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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4447

03/21/2022

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The bill was read for the first time and referred to the Committee on Human Services Finance and Policy

1.1 A bill for an act

1.2 relating to human services; providing strategies to retain, recruit, and revitalize

1.3 the human services frontline workforce; establishing a systemic critical incident

1.4 review team; increasing ICF/DD operating payment rates; modifying CFSS payment

1.5 rates; modifying elderly waiver payment rates; modifying the disability waiver

1.6 rate system base wage index; modifying the entities that may provide SNAP

1.7 employment and training services; establishing workforce incentive fund grants;

1.8 establishing mental health provider supervision grants; modifying income for tax

1.9 purposes; appropriating money; amending Minnesota Statutes 2020, sections

1.10 256.01, by adding a subdivision; 256B.0913, subdivisions 4, 5; 256B.5012, by

1.11 adding a subdivision; 256S.15, subdivision 2; 256S.18, by adding a subdivision;

1.12 256S.19, subdivision 3; 256S.211, by adding subdivisions; 256S.212; 256S.213;

1.13 256S.214; 256S.215; 290.0132, by adding a subdivision; 290.0674, subdivision

1.14 2a; Minnesota Statutes 2021 Supplement, sections 256B.851, subdivision 5;

1.15 256D.051, subdivision 22; 256S.21; 256S.2101, subdivision 2, by adding a

1.16 subdivision; 290A.03, subdivision 3; Laws 2022, chapter 33, section 1, subdivision

1.17 5a; proposing coding for new law in Minnesota Statutes, chapters 245I; 256;

1.18 repealing Minnesota Statutes 2020, section 256S.19, subdivision 4.

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

1.20 Section 1. [245I.041] MENTAL HEALTH PROVIDER SUPERVISION GRANTS.

1.21 Subdivision 1. Grant program established. The commissioner of human services shall

1.22 award grants to licensed or certified mental health providers that meet the criteria in

1.23 subdivision 3 to fund supervision of interns and clinical trainees who are working toward

1.24 becoming licensed mental health professionals and to subsidize the costs of mental health

1.25 professional licensing applications and examination fees for clinical trainees.

1.26 Subd. 2. Definitions. (a) For purposes of this section, the following terms have the

1.27 meanings given.

2.1 (b) "Mental health professional" means an individual with a qualification specified in
2.2 section 245I.04, subdivision 2.

2.3 (c) "Underrepresented community" has the meaning given in section 148E.010,
2.4 subdivision 20.

2.5 Subd. 3. **Eligible providers.** In order to be eligible for a grant under this section, a mental
2.6 health provider must:

2.7 (1) provide at least 25 percent of the provider's yearly patient encounters to state public
2.8 program enrollees or patients receiving sliding fee schedule discounts through a formal
2.9 sliding fee schedule meeting the standards established by the United States Department of
2.10 Health and Human Services under Code of Federal Regulations, title 42, section 51c.303;
2.11 or

2.12 (2) primarily serve persons from communities of color or underrepresented communities.

2.13 Subd. 4. **Application; grant award.** A mental health provider seeking a grant under
2.14 this section must apply to the commissioner at a time and in a manner specified by the
2.15 commissioner. The commissioner must review each application to determine if the application
2.16 is complete, the mental health provider is eligible for a grant, and the proposed project is
2.17 an allowable use of grant money. The commissioner must determine whether to award a
2.18 grant to an applicant and the amount of any awarded grant.

2.19 Subd. 5. **Allowable uses of grant money.** A mental health provider must use grant
2.20 money received under this section for one or more of the following:

2.21 (1) to pay for direct supervision hours for interns and clinical trainees, in an amount up
2.22 to \$7,500 per intern or clinical trainee;

2.23 (2) to establish a program to provide supervision to multiple interns or clinical trainees;
2.24 or

2.25 (3) to pay mental health professional licensing application and examination fees for
2.26 clinical trainees.

2.27 Subd. 6. **Program oversight.** During the grant period, the commissioner may require
2.28 grant recipients to provide the commissioner with information necessary to evaluate the
2.29 program.

2.30 **EFFECTIVE DATE.** This section is effective July 1, 2022.

3.1 Sec. 2. Minnesota Statutes 2020, section 256.01, is amended by adding a subdivision to
3.2 read:

3.3 Subd. 12b. Department of Human Services systemic critical incident review team. (a)
3.4 The commissioner may establish a Department of Human Services systemic critical incident
3.5 review team to review required critical incident reports under section 626.557 for which
3.6 the Department of Human Services is responsible under section 626.5572, subdivision 13;
3.7 chapter 245D; or Minnesota Rules, chapter 9544. When reviewing a critical incident, the
3.8 systemic critical incident review team must identify systemic influences to the incident
3.9 rather than determining the culpability of any actors involved in the incident. The systemic
3.10 critical incident review may assess the entire critical incident process from the point of an
3.11 entity reporting the critical incident through the ongoing case management process.
3.12 Department staff must lead and conduct the reviews and may utilize county staff as reviewers.
3.13 The systemic critical incident review process may include but is not limited to:

3.14 (1) data collection about the incident and actors involved. Data may include the critical
3.15 incident report under review; previous incident reports pertaining to the person receiving
3.16 services; the service provider's policies and procedures applicable to the incident; the
3.17 coordinated service and support plan as defined in section 245D.02, subdivision 4b, for the
3.18 person receiving services; or an interview of an actor involved in the critical incident or the
3.19 review of the critical incident. Actors may include:

3.20 (i) staff of the provider agency;

3.21 (ii) lead agency staff administering home and community-based services delivered by
3.22 the provider;

3.23 (iii) Department of Human Services staff with oversight of home and community-based
3.24 services;

3.25 (iv) Department of Health staff with oversight of home and community-based services;

3.26 (v) members of the community including advocates, legal representatives, health care
3.27 providers, pharmacy staff, or others with knowledge of the incident or the actors in the
3.28 incident; and

3.29 (vi) staff from the Office of the Ombudsman for Mental Health and Developmental
3.30 Disabilities;

3.31 (2) systemic mapping of the critical incident. The team conducting the systemic mapping
3.32 of the incident may include any actors identified in clause (1), designated representatives

4.1 of other provider agencies, regional teams, and representatives of the local regional quality
4.2 council identified in section 256B.097; and

4.3 (3) analysis of the case for systemic influences.

