrative law judge grants a party's request to appear at another  
231.2 location or by telephone or interactive video.

231.3 (c) The hearing is not a formal contested case proceeding, except when determined  
231.4 necessary by the chief administrative law judge.

231.5 (d) Parties may but are not required to be represented by counsel. The appearance of a  
231.6 party without counsel does not constitute the unauthorized practice of law.

231.7 (e) Parties may provide the administrative law judge relevant evidence in the form of  
231.8 in-person or sworn written testimony, including that of other residents of the facility,  
231.9 representatives of other residents of the facility, facility staff, or individuals representing  
231.10 the interests of other residents of the facility.

231.11 (f) The hearing shall be limited to the amount of time necessary for the participants to  
231.12 expeditiously present the facts about the proposed termination. The administrative law judge  
231.13 shall issue a recommendation to the commissioner as soon as practicable, but in no event  
231.14 later than ten business days after the hearing related to a termination issued under section  
231.15 144G.52, subdivision 3 or 4, or five business days for a hearing related to a termination  
231.16 issued under section 144G.52, subdivision 5.

231.17 Sec. 15. Minnesota Statutes 2024, section 144G.54, subdivision 7, is amended to read:

231.18 Subd. 7. **Application of chapter 504B to appeals of terminations.** A resident may not  
231.19 bring an action under chapter 504B to challenge a termination that has occurred and ~~been~~  
231.20 ~~upheld under this section~~ for which an appeal under this section was not requested or for  
231.21 which an appeal under this section was requested, but the termination was upheld in  
231.22 accordance with this section. If a facility prevails in a challenged termination under this  
231.23 section, the facility is entitled to a writ of recovery and order to vacate pursuant to section  
231.24 504B.361.

231.25 Sec. 16. Minnesota Statutes 2024, section 144G.55, subdivision 1, is amended to read:

231.26 Subdivision 1. **Duties of facility.** (a) If a facility terminates an assisted living contract,  
231.27 reduces services to the extent that a resident needs to move or obtain a new service provider  
231.28 or the facility has its license restricted under section 144G.20, or the facility conducts a  
231.29 planned closure under section 144G.57, the facility:

231.30 (1) must ensure, subject to paragraph (c), a coordinated move to a safe location that is  
231.31 appropriate for the resident and that is identified by the facility prior to any hearing under  
231.32 section 144G.54;

232.1 (2) must ensure a coordinated move of the resident to an appropriate service provider  
232.2 identified by the facility prior to any hearing under section 144G.54, provided services are  
232.3 still needed and desired by the resident; and

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

232.9 (b) A facility may satisfy the requirements of paragraph (a), clauses (1) and (2), by  
232.10 moving the resident to a different location within the same facility, if appropriate for the  
232.11 resident.

232.12 (c) A resident may decline to move to the location the facility identifies or to accept  
232.13 services from a service provider the facility identifies, and may choose instead to move to  
232.14 a location of the resident's choosing or receive services from a service provider of the  
232.15 resident's choosing within the timeline prescribed in the termination notice.

232.16 (d) A facility has met its obligations under this section, following a termination completed  
232.17 in accordance with section 144G.52 if:

232.18 (1) for residents receiving services under the home and community-based waiver services  
232.19 for the elderly under chapter 256S, waived services under community access for disability  
232.20 inclusion waiver under section 256B.49, or the brain injury waived services under section  
232.21 256B.49, the resident or the resident's designated representative reject two or more options  
232.22 presented by the lead agency or the resident's waiver case manager; or

232.23 (2) for all other residents, the resident or the resident's designated representative reject  
232.24 two or more other facilities that are able to meet the individual's service needs, have an  
232.25 immediate opening, and are located within a reasonable geographic proximity. The absence  
232.26 of nearby facilities able to meet the individual's service needs and with immediate openings  
232.27 may increase what may be considered a reasonable geographic proximity.

232.28 (e) Sixty days before the facility plans to reduce or eliminate one or more services for  
232.29 a particular resident, the facility must provide written notice of the reduction that includes:

232.30 (1) a detailed explanation of the reasons for the reduction and the date of the reduction;

232.31 (2) the contact information for the Office of Ombudsman for Long-Term Care, the Office  
232.32 of Ombudsman for Mental Health and Developmental Disabilities, and the name and contact

233.1 information of the person employed by the facility with whom the resident may discuss the  
233.2 reduction of services;

233.3 (3) a statement that if the services being reduced are still needed by the resident, the  
233.4 resident may remain in the facility and seek services from another provider; and

233.5 (4) a statement that if the reduction makes the resident need to move, the facility must  
233.6 participate in a coordinated move of the resident to another provider or caregiver, as required  
233.7 under this section.

233.8 ~~(e)~~ (f) In the event of an unanticipated reduction in services caused by extraordinary  
233.9 circumstances, the facility must provide the notice required under paragraph ~~(d)~~ (e) as soon  
233.10 as possible.

233.11 ~~(f)~~ (g) If the facility, a resident, a legal representative, or a designated representative  
233.12 determines that a reduction in services will make a resident need to move to a new location,  
233.13 the facility must ensure a coordinated move in accordance with this section, and must provide  
233.14 notice to the Office of Ombudsman for Long-Term Care.

233.15 ~~(g)~~ (h) Nothing in this section affects a resident's right to remain in the facility and seek  
233.16 services from another provider.

233.17 Sec. 17. Minnesota Statutes 2024, section 144G.55, subdivision 2, is amended to read:

233.18 Subd. 2. **Safe location.** A safe location is not a private home where the occupant is  
233.19 unwilling or unable to care for the resident, a homeless shelter, a hotel, or a motel. A facility  
233.20 may not terminate a resident's housing or services if the resident will, as the result of the  
233.21 termination, become homeless, as that term is defined in section 116L.361, subdivision 5,  
233.22 or if an adequate and safe discharge location or adequate and needed service provider has  
233.23 not been identified, unless the resident declines to move to the identified safe location or  
233.24 needed service provider or chooses to become homeless. This subdivision does not preclude  
233.25 a resident from declining to move to the location the facility identifies.

233.26 Sec. 18. **DIRECTION TO COMMISSIONER; PROVISIONAL OR TRANSITIONAL**  
233.27 **LICENSURE.**

233.28 (a) The commissioner of human services and the commissioner of health must convene  
233.29 a group of interested parties to examine the relationship between the costs incurred to comply  
233.30 with the licensing requirements under Minnesota Statutes, chapter 144G, and reimbursement  
233.31 rates for providing customized living services under Minnesota Statutes, chapter 256S, and  
233.32 section 256B.4914, subdivision 6d. The commissioners must include among the interested

234.1 parties the Long-Term Care Imperative, the Residential Providers Association of Minnesota,  
234.2 the Minnesota Association of County Social Service Administrators, and people with  
234.3 disabilities currently receiving customized living services under the federally approved  
234.4 brain injury, community access for disability inclusion, and elderly waiver plans.

234.5 (b) The commissioners of human services and health must develop draft legislative  
234.6 language to better align the licensing requirements and reimbursement framework so that  
234.7 the costs incurred to comply with licensing requirements and fees are adequately reimbursed  
234.8 through the rates paid for providing customized living services.

234.9 (c) The commissioners must submit the draft legislation to the chairs and ranking minority  
234.10 members of the legislative committees with jurisdiction over health and human services  
234.11 policy and finance by January 1, 2026.

234.12 **Sec. 19. DIRECTION TO THE COMMISSIONER OF HEALTH; COMMUNITY**  
234.13 **CARE HUB GRANT.**

234.14 Subdivision 1. **Establishment.** The commissioner of health shall establish a single grant  
234.15 to expand and strengthen the community care hub model in Minnesota by organizing and  
234.16 supporting a network of health and social care service providers to address health-related  
234.17 social needs.

234.18 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
234.19 meanings given.

234.20 (b) "Community-based organization" means a public or private nonprofit organization  
234.21 of demonstrated effectiveness that is representative of a community or significant segments  
234.22 of a community and provides services that address the social drivers of health, education,  
234.23 or related services to individuals in the community.

234.24 (c) "Community care hub" means a nonprofit organization that provides a centralized  
234.25 administrative and operational interface between health care institutions and a network of  
234.26 community-based organizations that provide health promotion and social care services.

234.27 (d) "Health-related social needs" means the individual-level, adverse social conditions  
234.28 that can negatively impact a person's health or health care, such as poor health literacy, food  
234.29 insecurity, housing instability, and lack of access to transportation.

234.30 (e) "Social care services" means culturally informed services to address health-related  
234.31 social needs and community-informed health promotion programs.

235.1 Subd. 3. **Eligible applicants.** To be eligible for the single grant available under this  
235.2 section, a grant applicant must:

235.3 (1) be recognized as a selected community care hub by the federal Administration for  
235.4 Community Living and the Centers for Disease Control and Prevention;

235.5 (2) be the recipient of the community care hub planning grant under Laws 2024, chapter  
235.6 127, article 53, section 3, subdivision 2, paragraph (a);

235.7 (3) hold contracts with health plans within Minnesota that allow the applicant to provide  
235.8 social care services to a plan's covered member population; and

235.9 (4) demonstrate active engagement in providing, coordinating, and aiding health care  
235.10 and social care services at the community level.

235.11 Subd. 4. **Eligible uses.** The grantee must use awarded money to:

235.12 (1) engage and organize community-based organizations to deliver social care services;

235.13 (2) expand the reach and scope of social care services;

235.14 (3) centralize administrative functions and operational infrastructure of community care  
235.15 hubs related to:

235.16 (i) contracting with health care organizations;

235.17 (ii) payment operations;

235.18 (iii) management of referrals, including reporting on the outcome of the services and  
235.19 the specific help provided;

235.20 (iv) service delivery fidelity and compliance;

235.21 (v) quality improvement;

235.22 (vi) technology;

235.23 (vii) information security; and

235.24 (viii) data collection, data analysis, and reporting;

235.25 (4) create sustainable financial pathways for services that address health-related social  
235.26 needs throughout the state of Minnesota; and

235.27 (5) support tracking of the financial pathways and the services provided.

235.28 Subd. 5. **Grantee report.** The grantee must report community care hub initiative  
235.29 outcomes as determined by the commissioner of health to the commissioner on the forms  
235.30 and according to the timelines established by the commissioner.

Subd. 6. **Evaluation.** The commissioner of health shall design, conduct, and evaluate the community care hub initiative implemented by the grantee using measures to assess cost savings, impact, and health impact outcomes.

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

## ARTICLE 10

### MISCELLANEOUS

Section 1. Laws 2023, chapter 61, article 1, section 61, subdivision 4, is amended to read:

Subd. 4. **Evaluation and report.** By December 1, 2024, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services finance and policy an interim report on the impact and outcomes of the grants, including the number of grants awarded and the organizations receiving the grants. The interim report must include any available evidence of how grantees were able to increase utilization of supported decision making and reduce or avoid more restrictive forms of decision making such as guardianship and conservatorship. By December 1, ~~2025~~ 2026, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services finance and policy a final report on the impact and outcomes of the grants, including any updated information from the interim report and the total number of people served by the grants. The final report must also detail how the money was used to achieve the requirements in subdivision 3, paragraph (b).

Sec. 2. Laws 2024, chapter 127, article 49, section 9, subdivision 1, is amended to read:

Subdivision 1. **Establishment; purpose.** The Mentally Ill and Dangerous Civil Commitment Reform Task Force is established to:

(1) evaluate current statutes related to mentally ill and dangerous civil commitments  
~~and;~~

(2) evaluate current statutes related to the process by which a former patient may seek an order to expunge or vacate a prior commitment order; and

(3) develop recommendations to optimize the use of state-operated mental health resources and increase equitable access and outcomes for patients.

237.1 Sec. 3. Laws 2024, chapter 127, article 49, section 9, is amended by adding a subdivision  
237.2 to read:

237.3 Subd. 7a. **Duties; expungements and vacatur.** The task force must:

237.4 (1) analyze current trends in civil commitments, expungements, and vacatur, including  
237.5 but not limited to the frequency of expungements and vacatur in Minnesota as compared  
237.6 to other jurisdictions;

237.7 (2) review national practices and criteria for expunging and vacating civil commitment  
237.8 orders;

237.9 (3) develop recommended statutory changes necessary to provide clear direction to  
237.10 former patients who are seeking to file a motion to expunge or vacate a civil commitment;

237.11 (4) develop recommended statutory changes necessary to provide clear direction, criteria  
237.12 to apply, and evidentiary standards to the courts when considering a motion from a former  
237.13 patient to expunge or vacate a civil commitment; and

237.14 (5) develop recommended statutory changes to provide clear direction to former patients  
237.15 and the courts to address situations in which an individual is civilly committed and is later  
237.16 determined to not have an organic disorder of the brain or a substantial psychiatric disorder  
237.17 of thought, mood, perception, orientation, or memory.

237.18 Sec. 4. Laws 2024, chapter 127, article 49, section 9, subdivision 8, is amended to read:

237.19 Subd. 8. **Report required.** (a) By August 1, 2025, the task force shall submit to the  
237.20 chairs and ranking minority members of the legislative committees with jurisdiction over  
237.21 mentally ill and dangerous civil commitments a written report that includes the outcome of  
237.22 the duties in subdivision 7, including but not limited to recommended statutory changes.

237.23 (b) By August 1, 2026, the task force shall submit to the chairs and ranking minority  
237.24 members of the legislative committees with jurisdiction over civil commitments a written  
237.25 report that includes the outcome of the duties in subdivision 7a, including but not limited  
237.26 to recommended statutory changes.

237.27 Sec. 5. Laws 2024, chapter 127, article 49, section 9, subdivision 9, is amended to read:

237.28 Subd. 9. **Expiration.** The task force expires January 1, ~~2026~~ 2027.

237.29 **ARTICLE 11**

237.30 **DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS**

237.31 Section 1. **HUMAN SERVICES APPROPRIATIONS.**

238.1        The sums shown in the columns marked "Appropriations" are appropriated to the  
 238.2 commissioner of human services and for the purposes specified in this article. The  
 238.3 appropriations are from the general fund, or another named fund, and are available for the  
 238.4 fiscal years indicated for each purpose. The figures "2026" and "2027" used in this article  
 238.5 mean that the appropriations listed under them are available for the fiscal year ending June  
 238.6 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second  
 238.7 year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

|        |                                           |    |                             |    |                                       |
|--------|-------------------------------------------|----|-----------------------------|----|---------------------------------------|
| 238.8  |                                           |    |                             |    | <b><u>APPROPRIATIONS</u></b>          |
| 238.9  |                                           |    |                             |    | <b><u>Available for the Year</u></b>  |
| 238.10 |                                           |    |                             |    | <b><u>Ending June 30</u></b>          |
| 238.11 |                                           |    |                             |    | <b><u>2026</u></b> <b><u>2027</u></b> |
| 238.12 | Sec. 2. <b><u>TOTAL APPROPRIATION</u></b> | \$ | <b><u>7,767,480,000</u></b> | \$ | <b><u>7,917,705,000</u></b>           |

238.13    **Subdivision 1. Appropriations by Fund**

|        |                                |                                      |                             |  |
|--------|--------------------------------|--------------------------------------|-----------------------------|--|
| 238.14 |                                | <b><u>Appropriations by Fund</u></b> |                             |  |
| 238.15 |                                | <b><u>2026</u></b>                   | <b><u>2027</u></b>          |  |
| 238.16 | <b><u>General</u></b>          | <b><u>7,765,519,000</u></b>          | <b><u>7,915,516,000</u></b> |  |
| 238.17 | <b><u>Lottery Prize</u></b>    | <b><u>1,733,000</u></b>              | <b><u>1,733,000</u></b>     |  |
| 238.18 | <b><u>State Government</u></b> |                                      |                             |  |
| 238.19 | <b><u>Special Revenue</u></b>  |                                      |                             |  |
| 238.20 | <b><u>Fund</u></b>             | <b><u>228,000</u></b>                | <b><u>456,000</u></b>       |  |

238.21    The amounts that may be spent for each  
 238.22 purpose are specified in the following sections  
 238.23 and subdivisions.

238.24    **Subd. 2. Information Technology Appropriations**

238.25    **(a) IT Appropriations Generally**

238.26    This appropriation includes money for  
 238.27 information technology projects, services, and  
 238.28 support. Funding for information technology  
 238.29 project costs must be incorporated into the  
 238.30 service-level agreement and paid to Minnesota  
 238.31 IT Services by the Department of Human  
 238.32 Services under the rates and mechanism  
 238.33 specified in that agreement.