4.4 (b) The critical incident review team must aggregate data collected and provide the
4.5 aggregated data to regional teams, participating regional quality councils, and the
4.6 commissioner. The regional teams and quality councils must analyze the data and make
4.7 recommendations to the commissioner regarding systemic changes that would decrease the
4.8 number and severity of critical incidents in the future or improve the quality of the home
4.9 and community-based service system.

4.10 (c) A selection committee must select cases for the systemic critical incident review
4.11 process from among the following critical incident categories:

4.12 (1) cases of caregiver neglect identified in section 626.5572, subdivision 17;

4.13 (2) cases involving financial exploitation identified in section 626.5572, subdivision 9;

4.14 (3) incidents identified in section 245D.02, subdivision 11;

4.15 (4) incidents identified in Minnesota Rules, part 9544.0110; and

4.16 (5) service terminations reported to the department in accordance with section 245D.10,
4.17 subdivision 3a.

4.18 (d) The systemic critical incident review under this section must not replace the process
4.19 for screening or investigating cases of alleged maltreatment of an adult under section 626.557.
4.20 The department, under the jurisdiction of the commissioner, may select for systemic critical
4.21 incident review cases reported for suspected maltreatment and closed following initial or
4.22 final disposition.

4.23 (e) A member of the systemic critical incident review team must not disclose what
4.24 transpired during the review, except to carry out the duties of the review. The proceedings
4.25 and records of the review team are protected nonpublic data as defined in section 13.02,
4.26 subdivision 13, and are not subject to discovery or introduction into evidence in a civil or
4.27 criminal action against a professional, the state, or a county agency arising out of the matters
4.28 that the team reviews. Information, documents, and records otherwise available from other
4.29 sources are not immune from discovery or use in a civil or criminal action solely because
4.30 the information, documents, and records were assessed or presented during review team
4.31 proceedings. A person who presented information before the systemic critical incident
4.32 review team or who is a member of the team must not be prevented from testifying about
4.33 matters within the person's knowledge. In a civil or criminal proceeding, a person must not

5.1 be questioned about the person's presentation of information to the review team or opinions
5.2 formed by the person as a result of the review.

5.3 **Sec. 3. [256.4778] WORKFORCE INCENTIVE FUND GRANTS.**

5.4 Subdivision 1. **Grant program established.** The commissioner shall establish grants
5.5 for behavioral health, housing, disability, and home and community-based older adult
5.6 providers to assist with recruiting and retaining direct support and frontline workers.

5.7 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
5.8 meanings given.

5.9 (b) "Commissioner" means the commissioner of human services.

5.10 (c) "Eligible employer" means a nonprofit organization enrolled in Minnesota health
5.11 care programs or providing housing services that is at least one of the following:

5.12 (1) a provider of home and community-based services under chapter 245D;

5.13 (2) an agency provider or financial management services provider under section 256B.85;

5.14 (3) a home care provider licensed under sections 144A.43 to 144A.482;

5.15 (4) a facility certified as an intermediate care facility for persons with developmental
5.16 disabilities as defined under section 245D.02, subdivision 11a;

5.17 (5) a provider of home care services as defined under section 256B.0651, subdivision
5.18 1, paragraph (d);

5.19 (6) an agency as defined under section 256B.0949, subdivision 2;

5.20 (7) a provider of mental health day treatment services for children or adults as defined
5.21 under sections 245.4871, subdivision 10, and 256B.0671, subdivision 3, paragraph (b);

5.22 (8) a provider of emergency services as defined under section 256E.36;

5.23 (9) a provider of housing support as defined in chapter 256I;

5.24 (10) a provider of housing stabilization services as defined in section 256B.051;

5.25 (11) a provider of transitional housing programs as defined under section 256E.33;

5.26 (12) a provider of substance use disorder services as defined in chapter 245G;

5.27 (13) an eligible financial management services provider serving people through
5.28 consumer-directed community supports under chapter 256S and sections 256B.092 and
5.29 256B.49 or consumer support grants under section 256.476;

6.1 (14) a provider of customized living services as defined in section 256S.02; or

6.2 (15) a provider of services for children with an emotional disorder or adults with mental
6.3 illness under section 245I.011 or 256B.0671, including:

6.4 (i) assertive community treatment;

6.5 (ii) intensive residential treatment services;

6.6 (iii) adult rehabilitative mental health services;

6.7 (iv) mobile crisis services;

6.8 (v) children's therapeutic services and supports;

6.9 (vi) children's residential services;

6.10 (vii) psychiatric residential treatment facilities;

6.11 (viii) outpatient mental health treatment provided by mental health professionals,
6.12 community mental health center services, or certified community behavioral health clinics;
6.13 or

6.14 (ix) intensive mental health outpatient treatment services.

6.15 (d) "Eligible worker" means a worker who earns \$30 per hour or less and has worked
6.16 in an eligible profession for at least six months. An eligible worker may receive up to \$5,000
6.17 annually in payments from the workforce incentive fund.

6.18 Subd. 3. **Allowable uses of money.** (a) Grantees must use money awarded under this
6.19 section to provide payments to eligible workers for the following purposes:

6.20 (1) retention and incentive payments;

6.21 (2) postsecondary education loan and tuition payments;

6.22 (3) child care costs;

6.23 (4) transportation-related costs; or

6.24 (5) other costs associated with retaining and recruiting workers, as approved by the
6.25 commissioner.

6.26 (b) The commissioner must develop a grant cycle distribution plan that allows for
6.27 equitable distribution of funding among eligible employer types. The commissioner's
6.28 determination of the grant awards and grant amounts is final and is not subject to appeal.