238.34    **(b) Receipts for Systems Project**

239.1 Appropriations and federal receipts for  
 239.2 information technology systems projects for  
 239.3 MMIS and METS must be deposited in the  
 239.4 state systems account authorized in Minnesota  
 239.5 Statutes, section 256.014. Money appropriated  
 239.6 for information technology projects approved  
 239.7 by the commissioner of Minnesota IT  
 239.8 Services, funded by the legislature, and  
 239.9 approved by the commissioner of management  
 239.10 and budget may be transferred from one  
 239.11 project to another and from development to  
 239.12 operations as the commissioner of human  
 239.13 services deems necessary. Any unexpended  
 239.14 balance in the appropriation for these projects  
 239.15 does not cancel and is available for ongoing  
 239.16 development and operations.

239.17 Sec. 3. CENTRAL OFFICE; OPERATIONS     \$            3,452,000     \$            4,056,000

239.18 The general fund base for this section is  
 239.19 \$2,435,000 in fiscal year 2028 and \$2,251,000  
 239.20 in fiscal year 2029.

239.21 Sec. 4. CENTRAL OFFICE; HEALTH CARE     \$            887,000     \$            1,017,000

239.22 Sec. 5. CENTRAL OFFICE; AGING AND  
 239.23 DISABILITY SERVICES                                     \$            4,981,000     \$            3,022,000

239.24 Subdivision 1. Provisional or Transitional  
 239.25 Approval of Integrated Community Services  
 239.26 Settings

239.27 \$150,000 in fiscal year 2026 is to develop  
 239.28 draft legislative language to improve the  
 239.29 process for approving integrated community  
 239.30 support settings. This is a onetime  
 239.31 appropriation.

239.32 Subd. 2. Positive Supports Competency Program

239.33 \$1,000,000 in fiscal year 2026 is for the  
 239.34 positive supports competency program. This

240.1

is a onetime appropriation and is available

240.2

until June 30, 2029.

240.3

Subd. 3. Cost Reporting Improvement and Direct

240.4

Care Staff Review

240.5

\$150,000 in fiscal year 2026 is to complete a

240.6

cost reporting improvement study and direct

240.7

care staffing review. This is a onetime

240.8

appropriation.

240.9

Subd. 4. Assisted Living Licensure and Disability

240.10

Waiver Rate Study And Draft Legislation

240.11

\$100,000 in fiscal year 2026 is to complete a

240.12

study on assisted living licensure and disability

240.13

waiver reimbursement rates and to draft

240.14

proposed legislation. This is a onetime

240.15

appropriation.

240.16

Subd. 5. Base Level Adjustment

240.17

The general fund base for this section is

240.18

\$3,164,000 in fiscal year 2028 and \$3,164,000

240.19

in fiscal year 2029.

240.20

Sec. 6. CENTRAL OFFICE; BEHAVIORAL

240.21

HEALTH

\$

193,000

\$

244,000

240.22

Subdivision 1. Substance Use Disorder

240.23

Treatment Staff Report and Recommendations

240.24

\$100,000 in fiscal year 2026 and \$50,000 in

240.25

fiscal year 2027 are for a substance use

240.26

disorder treatment staff report and

240.27

recommendations. This is a onetime

240.28

appropriation.

240.29

Subd. 2. Base Level Adjustment

240.30

The general fund base for this section is

240.31

\$194,000 in fiscal year 2028 and \$194,000 in

240.32

fiscal year 2029.

240.33

Sec. 7. CENTRAL OFFICE; OFFICE OF

240.34

INSPECTOR GENERAL

\$

4,113,000

\$

4,853,000

|        |                                                        |                         |                         |  |
|--------|--------------------------------------------------------|-------------------------|-------------------------|--|
| 241.1  | <u>Subdivision 1. Appropriations by Fund</u>           |                         |                         |  |
| 241.2  | <u>Appropriations by Fund</u>                          |                         |                         |  |
| 241.3  |                                                        | <u>2026</u>             | <u>2027</u>             |  |
| 241.4  | <u>General</u>                                         | <u>3,885,000</u>        | <u>4,397,000</u>        |  |
| 241.5  | <u>State Government</u>                                |                         |                         |  |
| 241.6  | <u>Special Revenue</u>                                 | <u>228,000</u>          | <u>456,000</u>          |  |
| 241.7  | <u>Subd. 2. Base Level Adjustment</u>                  |                         |                         |  |
| 241.8  | <u>The general fund base for this section is</u>       |                         |                         |  |
| 241.9  | <u>\$4,396,000 in fiscal year 2028 and \$4,396,000</u> |                         |                         |  |
| 241.10 | <u>in fiscal year 2029.</u>                            |                         |                         |  |
| 241.11 | <u>Sec. 8. FORECASTED PROGRAMS;</u>                    |                         |                         |  |
| 241.12 | <u>HOUSING SUPPORT</u>                                 | <u>\$ 180,000</u>       | <u>\$ 180,000</u>       |  |
| 241.13 | <u>Sec. 9. FORECASTED PROGRAMS;</u>                    |                         |                         |  |
| 241.14 | <u>MEDICAL ASSISTANCE</u>                              | <u>\$ 7,440,006,000</u> | <u>\$ 7,652,756,000</u> |  |
| 241.15 | <u>Sec. 10. FORECASTED PROGRAMS;</u>                   |                         |                         |  |
| 241.16 | <u>ALTERNATIVE CARE</u>                                | <u>\$ 55,694,000</u>    | <u>\$ 56,354,000</u>    |  |
| 241.17 | <u>Any money allocated to the alternative care</u>     |                         |                         |  |
| 241.18 | <u>program that is not spent for the purposes</u>      |                         |                         |  |
| 241.19 | <u>indicated does not cancel but must be</u>           |                         |                         |  |
| 241.20 | <u>transferred to the medical assistance account.</u>  |                         |                         |  |
| 241.21 | <u>Sec. 11. FORECASTED PROGRAMS;</u>                   |                         |                         |  |
| 241.22 | <u>BEHAVIORAL HEALTH FUND</u>                          | <u>\$ 138,575,000</u>   | <u>\$ 118,318,000</u>   |  |
| 241.23 | <u>Sec. 12. GRANT PROGRAMS; CHILD AND</u>              |                         |                         |  |
| 241.24 | <u>COMMUNITY SERVICE GRANTS</u>                        | <u>\$ (5,155,000)</u>   | <u>\$ (5,155,000)</u>   |  |
| 241.25 | <u>Seeds Worth Sowing</u>                              |                         |                         |  |
| 241.26 | <u>\$500,000 in fiscal year 2026 and \$500,000 in</u>  |                         |                         |  |
| 241.27 | <u>fiscal year 2027 are for a grant to Seeds Worth</u> |                         |                         |  |
| 241.28 | <u>Sowing to provide culturally specific supports</u>  |                         |                         |  |
| 241.29 | <u>for African American Native and African</u>         |                         |                         |  |
| 241.30 | <u>immigrant mothers, children, and families in</u>    |                         |                         |  |
| 241.31 | <u>Minnesota. Money must be used to deliver</u>        |                         |                         |  |
| 241.32 | <u>family-centered, community-based services</u>       |                         |                         |  |
| 241.33 | <u>that promote early intervention, caregiver</u>      |                         |                         |  |
| 241.34 | <u>support, health and developmental well-being,</u>   |                         |                         |  |
| 241.35 | <u>and connection to home and community-based</u>      |                         |                         |  |

242.1 services. Activities may include culturally  
242.2 grounded parenting education, caregiver  
242.3 training, peer support, and programs that  
242.4 strengthen family stability, child development,  
242.5 and community connectedness. Priority must  
242.6 be given to programs serving families  
242.7 impacted by poverty, disability, or systemic  
242.8 barriers to care.

|        |                                       |    |                  |                     |
|--------|---------------------------------------|----|------------------|---------------------|
| 242.9  | Sec. 13. <u>GRANT PROGRAMS; OTHER</u> |    |                  |                     |
| 242.10 | <u>LONG-TERM CARE GRANTS</u>          | \$ | <u>3,197,000</u> | \$ <u>1,925,000</u> |

242.11 Subdivision 1. **Health Awareness Hub Pilot**  
242.12 **Project**

242.13 \$450,000 in fiscal year 2026 is for a payment  
242.14 to the Organization for Liberians in Minnesota  
242.15 for a health awareness hub pilot project. The  
242.16 pilot project must seek to address health care  
242.17 education and the physical and mental  
242.18 wellness needs of elderly individuals within  
242.19 the African immigrant community by offering  
242.20 culturally relevant support, resources, and  
242.21 preventive care education from medical  
242.22 practitioners who have a similar background  
242.23 and by making appropriate referrals to  
242.24 culturally competent programs, supports, and  
242.25 medical care. Within six months of the  
242.26 conclusion of the pilot project, the  
242.27 Organization for Liberians in Minnesota must  
242.28 provide the commissioner with an evaluation  
242.29 of the project as determined by the  
242.30 commissioner. This is a onetime appropriation  
242.31 and is available until June 30, 2027.

242.32 Subd. 2. **Home and Community-Based Services**  
242.33 **Incentive Pool**

242.34 \$2,747,000 in fiscal year 2026 and \$1,925,000  
242.35 in fiscal year 2027 are for the home and



- 244.1 Minnesota Board on Aging under Minnesota  
 244.2 Statutes, section 256.975, subdivision 11.
- 244.3 **Subd. 6. Senior Dining Program**
- 244.4 \$400,000 in fiscal year 2026 and \$400,000 in  
 244.5 fiscal year 2027 are for a grant to Catholic  
 244.6 Charities of the Diocese of St. Cloud to  
 244.7 operate its senior dining program.
- 244.8 **Subd. 7. Long-Term Care Consultation Services**  
 244.9 **Grants**
- 244.10 \$1,739,000 in fiscal year 2026 and \$1,739,000  
 244.11 in fiscal year 2027 are for grants for long-term  
 244.12 care consultation services under Minnesota  
 244.13 Statutes, section 256B.0911, and long-term  
 244.14 care options counseling under Minnesota  
 244.15 Statutes, section 256.975, subdivision 7.
- 244.16 **Subd. 8. Prescription Drug Assistance Program**
- 244.17 \$1,191,000 in fiscal year 2026 and \$1,191,000  
 244.18 in fiscal year 2027 are for a grant to the Board  
 244.19 on Aging for the prescription drug assistance  
 244.20 program under Minnesota Statutes, section  
 244.21 256.975, subdivision 9.
- 244.22 **Subd. 9. Core Home and Community-Based**  
 244.23 **Service Projects**
- 244.24 \$1,585,000 in fiscal year 2026 and \$1,585,000  
 244.25 in fiscal year 2027 are for core home and  
 244.26 community-based service projects under  
 244.27 Minnesota Statutes, section 256.9754,  
 244.28 subdivision 3d.
- 244.29 **Subd. 10. Caregiver Support and Respite Care**  
 244.30 **Projects**
- 244.31 \$479,000 in fiscal year 2026 and \$479,000 in  
 244.32 fiscal year 2027 are for caregiver support and  
 244.33 respite care projects under Minnesota Statutes,  
 244.34 section 256.9754, subdivision 3c.

245.1 Subd. 11. **Community Services Development**  
245.2 **Grants**

245.3 \$2,980,000 in fiscal year 2026 and \$2,980,000  
245.4 in fiscal year 2027 are for community services  
245.5 development grants under Minnesota Statutes,  
245.6 section 256.9754, subdivision 3.

245.7 Subd. 12. **Community Service Grants**

245.8 \$3,128,000 in fiscal year 2026 and \$3,128,000  
245.9 in fiscal year 2027 are for community service  
245.10 grants under Minnesota Statutes, section  
245.11 256.9754, subdivision 3e.

245.12 Subd. 13. **Customized Living Quality**  
245.13 **Improvement Grants**

245.14 \$1,000,000 in fiscal year 2026 and \$1,000,000  
245.15 in fiscal year 2027 are for customized living  
245.16 quality improvement grants under Minnesota  
245.17 Statutes, section 256.479.

245.18 Subd. 14. **Regional and Local Dementia Grants**

245.19 \$750,000 in fiscal year 2026 and \$750,000 in  
245.20 fiscal year 2027 are for regional and local  
245.21 dementia grants under Minnesota Statutes,  
245.22 section 256.975, subdivision 11.

245.23 Subd. 15. **Eldercare Development Partnerships**

245.24 \$1,758,000 in fiscal year 2026 and \$1,758,000  
245.25 in fiscal year 2027 are for eldercare  
245.26 development partnerships under Minnesota  
245.27 Statutes, section 256B.0917, subdivision 1c.

245.28 Subd. 16. **Gaps Analysis**

245.29 \$218,000 in fiscal year 2026 and \$218,000 in  
245.30 fiscal year 2027 are for analysis of gaps in  
245.31 long-term care services under Minnesota  
245.32 Statutes, section 144A.351.

246.1 Subd. 17. **Consumer Information and Assistance**

246.2 \$3,449,000 in fiscal year 2026 and \$3,449,000  
246.3 in fiscal year 2027 are for a grant to the Board  
246.4 on Aging to provide information and  
246.5 assistance services under Minnesota Statutes,  
246.6 section 256.975, subdivision 7.

246.7 Subd. 18. **Minnesota Adult Abuse Reporting**

246.8 \$1,819,000 in fiscal year 2026 and \$1,819,000  
246.9 in fiscal year 2027 are for a grant to the  
246.10 Minnesota Board on Aging to handle all  
246.11 reports of adult abuse for older adults and  
246.12 people with disabilities in various care  
246.13 settings.

246.14 Subd. 19. **Return to Community Services**

246.15 \$9,341,000 in fiscal year 2026 and \$9,341,000  
246.16 in fiscal year 2027 are for a grant to the Board  
246.17 on Aging for return to community services  
246.18 under Minnesota Statutes, section 256.975,  
246.19 subdivision 7.

246.20 Subd. 20. **Preadmission Screening**

246.21 \$817,000 in fiscal year 2026 and \$817,000 in  
246.22 fiscal year 2027 are for a grant to the Board  
246.23 on Aging for preadmission screening under  
246.24 Minnesota Statutes, section 256.975,  
246.25 subdivisions 7a to 7d.

246.26 Subd. 21. **Direct Support Connect**

246.27 \$236,000 in fiscal year 2026 and \$236,000 in  
246.28 fiscal year 2027 are for a grant to the Board  
246.29 on Aging for activities supporting Direct  
246.30 Support Connect.

246.31 Subd. 22. **Self-Directed Caregiver Grants**

246.32 \$477,000 in fiscal year 2026 and \$477,000 in  
246.33 fiscal year 2027 are for self-directed caregiver

247.1 grants under Minnesota Statutes, section

247.2 256.975, subdivision 12.

247.3 Subd. 23. **Senior Nutrition Program**

247.4 \$2,695,000 in fiscal year 2026 and \$2,695,000

247.5 in fiscal year 2027 are for the senior nutrition

247.6 program under Minnesota Statutes, section

247.7 256.9752. The general fund base for senior

247.8 nutrition programs under Minnesota Statutes,

247.9 section 256.9752, is increased by \$125,000

247.10 for fiscal year 2028 and by \$125,000 for fiscal

247.11 year 2029.

247.12 Subd. 24. **Senior Volunteer Programs**

247.13 \$1,988,000 in fiscal year 2026 and \$1,988,000

247.14 in fiscal year 2027 are for volunteer programs

247.15 for retired senior citizens under Minnesota

247.16 Statutes, section 256.9753; the foster

247.17 grandparents program under Minnesota

247.18 Statutes, section 256.976; and the senior

247.19 companion program under Minnesota Statutes,

247.20 section 256.977.

247.21 Subd. 25. **Adult Protection Grants**

247.22 \$866,000 in fiscal year 2026 and \$867,000 in

247.23 fiscal year 2027 are for adult protection grants

247.24 to counties and Tribes under Minnesota

247.25 Statutes, section 256M.42.

247.26 Subd. 26. **Base Level Adjustment**

247.27 The general fund base for this section is

247.28 \$43,756,000 in fiscal year 2028 and

247.29 \$43,756,000 in fiscal year 2029.

247.30 Sec. 15. **DEAF, DEAFBLIND, AND HARD OF**

247.31 **HEARING GRANTS**

\$

2,886,000 \$

2,886,000

248.1    Subdivision 1. **Community Support Services**

248.2    \$..... in fiscal year 2026 and \$..... in fiscal  
248.3    year 2027 are for grants under Minnesota  
248.4    Statutes, section 256.01, subdivision 2, for  
248.5    community support services for deaf and  
248.6    hard-of-hearing adults with mental illness who  
248.7    use or wish to use sign language as their  
248.8    primary means of communication.

248.9    Subd. 2. **Hearing Loss Mentors**

248.10    \$40,000 in fiscal year 2026 and \$40,000 in  
248.11    fiscal year 2027 are to provide mentors who  
248.12    have a hearing loss to parents of newly  
248.13    identified infants and children with hearing  
248.14    loss.