6.29 (c) The commissioner must make efforts to prioritize eligible employers owned by Black,
6.30 Indigenous, and people of color and small to midsize eligible employers.

7.1 Subd. 4. **Attestation.** As a condition of obtaining grant payments under this section, an
7.2 eligible employer must attest and agree to the following:

7.3 (1) the employer is an eligible employer;

7.4 (2) the total number of eligible employees;

7.5 (3) the employer will distribute the entire value of the grant to eligible employees
7.6 identified by the employer, as allowed under this section;

7.7 (4) the employer will create and maintain records of the total amount of grant money
7.8 awarded and how that money was distributed to eligible employees; and

7.9 (5) the employer will not use the money appropriated under this section for any purpose
7.10 other than the purposes permitted under this section.

7.11 Subd. 5. **Self-directed services workforce.** Grants paid to eligible employees providing
7.12 services within the covered programs defined in section 256B.0711 do not constitute a
7.13 change in a term or condition for individual providers in covered programs and are not
7.14 subject to the state's obligation to meet and negotiate under chapter 179A.

7.15 Subd. 6. **Grants not to be considered income.** (a) Notwithstanding any law to the
7.16 contrary, grant awards under this section must not be considered income, assets, or personal
7.17 property for purposes of determining eligibility or recertifying eligibility for:

7.18 (1) child care assistance programs under chapter 119B;

7.19 (2) general assistance, Minnesota supplemental aid, and food support under chapter
7.20 256D;

7.21 (3) housing support under chapter 256I;

7.22 (4) the Minnesota family investment program and diversionary work program under
7.23 chapter 256J; and

7.24 (5) economic assistance programs under chapter 256P.

7.25 (b) The commissioner of human services must not consider grant awards under this
7.26 section as income or assets under section 256B.056, subdivision 1a, paragraph (a); 3; or 3c,
7.27 or for persons with eligibility determined under section 256B.057, subdivision 3, 3a, or 3b.

7.28 Subd. 7. **Audits and recoupment.** (a) The commissioner may perform an audit under
7.29 this section up to six years after the grant is awarded to ensure the grantee:

7.30 (1) used the money solely for the purposes stated in subdivision 3;

7.31 (2) was truthful when making attestations under subdivision 4; and

8.1 (3) complied with the conditions of receiving a grant under this section.

8.2 (b) If the commissioner determines that a grantee used awarded money for purposes not
8.3 authorized under this section, the commissioner must treat any amount used for a purpose
8.4 not authorized under this section as an overpayment. The commissioner must recover any
8.5 overpayment.

8.6 **EFFECTIVE DATE.** This section is effective July 1, 2022.

8.7 Sec. 4. Minnesota Statutes 2020, section 256B.0913, subdivision 4, is amended to read:

8.8 **Subd. 4. Eligibility for funding for services for nonmedical assistance recipients.** (a)
8.9 Funding for services under the alternative care program is available to persons who meet
8.10 the following criteria:

8.11 (1) the person is a citizen of the United States or a United States national;

8.12 (2) the person has been determined by a community assessment under section 256B.0911
8.13 to be a person who would require the level of care provided in a nursing facility, as
8.14 determined under section 256B.0911, subdivision 4e, but for the provision of services under
8.15 the alternative care program;

8.16 (3) the person is age 65 or older;

8.17 (4) the person would be eligible for medical assistance within 135 days of admission to
8.18 a nursing facility;

8.19 (5) the person is not ineligible for the payment of long-term care services by the medical
8.20 assistance program due to an asset transfer penalty under section 256B.0595 or equity
8.21 interest in the home exceeding \$500,000 as stated in section 256B.056;

8.22 (6) the person needs long-term care services that are not funded through other state or
8.23 federal funding, or other health insurance or other third-party insurance such as long-term
8.24 care insurance;

8.25 (7) except for individuals described in clause (8), the monthly cost of the alternative
8.26 care services funded by the program for this person does not exceed 75 percent of the
8.27 monthly limit described under section 256S.18. This monthly limit does not prohibit the
8.28 alternative care client from payment for additional services, but in no case may the cost of
8.29 additional services purchased under this section exceed the difference between the client's
8.30 monthly service limit defined under section 256S.04, and the alternative care program
8.31 monthly service limit defined in this paragraph. If care-related supplies and equipment or
8.32 environmental modifications and adaptations are or will be purchased for an alternative

9.1 care services recipient, the costs may be prorated on a monthly basis for up to 12 consecutive
9.2 months beginning with the month of purchase. If the monthly cost of a recipient's other
9.3 alternative care services exceeds the monthly limit established in this paragraph, the annual
9.4 cost of the alternative care services ~~shall~~ must be determined. In this event, the annual cost
9.5 of alternative care services ~~shall~~ must not exceed 12 times the monthly limit described in
9.6 this paragraph;

9.7 (8) for individuals assigned a case mix classification A as described under section
9.8 256S.18, with (i) no dependencies in activities of daily living, or (ii) up to two dependencies
9.9 in bathing, dressing, grooming, walking, and eating when the dependency score in eating
9.10 is three or greater as determined by an assessment performed under section 256B.0911, the
9.11 monthly cost of alternative care services funded by the program cannot exceed \$593 per
9.12 month for all new participants enrolled in the program on or after July 1, 2011. This monthly
9.13 limit shall be applied to all other participants who meet this criteria at reassessment. This
9.14 monthly limit ~~shall~~ must be increased annually as described in section 256S.18. This monthly
9.15 limit does not prohibit the alternative care client from payment for additional services, but
9.16 in no case may the cost of additional services purchased exceed the difference between the
9.17 client's monthly service limit defined in this clause and the limit described in clause (7) for
9.18 case mix classification A; ~~and~~

9.19 (9) the person is making timely payments of the assessed monthly fee; and

9.20 (10) for a person participating in consumer-directed community supports, the person's
9.21 monthly service limit must be equal to the monthly service limits in clause (7), except that
9.22 a person assigned a case mix classification L must receive the monthly service limit for
9.23 case mix classification A.

9.24 A person is ineligible if payment of the fee is over 60 days past due, unless the person agrees
9.25 to:

9.26 (i) the appointment of a representative payee;

9.27 (ii) automatic payment from a financial account;

9.28 (iii) the establishment of greater family involvement in the financial management of
9.29 payments; or

9.30 (iv) another method acceptable to the lead agency to ensure prompt fee payments.

9.31 The lead agency may extend the client's eligibility as necessary while making
9.32 arrangements to facilitate payment of past-due amounts and future premium payments.

10.1 Following disenrollment due to nonpayment of a monthly fee, eligibility ~~shall~~ must not be
10.2 reinstated for a period of 30 days.

10.3 (b) Alternative care funding under this subdivision is not available for a person who is
10.4 a medical assistance recipient or who would be eligible for medical assistance without a
10.5 spenddown or waiver obligation. A person whose initial application for medical assistance
10.6 and the elderly waiver program is being processed may be served under the alternative care
10.7 program for a period up to 60 days. If the individual is found to be eligible for medical
10.8 assistance, medical assistance must be billed for services payable under the federally
10.9 approved elderly waiver plan and delivered from the date the individual was found eligible
10.10 for the federally approved elderly waiver plan. Notwithstanding this provision, alternative
10.11 care funds may not be used to pay for any service the cost of which: (i) is payable by medical
10.12 assistance; (ii) is used by a recipient to meet a waiver obligation; or (iii) is used to pay a
10.13 medical assistance income spenddown for a person who is eligible to participate in the
10.14 federally approved elderly waiver program under the special income standard provision.

10.15 (c) Alternative care funding is not available for a person who resides in a licensed nursing
10.16 home, certified boarding care home, hospital, or intermediate care facility, except for case
10.17 management services which are provided in support of the discharge planning process for
10.18 a nursing home resident or certified boarding care home resident to assist with a relocation
10.19 process to a community-based setting.

10.20 (d) Alternative care funding is not available for a person whose income is greater than
10.21 the maintenance needs allowance under section 256S.05, but equal to or less than 120 percent
10.22 of the federal poverty guideline effective July 1 in the fiscal year for which alternative care
10.23 eligibility is determined, who would be eligible for the elderly waiver with a waiver
10.24 obligation.

10.25 **EFFECTIVE DATE.** This section is effective January 1, 2023.

10.26 Sec. 5. Minnesota Statutes 2020, section 256B.0913, subdivision 5, is amended to read:

10.27 Subd. 5. **Services covered under alternative care.** Alternative care funding may be
10.28 used for payment of costs of:

10.29 (1) adult day services and adult day services bath;

10.30 (2) home care;

10.31 (3) homemaker services;

10.32 (4) personal care;

- 11.1 (5) case management and conversion case management;
- 11.2 (6) respite care;
- 11.3 (7) specialized supplies and equipment;
- 11.4 (8) home-delivered meals;
- 11.5 (9) nonmedical transportation;
- 11.6 (10) nursing services;
- 11.7 (11) chore services;
- 11.8 (12) companion services;
- 11.9 (13) nutrition services;
- 11.10 (14) family caregiver training and education;
- 11.11 (15) coaching and counseling;
- 11.12 (16) telehome care to provide services in their own homes in conjunction with in-home
- 11.13 visits;
- 11.14 (17) consumer-directed community supports ~~under the alternative care programs which~~
- 11.15 ~~are available statewide and limited to the average monthly expenditures representative of~~
- 11.16 ~~all alternative care program participants for the same case mix resident class assigned in~~
- 11.17 ~~the most recent fiscal year for which complete expenditure data is available;~~
- 11.18 (18) environmental accessibility and adaptations; and
- 11.19 (19) discretionary services, for which lead agencies may make payment from their
- 11.20 alternative care program allocation for services not otherwise defined in this section or
- 11.21 section 256B.0625, following approval by the commissioner.

11.22 Total annual payments for discretionary services for all clients served by a lead agency

11.23 must not exceed 25 percent of that lead agency's annual alternative care program base

11.24 allocation, except that when alternative care services receive federal financial participation

11.25 under the 1115 waiver demonstration, funding shall be allocated in accordance with

11.26 subdivision 17.

11.27 **EFFECTIVE DATE.** This section is effective January 1, 2023.

12.1 Sec. 6. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision
12.2 to read:

12.3 Subd. 19. **ICF/DD rate increases effective January 1, 2023.** (a) For the rate period
12.4 beginning January 1, 2023, the commissioner must increase operating payments for each
12.5 facility reimbursed under this section by an amount equal to five percent of the operating
12.6 payment rates that were effective on December 31, 2022.

12.7 (b) For each facility, the commissioner must apply the rate increase based on occupied
12.8 beds, using the percentage specified in this subdivision multiplied by the total payment rate,
12.9 including the variable rate but excluding the property-related payment rate in effect on
12.10 December 31, 2022. The total rate increase must include the adjustment provided in section
12.11 256B.501, subdivision 12.

12.12 **EFFECTIVE DATE.** This section is effective January 1, 2023, or 60 days following
12.13 federal approval, whichever is later. The commissioner of human services shall notify the
12.14 revisor of statutes when federal approval is obtained.

12.15 Sec. 7. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 5, is amended
12.16 to read:

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

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

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

12.21 (3) employee benefits factor, 12.04 percent;

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

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

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

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

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

12.27 (b) For purposes of implementation, the commissioner shall use the following
12.28 implementation components:

12.29 (1) personal care assistance services and CFSS: ~~75.45~~ 83.2 percent;

13.1 (2) enhanced rate personal care assistance services and enhanced rate CFSS: ~~75.45~~ 83.2
 13.2 percent; and

13.3 (3) qualified professional services and CFSS worker training and development: ~~75.45~~
 13.4 83.2 percent.