248.15    Subd. 3. **DeafBlind Programs, Services, and**  
248.16    **Supports Grants**

248.17    \$..... in fiscal year 2026 and \$..... in fiscal  
248.18    year 2027 are for grants under Minnesota  
248.19    Statutes, section 256C.233, for programs,  
248.20    services, and supports for persons who are  
248.21    deaf, persons who are deafblind, and persons  
248.22    who are hard-of-hearing in identified areas of  
248.23    need such as deafblind services, family  
248.24    services, interpreting services, linguistically  
248.25    and culturally appropriate mental health  
248.26    services, and culturally affirmative psychiatric  
248.27    services.

248.28    Subd. 4. **Services for People Who Are Deafblind**

248.29    \$..... in fiscal year 2026 and \$..... in fiscal  
248.30    year 2027 are for grants under Minnesota  
248.31    Statutes, section 256C.261, for services for  
248.32    people who are deafblind.

|        |                                                   |           |                   |                             |
|--------|---------------------------------------------------|-----------|-------------------|-----------------------------|
| 248.33 | <u>Sec. 16. <b>GRANT PROGRAMS; DISABILITY</b></u> |           |                   |                             |
| 248.34 | <u><b>GRANTS</b></u>                              | <u>\$</u> | <u>68,415,000</u> | <u>\$</u> <u>28,793,000</u> |

- 249.1 Subdivision 1. Self-Directed Bargaining  
249.2 Agreement; Orientation Start-Up Funds
- 249.3 \$3,000,000 in fiscal year 2026 is for  
249.4 orientation program start-up costs as defined  
249.5 by the SEIU collective bargaining agreement.
- 249.6 This is a onetime appropriation.
- 249.7 Subd. 2. Self-Directed Bargaining Agreement;  
249.8 Orientation Ongoing Funds
- 249.9 \$2,000,000 in fiscal year 2026 and \$500,000  
249.10 in fiscal year 2027 are for ongoing costs  
249.11 related to the orientation program as defined  
249.12 by the SEIU collective bargaining agreement.
- 249.13 Subd. 3. Self-Directed Bargaining Agreement;  
249.14 Training Stipends
- 249.15 \$2,250,000 in fiscal year 2026 is for onetime  
249.16 stipends of \$750 for collective bargaining unit  
249.17 members for training. This is a onetime  
249.18 appropriation.
- 249.19 Subd. 4. Self-Directed Bargaining Agreement;  
249.20 Retirement Trust Funds
- 249.21 \$350,000 in fiscal year 2026 is for a vendor  
249.22 to create a retirement trust, as defined by the  
249.23 SEIU collective bargaining agreement. This  
249.24 is a onetime appropriation.
- 249.25 Subd. 5. Self-Directed Bargaining Agreement;  
249.26 Health Care Stipends
- 249.27 \$30,750,000 in fiscal year 2026 is for stipends  
249.28 of \$1,200 for each collective bargaining unit  
249.29 member for retention and defraying any health  
249.30 insurance costs the member may incur.
- 249.31 Stipends are available once per fiscal year per  
249.32 member for fiscal year 2026 and fiscal year  
249.33 2027. Of this amount, \$30,000,000 in fiscal  
249.34 year 2026 is for stipends and \$750,000 in  
249.35 fiscal year 2026 is for administration. This is

250.1 a onetime appropriation and is available until  
250.2 June 30, 2027.

250.3 **Subd. 6. Disability Services Technology And**  
250.4 **Advocacy Expansion Grant**

250.5 (a) \$226,000 in fiscal year 2026 and \$220,000  
250.6 in fiscal year 2027 are for the disability  
250.7 services technology and advocacy expansion  
250.8 grant under Minnesota Statutes, section  
250.9 256.4768. The general fund base for this  
250.10 purpose is \$220,000 in fiscal year 2028,  
250.11 \$220,000 in fiscal year 2029, \$220,000 in  
250.12 fiscal year 2030, and \$0 in fiscal year 2031.

250.13 (b) This subdivision expires June 30, 2030.

250.14 **Subd. 7. Disability Inclusion Pilot Project**

250.15 (a) \$1,000,000 in fiscal year 2026 is for a  
250.16 payment to Lifeworks Services, Inc., for a  
250.17 statewide disability inclusion pilot project.  
250.18 This is a onetime appropriation.

250.19 (b) The pilot project must:

250.20 (1) persuade employers to diversify their  
250.21 workforces by hiring people with disabilities;

250.22 (2) educate businesses on the economic  
250.23 benefits of inclusive employment and provide  
250.24 coaching on affordable accommodations;

250.25 (3) educate Minnesotans with disabilities and  
250.26 their families on navigating services and  
250.27 achieving inclusion in both work and  
250.28 community settings;

250.29 (4) build capacity and support for culturally  
250.30 specific services by rural, Black, Indigenous,  
250.31 or People of Color entrepreneurs;

250.32 (5) pilot community-requested support  
250.33 services;

- 251.1 (6) invest in safe community-focused spaces  
251.2 to host trainings and requested support  
251.3 services; and
- 251.4 (7) launch a statewide disability inclusion  
251.5 assessment for businesses and community  
251.6 spaces to improve accessibility and inclusion.
- 251.7 (c) The pilot project must reach all six  
251.8 Minnesota planning areas to ensure equal  
251.9 access to the pilot project activities in rural  
251.10 and Tribal regions.
- 251.11 Subd. 8. **Family Residential Service Provider**  
251.12 **Grants**
- 251.13 \$500,000 in fiscal year 2026 and \$500,000 in  
251.14 fiscal year 2027 are for grants to providers of  
251.15 family residential services reimbursed under  
251.16 Minnesota Statutes, section 256B.4914, who  
251.17 demonstrate in a form and manner determined  
251.18 by the commissioner of human services that  
251.19 the total net income of the family residential  
251.20 service provider is not generating sufficient  
251.21 revenue to cover the operating expenses of the  
251.22 provider incurred on or after January 1, 2026,  
251.23 and the family foster care setting is financially  
251.24 distressed and at risk of closure. This is a  
251.25 onetime appropriation and is available until  
251.26 June 30, 2029.
- 251.27 Subd. 9. **Minnesota Ethnic Providers Network**
- 251.28 (a) \$239,000 in fiscal year 2026 is for a grant  
251.29 to the Minnesota Ethnic Providers Network  
251.30 to:
- 251.31 (1) develop curriculum for a pretraining  
251.32 program tailored to the educational needs of  
251.33 potential direct support professionals;

252.1 (2) provide workforce readiness training for  
252.2 individuals entering the field of direct care  
252.3 and support services;

252.4 (3) expand recruitment efforts to increase  
252.5 direct support professional workforce capacity,  
252.6 particularly among diverse and  
252.7 underrepresented communities; and

252.8 (4) collaborate with community-based  
252.9 organizations, educational institutions, and  
252.10 providers to support the long-term  
252.11 development of the direct support  
252.12 professionals workforce.

252.13 (b) This is a onetime appropriation.

252.14 Subd. 10. **Maangaar Voices**

252.15 \$200,000 in fiscal year 2026 is for a grant to  
252.16 Maangaar Voices to conduct education  
252.17 activities and trainings for Minnesota families  
252.18 related to county services and educational  
252.19 services available for individuals with autism  
252.20 and to conduct family support group  
252.21 workshops. This is a onetime appropriation  
252.22 and is available until June 30, 2027.

252.23 Subd. 11. **Technology for Home Grants**

252.24 \$300,000 in fiscal year 2026 and \$300,000 in  
252.25 fiscal year 2027 are for technology for home  
252.26 grants under Minnesota Statutes, section  
252.27 256.4773.

252.28 Subd. 12. **Self-Advocacy Grants for Persons with**  
252.29 **Intellectual and Developmental Disabilities**

252.30 \$381,000 in fiscal year 2026 and \$381,000 in  
252.31 fiscal year 2027 are for self-advocacy grants  
252.32 under Minnesota Statutes, section 256.477.

252.33 Of these amounts:

253.1 (1) \$133,000 in fiscal year 2026 and \$133,000  
253.2 in fiscal year 2027 are for the activities under  
253.3 Minnesota Statutes, section 256.477,  
253.4 subdivision 1, paragraph (a), and for  
253.5 administrative costs associated with those  
253.6 activities incurred by the grantee;

253.7 (2) \$218,000 in fiscal year 2026 and \$218,000  
253.8 in fiscal year 2027 are for the activities under  
253.9 Minnesota Statutes, section 256.477,  
253.10 subdivision 1, paragraph (a), clauses (5) to (7),  
253.11 and for administrative costs associated with  
253.12 those activities incurred by the grantee; and

253.13 (3) \$105,000 in fiscal year 2026 and \$105,000  
253.14 in fiscal year 2027 are for the activities under  
253.15 Minnesota Statutes, section 256.477,  
253.16 subdivision 2.

253.17 Subd. 13. **Case Management Training Grants**

253.18 \$45,000 in fiscal year 2026 and \$45,000 in  
253.19 fiscal year 2027 are for grants to provide case  
253.20 management training to organizations and  
253.21 employers to support the state's disability  
253.22 employment supports system.

253.23 Subd. 14. **Family Support Program**

253.24 \$9,423,000 in fiscal year 2026 and \$9,096,000  
253.25 in fiscal year 2027 are for support grants under  
253.26 Minnesota Statutes, section 252.32.

253.27 Subd. 15. **Disability Hub for Families Grants**

253.28 \$200,000 in fiscal year 2026 and \$200,000 in  
253.29 fiscal year 2027 are for grants under Laws  
253.30 2019, First Special Session chapter 9, article  
253.31 14, section 2, subdivision 29, paragraph (e),  
253.32 to connect families through innovation grants,  
253.33 life planning tools, and website information

254.1 as they support a child or family member with  
254.2 disabilities.

254.3 **Subd. 16. Disability Hub**

254.4 \$1,716,000 in fiscal year 2026 and \$2,041,000  
254.5 in fiscal year 2027 are for the Disability Hub  
254.6 under Minnesota Statutes, section 256.01,  
254.7 subdivision 24.

254.8 **Subd. 17. Minnesota Aging and Disability**  
254.9 **Resource Center**

254.10 \$900,000 in fiscal year 2026 and \$900,000 in  
254.11 fiscal year 2027 are for grants under  
254.12 Minnesota Statutes, section 256.01,  
254.13 subdivision 2, paragraph (z), to support the  
254.14 Minnesota Aging and Disability Resource  
254.15 Center.

254.16 **Subd. 18. Day Training and Habilitation Facility**  
254.17 **Grants**

254.18 \$811,000 in fiscal year 2026 and \$811,000 in  
254.19 fiscal year 2027 are for grant allocations to  
254.20 counties for day training and habilitation  
254.21 services for adults with developmental  
254.22 disabilities when provided as a social service  
254.23 under Minnesota Statutes, sections 252.41 to  
254.24 252.46.

254.25 **Subd. 19. Employment and Technical Assistance**  
254.26 **Center Grants**

254.27 \$450,000 in fiscal year 2026 and \$1,800,000  
254.28 in fiscal year 2027 are for employment and  
254.29 technical assistance grants to assist  
254.30 organizations and employers in promoting a  
254.31 more inclusive workplace for people with  
254.32 disabilities.

255.1 Subd. 20. **Grant to Family Voices in Minnesota**

255.2 \$75,000 in fiscal year 2026 and \$75,000 in  
255.3 fiscal year 2027 are for a grant to Family  
255.4 Voices in Minnesota under Minnesota  
255.5 Statutes, section 256.4776.

255.6 Subd. 21. **Intractable Epilepsy Demonstration**  
255.7 **Project**

255.8 \$344,000 in fiscal year 2026 and \$344,000 in  
255.9 fiscal year 2027 are for the demonstration  
255.10 project established under Laws 1988, chapter  
255.11 689, article 2, section 251, and a grant to a  
255.12 nonresidential program that provides medical  
255.13 monitoring and living skills training programs  
255.14 for persons with intractable epilepsy who need  
255.15 assistance in the transition to independent  
255.16 living. The grant awarded under this section  
255.17 must be used for salaries, administration,  
255.18 transportation, and other program costs.

255.19 Subd. 22. **Lead Agency Capacity-Building**  
255.20 **Grants**

255.21 \$2,413,000 in fiscal year 2026 and \$2,411,000  
255.22 in fiscal year 2027 are for grants to assist  
255.23 organizations, counties, and Tribes to build  
255.24 capacity for employment opportunities for  
255.25 people with disabilities.

255.26 Subd. 23. **Minnesota Inclusion Initiative Grants**

255.27 \$150,000 in fiscal year 2026 and \$150,000 in  
255.28 fiscal year 2027 are from the general fund for  
255.29 grants under Minnesota Statutes, section  
255.30 256.4772.

255.31 Subd. 24. **MnCHOICES Modifications**

255.32 \$450,000 in fiscal year 2026 and \$125,000 in  
255.33 fiscal year 2027 are for enhancements to the  
255.34 MnCHOICES assessment tool to provide

256.1 real-time employment information,  
256.2 communication, and resources, supporting  
256.3 individuals and professionals in improving  
256.4 education, engagement, and access to  
256.5 employment opportunities.

256.6 **Subd. 25. Parent-to-Parent USA Peer Support**

256.7 \$125,000 in fiscal year 2026 and \$125,000 in  
256.8 fiscal year 2027 are for a grant to an alliance  
256.9 member of Parent-to-Parent USA under  
256.10 Minnesota Statutes, section 256.4776.

256.11 **Subd. 26. Preadmission Screening and Resident**  
256.12 **Reviews for Persons with Mental Illness or**  
256.13 **Developmental Disabilities**

256.14 \$20,000 in fiscal year 2026 and \$20,000 in  
256.15 fiscal year 2027 are for reimbursement to  
256.16 counties for costs associated with completing  
256.17 federally required preadmission screening and  
256.18 resident reviews of nursing home applicants  
256.19 or residents with a probable mental illness or  
256.20 a developmental disability.

256.21 **Subd. 27. Regional Support for Person-Centered**  
256.22 **Practices Grants**

256.23 \$710,000 in fiscal year 2026 and \$710,000 in  
256.24 fiscal year 2027 are for grants to regional  
256.25 cohorts to extend and expand regional capacity  
256.26 for person-centered planning through training,  
256.27 coaching, and mentoring for person-centered  
256.28 and collaborative safety practices benefiting  
256.29 people with disabilities and employees,  
256.30 organizations, and communities serving people  
256.31 with disabilities.

256.32 **Subd. 28. Region 10 Grants**

256.33 \$100,000 in fiscal year 2026 and \$100,000 in  
256.34 fiscal year 2027 are for a grant provided under  
256.35 Minnesota Statutes, section 256B.097.

257.1 Subd. 29. **Semi-Independent Living Services**  
257.2 **Grants**

257.3 \$7,229,000 in fiscal year 2026 and \$7,229,000  
257.4 in fiscal year 2027 are for semi-independent  
257.5 living services grants under Minnesota  
257.6 Statutes, section 252.275.

257.7 Subd. 30. **Case Management Supportive Services**  
257.8 **for People Living with HIV/AIDS**

257.9 \$1,156,000 in fiscal year 2026 and \$1,156,000  
257.10 in fiscal year 2027 are for grants to  
257.11 community-based HIV/AIDS supportive  
257.12 services providers as defined in Minnesota  
257.13 Statutes, section 256.01, subdivision 19.

257.14 Subd. 31. **Health Care Coverage for People**  
257.15 **Living with HIV/AIDS**

257.16 \$1,064,000 in fiscal year 2026 and \$1,064,000  
257.17 in fiscal year 2027 are for payment of allowed  
257.18 health care costs under Minnesota Statutes,  
257.19 section 256.9365.

257.20 Subd. 32. **State Quality Council**

257.21 \$600,000 in fiscal year 2026 and \$600,000 in  
257.22 fiscal year 2027 are for the State Quality  
257.23 Council under Minnesota Statutes, section  
257.24 256B.097, to provide technical assistance and  
257.25 monitoring of person-centered outcomes  
257.26 related to inclusive community living and  
257.27 employment. The funding must be used by the  
257.28 State Quality Council to execute a statewide  
257.29 plan for a systems change in person-centered  
257.30 planning that will achieve desired outcomes,  
257.31 including increased integrated employment  
257.32 and community living.

258.1 Subd. 33. **Technology for Home Grants**

258.2 \$622,000 in fiscal year 2026 and \$622,000 in  
258.3 fiscal year 2027 are for technology for home  
258.4 grants under Minnesota Statutes, section  
258.5 256.4773.