13.5 **EFFECTIVE DATE.** This section is effective January 1, 2023, or 60 days following
 13.6 federal approval, whichever is later. The commissioner of human services shall notify the
 13.7 revisor of statutes when federal approval is obtained.

13.8 Sec. 8. Minnesota Statutes 2021 Supplement, section 256D.051, subdivision 22, is amended
 13.9 to read:

13.10 Subd. 22. **Duties of commissioner.** In addition to any other duties imposed by law, the
 13.11 commissioner shall:

13.12 (1) supervise the administration of SNAP employment and training services to county,
 13.13 Tribal, and contracted agencies and public and nonprofit postsecondary institutions under
 13.14 this section and Code of Federal Regulations, title 7, section 273.7;

13.15 (2) disburse money allocated and reimbursed for SNAP employment and training services
 13.16 to county, Tribal, and contracted agencies and public and nonprofit postsecondary institutions;

13.17 (3) accept and supervise the disbursement of any funds that may be provided by the
 13.18 federal government or other sources for SNAP employment and training services;

13.19 (4) cooperate with other agencies, including any federal agency or agency of another
 13.20 state, in all matters concerning the powers and duties of the commissioner under this section;

13.21 (5) coordinate with the commissioner of employment and economic development to
 13.22 deliver employment and training services statewide;

13.23 (6) work in partnership with counties, Tribes, and other agencies and public and nonprofit
 13.24 postsecondary institutions to enhance the reach and services of a statewide SNAP
 13.25 employment and training program; and

13.26 (7) identify eligible nonfederal funds to earn federal reimbursement for SNAP
 13.27 employment and training services.

13.28 Sec. 9. Minnesota Statutes 2020, section 256S.15, subdivision 2, is amended to read:

13.29 Subd. 2. **Foster care limit.** The elderly waiver payment for the foster care service in
 13.30 combination with the payment for all other elderly waiver services, including case
 13.31 management, must not exceed the monthly case mix budget cap for the participant as

14.1 specified in sections 256S.18, subdivision 3, and 256S.19, ~~subdivisions~~ subdivision 3 and
 14.2 4.

14.3 **EFFECTIVE DATE.** This section is effective January 1, 2023.

14.4 Sec. 10. Minnesota Statutes 2020, section 256S.18, is amended by adding a subdivision
 14.5 to read:

14.6 Subd. 3a. **Monthly case mix budget caps for consumer-directed community**
 14.7 **supports.** The monthly case mix budget caps for each case mix classification for
 14.8 consumer-directed community supports must be equal to the monthly case mix budget caps
 14.9 in subdivision 3.

14.10 **EFFECTIVE DATE.** This section is effective January 1, 2023.

14.11 Sec. 11. Minnesota Statutes 2020, section 256S.19, subdivision 3, is amended to read:

14.12 Subd. 3. **Calculation of monthly conversion budget cap without consumer-directed**
 14.13 **community supports caps.** (a) The elderly waiver monthly conversion budget cap for the
 14.14 cost of elderly waiver services ~~without consumer-directed community supports~~ must be
 14.15 based on the nursing facility case mix adjusted total payment rate of the nursing facility
 14.16 where the elderly waiver applicant currently resides for the applicant's case mix classification
 14.17 as determined according to section 256R.17.

14.18 (b) The elderly waiver monthly conversion budget cap for the cost of elderly waiver
 14.19 services ~~without consumer-directed community supports shall~~ must be calculated by
 14.20 multiplying the applicable nursing facility case mix adjusted total payment rate by 365,
 14.21 dividing by 12, and subtracting the participant's maintenance needs allowance.

14.22 (c) A participant's initially approved monthly conversion budget cap for elderly waiver
 14.23 services ~~without consumer-directed community supports~~ shall be adjusted at least annually
 14.24 as described in section 256S.18, subdivision 5.

14.25 (d) **Conversion budget caps for individuals participating in consumer-directed community**
 14.26 **supports are also set as described in paragraphs (a) to (c).**

14.27 **EFFECTIVE DATE.** This section is effective January 1, 2023.

14.28 Sec. 12. Minnesota Statutes 2021 Supplement, section 256S.21, is amended to read:

14.29 **256S.21 RATE SETTING; APPLICATION.**

14.30 The payment methodologies in sections 256S.2101 to 256S.215 apply to:

15.1 (1) elderly waiver, elderly waiver customized living, and elderly waiver foster care under
15.2 this chapter;

15.3 (2) alternative care under section 256B.0913;

15.4 (3) essential community supports under section 256B.0922; and

15.5 (4) community access for disability inclusion customized living and brain injury
15.6 customized living under section 256B.49.

15.7 Sec. 13. Minnesota Statutes 2021 Supplement, section 256S.2101, subdivision 2, is
15.8 amended to read:

15.9 Subd. 2. **Phase-in for elderly waiver rates.** Except for home-delivered meals as
15.10 ~~described in section 256S.215, subdivision 15,~~ all rates and rate components for elderly
15.11 waiver, elderly waiver customized living, and elderly waiver foster care under this chapter;
15.12 alternative care under section 256B.0913; and essential community supports under section
15.13 256B.0922 ~~shall~~ must be the sum of ~~18.8~~ 21.6 percent of the rates calculated under sections
15.14 256S.211 to 256S.215, and ~~81.2~~ 78.4 percent of the rates calculated using the rate
15.15 methodology in effect as of June 30, 2017. ~~The rate for home-delivered meals shall be the~~
15.16 ~~sum of the service rate in effect as of January 1, 2019, and the increases described in section~~
15.17 ~~256S.215, subdivision 15.~~

15.18 **EFFECTIVE DATE.** This section is effective January 1, 2023.

15.19 Sec. 14. Minnesota Statutes 2021 Supplement, section 256S.2101, is amended by adding
15.20 a subdivision to read:

15.21 Subd. 3. **Phase-in for home-delivered meals rate.** The home-delivered meals rate for
15.22 elderly waiver under this chapter; alternative care under section 256B.0913; and essential
15.23 community supports under section 256B.0922 must be the sum of 65 percent of the rate in
15.24 section 256S.215, subdivision 15, and 35 percent of the rate calculated using the rate
15.25 methodology in effect as of June 30, 2017.

15.26 **EFFECTIVE DATE.** This section is effective January 1, 2023.

15.27 Sec. 15. Minnesota Statutes 2020, section 256S.211, is amended by adding a subdivision
15.28 to read:

15.29 Subd. 3. **Updating service rates.** On January 1, 2023, and every two years thereafter,
15.30 the commissioner shall recalculate rates for services described in section 256S.2101,

16.1 subdivision 2, as directed by section 256S.215. Prior to recalculating the rates, the
 16.2 commissioner shall:

16.3 (1) update the base wages in section 256S.212 based on the most recently available
 16.4 Bureau of Labor Statistics Minneapolis-St. Paul-Bloomington, MN-WI MetroSA data;

16.5 (2) update the payroll taxes and benefits factor in section 256S.213, subdivision 1, based
 16.6 on the most recently available nursing facility cost report data;

16.7 (3) update the registered nurse management and supervision wage component and the
 16.8 unlicensed supervisor supervision wage component as directed in section 256S.213,
 16.9 subdivisions 4 and 5; and

16.10 (4) update the adjusted base wage for the services as directed in section 256S.214.

16.11 **EFFECTIVE DATE.** This section is effective January 1, 2023.

16.12 Sec. 16. Minnesota Statutes 2020, section 256S.211, is amended by adding a subdivision
 16.13 to read:

16.14 Subd. 4. **Updating the home-delivered meals rate.** On July 1 of each year, the
 16.15 commissioner shall update the home-delivered meals rate in section 256S.215, subdivision
 16.16 15, by the percent increase in the nursing facility dietary per diem using the two most recent
 16.17 and available nursing facility cost reports.

16.18 **EFFECTIVE DATE.** This section is effective July 1, 2022.

16.19 Sec. 17. Minnesota Statutes 2020, section 256S.212, is amended to read:

16.20 **256S.212 RATE SETTING; BASE WAGE INDEX.**

16.21 Subdivision 1. **Updating SOC codes.** If any of the SOC codes and positions used in
 16.22 this section are no longer available, the commissioner shall, in consultation with stakeholders,
 16.23 select a new SOC code and position that is the closest match to the previously used SOC
 16.24 position.

16.25 Subd. 2. **Home management and support services base wage.** For customized living,
 16.26 and foster care, and residential care component services, the home management and support
 16.27 services base wage equals 33.33 percent of the Minneapolis-St. Paul-Bloomington, MN-WI
 16.28 MetroSA average wage for home health and personal and home care aide aides (SOC code
 16.29 ~~39-9021~~ 31-1120); 33.33 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA
 16.30 average wage for food preparation workers (SOC code 35-2021); and 33.34 percent of the

17.1 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for maids and
 17.2 housekeeping cleaners (SOC code 37-2012).

17.3 Subd. 3. **Home care aide base wage.** For customized living, and foster care, ~~and~~
 17.4 ~~residential care~~ component services, the home care aide base wage equals ~~50~~ 75 percent of
 17.5 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for home health
 17.6 and personal care aides (SOC code ~~31-1014~~ 31-1120); and ~~50~~ 25 percent of the
 17.7 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants
 17.8 (SOC code ~~31-1014~~ 31-1131).

17.9 Subd. 4. **Home health aide base wage.** For customized living, and foster care, ~~and~~
 17.10 ~~residential care~~ component services, the home health aide base wage equals ~~20~~ 33.33 percent
 17.11 of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for licensed
 17.12 practical and licensed vocational nurses (SOC code 29-2061); ~~and 80~~ 33.33 percent of the
 17.13 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants
 17.14 (SOC code ~~31-1014~~ 31-1131); and 33.34 percent of the Minneapolis-St. Paul-Bloomington,
 17.15 MN-WI MetroSA average wage for home health and personal care aides (SOC code
 17.16 31-1120).

17.17 Subd. 5. **Medication setups by licensed nurse base wage.** For customized living, and
 17.18 foster care, ~~and residential care~~ component services, the medication setups by licensed nurse
 17.19 base wage equals ~~ten~~ 25 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA
 17.20 average wage for licensed practical and licensed vocational nurses (SOC code 29-2061);
 17.21 and ~~90~~ 75 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average
 17.22 wage for registered nurses (SOC code 29-1141).

17.23 Subd. 6. **Chore services base wage.** The chore services base wage equals ~~100~~ 50 percent
 17.24 of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for landscaping
 17.25 and groundskeeping workers (SOC code 37-3011); and 50 percent of the Minneapolis-St.
 17.26 Paul-Bloomington, MN-WI MetroSA average wage for maids and housekeeping cleaners
 17.27 (SOC code 37-2012).

17.28 Subd. 7. **Companion services base wage.** The companion services base wage equals
 17.29 ~~50~~ 80 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage
 17.30 for home health and personal ~~and home~~ care aides (SOC code ~~39-9021~~ 31-1120); and ~~50~~
 17.31 20 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for
 17.32 maids and housekeeping cleaners (SOC code 37-2012).

17.33 Subd. 8. **Homemaker services and assistance with personal care base wage.** The
 17.34 homemaker services and assistance with personal care base wage equals ~~60~~ 50 percent of

18.1 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for home health
 18.2 and personal and home care aide aides (SOC code ~~39-9021~~ 31-1120); ~~20~~ and 50 percent of
 18.3 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants
 18.4 (SOC code ~~31-1014~~ 31-1131); and ~~20~~ percent of the Minneapolis-St. Paul-Bloomington,
 18.5 MN-WI MetroSA average wage for maids and housekeeping cleaners (SOC code ~~37-2012~~).