258.6 Subd. 34. **Transition to Community Initiative**

258.7 \$1,811,000 in fiscal year 2026 and \$1,811,000  
258.8 in fiscal year 2027 are for the transition to  
258.9 community initiative under Minnesota  
258.10 Statutes, section 256.478.

258.11 Subd. 35. **Self-Directed Bargaining Agreement;**  
258.12 **Training Stipends; Allocation Correction**

258.13 \$87,000 in fiscal year 2026 and \$87,000 in  
258.14 fiscal year 2027 are to correct a funding  
258.15 allocation mistake for stipends for collective  
258.16 bargaining unit members initially appropriated  
258.17 under Laws 2017, First Special Session  
258.18 chapter 6, article 18, section 2, subdivision 15,  
258.19 paragraph (b), clause (2).

258.20 Subd. 36. **Base Level Adjustments**

258.21 The general fund base for this section is  
258.22 \$28,293,000 in fiscal year 2028 and  
258.23 \$28,293,000 in fiscal year 2029.

258.24 Sec. 17. **GRANT PROGRAMS; ADULT**  
258.25 **MENTAL HEALTH GRANTS**

\$

650,000 \$-0-

258.26 Subdivision 1. **Isuroon Sexual and Domestic**  
258.27 **Violence Program**

258.28 \$450,000 in fiscal year 2026 is for a grant to  
258.29 Isuroon for its sexual and domestic violence  
258.30 program that provides essential culturally and  
258.31 linguistically specific and trauma-informed  
258.32 services to immigrant, refugee, and ethnic  
258.33 women and their families in Minnesota who  
258.34 are survivors of sexual and domestic violence.

259.1 Eligible uses of grant money under this  
259.2 subdivision include maintaining a 24-hour  
259.3 crisis line for immediate support and referral,  
259.4 rental assistance to ensure safe and stable  
259.5 housing, legal support and advocacy to assist  
259.6 with legal proceedings, and home visiting  
259.7 services to provide in-home support and  
259.8 counseling. This is a onetime appropriation  
259.9 and is available until June 30, 2027.

259.10 **Subd. 2. Somali Youth Development Network**

259.11 \$200,000 in fiscal year 2026 is for a grant to  
259.12 The Somali Youth Development Network to  
259.13 further its mission to provide accessible,  
259.14 high-quality services such as counseling and  
259.15 therapy, mentorship, educational support, skill  
259.16 development, and community engagement  
259.17 initiatives to at-risk youth and families  
259.18 affected by trauma, with a specific focus on  
259.19 gun violence prevention. The grant money  
259.20 must be used to enhance and expand The  
259.21 Somali Youth Development Network's  
259.22 existing services and to invest in critical  
259.23 resources such as staff training, counseling  
259.24 facilities, mentorship programs, educational  
259.25 materials, community outreach initiatives, and  
259.26 comprehensive support programs. This is a  
259.27 onetime appropriation and is available until  
259.28 June 30, 2027.

|        |                                                 |                  |                         |                                          |
|--------|-------------------------------------------------|------------------|-------------------------|------------------------------------------|
| 259.29 | <b><u>Sec. 18. GRANT PROGRAMS; CHEMICAL</u></b> |                  |                         |                                          |
| 259.30 | <b><u>DEPENDENCY TREATMENT SUPPORT</u></b>      |                  |                         |                                          |
| 259.31 | <b><u>GRANTS</u></b>                            | <b><u>\$</u></b> | <b><u>5,526,000</u></b> | <b><u>\$</u></b> <b><u>4,825,000</u></b> |

259.32 **Subdivision 1. Appropriations by Fund**

|        |                               |             |             |
|--------|-------------------------------|-------------|-------------|
| 259.33 | <u>Appropriations by Fund</u> |             |             |
| 259.34 |                               | <u>2026</u> | <u>2027</u> |

|       |                      |                  |                  |
|-------|----------------------|------------------|------------------|
| 260.1 | <u>General</u>       | <u>3,793,000</u> | <u>3,092,000</u> |
| 260.2 | <u>Lottery Prize</u> | <u>1,733,000</u> | <u>1,733,000</u> |

260.3 Subd. 2. **Problem Gambling**

260.4 \$225,000 in fiscal year 2026 and \$225,000 in

260.5 fiscal year 2027 are from the lottery prize fund

260.6 for a grant to a state affiliate recognized by

260.7 the National Council on Problem Gambling.

260.8 The affiliate must provide services to increase

260.9 public awareness of problem gambling,

260.10 education, training for individuals and

260.11 organizations that provide effective treatment

260.12 services to problem gamblers and their

260.13 families, and research related to problem

260.14 gambling.

260.15 Subd. 3. **Generation Hope**

260.16 (a) \$500,000 in fiscal year 2026 is from the

260.17 general fund for a grant to Generation Hope.

260.18 Money must be used to enhance culturally

260.19 specific peer recovery and outreach programs,

260.20 including:

260.21 (1) expanding culturally relevant peer recovery

260.22 support services to meet the diverse needs of

260.23 individuals in recovery;

260.24 (2) conducting targeted outreach to

260.25 underserved communities to increase access

260.26 to recovery resources;

260.27 (3) providing training and professional

260.28 development for peer recovery specialists to

260.29 ensure culturally informed care; and

260.30 (4) partnering with community-based

260.31 organizations to strengthen connections and

260.32 provide wraparound support services for

260.33 participants.

261.1 (b) This is a onetime appropriation.

261.2 Subd. 4. **Restoration for All, Inc.**

261.3 \$435,000 in fiscal year 2026 and \$434,000 in

261.4 fiscal year 2027 are from the general fund for

261.5 a grant to Restoration for All, Inc. Grant

261.6 money must be used for activities designed to

261.7 enhance culturally relevant services and

261.8 resources for Minnesota's African immigrant

261.9 refugee community related to mental health,

261.10 substance use disorder, and suicide prevention.

261.11 Grant money may also be used to address the

261.12 physical and mental wellness needs of the

261.13 elderly and mental health support and suicide

261.14 prevention for underrepresented students in

261.15 higher education. This is a onetime

261.16 appropriation and is available until June 30,

261.17 2027.

261.18 Subd. 5. **Change the Outcome Ongoing Funding**

261.19 \$425,000 in fiscal year 2026 and \$425,000 in

261.20 fiscal year 2027 are from the general fund for

261.21 a grant to Change the Outcome to provide:

261.22 (1) data-centered learning opportunities on the

261.23 dangers of opioid use in middle and high

261.24 schools and communities in Minnesota;

261.25 (2) instruction on prevention strategies,

261.26 assessing personal risk, and how to recognize

261.27 overdose;

261.28 (3) information on emerging drug trends,

261.29 including but not limited to fentanyl, xylazine,

261.30 and pressed pills; and

261.31 (4) access to resources, including support for

261.32 those struggling with substance use disorders.

262.1 **Subd. 6. Twin Cities Recovery Project**

262.2 \$50,000 in fiscal year 2026 and \$50,000 in  
262.3 fiscal year 2027 are from the general fund for  
262.4 a grant to Twin Cities Recovery Project, a  
262.5 recovery community organization. Grant  
262.6 money must be used to:

262.7 (1) provide geographically or culturally  
262.8 specific peer recovery services and education  
262.9 aimed at addressing disparities in  
262.10 posttreatment substance use disorder and  
262.11 mental health support; and  
262.12 (2) expand access to posttreatment recovery  
262.13 support for high-need populations.

262.14 **Subd. 7. Niyyah Recovery Initiative**

262.15 \$200,000 in fiscal year 2026 is from the  
262.16 general fund for a grant to Niyyah Recovery  
262.17 Initiative to fund support program costs,  
262.18 community engagement, staffing, and targeted  
262.19 high-impact outreach to expand recovery  
262.20 services and provide critical support to  
262.21 individuals affected by substance use. This is  
262.22 a onetime appropriation and is available until  
262.23 June 30, 2027.

262.24 **Subd. 8. Wellness in the Woods**

262.25 \$300,000 in fiscal year 2026 and \$300,000 in  
262.26 fiscal year 2027 are from the general fund for  
262.27 a grant to Wellness in the Woods for daily  
262.28 peer support and special sessions for  
262.29 individuals who are in substance use recovery,  
262.30 are transitioning out of incarceration, or have  
262.31 experienced trauma.

263.1    Subd. 9. **American Indian Programs**

263.2    \$1,397,000 in fiscal year 2026 and \$1,397,000

263.3    in fiscal year 2027 are from the general fund

263.4    for the American Indian programs under

263.5    Minnesota Statutes, section 254A.03,

263.6    subdivision 2.

263.7    Subd. 10. **Methamphetamine Treatment Grant**

263.8    \$125,000 in fiscal year 2026 and \$125,000 in

263.9    fiscal year 2027 are from the general fund for

263.10    a grant to a nonprofit organization to treat

263.11    methamphetamine abuse and the abuse of

263.12    other substances. The focus audience is

263.13    women with dependent children identified as

263.14    substance abusers, especially those whose

263.15    most-used controlled substance is

263.16    methamphetamine.

263.17    Subd. 11. **Base Level Adjustment**

263.18    The general fund base for this section is

263.19    \$2,658,000 in fiscal year 2028 and \$2,658,000

263.20    in fiscal year 2029.

263.21       Sec. 19. Laws 2023, chapter 61, article 9, section 2, subdivision 13, is amended to read:

|        |                                                  |             |           |
|--------|--------------------------------------------------|-------------|-----------|
| 263.22 | Subd. 13. <b>Grant Programs; Other Long-Term</b> |             |           |
| 263.23 | <b>Care Grants</b>                               | 152,387,000 | 1,925,000 |

263.24    **(a) Provider Capacity Grant for Rural and**

263.25    **Underserved Communities.** \$17,148,000 in

263.26    fiscal year 2024 is for provider capacity grants

263.27    for rural and underserved communities.

263.28    Notwithstanding Minnesota Statutes, section

263.29    16A.28, this appropriation is available until

263.30    June 30, 2027. This is a onetime appropriation.

263.31    **(b) New American Legal, Social Services,**

263.32    **and Long-Term Care Grant Program.**

263.33    \$28,316,000 in fiscal year 2024 is for

264.1 long-term care workforce grants for new  
264.2 Americans. Notwithstanding Minnesota  
264.3 Statutes, section 16A.28, this appropriation is  
264.4 available until June 30, 2027. This is a onetime  
264.5 appropriation.

264.6 **(c) Supported Decision Making Programs.**  
264.7 \$4,000,000 in fiscal year 2024 is for supported  
264.8 decision making grants. This is a onetime  
264.9 appropriation and is available until June 30,  
264.10 ~~2025~~ 2026.

264.11 **(d) Direct Support Professionals**  
264.12 **Employee-Owned Cooperative Program.**  
264.13 \$350,000 in fiscal year 2024 is for a grant to  
264.14 the Metropolitan Consortium of Community  
264.15 Developers for the Direct Support  
264.16 Professionals Employee-Owned Cooperative  
264.17 program. The grantee must use the grant  
264.18 amount for outreach and engagement,  
264.19 managing a screening and selection process,  
264.20 providing one-on-one technical assistance,  
264.21 developing and providing training curricula  
264.22 related to cooperative development and home  
264.23 and community-based waiver services,  
264.24 administration, reporting, and program  
264.25 evaluation. This is a onetime appropriation  
264.26 and is available until June 30, 2025.

264.27 **(e) Long-Term Services and Supports**  
264.28 **Workforce Incentive Grants.** \$83,560,000  
264.29 in fiscal year 2024 is for long-term services  
264.30 and supports workforce incentive grants  
264.31 administered according to Minnesota Statutes,  
264.32 section 256.4764. Notwithstanding Minnesota  
264.33 Statutes, section 16A.28, this appropriation is  
264.34 available until June 30, 2029. This is a onetime  
264.35 appropriation.

265.1 (f) **Base Level Adjustment.** The general fund  
265.2 base is \$3,949,000 in fiscal year 2026 and  
265.3 \$3,949,000 in fiscal year 2027. Of these  
265.4 amounts, \$2,024,000 in fiscal year 2026 and  
265.5 \$2,024,000 in fiscal year 2027 are for PCA  
265.6 background study grants.

265.7 Sec. 20. Laws 2023, chapter 61, article 9, section 2, subdivision 16, as amended by Laws  
265.8 2023, chapter 70, article 15, section 8, and Laws 2024, chapter 127, article 53, section 14,  
265.9 is amended to read:

|        |                                                      |             |            |
|--------|------------------------------------------------------|-------------|------------|
| 265.10 | Subd. 16. <b>Grant Programs; Disabilities Grants</b> | 113,684,000 | 30,377,000 |
|--------|------------------------------------------------------|-------------|------------|

265.11 (a) **Temporary Grants for Small**  
265.12 **Customized Living Providers.** \$5,450,000  
265.13 in fiscal year 2024 is for grants to assist small  
265.14 customized living providers to transition to  
265.15 community residential services licensure or  
265.16 integrated community supports licensure.  
265.17 Notwithstanding Minnesota Statutes, section  
265.18 16A.28, this appropriation is available until  
265.19 June 30, 2027. This is a onetime appropriation.

265.20 (b) **Lead Agency Capacity Building Grants.**  
265.21 \$444,000 in fiscal year 2024 and \$2,396,000  
265.22 in fiscal year 2025 are for grants to assist  
265.23 organizations, counties, and Tribes to build  
265.24 capacity for employment opportunities for  
265.25 people with disabilities. The base for this  
265.26 appropriation is \$2,413,000 in fiscal year 2026  
265.27 and \$2,411,000 in fiscal year 2027.

265.28 (c) **Employment and Technical Assistance**  
265.29 **Center Grants.** \$450,000 in fiscal year 2024  
265.30 and \$1,800,000 in fiscal year 2025 are for  
265.31 employment and technical assistance grants  
265.32 to assist organizations and employers in  
265.33 promoting a more inclusive workplace for  
265.34 people with disabilities.

266.1 **(d) Case Management Training Grants.**

266.2 \$37,000 in fiscal year 2024 and \$123,000 in  
266.3 fiscal year 2025 are for grants to provide case  
266.4 management training to organizations and  
266.5 employers to support the state's disability  
266.6 employment supports system. The base for  
266.7 this appropriation is \$45,000 in fiscal year  
266.8 2026 and \$45,000 in fiscal year 2027.

266.9 **(e) Self-Directed Bargaining Agreement;**

266.10 **Electronic Visit Verification Stipends.**

266.11 \$6,095,000 in fiscal year 2024 is for onetime  
266.12 stipends of \$200 to bargaining members to  
266.13 offset the potential costs related to people  
266.14 using individual devices to access the  
266.15 electronic visit verification system. Of this  
266.16 amount, \$5,600,000 is for stipends and  
266.17 \$495,000 is for administration. This is a  
266.18 onetime appropriation and is available until  
266.19 June 30, 2025.

266.20 **(f) Self-Directed Collective Bargaining**

266.21 **Agreement; Temporary Rate Increase**

266.22 **Memorandum of Understanding. \$1,600,000**

266.23 in fiscal year 2024 is for onetime stipends for  
266.24 individual providers covered by the SEIU  
266.25 collective bargaining agreement based on the  
266.26 memorandum of understanding related to the  
266.27 temporary rate increase in effect between  
266.28 December 1, 2020, and February 7, 2021. Of  
266.29 this amount, \$1,400,000 of the appropriation  
266.30 is for stipends and \$200,000 is for  
266.31 administration. This is a onetime  
266.32 appropriation.

266.33 **(g) Self-Directed Collective Bargaining**

266.34 **Agreement; Retention Bonuses. \$50,750,000**

266.35 in fiscal year 2024 is for onetime retention

267.1 bonuses covered by the SEIU collective  
267.2 bargaining agreement. Of this amount,  
267.3 \$50,000,000 is for retention bonuses and  
267.4 \$750,000 is for administration of the bonuses.  
267.5 This is a onetime appropriation and is  
267.6 available until June 30, 2025.

267.7 **(h) Self-Directed Bargaining Agreement;**  
267.8 **Training Stipends.** \$2,100,000 in fiscal year  
267.9 2024 and \$100,000 in fiscal year 2025 are for  
267.10 onetime stipends of \$500 for collective  
267.11 bargaining unit members who complete  
267.12 designated, voluntary trainings made available  
267.13 through or recommended by the State Provider  
267.14 Cooperation Committee. Of this amount,  
267.15 \$2,000,000 in fiscal year 2024 is for stipends,  
267.16 and \$100,000 in fiscal year 2024 and \$100,000  
267.17 in fiscal year 2025 are for administration. This  
267.18 is a onetime appropriation.

267.19 **(i) Self-Directed Bargaining Agreement;**  
267.20 **Orientation Program.** \$2,000,000 in fiscal  
267.21 year 2024 and \$2,000,000 in fiscal year 2025  
267.22 are for onetime \$100 payments to collective  
267.23 bargaining unit members who complete  
267.24 voluntary orientation requirements. Of this  
267.25 amount, \$1,500,000 in fiscal year 2024 and  
267.26 \$1,500,000 in fiscal year 2025 are for the  
267.27 onetime \$100 payments, and \$500,000 in  
267.28 fiscal year 2024 and \$500,000 in fiscal year  
267.29 2025 are for orientation-related costs. This is  
267.30 a onetime appropriation.

267.31 **(j) Self-Directed Bargaining Agreement;**  
267.32 **Home Care Orientation Trust.** \$1,000,000  
267.33 in fiscal year 2024 is for the Home Care  
267.34 Orientation Trust under Minnesota Statutes,  
267.35 section 179A.54, subdivision 11. The

268.1 commissioner shall disburse the appropriation  
268.2 to the board of trustees of the Home Care  
268.3 Orientation Trust for deposit into an account  
268.4 designated by the board of trustees outside the  
268.5 state treasury and state's accounting system.

268.6 This is a onetime appropriation and is  
268.7 available until June 30, 2025.

268.8 **(k) HIV/AIDS Supportive Services.**

268.9 \$12,100,000 in fiscal year 2024 is for grants  
268.10 to community-based HIV/AIDS supportive  
268.11 services providers as defined in Minnesota  
268.12 Statutes, section 256.01, subdivision 19, and  
268.13 for payment of allowed health care costs as  
268.14 defined in Minnesota Statutes, section  
268.15 256.9365. This is a onetime appropriation and  
268.16 is available until June 30, 2025.

268.17 **(l) Motion Analysis Advancements Clinical**  
268.18 **Study and Patient Care.** \$400,000 ~~is in~~ fiscal  
268.19 year 2024 is for a grant to the Mayo Clinic  
268.20 Motion Analysis Laboratory and Limb Lab  
268.21 for continued research in motion analysis  
268.22 advancements and patient care. This is a  
268.23 onetime appropriation and is available through  
268.24 June 30, ~~2025~~ 2027.

268.25 **(m) Grant to Family Voices in Minnesota.**

268.26 \$75,000 in fiscal year 2024 and \$75,000 in  
268.27 fiscal year 2025 are for a grant to Family  
268.28 Voices in Minnesota under Minnesota  
268.29 Statutes, section 256.4776.

268.30 **(n) Parent-to-Parent Programs.**

268.31 **(1)** \$550,000 in fiscal year 2024 and \$550,000  
268.32 in fiscal year 2025 are for grants to  
268.33 organizations that provide services to  
268.34 underserved communities with a high

269.1 prevalence of autism spectrum disorder. This  
269.2 is a onetime appropriation and is available  
269.3 until June 30, 2025.

269.4 (2) The commissioner shall give priority to  
269.5 organizations that provide culturally specific  
269.6 and culturally responsive services.

269.7 (3) Eligible organizations must:

269.8 (i) conduct outreach and provide support to  
269.9 newly identified parents or guardians of a child  
269.10 with special health care needs;

269.11 (ii) provide training to educate parents and  
269.12 guardians in ways to support their child and  
269.13 navigate the health, education, and human  
269.14 services systems;

269.15 (iii) facilitate ongoing peer support for parents  
269.16 and guardians from trained volunteer support  
269.17 parents; and

269.18 (iv) communicate regularly with other  
269.19 parent-to-parent programs and national  
269.20 organizations to ensure that best practices are  
269.21 implemented.

269.22 (4) Grant recipients must use grant money for  
269.23 the activities identified in clause (3).

269.24 (5) For purposes of this paragraph, "special  
269.25 health care needs" means disabilities, chronic  
269.26 illnesses or conditions, health-related  
269.27 educational or behavioral problems, or the risk  
269.28 of developing disabilities, illnesses, conditions,  
269.29 or problems.

269.30 (6) Each grant recipient must report to the  
269.31 commissioner of human services annually by  
269.32 January 15 with measurable outcomes from  
269.33 programs and services funded by this

270.1 appropriation the previous year including the  
270.2 number of families served and the number of  
270.3 volunteer support parents trained by the  
270.4 organization's parent-to-parent program.

270.5 **(o) Self-Advocacy Grants for Persons with**  
270.6 **Intellectual and Developmental Disabilities.**

270.7 \$323,000 in fiscal year 2024 and \$323,000 in  
270.8 fiscal year 2025 are for self-advocacy grants  
270.9 under Minnesota Statutes, section 256.477.

270.10 This is a onetime appropriation. Of these  
270.11 amounts, \$218,000 in fiscal year 2024 and  
270.12 \$218,000 in fiscal year 2025 are for the  
270.13 activities under Minnesota Statutes, section  
270.14 256.477, subdivision 1, paragraph (a), clauses  
270.15 (5) to (7), and for administrative costs, and  
270.16 \$105,000 in fiscal year 2024 and \$105,000 in  
270.17 fiscal year 2025 are for the activities under  
270.18 Minnesota Statutes, section 256.477,  
270.19 subdivision 2.

270.20 **(p) Technology for Home Grants.** \$300,000  
270.21 in fiscal year 2024 and \$300,000 in fiscal year  
270.22 2025 are for technology for home grants under  
270.23 Minnesota Statutes, section 256.4773.

270.24 **(q) Community Residential Setting**  
270.25 **Transition.** \$500,000 in fiscal year 2024 is  
270.26 for a grant to Hennepin County to expedite  
270.27 approval of community residential setting  
270.28 licenses subject to the corporate foster care  
270.29 moratorium exception under Minnesota  
270.30 Statutes, section 245A.03, subdivision 7,  
270.31 paragraph (a), clause (5).

270.32 **(r) Base Level Adjustment.** The general fund  
270.33 base is \$27,343,000 in fiscal year 2026 and  
270.34 \$27,016,000 in fiscal year 2027.

271.1      Sec. 21. Laws 2024, chapter 127, article 53, section 2, subdivision 13, is amended to read:

|       |                                                  |     |           |
|-------|--------------------------------------------------|-----|-----------|
| 271.2 | Subd. 13. <b>Grant Programs; Aging and Adult</b> |     |           |
| 271.3 | <b>Services Grants</b>                           | -0- | 4,500,000 |

271.4      **(a) Caregiver Respite Services Grants.**

271.5      \$2,000,000 in fiscal year 2025 is for caregiver

271.6      respite services grants under Minnesota

271.7      Statutes, section 256.9756. This is a onetime

271.8      appropriation. Notwithstanding Minnesota

271.9      Statutes, section 16A.28, subdivision 3, this

271.10     appropriation is available until June 30, 2027.

271.11     **(b) Caregiver Support Programs.**

271.12     \$2,500,000 in fiscal year 2025 is for the

271.13     Minnesota Board on Aging for the purposes

271.14     of the caregiver support programs under

271.15     Minnesota Statutes, section 256.9755.

271.16     Programs receiving funding under this

271.17     paragraph must include an ALS-specific

271.18     respite service in their caregiver support

271.19     program. This is a onetime appropriation.

271.20     Notwithstanding Minnesota Statutes, section

271.21     16A.28, subdivision 3, this appropriation is

271.22     available until June 30, ~~2027~~ 2028.

271.23     Sec. 22. Laws 2024, chapter 127, article 53, section 2, subdivision 15, is amended to read:

|        |                                                      |             |           |
|--------|------------------------------------------------------|-------------|-----------|
| 271.24 | Subd. 15. <b>Grant Programs; Adult Mental Health</b> |             |           |
| 271.25 | <b>Grants</b>                                        | (8,900,000) | 2,364,000 |

271.26     **(a) Locked Intensive Residential Treatment**

271.27     **Services.** \$1,000,000 in fiscal year 2025 is for

271.28     start-up funds to intensive residential treatment

271.29     services providers to provide treatment in

271.30     locked facilities for patients meeting medical

271.31     necessity criteria and who may also be referred

271.32     for competency attainment or a competency

271.33     examination under Minnesota Statutes,

271.34     sections 611.40 to 611.59. This is a onetime

272.1 appropriation. Notwithstanding Minnesota  
272.2 Statutes, section 16A.28, subdivision 3, this  
272.3 appropriation is available until June 30, 2027.

272.4 **(b) Engagement Services Pilot Grants.**

272.5 \$1,500,000 in fiscal year 2025 is for  
272.6 engagement services pilot grants. Of this  
272.7 amount, \$250,000 in fiscal year 2025 is for an  
272.8 engagement services pilot grant to Otter Tail  
272.9 County. This is a onetime appropriation.  
272.10 Notwithstanding Minnesota Statutes, section  
272.11 16A.28, subdivision 3, this appropriation is  
272.12 available until June 30, ~~2026~~ 2028.

272.13 **(c) Mental Health Innovation Grant**

272.14 **Program.** \$1,321,000 in fiscal year 2025 is  
272.15 for the mental health innovation grant program  
272.16 under Minnesota Statutes, section 245.4662.  
272.17 This is a onetime appropriation.  
272.18 Notwithstanding Minnesota Statutes, section  
272.19 16A.28, subdivision 3, this appropriation is  
272.20 available until June 30, 2026.

272.21 **(d) Behavioral Health Services For**

272.22 **Immigrant And Refugee Communities.**

272.23 \$354,000 in fiscal year 2025 is for a payment  
272.24 to African Immigrant Community Services to  
272.25 provide culturally and linguistically  
272.26 appropriate services to new Americans with  
272.27 disabilities, mental health needs, and substance  
272.28 use disorders and to connect such individuals  
272.29 with appropriate alternative service providers  
272.30 to ensure continuity of care. This is a onetime  
272.31 appropriation. Notwithstanding Minnesota  
272.32 Statutes, section 16A.28, subdivision 3, this  
272.33 appropriation is available until June 30, 2027.

272.34 **(e) Base Level Adjustment.** The general fund  
272.35 base is decreased by \$1,811,000 in fiscal year

273.1 2026 and decreased by \$1,811,000 in fiscal  
273.2 year 2027.

273.3 Sec. 23. **TRANSFERS AND GRANT CANCELLATIONS AND ELIMINATIONS.**

273.4 **Subdivision 1. Local planning grant elimination.** The fiscal year 2026 and fiscal year  
273.5 2027 general fund base appropriations for local planning grants for creating alternatives to  
273.6 congregate living for individuals with lower needs first established under Laws 2011, First  
273.7 Special Session chapter 9, article 10, section 3, subdivision 4, paragraph (k), are reduced  
273.8 from \$254,000 to \$0.

273.9 **Subd. 2. Chemical dependency peer specialists grant elimination.** The fiscal year  
273.10 2026 and fiscal year 2027 general fund base appropriations for grants for peer specialists  
273.11 first established under Laws 2016, chapter 189, article 23, section 2, subdivision 4, paragraph  
273.12 (f), are reduced from \$1,364,000 to \$0.

273.13 **Subd. 3. Community residential setting transitional grant cancellation.** Any  
273.14 unencumbered and unexpended amount of the fiscal year 2024 appropriation in Laws 2023,  
273.15 chapter 61, article 9, section 2, subdivision 16, paragraph (a), for grants to assist small  
273.16 customized living providers to transition to community residential services licensure or  
273.17 integrated community supports licensure, estimated to be \$5,450,000, is canceled.

273.18 **Subd. 4. Retention bonus cancellation.** Any unencumbered and unexpended amount  
273.19 of the fiscal year 2024 appropriation in Laws 2023, chapter 61, article 9, section 2,  
273.20 subdivision 16, paragraph (g), for retention bonuses, estimated to be \$27,000,000, is canceled.

273.21 **Subd. 5. Orientation payments cancellation.** Any unencumbered and unexpended  
273.22 amount of the fiscal year 2024 appropriation referenced in Laws 2023, chapter 61, article  
273.23 9, section 2, subdivision 16, paragraph (i), for orientation payments, estimated to be  
273.24 \$1,750,000, is canceled.

273.25 **Subd. 6. Safe recovery site grant cancellation.** Any unencumbered and unexpended  
273.26 amount of the fiscal year 2024 appropriation in Laws 2023, chapter 61, article 9, section 2,  
273.27 subdivision 18, paragraph (b), for grants to establish safe recovery sites, estimated to be  
273.28 \$13,528,000, is canceled.

273.29 **Subd. 7. Harm reduction grant cancellation.** Any unencumbered and unexpended  
273.30 amount of the fiscal year 2024 appropriation in Laws 2023, chapter 61, article 9, section 2,  
273.31 subdivision 18, paragraph (e), for grants to purchase syringes, testing supplies, and opiate  
273.32 antagonists, estimated to be \$7,597,000, is canceled.

274.1 Subd. 8. **Nursing facility payment program cancellation.** Any unencumbered and  
274.2 unexpended amount of the fiscal year 2024 appropriation in Laws 2023, chapter 74, article  
274.3 1, section 6, subdivision 2, for payments to nursing facilities, estimated to be \$1,416,000,  
274.4 is canceled.

274.5 Subd. 9. **Advisory committee for Direct Care and Treatment funding**  
274.6 **cancellation.** Any unencumbered and unexpended amount of the fiscal year 2025  
274.7 appropriation in Laws 2024, chapter 127, article 53, section 2, subdivision 20, paragraph  
274.8 (d), for the Direct Care and Treatment advisory committee, estimated to be \$482,000, is  
274.9 canceled.

274.10 Subd. 10. **Cancellation and transfer of the human services response contingency**  
274.11 **account balance.** (a) The remaining unencumbered balance in the human services response  
274.12 contingency account established under Minnesota Statutes, section 256.044, estimated to  
274.13 be \$2,500,000, is canceled to the special revenue fund.

274.14 (b) An amount equal to the amount canceled under paragraph (a) is transferred from the  
274.15 special revenue fund to the general fund.

274.16 Subd. 11. **Cancellation and transfer of family and medical benefit funding (a)**  
274.17 \$20,000,000 in fiscal year 2026 is canceled from the family and medical benefit account to  
274.18 the family and medical benefit insurance fund.

274.19 (b) An amount equal to the amount canceled under paragraph (a) is transferred from the  
274.20 family and medical benefit insurance fund to the general fund.

274.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

274.22 Sec. 24. **TRANSFERS.**

274.23 Subdivision 1. **Grants.** The commissioner of human services, with the advance approval  
274.24 of the commissioner of management and budget, may transfer unencumbered appropriation  
274.25 balances for the biennium ending June 30, 2027, within fiscal years among general assistance,  
274.26 medical assistance, MinnesotaCare, the Minnesota supplemental aid program, the housing  
274.27 support program, and the entitlement portion of the behavioral health fund between fiscal  
274.28 years of the biennium. The commissioner shall report to the chairs and ranking minority  
274.29 members of the legislative committees with jurisdiction over health and human services  
274.30 quarterly about transfers made under this subdivision.

274.31 Subd. 2. **Administration.** Positions, salary money, and nonsalary administrative money  
274.32 may be transferred within the Department of Human Services as the commissioner deems  
274.33 necessary, with the advance approval of the commissioner of management and budget. The

275.1 commissioner shall report to the chairs and ranking minority members of the legislative  
275.2 committees with jurisdiction over health and human services finance quarterly about transfers  
275.3 made under this subdivision.

275.4      **Sec. 25. GRANT ADMINISTRATION.**

275.5 Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner  
275.6 of human services must not use any of the grant amounts appropriated under this article for  
275.7 administrative costs.

275.8      **Sec. 26. APPROPRIATIONS GIVEN EFFECT ONCE.**

275.9 If an appropriation or transfer in this article is enacted more than once during the 2025  
275.10 regular session, the appropriation or transfer must be given effect once.

275.11 **Sec. 27. EXPIRATION OF UNCODIFIED LANGUAGE.**

275.12 All uncodified language contained in this article expires on June 30, 2027, unless a  
275.13 different expiration date is explicit.

275.14      **Sec. 28. EFFECTIVE DATE.**

275.15 This article is effective July 1, 2025, unless a different effective date is specified.

275.16

275.17 **DIRECT CARE AND TREATMENT APPROPRIATIONS**

275.18 Section 1. **DIRECT CARE AND TREATMENT APPROPRIATIONS.**

275.19       The sums shown in the columns marked "Appropriations" are appropriated to the  
275.20 executive board of direct care and treatment and for the purposes specified in this article.  
275.21 The appropriations are from the general fund, or another named fund, and are available for  
275.22 the fiscal years indicated for each purpose. The figures "2026" and "2027" used in this  
275.23 article mean that the appropriations listed under them are available for the fiscal year ending  
275.24 June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The  
275.25 second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

|        |                                       |
|--------|---------------------------------------|
| 275.26 | <b><u>APPROPRIATIONS</u></b>          |
| 275.27 | <b><u>Available for the Year</u></b>  |
| 275.28 | <b><u>Ending June 30</u></b>          |
| 275.29 | <b>2026                      2027</b> |

275.30 **Sec. 2. EXECUTIVE BOARD OF DIRECT**  
275.31 **CARE AND TREATMENT; TOTAL**  
275.32 **APPROPRIATION**

**\$ 577,884,000 \$ 603,230,000**

276.1 The amounts that may be spent for each

276.2 purpose are specified in the following sections.