18.6 Subd. 9. **Homemaker services and cleaning base wage.** The homemaker services and
 18.7 cleaning base wage equals ~~60~~ percent of the Minneapolis-St. Paul-Bloomington, MN-WI
 18.8 MetroSA average wage for personal and home care aide (SOC code ~~39-9021~~); ~~20~~ percent
 18.9 of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing
 18.10 assistants (SOC code ~~31-1014~~); and ~~20~~ 100 percent of the Minneapolis-St. Paul-Bloomington,
 18.11 MN-WI MetroSA average wage for maids and housekeeping cleaners (SOC code ~~37-2012~~).

18.12 Subd. 10. **Homemaker services and home management base wage.** The homemaker
 18.13 services and home management base wage equals ~~60~~ 50 percent of the Minneapolis-St.
 18.14 Paul-Bloomington, MN-WI MetroSA average wage for home health and personal and home
 18.15 care aide aides (SOC code ~~39-9021~~ 31-1120); ~~20~~ and 50 percent of the Minneapolis-St.
 18.16 Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants (SOC code
 18.17 ~~31-1014~~ 31-1131); and ~~20~~ percent of the Minneapolis-St. Paul-Bloomington, MN-WI
 18.18 MetroSA average wage for maids and housekeeping cleaners (SOC code ~~37-2012~~).

18.19 Subd. 11. **In-home respite care services base wage.** The in-home respite care services
 18.20 base wage equals ~~five~~ 15 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA
 18.21 average wage for registered nurses (SOC code 29-1141); 75 percent of the Minneapolis-St.
 18.22 Paul-Bloomington, MN-WI MetroSA average wage for ~~nursing assistants~~ home health and
 18.23 personal care aides (SOC code ~~31-1014~~ 31-1120); and ~~20~~ ten percent of the Minneapolis-St.
 18.24 Paul-Bloomington, MN-WI MetroSA average wage for licensed practical and licensed
 18.25 vocational nurses (SOC code 29-2061).

18.26 Subd. 12. **Out-of-home respite care services base wage.** The out-of-home respite care
 18.27 services base wage equals ~~five~~ 15 percent of the Minneapolis-St. Paul-Bloomington, MN-WI
 18.28 MetroSA average wage for registered nurses (SOC code 29-1141); 75 percent of the
 18.29 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for ~~nursing assistants~~
 18.30 home health and personal care aides (SOC code ~~31-1014~~ 31-1120); and ~~20~~ ten percent of
 18.31 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for licensed practical
 18.32 and licensed vocational nurses (SOC code 29-2061).

18.33 Subd. 13. **Individual community living support base wage.** The individual community
 18.34 living support base wage equals ~~20~~ 60 percent of the Minneapolis-St. Paul-Bloomington,

19.1 MN-WI MetroSA average wage for ~~licensed practical and licensed vocational nurses~~ social
 19.2 and human services aides (SOC code ~~29-2061~~ 21-1093); and ~~80~~ 40 percent of the
 19.3 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants
 19.4 (SOC code ~~31-1014~~ 31-1131).

19.5 Subd. 14. **Registered nurse base wage.** The registered nurse base wage equals 100
 19.6 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for
 19.7 registered nurses (SOC code 29-1141).

19.8 Subd. 15. ~~Social worker~~ **Unlicensed supervisor base wage.** The ~~social worker~~
 19.9 unlicensed supervisor base wage equals 100 percent of the Minneapolis-St.
 19.10 Paul-Bloomington, MN-WI MetroSA average wage for ~~medical and public health social~~
 19.11 first-line supervisors of personal service workers (SOC code ~~21-1022~~ 39-1098).

19.12 Subd. 16. **Adult day services base wage.** The adult day services base wage equals 75
 19.13 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for home
 19.14 health and personal care aides (SOC code 31-1120); and 25 percent of the Minneapolis-St.
 19.15 Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants (SOC code
 19.16 31-1131).

19.17 **EFFECTIVE DATE.** This section is effective January 1, 2023.

19.18 Sec. 18. Minnesota Statutes 2020, section 256S.213, is amended to read:

19.19 **256S.213 RATE SETTING; FACTORS AND SUPERVISION WAGE**
 19.20 **COMPONENTS.**

19.21 Subdivision 1. **Payroll taxes and benefits factor.** The payroll taxes and benefits factor
 19.22 is the sum of net payroll taxes and benefits, divided by the sum of all salaries for all nursing
 19.23 facilities on the most recent and available cost report.

19.24 Subd. 2. **General and administrative factor.** The general and administrative factor is
 19.25 ~~the difference of net general and administrative expenses and administrative salaries, divided~~
 19.26 ~~by total operating expenses for all nursing facilities on the most recent and available cost~~
 19.27 ~~report~~ 14.4 percent.

19.28 Subd. 3. **Program plan support factor.** (a) The program plan support factor is ~~12.8~~ ten
 19.29 percent for the following services to cover the cost of direct service staff needed to provide
 19.30 support for ~~home and community-based~~ the service when not engaged in direct contact with
 19.31 participants:;

19.32 (1) adult day services;

20.1 (2) customized living; and

20.2 (3) foster care.

20.3 (b) The program plan support factor is 15.5 percent for the following services to cover
 20.4 the cost of direct service staff needed to provide support for the service when not engaged
 20.5 in direct contact with participants:

20.6 (1) chore services;

20.7 (2) companion services;

20.8 (3) homemaker services and assistance with personal care;

20.9 (4) homemaker services and cleaning;

20.10 (5) homemaker services and home management;

20.11 (6) in-home respite care;

20.12 (7) individual community living support; and

20.13 (8) out-of-home respite care.

20.14 Subd. 4. **Registered nurse management and supervision factor wage component.** The
 20.15 registered nurse management and supervision ~~factor~~ wage component equals 15 percent of
 20.16 the registered nurse adjusted base wage as defined in section 256S.214.