276.3 Sec. 3. **MENTAL HEALTH AND SUBSTANCE**  
 276.4 **ABUSE**

\$ 189,761,000 \$ 194,840,000

276.5 Sec. 4. **COMMUNITY-BASED SERVICES**

\$ 13,927,000 \$ 14,170,000

276.6 Sec. 5. **FORENSIC SERVICES**

\$ 160,239,000 \$ 164,094,000

276.7 Sec. 6. **SEX OFFENDER PROGRAM**

\$ 128,050,000 \$ 131,351,000

276.8 Sec. 7. **ADMINISTRATION**

\$ 85,907,000 \$ 98,775,000

276.9 **Locked Psychiatric Residential Treatment**

276.10 **Facility Planning**

276.11 (a) \$100,000 in fiscal year 2026 is for planning

276.12 a build out of a locked psychiatric residential

276.13 treatment facility operated by Direct Care and

276.14 Treatment. This is a onetime appropriation

276.15 and is available until June 30, 2027.

276.16 (b) By March 1, 2026, the executive board

276.17 must report to the chairs and ranking minority

276.18 members of the legislative committees with

276.19 jurisdiction over human services finance and

276.20 policy on the plan developed using the

276.21 appropriation in this section to build out a

276.22 locked psychiatric residential treatment facility

276.23 (PRTF) operated by Direct Care and

276.24 Treatment.

276.25 (c) The report must include but is not limited

276.26 to the following information:

276.27 (1) the risks and benefits of locating the locked

276.28 PRTF in a metropolitan or rural location;

276.29 (2) the estimated cost for the build out of the

276.30 locked PRTF;

276.31 (3) the estimated ongoing cost of maintaining

276.32 the locked PRTF; and

277.1 (4) the estimated amount of costs that can be  
277.2 recouped from medical assistance,  
277.3 MinnesotaCare, and private insurance  
277.4 payments.

277.5 Sec. 8. **TRANSFER AUTHORITY.**

277.6 (a) Money appropriated for budget programs in this article may be transferred between  
277.7 budget programs and between years of the biennium with the approval of the commissioner  
277.8 of management and budget.

277.9 (b) Positions, salary money, and nonsalary administrative money may be transferred  
277.10 within Direct Care and Treatment as the executive board considers necessary, with the  
277.11 advance approval of the commissioner of management and budget. The executive board  
277.12 shall report to the chairs and ranking minority members of the legislative committees with  
277.13 jurisdiction over Direct Care and Treatment quarterly about transfers made under this section.

277.14 (c) Beginning July 1, 2025, and until September 30, 2025, administrative money may  
277.15 be transferred between Direct Care and Treatment and the Department of Human Services  
277.16 as the commissioner and executive board deem necessary, with advance approval of the  
277.17 commissioner of management and budget. The executive board shall report to the chairs  
277.18 and ranking minority members of the legislative committees with jurisdiction over Direct  
277.19 Care and Treatment about transfers made under this section.

277.20 Sec. 9. **APPROPRIATIONS GIVEN EFFECT ONCE.**

277.21 If an appropriation or transfer in this article is enacted more than once during the 2025  
277.22 regular session, the appropriation or transfer must be given effect once.

277.23 Sec. 10. **EXPIRATION OF UNCODIFIED LANGUAGE.**

277.24 All uncodified language contained in this article expires on June 30, 2027, unless a  
277.25 different expiration date is explicit.

277.26 Sec. 11. **EFFECTIVE DATE.**

277.27 This article is effective July 1, 2025, unless a different effective date is specified.

277.28 **ARTICLE 13**

277.29 **HEALTH APPROPRIATIONS**

277.30 Section 1. **HEALTH APPROPRIATIONS.**

278.1        The sums shown in the columns marked "Appropriations" are appropriated to the agencies  
278.2 and for the purposes specified in this article. The appropriations are from the general fund,  
278.3 or another named fund, and are available for the fiscal years indicated for each purpose.  
278.4 The figures "2026" and "2027" used in this article mean that the appropriations listed under  
278.5 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.  
278.6 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"  
278.7 is fiscal years 2026 and 2027.

|        |                                               |                  |                         |                  |                                       |
|--------|-----------------------------------------------|------------------|-------------------------|------------------|---------------------------------------|
| 278.8  |                                               |                  |                         |                  | <b><u>APPROPRIATIONS</u></b>          |
| 278.9  |                                               |                  |                         |                  | <b><u>Available for the Year</u></b>  |
| 278.10 |                                               |                  |                         |                  | <b><u>Ending June 30</u></b>          |
| 278.11 |                                               |                  |                         |                  | <b><u>2026</u></b> <b><u>2027</u></b> |
| 278.12 | Sec. 2. <b><u>COMMISSIONER OF HEALTH;</u></b> |                  |                         |                  |                                       |
| 278.13 | <b><u>TOTAL APPROPRIATION</u></b>             | <b><u>\$</u></b> | <b><u>2,431,000</u></b> | <b><u>\$</u></b> | <b><u>2,339,000</u></b>               |

278.14 The amounts that may be spent for each  
278.15 purpose are specified in the following sections.

|        |                                                        |                  |                         |                  |                         |
|--------|--------------------------------------------------------|------------------|-------------------------|------------------|-------------------------|
| 278.16 | Sec. 3. <b><u>HEALTH IMPROVEMENT</u></b>               | <b><u>\$</u></b> | <b><u>2,336,000</u></b> | <b><u>\$</u></b> | <b><u>2,336,000</u></b> |
| 278.17 | <b><u>Community Care Hub Grant</u></b>                 |                  |                         |                  |                         |
| 278.18 | <u>\$2,240,000 in fiscal year 2026 and \$2,240,000</u> |                  |                         |                  |                         |
| 278.19 | <u>in fiscal year 2027 are for the community care</u>  |                  |                         |                  |                         |
| 278.20 | <u>hub grant.</u>                                      |                  |                         |                  |                         |

|        |                                             |                  |                      |                  |                     |
|--------|---------------------------------------------|------------------|----------------------|------------------|---------------------|
| 278.21 | Sec. 4. <b><u>HEALTH PROTECTION</u></b>     | <b><u>\$</u></b> | <b><u>95,000</u></b> | <b><u>\$</u></b> | <b><u>3,000</u></b> |
| 278.22 | <u>This appropriation is from the state</u> |                  |                      |                  |                     |
| 278.23 | <u>government special revenue fund.</u>     |                  |                      |                  |                     |

278.24        Sec. 5. **GRANT ADMINISTRATION.**

278.25        Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner  
278.26 of health must not use any of the grant amounts appropriated under this article for  
278.27 administrative costs.

278.28        Sec. 6. **APPROPRIATIONS GIVEN EFFECT ONCE.**

278.29        If an appropriation or transfer in this article is enacted more than once during the 2025  
278.30 regular session, the appropriation or transfer must be given effect once.

279.1     Sec. 7. EXPIRATION OF UNCODIFIED LANGUAGE.

279.2         All uncodified language contained in this article expires on June 30, 2027, unless a  
279.3 different expiration date is explicit.

279.4     Sec. 8. EFFECTIVE DATE.

279.5         This article is effective July 1, 2025, unless a different effective date is specified.

279.6                             **ARTICLE 14**  
279.7                             **OTHER AGENCY APPROPRIATIONS**

279.8     Section 1. OTHER AGENCY APPROPRIATIONS.

279.9         The sums shown in the columns marked "Appropriations" are appropriated to the agencies  
279.10 and for the purposes specified in this article. The appropriations are from the general fund,  
279.11 or another named fund, and are available for the fiscal years indicated for each purpose.  
279.12 The figures "2026" and "2027" used in this article mean that the appropriations listed under  
279.13 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.  
279.14 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"  
279.15 is fiscal years 2026 and 2027.

|        |                                                      | <u>APPROPRIATIONS</u>         |                     |
|--------|------------------------------------------------------|-------------------------------|---------------------|
|        |                                                      | <u>Available for the Year</u> |                     |
|        |                                                      | <u>Ending June 30</u>         |                     |
|        |                                                      | <u>2026</u>                   | <u>2027</u>         |
| 279.20 | Sec. 2. <u>COUNCIL ON DISABILITY</u>                 | <u>\$ 2,432,000</u>           | <u>\$ 2,457,000</u> |
| 279.21 | <u>Legislative Task Force On Guardianship</u>        |                               |                     |
| 279.22 | <u>Funding Cancellation</u>                          |                               |                     |
| 279.23 | <u>Any unencumbered and unexpended amount</u>        |                               |                     |
| 279.24 | <u>of the fiscal year 2025 appropriation</u>         |                               |                     |
| 279.25 | <u>referenced in Laws 2024, chapter 127, article</u> |                               |                     |
| 279.26 | <u>53, section 4, for the Legislative Task Force</u> |                               |                     |
| 279.27 | <u>on Guardianship, estimated to be \$400,000,</u>   |                               |                     |
| 279.28 | <u>is canceled.</u>                                  |                               |                     |
| 279.29 | Sec. 3. <u>OFFICE OF THE OMBUDSMAN FOR</u>           |                               |                     |
| 279.30 | <u>MENTAL HEALTH AND DEVELOPMENTAL</u>               |                               |                     |
| 279.31 | <u>DISABILITIES</u>                                  | <u>\$ 3,706,000</u>           | <u>\$ 3,765,000</u> |
| 279.32 | Sec. 4. <u>OFFICE OF ADMINISTRATIVE</u>              |                               |                     |
| 279.33 | <u>HEARINGS</u>                                      | <u>\$ 272,000</u>             | <u>\$ 262,000</u>   |
| 279.34 | Sec. 5. <u>MINNESOTA HUMANITIES CENTER</u>           | <u>\$ 68,000</u>              | <u>-0-</u>          |

280.1 **YouLead2025**

280.2 \$68,000 in fiscal year 2026 is for a grant to  
280.3 Global Synergy Group, a 501(c)(3) nonprofit  
280.4 organization, to operate the YouLead2025  
280.5 program. This is a onetime appropriation.  
280.6 Notwithstanding Minnesota Statutes, section  
280.7 16B.98, subdivision 14, the Board of Directors  
280.8 of the Minnesota Humanities Center must not  
280.9 use any of the grant amounts for administrative  
280.10 costs.

280.11 **Sec. 6. BOARD OF BEHAVIORAL HEALTH**  
280.12 **AND THERAPY**

|    |              |    |              |
|----|--------------|----|--------------|
| \$ | <u>2,000</u> | \$ | <u>1,000</u> |
|----|--------------|----|--------------|

280.13 The general fund base for this section is \$0 in  
280.14 fiscal year 2028 and \$0 in fiscal year 2029.

280.15 **Sec. 7. BOARD OF MEDICAL PRACTICE**

|    |              |    |              |
|----|--------------|----|--------------|
| \$ | <u>3,000</u> | \$ | <u>1,000</u> |
|----|--------------|----|--------------|

280.16 The general fund base for this section is \$0 in  
280.17 fiscal year 2028 and \$0 in fiscal year 2029.

280.18 **Sec. 8. BOARD OF NURSING**

|    |              |    |              |
|----|--------------|----|--------------|
| \$ | <u>4,000</u> | \$ | <u>2,000</u> |
|----|--------------|----|--------------|

280.19 The general fund base for this section is \$0 in  
280.20 fiscal year 2028 and \$0 in fiscal year 2029.

280.21 **Sec. 9. APPROPRIATIONS GIVEN EFFECT ONCE.**

280.22 If an appropriation or transfer in this article is enacted more than once during the 2025  
280.23 regular session, the appropriation or transfer must be given effect once.

280.24 **Sec. 10. EXPIRATION OF UNCODIFIED LANGUAGE.**

280.25 All uncodified language contained in this article expires on June 30, 2027, unless a  
280.26 different expiration date is explicit.

280.27 **Sec. 11. EFFECTIVE DATE.**

280.28 This article is effective July 1, 2025, unless a different effective date is specified.

APPENDIX  
Article locations for S3054-1

ARTICLE 1 AGING AND OLDER ADULT SERVICES..... Page.Ln 2.30

ARTICLE 2 DISABILITY SERVICES..... Page.Ln 35.3

ARTICLE 3 SUBSTANCE USE DISORDER TREATMENT..... Page.Ln 126.23

ARTICLE 4 HOUSING SUPPORTS..... Page.Ln 166.5

ARTICLE 5 HEALTH CARE..... Page.Ln 166.25

ARTICLE 6 DIRECT CARE AND TREATMENT..... Page.Ln 176.15

DEPARTMENT OF DIRECT CARE AND TREATMENT

ARTICLE 7 ESTABLISHMENT..... Page.Ln 181.11

DEPARTMENT OF DIRECT CARE AND TREATMENT

ARTICLE 8 CONFORMING CHANGES..... Page.Ln 193.6

ARTICLE 9 DEPARTMENT OF HEALTH..... Page.Ln 218.17

ARTICLE 10 MISCELLANEOUS..... Page.Ln 236.5

ARTICLE 11 DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS..... Page.Ln 237.29

ARTICLE 12 DIRECT CARE AND TREATMENT APPROPRIATIONS..... Page.Ln 275.16

ARTICLE 13 HEALTH APPROPRIATIONS..... Page.Ln 277.28

ARTICLE 14 OTHER AGENCY APPROPRIATIONS..... Page.Ln 279.6

**245A.042 HOME AND COMMUNITY-BASED SERVICES; ADDITIONAL STANDARDS AND PROCEDURES.**

Subd. 2. **Modified application procedures.** (a) Applicants seeking chapter 245D licensure who meet the following criteria are subject to modified application procedures:

- (1) the applicant holds a chapter 245B license issued on or before December 31, 2012, at the time of application;
- (2) the applicant's chapter 245B license or licenses are in substantial compliance according to the licensing standards in this chapter and chapter 245B; and
- (3) the commissioner has conducted at least one on-site inspection of the chapter 245B license or licenses within the two-year period before submitting the chapter 245D license application.

For purposes of this subdivision, "substantial compliance" means the commissioner has not issued a sanction according to section 245A.07 against any chapter 245B license held by the applicant or made the chapter 245B license or licenses conditional according to section 245A.06 within the 12-month period before submitting the application for chapter 245D licensure.

(b) The modified application procedures mean the commissioner must accept the applicant's attestation of compliance with certain requirements in lieu of providing information to the commissioner for evaluation that is otherwise required when seeking chapter 245D licensure.

Subd. 3. **Implementation.** (a) The commissioner shall implement the responsibilities of this chapter according to the timelines in paragraphs (b) and (c) only within the limits of available appropriations or other administrative cost recovery methodology.

(b) The licensure of home and community-based services according to this section shall be implemented January 1, 2014. License applications shall be received and processed on a phased-in schedule as determined by the commissioner beginning July 1, 2013. Licenses will be issued thereafter upon the commissioner's determination that the application is complete according to section 245A.04.

(c) Within the limits of available appropriations or other administrative cost recovery methodology, implementation of compliance monitoring must be phased in after January 1, 2014.

(1) Applicants who do not currently hold a license issued under chapter 245B must receive an initial compliance monitoring visit after 12 months of the effective date of the initial license for the purpose of providing technical assistance on how to achieve and maintain compliance with the applicable law or rules governing the provision of home and community-based services under chapter 245D. If during the review the commissioner finds that the license holder has failed to achieve compliance with an applicable law or rule and this failure does not imminently endanger the health, safety, or rights of the persons served by the program, the commissioner may issue a licensing review report with recommendations for achieving and maintaining compliance.

(2) Applicants who do currently hold a license issued under this chapter must receive a compliance monitoring visit after 24 months of the effective date of the initial license.

(d) Nothing in this subdivision shall be construed to limit the commissioner's authority to suspend or revoke a license or issue a fine at any time under section 245A.07, or issue correction orders and make a license conditional for failure to comply with applicable laws or rules under section 245A.06, based on the nature, chronicity, or severity of the violation of law or rule and the effect of the violation on the health, safety, or rights of persons served by the program.

(e) License holders governed under chapter 245D must ensure compliance with the following requirements within the stated timelines:

(1) service initiation and service planning requirements must be met at the next annual meeting of the person's support team or by January 1, 2015, whichever is later, for the following:

(i) provision of a written notice that identifies the service recipient rights and an explanation of those rights as required under section 245D.04, subdivision 1;

(ii) service planning for basic support services as required under section 245D.07, subdivision 2; and

(iii) service planning for intensive support services under section 245D.071, subdivisions 3 and 4;

APPENDIX  
Repealed Minnesota Statutes: S3054-1

(2) staff orientation to program requirements as required under section 245D.09, subdivision 4, for staff hired before January 1, 2014, must be met by January 1, 2015. The license holder may otherwise provide documentation verifying these requirements were met before January 1, 2014;

(3) development of policy and procedures as required under section 245D.11, must be completed no later than August 31, 2014;

(4) written or electronic notice and copies of policies and procedures must be provided to all persons or their legal representatives and case managers as required under section 245D.10, subdivision 4, paragraphs (b) and (c), by September 15, 2014, or within 30 days of development of the required policies and procedures, whichever is earlier; and

(5) all employees must be informed of the revisions and training must be provided on implementation of the revised policies and procedures as required under section 245D.10, subdivision 4, paragraph (d), by September 15, 2014, or within 30 days of development of the required policies and procedures, whichever is earlier.

Subd. 4. **Stakeholder consultation.** The commissioner shall consult with the existing stakeholder group established as part of the provider standards process to gather input related to the development of an administrative cost recovery methodology to implement the provisions in chapter 245D.

**245G.01 DEFINITIONS.**

Subd. 20d. **Skilled treatment services.** "Skilled treatment services" has the meaning provided in section 254B.01, subdivision 10.

**245G.07 TREATMENT SERVICE.**

Subd. 2. **Additional treatment service.** A license holder may provide or arrange the following additional treatment service as a part of the client's individual treatment plan:

(1) relationship counseling provided by a qualified professional to help the client identify the impact of the client's substance use disorder on others and to help the client and persons in the client's support structure identify and change behaviors that contribute to the client's substance use disorder;

(2) therapeutic recreation to allow the client to participate in recreational activities without the use of mood-altering chemicals and to plan and select leisure activities that do not involve the inappropriate use of chemicals;

(3) stress management and physical well-being to help the client reach and maintain an appropriate level of health, physical fitness, and well-being;

(4) living skills development to help the client learn basic skills necessary for independent living;

(5) employment or educational services to help the client become financially independent;

(6) socialization skills development to help the client live and interact with others in a positive and productive manner;

(7) room, board, and supervision at the treatment site to provide the client with a safe and appropriate environment to gain and practice new skills; and

(8) peer recovery support services must be provided by a recovery peer qualified according to section 245I.04, subdivision 18. Peer recovery support services must be provided according to sections 254B.05, subdivision 5, and 254B.052.

**246B.01 MINNESOTA SEX OFFENDER PROGRAM; DEFINITIONS.**

Subd. 2. **Executive board.** "Executive board" has the meaning given in section 246C.015.  
**246C.015 DEFINITIONS.**

Subd. 5a. **Direct Care and Treatment.** "Direct Care and Treatment" means the agency of Direct Care and Treatment established under this chapter.

Subd. 6. **Executive board.** "Executive board" means the Direct Care and Treatment executive board established under section 246C.06.

**246C.06 EXECUTIVE BOARD; MEMBERSHIP; GOVERNANCE.**

Subdivision 1. **Establishment.** The Direct Care and Treatment executive board is established.

APPENDIX  
Repealed Minnesota Statutes: S3054-1

Subd. 2. **Membership.** (a) The Direct Care and Treatment executive board consists of nine members with seven voting members and two nonvoting members. The seven voting members must include six members appointed by the governor with the advice and consent of the senate in accordance with paragraph (b) and the commissioner of human services or a designee. The two nonvoting members must be appointed in accordance with paragraph (c). Section 15.0597 applies to all executive board appointments except for the commissioner of human services.

(b) The executive board voting members appointed by the governor must meet the following qualifications:

(1) one member must be a licensed physician who is a psychiatrist or has experience in serving behavioral health patients;

(2) two members must have experience serving on a hospital or nonprofit board; and

(3) three members must have experience working: (i) in the delivery of behavioral health services or care coordination or in traditional healing practices; (ii) as a licensed health care professional; (iii) within health care administration; or (iv) with residential services.

(c) The executive board nonvoting members must be appointed as follows:

(1) one member appointed by the Association of Counties; and

(2) one member who has an active role as a union representative representing staff at Direct Care and Treatment appointed by joint representatives of the following unions: American Federation of State, County and Municipal Employees (AFSCME); Minnesota Association of Professional Employees (MAPE); Minnesota Nurses Association (MNA); Middle Management Association (MMA); and State Residential Schools Education Association (SRSEA).

(d) Membership on the board must include representation from outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

(e) A voting member of the executive board must not be or must not have been within one year prior to appointment: (1) an employee of Direct Care and Treatment; (2) an employee of a county, including a county commissioner; (3) an active employee or representative of a labor union that represents employees of Direct Care and Treatment; or (4) a member of the state legislature. This paragraph does not apply to the nonvoting members or the commissioner of human services or designee.

Subd. 3. **Procedures.** Except as otherwise provided in this section, the membership terms and removal and filling of vacancies for the executive board are governed by section 15.0575.

Subd. 4. **Compensation.** (a) Notwithstanding section 15.0575, subdivision 3, paragraph (a), the nonvoting members of the executive board must not receive daily compensation for executive board activities. Nonvoting members of the executive board may receive expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. Nonvoting members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred may be reimbursed for those expenses upon board authorization.

(b) Notwithstanding section 15.0575, subdivision 3, paragraph (a), the Compensation Council under section 15A.082 must determine the compensation for voting members of the executive board per day spent on executive board activities authorized by the executive board. Voting members of the executive board may also receive the expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. Voting members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred may be reimbursed for those expenses upon board authorization.

(c) The commissioner of management and budget must publish the daily compensation rate for voting members of the executive board determined under paragraph (b) on the Department of Management and Budget's website.

(d) Voting members of the executive board must adopt internal standards prescribing what constitutes a day spent on board activities for the purposes of making payments authorized under paragraph (b).

(e) All other requirements under section 15.0575, subdivision 3, apply to the compensation of executive board members.

APPENDIX  
Repealed Minnesota Statutes: S3054-1

Subd. 5. **Acting chair; officers.** (a) The governor shall designate one member from the voting membership appointed by the governor as acting chair of the executive board.

(b) At the first meeting of the executive board, the executive board must elect a chair from among the voting membership appointed by the governor.

(c) The executive board must annually elect a chair from among the voting membership appointed by the governor.

(d) The executive board must elect officers from among the voting membership appointed by the governor. The elected officers shall serve for one year.

Subd. 6. **Terms.** (a) Except for the commissioner of human services, executive board members must not serve more than two consecutive terms unless service beyond two consecutive terms is approved by the majority of voting members. The commissioner of human services or a designee shall serve until replaced by the governor.

(b) An executive board member may resign at any time by giving written notice to the executive board.

(c) The initial term of the member appointed under subdivision 2, paragraph (b), clause (1), is two years. The initial term of the members appointed under subdivision 2, paragraph (b), clause (2), is three years. The initial term of the members appointed under subdivision 2, paragraph (b), clause (3), and the members appointed under subdivision 2, paragraph (c), is four years.

(d) After the initial term, the term length of all appointed executive board members is four years.

Subd. 7. **Conflicts of interest.** Executive board members must recuse themselves from discussion of and voting on an official matter if the executive board member has a conflict of interest. A conflict of interest means an association, including a financial or personal association, that has the potential to bias or have the appearance of biasing an executive board member's decision in matters related to Direct Care and Treatment or the conduct of activities under this chapter.

Subd. 8. **Meetings.** The executive board must meet at least four times per fiscal year at a place and time determined by the executive board.

Subd. 9. **Quorum.** A majority of the voting members of the executive board constitutes a quorum. The affirmative vote of a majority of the voting members of the executive board is necessary and sufficient for action taken by the executive board.

Subd. 10. **Immunity; indemnification.** (a) Members of the executive board are immune from civil liability for any act or omission occurring within the scope of the performance of their duties under this chapter.

(b) When performing executive board duties or actions, members of the executive board are employees of the state for purposes of indemnification under section 3.736, subdivision 9.

**246C.07 POWERS AND DUTIES OF EXECUTIVE BOARD.**

Subd. 4. **Creation of bylaws.** The board may establish bylaws governing its operations and the operations of Direct Care and Treatment in accordance with this chapter.

Subd. 5. **Performance of chief executive officer.** The governor may request that the executive board review the performance of the chief executive officer at any time. Within 14 days of receipt of the request, the board must meet and conduct a performance review as specifically requested by the governor. During the performance review, a representative of the governor must be included as a voting member of the board for the purpose of the board's discussions and decisions regarding the governor's request. The board must establish a performance improvement plan as necessary or take disciplinary or other corrective action, including dismissal. The executive board must report to the governor on action taken by the board, including an explanation if no action is deemed necessary.

**252.021 DEFINITION.**

Subd. 2. **Executive board.** "Executive board" has the meaning given in section 246C.015.

**253.195 DEFINITIONS.**

Subd. 2. **Executive board.** "Executive board" has the meaning given in section 246C.015.

**253B.02 DEFINITIONS.**

Subd. 7b. **Executive board.** "Executive board" has the meaning given in section 246C.015.

**253D.02 DEFINITIONS.**

Subd. 7a. **Executive board.** "Executive board" has the meaning given under section 246C.015.

**254B.01 DEFINITIONS.**

Subd. 5. **Local agency.** "Local agency" means the agency designated by a board of county commissioners, a local social services agency, or a human services board authorized under section 254B.03, subdivision 1, to determine financial eligibility for the behavioral health fund.

Subd. 15. **Executive board.** "Executive board" has the meaning given in section 246C.015.

**256.045 ADMINISTRATIVE AND JUDICIAL REVIEW OF HUMAN SERVICES MATTERS.**

Subd. 1a. **Direct Care and Treatment executive board or executive board.** For purposes of this section, "Direct Care and Treatment executive board" or "executive board" means the Direct Care and Treatment executive board established under section 246C.06.

**256G.02 DEFINITIONS.**

Subd. 5a. **Direct Care and Treatment executive board or executive board.** "Direct Care and Treatment executive board" or "executive board" means the Direct Care and Treatment executive board established under section 246C.06.

**256R.02 DEFINITIONS.**

Subd. 38. **Prior system operating cost payment rate.** "Prior system operating cost payment rate" means the operating cost payment rate in effect on December 31, 2015, under Minnesota Rules and Minnesota Statutes, inclusive of health insurance, plus property insurance costs from external fixed costs, minus any rate increases allowed under Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 55a.

**256R.12 COST ALLOCATION.**

Subd. 10. **Allocation of self-insurance costs.** For the rate year beginning on July 1, 1998, a group of nursing facilities related by common ownership that self-insures group health, dental, or life insurance may allocate its directly identified costs of self-insuring its Minnesota nursing facility workers among those nursing facilities in the group that are reimbursed under this chapter. The method of cost allocation shall be based on the ratio of each nursing facility's total allowable salaries and wages to that of the nursing facility group's total allowable salaries and wages, then similarly allocated within each nursing facility's operating cost categories. The costs associated with the administration of the group's self-insurance plan must remain classified in the nursing facility's administrative cost category. A written request of the nursing facility group's election to use this alternate method of allocation of self-insurance costs must be received by the commissioner no later than May 1, 1998, to take effect July 1, 1998, or those self-insurance costs shall continue to be allocated under the existing cost allocation methods. Once a nursing facility group elects this method of cost allocation for its group health, dental, or life insurance self-insurance costs, it shall remain in effect until such time as the group no longer self-insures these costs.

**256R.23 TOTAL CARE-RELATED PAYMENT RATES.**

Subd. 6. **Payment rate limit reduction.** No facility shall be subject in any rate year to a care-related payment rate limit reduction greater than five percent of the median determined in subdivision 4.

**256R.36 HOLD HARMLESS.**

No nursing facility's operating payment rate, plus its employer health insurance costs portion of the external fixed costs payment rate, will be less than its prior system operating cost payment rate.

**256R.40 NURSING FACILITY VOLUNTARY CLOSURE; ALTERNATIVES.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Closure" means the cessation of operations of a nursing facility and delicensure and decertification of all beds within the facility.

APPENDIX  
Repealed Minnesota Statutes: S3054-1

(c) "Closure plan" means a plan to close a nursing facility and reallocate a portion of the resulting savings to provide planned closure rate adjustments at other facilities.

(d) "Commencement of closure" means the date on which residents and designated representatives are notified of a planned closure as provided in section 144A.161, subdivision 5a, as part of an approved closure plan.

(e) "Completion of closure" means the date on which the final resident of the nursing facility designated for closure in an approved closure plan is discharged from the facility or the date that beds from a partial closure are delicensed and decertified.

(f) "Partial closure" means the delicensure and decertification of a portion of the beds within the facility.

(g) "Planned closure rate adjustment" means an increase in a nursing facility's operating rates resulting from a planned closure or a planned partial closure of another facility.

Subd. 2. **Applications for planned closure rate.** (a) To be considered for approval of a planned closure, an application must include:

(1) a description of the proposed closure plan, which must include identification of the facility or facilities to receive a planned closure rate adjustment;

(2) the proposed timetable for any proposed closure, including the proposed dates for announcement to residents, commencement of closure, and completion of closure;

(3) if available, the proposed relocation plan for current residents of any facility designated for closure. If a relocation plan is not available, the application must include a statement agreeing to develop a relocation plan designed to comply with section 144A.161;

(4) a description of the relationship between the nursing facility that is proposed for closure and the nursing facility or facilities proposed to receive the planned closure rate adjustment. If these facilities are not under common ownership, copies of any contracts, purchase agreements, or other documents establishing a relationship or proposed relationship must be provided; and

(5) documentation, in a format approved by the commissioner, that all the nursing facilities receiving a planned closure rate adjustment under the plan have accepted joint and several liability for recovery of overpayments under section 256B.0641, subdivision 2, for the facilities designated for closure under the plan.

(b) The application must also address the criteria listed in subdivision 3.

Subd. 3. **Criteria for review of application.** In reviewing and approving closure proposals, the commissioner shall consider, but not be limited to, the following criteria:

(1) improved quality of care and quality of life for consumers;

(2) closure of a nursing facility that has a poor physical plant;

(3) the existence of excess nursing facility beds, measured in terms of beds per thousand persons aged 85 or older. The excess must be measured in reference to:

(i) the county in which the facility is located. A facility in a county that is in the lowest quartile of counties with reference to beds per thousand persons aged 85 or older is not in an area of excess capacity;

(ii) the county and all contiguous counties;

(iii) the region in which the facility is located; or

(iv) the facility's service area. The facility shall indicate in its application the service area it believes is appropriate for this measurement;

(4) low-occupancy rates, provided that the unoccupied beds are not the result of a personnel shortage. In analyzing occupancy rates, the commissioner shall examine waiting lists in the applicant facility and at facilities in the surrounding area, as determined under clause (3);

(5) evidence of coordination between the community planning process and the facility application. If the planning group does not support a level of nursing facility closures that the commissioner considers to be reasonable, the commissioner may approve a planned closure proposal without its support;

APPENDIX  
Repealed Minnesota Statutes: S3054-1

(6) proposed usage of funds available from a planned closure rate adjustment for care-related purposes;

(7) innovative use planned for the closed facility's physical plant;

(8) evidence that the proposal serves the interests of the state; and

(9) evidence of other factors that affect the viability of the facility, including excessive nursing pool costs.

**Subd. 4. Review and approval of applications.** (a) The commissioner, in consultation with the commissioner of health, shall approve or deny an application within 30 days after receiving it. The commissioner may appoint an advisory review panel composed of representatives of counties, consumers, and providers to review proposals and provide comments and recommendations to the committee. The commissioners of human services and health shall provide staff and technical assistance to the committee for the review and analysis of proposals.

(b) Approval of a planned closure expires 18 months after approval by the commissioner unless commencement of closure has begun.

(c) The commissioner may change any provision of the application to which the applicant, the regional planning group, and the commissioner agree.

**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 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.

**Subd. 6. Assignment of closure rate to another facility.** A facility or facilities reimbursed under this chapter with a closure plan approved by the commissioner under subdivision 4 may assign a planned closure rate adjustment to another facility or facilities that are not closing or in the case of a partial closure, to the facility undertaking the partial closure. A facility may also elect to have a planned closure rate adjustment shared equally by the five nursing facilities with the lowest total operating payment rates in the state development region designated under section 462.385, in which the facility that is closing is located. The planned closure rate adjustment must be calculated under subdivision 5. Facilities that delicense beds without a closure plan, or whose closure plan is not approved by the commissioner, are not eligible to assign a planned closure rate adjustment under subdivision 5, unless they: (1) are delicensing five or fewer beds, or less than six percent of their total licensed bed capacity, whichever is greater; (2) are located in a county in the top three quartiles of beds per 1,000 persons aged 65 or older; and (3) have not delicensed beds in the prior three months. Facilities meeting these criteria are eligible to assign the amount calculated under subdivision 5 to themselves. If a facility is delicensing the greater of six or more beds, or six percent or more of its total licensed bed capacity, and does not have an approved closure plan or is

not eligible for the adjustment under subdivision 5, the commissioner shall calculate the amount the facility would have been eligible to assign under subdivision 5, and shall use this amount to provide equal rate adjustments to the five nursing facilities with the lowest total operating payment rates in the state development region designated under section 462.385, in which the facility that delicensed beds is located.

Subd. 7. **Other rate adjustments.** Facilities receiving planned closure rate adjustments remain eligible for any applicable rate adjustments provided under this chapter.

**256R.41 SINGLE-BED ROOM INCENTIVE.**

(a) Beginning July 1, 2005, the operating payment rate for nursing facilities reimbursed under this chapter shall be increased by 20 percent multiplied by the ratio of the number of new single-bed rooms created divided by the number of active beds on July 1, 2005, for each bed closure that results in the creation of a single-bed room after July 1, 2005. The commissioner may implement rate adjustments for up to 3,000 new single-bed rooms each year. For eligible bed closures for which the commissioner receives a notice from a facility that a bed has been delicensed and a new single-bed room has been established, the rate adjustment in this paragraph shall be effective on either the first day of the month of January or July, whichever occurs first following the date of the bed delicensure.

(b) A nursing facility is prohibited from discharging residents for purposes of establishing single-bed rooms. A nursing facility must submit documentation to the commissioner in a form prescribed by the commissioner, certifying the occupancy status of beds closed to create single-bed rooms. In the event that the commissioner determines that a facility has discharged a resident for purposes of establishing a single-bed room, the commissioner shall not provide a rate adjustment under paragraph (a).

**256R.481 RATE ADJUSTMENTS FOR BORDER CITY FACILITIES.**

(a) The commissioner shall allow each nonprofit nursing facility located within the boundaries of the city of Breckenridge or Moorhead prior to January 1, 2015, to apply once annually for a rate add-on to the facility's external fixed costs payment rate.

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

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

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

*Laws 2023, chapter 59, article 3, section 11*

**Sec. 11. DIRECT CARE PROVIDER PREMIUMS THROUGH HCBS WORKFORCE INCENTIVE FUND.**

(a) \$20,000,000 in fiscal year 2026 is added to the base appropriation from the family and medical benefit account to the commissioner of human services to provide reimbursement for premiums incurred for the paid family and medical leave program under this chapter. Funds shall be administered through the home and community-based workforce incentive fund under Minnesota Statutes, section 256.4764.

(b) The commissioner of employment and economic development shall share premium payment data collected under this chapter to assist the commissioner of human services in the verification process of premiums paid under this section.

(c) This amount is for the purposes of Minnesota Statutes, section 256.4764. This is a one-time appropriation and is available until June 30, 2027.

*Laws 2024, chapter 125, article 5, section 40*

**Sec. 40. DIRECT CARE AND TREATMENT ADVISORY COMMITTEE.**

(a) The Direct Care and Treatment executive board under Minnesota Statutes, section 246C.07, shall establish an advisory committee to provide state legislators, counties, union representatives, the National Alliance on Mental Illness Minnesota, people being served by direct care and treatment programs, and other stakeholders the opportunity to advise the executive board regarding the operation of Direct Care and Treatment.

(b) The members of the advisory committee must be appointed as follows:

(1) one member appointed by the speaker of the house;

(2) one member appointed by the minority leader of the house of representatives;

(3) two members appointed by the senate Committee on Committees, one member representing the majority caucus and one member representing the minority caucus;

(4) one member appointed by the Association of Minnesota Counties;

(5) one member appointed by joint representatives of the American Federation of State and Municipal Employees, the Minnesota Association of Professional Employees, the Minnesota Nurses Association, the Middle Management Association, and the State Residential Schools Education Association;

(6) one member appointed by the National Alliance on Mental Illness Minnesota; and

(7) two members representing people with lived experience being served by state-operated treatment programs or their families, appointed by the governor.

(c) Appointing authorities under paragraph (b) shall make appointments by January 1, 2026.

(d) The first meeting of the advisory committee must be held no later than January 15, 2026. The members of the advisory committee shall elect a chair from among their membership at the first meeting. The advisory committee shall meet as frequently as it determines necessary.

(e) The executive board shall regularly consult with the advisory committee.

(f) The advisory committee under this section expires December 31, 2027.

*Laws 2024, chapter 125, article 5, section 41*

**Sec. 41. INITIAL APPOINTMENTS AND COMPENSATION OF THE DIRECT CARE AND TREATMENT EXECUTIVE BOARD AND CHIEF EXECUTIVE OFFICER.**

Subdivision 1. **Executive board.** (a) The initial appointments of the members of the Direct Care and Treatment executive board under Minnesota Statutes, section 246C.06, must be made by January 1, 2025.

(b) Prior to the first Compensation Council determination of the daily compensation rate for voting members of the executive board under Minnesota Statutes, section 246C.06, subdivision 4,

APPENDIX  
Repealed Minnesota Session Laws: S3054-1

paragraph (b), voting members of the executive board must be paid the per diem rate provided for in Minnesota Statutes, section 15.0575, subdivision 3, paragraph (a).

(c) The executive board is exempt from Minnesota Statutes, section 13D.01, until the authority and responsibilities for Direct Care and Treatment are transferred to the executive board in accordance with Minnesota Statutes, section 246C.04.

Subd. 2. **Chief executive officer.** (a) The Direct Care and Treatment executive board must appoint as the initial chief executive officer for Direct Care and Treatment under Minnesota Statutes, section 246C.07, the chief executive officer of the direct care and treatment division of the Department of Human Services holding that position at the time the initial appointment is made by the board. The initial appointment of the chief executive officer must be made by the executive board by July 1, 2025. The initial appointment of the chief executive officer is subject to confirmation by the senate.

(b) In its report issued April 1, 2025, the Compensation Council under Minnesota Statutes, section 15A.082, must establish the salary of the chief executive officer at an amount equal to or greater than the amount paid to the chief executive officer of the direct care and treatment division of the Department of Human Services as of the date of initial appointment. The salary of the chief executive officer shall become effective July 1, 2025, pursuant to Minnesota Statutes, section 15A.082, subdivision 3. Notwithstanding Minnesota Statutes, sections 15A.082 and 246C.08, subdivision 1, if the initial appointment of the chief executive officer occurs prior to the effective date of the salary specified by the Compensation Council in its April 1, 2025, report, the salary of the chief executive officer must equal the amount paid to the chief executive officer of the direct care and treatment division of the Department of Human Services as of the date of initial appointment.

Subd. 3. **Commissioner of human services to consult.** In preparing the budget estimates required under Minnesota Statutes, section 16A.10, for the direct care and treatment division for the 2026-2027 biennial budget and any legislative proposals for the 2025 legislative session that involve direct care and treatment operations, the commissioner of human services must consult with the Direct Care and Treatment executive board before submitting the budget estimates or legislative proposals. If the executive board is not appointed by the date the budget estimates must be submitted to the commissioner of management and budget, the commissioner of human services must provide the executive board with a summary of the budget estimates that were submitted.

**EFFECTIVE DATE.** This section is effective July 1, 2024.  
*Laws 2024, chapter 127, article 46, section 39*

Sec. 39. **LEGISLATIVE TASK FORCE ON GUARDIANSHIP.**

Subdivision 1. **Membership.** (a) The Legislative Task Force on Guardianship consists of the following members:

(1) one member of the house of representatives, appointed by the speaker of the house of representatives;

(2) one member of the house of representatives, appointed by the minority leader of the house of representatives;

(3) one member of the senate, appointed by the senate majority leader;

(4) one member of the senate, appointed by the senate minority leader;

(5) one judge who has experience working on guardianship cases, appointed by the chief justice of the supreme court;

(6) two individuals presently or formerly under guardianship or emergency guardianship, appointed by the Minnesota Council on Disability;

(7) one private, professional guardian, appointed by the Minnesota Council on Disability;

(8) one private, nonprofessional guardian, appointed by the Minnesota Council on Disability;

(9) one representative of the Department of Human Services with knowledge of public guardianship issues, appointed by the commissioner of human services;

(10) one member appointed by the Minnesota Council on Disability;

(11) two members of two different disability advocacy organizations, appointed by the Minnesota Council on Disability;

APPENDIX  
Repealed Minnesota Session Laws: S3054-1

(12) one member of a professional or advocacy group representing the interests of the guardian who has experience working in the judicial system on guardianship cases, appointed by the Minnesota Council on Disability;

(13) one member of a professional or advocacy group representing the interests of persons subject to guardianship who has experience working in the judicial system on guardianship cases, appointed by the Minnesota Council on Disability;

(14) two members of two different advocacy groups representing the interests of older Minnesotans who are or may find themselves subject to guardianship, appointed by the Minnesota Council on Disability;

(15) one employee acting as the Disability Systems Planner in the Center for Health Equity at the Minnesota Department of Health, appointed by the commissioner of health;

(16) one member appointed by the Minnesota Indian Affairs Council;

(17) one member from the Commission of the Deaf, Deafblind, and Hard-of-Hearing, appointed by the executive director of the commission;

(18) one member of the Council on Developmental Disabilities, appointed by the executive director of the council;

(19) one employee from the Office of Ombudsman for Mental Health and Developmental Disabilities, appointed by the ombudsman;

(20) one employee from the Office of Ombudsman for Long Term Care, appointed by the ombudsman;

(21) one member appointed by the Minnesota Association of County Social Services Administrators (MACSSA);

(22) one employee from the Olmstead Implementation Office, appointed by the director of the office; and

(23) one member representing an organization dedicated to supported decision-making alternatives to guardianship, appointed by the Minnesota Council on Disability.

(b) Appointees to the task force must be named by each appointing authority by June 30, 2025. Appointments made by an agency or commissioner may also be made by a designee.

(c) The member from the Minnesota Council on Disability serves as chair of the task force. The chair must designate a member to serve as secretary.

Subd. 2. **Meetings; administrative support.** The first meeting of the task force must be convened by the chair no later than September 1, 2025, if an appropriation is made by that date for the task force. The task force must meet at least quarterly. Meetings are subject to Minnesota Statutes, chapter 13D. The task force may meet by telephone or interactive technology consistent with Minnesota Statutes, section 13D.015. The Minnesota Council on Disability shall provide meeting space and administrative and research support to the task force.

Subd. 3. **Duties.** (a) The task force must make recommendations to address concerns and gaps related to guardianships and less restrictive alternatives to guardianships in Minnesota, including but not limited to:

(1) developing efforts to sustain and increase the number of qualified guardians;

(2) increasing compensation for in forma pauperis (IFP) guardians by studying current funding streams to develop approaches to ensure that the funding streams are consistent across the state and sufficient to serve the needs of persons subject to guardianship;

(3) securing ongoing funding for guardianships and less restrictive alternatives;

(4) establishing guardian certification or licensure;

(5) identifying standards of practice for guardians and options for providing education to guardians on standards and less restrictive alternatives;

(6) securing ongoing funding for the guardian and conservator administrative complaint process;

APPENDIX  
Repealed Minnesota Session Laws: S3054-1

(7) identifying and understanding alternatives to guardianship whenever possible to meet the needs of patients and the challenges of providers in the delivery of health care, behavioral health care, and residential and home-based care services;

(8) expanding supported decision-making alternatives to guardianships and conservatorships;

(9) reducing the removal of civil rights when appointing a guardian, including by ensuring guardianship is only used as a last resort; and

(10) identifying ways to preserve and to maximize the civil rights of the person, including due process considerations.

(b) The task force must seek input from the public, the judiciary, people subject to guardianship, guardians, advocacy groups, and attorneys. The task force must hold hearings to gather information to fulfill the purpose of the task force.

Subd. 4. **Compensation; expenses.** Members of the task force may receive compensation and expense reimbursement as provided in Minnesota Statutes, section 15.059, subdivision 3.

Subd. 5. **Report; expiration.** The task force shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over guardianship issues no later than January 15, 2027. The report must describe any concerns about the current guardianship system identified by the task force and recommend policy options to address those concerns and to promote less restrictive alternatives to guardianship. The report must include draft legislation to implement recommended policy.

Subd. 6. **Expiration.** The task force expires upon submission of its report, or January 16, 2027, whichever is earlier.

**EFFECTIVE DATE.** This section is effective the day following final enactment.  
*Laws 2024, chapter 127, article 50, section 40*

Sec. 40. **DIRECT CARE AND TREATMENT ADVISORY COMMITTEE.**

(a) The Direct Care and Treatment executive board under Minnesota Statutes, section 246C.07, shall establish an advisory committee to provide state legislators, counties, union representatives, the National Alliance on Mental Illness Minnesota, people being served by direct care and treatment programs, and other stakeholders the opportunity to advise the executive board regarding the operation of Direct Care and Treatment.

(b) The members of the advisory committee must be appointed as follows:

(1) one member appointed by the speaker of the house;

(2) one member appointed by the minority leader of the house of representatives;

(3) two members appointed by the senate Committee on Committees, one member representing the majority caucus and one member representing the minority caucus;

(4) one member appointed by the Association of Minnesota Counties;

(5) one member appointed by joint representatives of the American Federation of State and Municipal Employees, the Minnesota Association of Professional Employees, the Minnesota Nurses Association, the Middle Management Association, and the State Residential Schools Education Association;

(6) one member appointed by the National Alliance on Mental Illness Minnesota; and

(7) two members representing people with lived experience being served by state-operated treatment programs or their families, appointed by the governor.

(c) Appointing authorities under paragraph (b) shall make appointments by January 1, 2026.

(d) The first meeting of the advisory committee must be held no later than January 15, 2026. The members of the advisory committee shall elect a chair from among their membership at the first meeting. The advisory committee shall meet as frequently as it determines necessary.

(e) The executive board shall regularly consult with the advisory committee.

(f) The advisory committee under this section expires December 31, 2027.  
*Laws 2024, chapter 127, article 50, section 41 Subdivisions 1, 3,*

**Sec. 41. INITIAL APPOINTMENTS AND COMPENSATION OF THE DIRECT CARE AND TREATMENT EXECUTIVE BOARD AND CHIEF EXECUTIVE OFFICER.**

Subdivision 1. **Executive board.** (a) The initial appointments of the members of the Direct Care and Treatment executive board under Minnesota Statutes, section 246C.06, must be made by January 1, 2025.

(b) Prior to the first Compensation Council determination of the daily compensation rate for voting members of the executive board under Minnesota Statutes, section 246C.06, subdivision 4, paragraph (b), voting members of the executive board must be paid the per diem rate provided for in Minnesota Statutes, section 15.0575, subdivision 3, paragraph (a).

(c) The executive board is exempt from Minnesota Statutes, section 13D.01, until the authority and responsibilities for Direct Care and Treatment are transferred to the executive board in accordance with Minnesota Statutes, section 246C.04.

Subd. 3. **Commissioner of human services to consult.** In preparing the budget estimates required under Minnesota Statutes, section 16A.10, for the direct care and treatment division for the 2026-2027 biennial budget and any legislative proposals for the 2025 legislative session that involve direct care and treatment operations, the commissioner of human services must consult with the Direct Care and Treatment executive board before submitting the budget estimates or legislative proposals. If the executive board is not appointed by the date the budget estimates must be submitted to the commissioner of management and budget, the commissioner of human services must provide the executive board with a summary of the budget estimates that were submitted.  
***Laws 2024, chapter 79, article 1, section 20***

Sec. 20. Minnesota Statutes 2023 Supplement, section 246C.03, subdivision 2, is amended to read:

Subd. 2. **Development of Department of Direct Care and Treatment Board.** ~~(a)~~ The commissioner of human services shall prepare legislation for introduction during the 2024 legislative session, with input from stakeholders the commissioner deems necessary, proposing legislation for the creation and implementation of the Direct Care and Treatment executive board and defining the responsibilities, powers, and function of the ~~Department of Direct Care and Treatment~~ executive board.

~~(b) The Department of Direct Care and Treatment executive board shall consist of no more than five members, all appointed by the governor.~~

~~(c) An executive board member's qualifications must be appropriate for overseeing a complex behavioral health system, such as experience serving on a hospital or non-profit board, serving as a public sector labor union representative, experience in delivery of behavioral health services or care coordination, or working as a licensed health care provider, in an allied health profession, or in health care administration.~~