20.17 Subd. 5. ~~Social worker~~ **Unlicensed supervisor supervision factor wage**
 20.18 **component.** The ~~social worker~~ unlicensed supervisor supervision factor wage component
 20.19 equals 15 percent of the ~~social worker~~ unlicensed supervisor adjusted base wage as defined
 20.20 in section 256S.214.

20.21 Subd. 6. **Facility and equipment factor.** The facility and equipment factor for adult
 20.22 day services is 16.2 percent.

20.23 Subd. 7. **Food, supplies, and transportation factor.** The food, supplies, and
 20.24 transportation factor for adult day services is 24 percent.

20.25 Subd. 8. **Supplies and transportation factor.** The supplies and transportation factor
 20.26 for the following services is 1.56 percent:

20.27 (1) chore services;

20.28 (2) companion services;

20.29 (3) homemaker services and assistance with personal care;

20.30 (4) homemaker services and cleaning;

21.1 (5) homemaker services and home management;

21.2 (6) in-home respite care;

21.3 (7) individual community living support; and

21.4 (8) out-of-home respite care.

21.5 Subd. 9. **Absence factor.** The absence factor for the following services is 4.5 percent:

21.6 (1) adult day services;

21.7 (2) chore services;

21.8 (3) companion services;

21.9 (4) homemaker services and assistance with personal care;

21.10 (5) homemaker services and cleaning;

21.11 (6) homemaker services and home management;

21.12 (7) in-home respite care;

21.13 (8) individual community living support; and

21.14 (9) out-of-home respite care.

21.15 **EFFECTIVE DATE.** This section is effective January 1, 2023.

21.16 Sec. 19. Minnesota Statutes 2020, section 256S.214, is amended to read:

21.17 **256S.214 RATE SETTING; ADJUSTED BASE WAGE.**

21.18 For the purposes of section 256S.215, the adjusted base wage for each position equals
21.19 the position's base wage under section 256S.212 plus:

21.20 (1) the position's base wage multiplied by the payroll taxes and benefits factor under
21.21 section 256S.213, subdivision 1;

21.22 ~~(2) the position's base wage multiplied by the general and administrative factor under~~
21.23 ~~section 256S.213, subdivision 2; and~~

21.24 ~~(3)~~ (2) the position's base wage multiplied by the applicable program plan support factor
21.25 under section 256S.213, subdivision 3-; and

21.26 (3) the position's base wage multiplied by the absence factor under section 256S.213,
21.27 subdivision 9, if applicable.

21.28 **EFFECTIVE DATE.** This section is effective January 1, 2023.

22.1 Sec. 20. Minnesota Statutes 2020, section 256S.215, is amended to read:

22.2 **256S.215 RATE SETTING; COMPONENT RATES.**

22.3 Subdivision 1. **Medication setups by licensed nurse component rate.** The component
22.4 rate for medication setups by a licensed nurse equals the medication setups by licensed
22.5 nurse adjusted base wage.

22.6 Subd. 2. **Home management and support services component rate.** The component
22.7 rate for home management and support services is calculated as follows:

22.8 (1) sum the home management and support services adjusted base wage ~~plus~~ and the
22.9 registered nurse management and supervision ~~factor~~; wage component;

22.10 (2) multiply the result of clause (1) by one plus the general and administrative factor;
22.11 and

22.12 (3) sum the results of clauses (1) and (2).

22.13 Subd. 3. **Home care aide services component rate.** The component rate for home care
22.14 aide services is calculated as follows:

22.15 (1) sum the home health aide services adjusted base wage ~~plus~~ and the registered nurse
22.16 management and supervision ~~factor~~; wage component;

22.17 (2) multiply clause (1) by one plus the general and administrative factor; and

22.18 (3) sum the results of clauses (1) and (2).

22.19 Subd. 4. **Home health aide services component rate.** The component rate for home
22.20 health aide services is calculated as follows:

22.21 (1) sum the home health aide services adjusted base wage ~~plus~~ and the registered nurse
22.22 management and supervision ~~factor~~; wage component;

22.23 (2) multiply the result of clause (1) by one plus the general and administrative factor;
22.24 and

22.25 (3) sum the results of clauses (1) and (2).

22.26 Subd. 5. **Socialization component rate.** The component rate under elderly waiver
22.27 customized living for one-to-one socialization equals the home management and support
22.28 services component rate.

22.29 Subd. 6. **Transportation component rate.** The component rate under elderly waiver
22.30 customized living for one-to-one transportation equals the home management and support
22.31 services component rate.

23.1 Subd. 7. **Chore services rate.** The 15-minute unit rate for chore services is calculated
23.2 as follows:

23.3 (1) sum the chore services adjusted base wage and the ~~social worker~~ unlicensed supervisor
23.4 supervision factor wage component; and

23.5 (2) multiply the result of clause (1) by one plus the general and administrative factor;

23.6 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
23.7 and

23.8 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

23.9 Subd. 8. **Companion services rate.** The 15-minute unit rate for companion services is
23.10 calculated as follows:

23.11 (1) sum the companion services adjusted base wage and the ~~social worker~~ unlicensed
23.12 supervisor supervision factor wage component; and

23.13 (2) multiply the result of clause (1) by one plus the general and administrative factor;

23.14 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
23.15 and

23.16 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

23.17 Subd. 9. **Homemaker services and assistance with personal care rate.** The 15-minute
23.18 unit rate for homemaker services and assistance with personal care is calculated as follows:

23.19 (1) sum the homemaker services and assistance with personal care adjusted base wage
23.20 and the ~~registered nurse management and~~ unlicensed supervisor supervision factor wage
23.21 component; and

23.22 (2) multiply the result of clause (1) by one plus the general and administrative factor;

23.23 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
23.24 and

23.25 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

23.26 Subd. 10. **Homemaker services and cleaning rate.** The 15-minute unit rate for
23.27 homemaker services and cleaning is calculated as follows:

23.28 (1) sum the homemaker services and cleaning adjusted base wage and the ~~registered~~
23.29 ~~nurse management and~~ unlicensed supervisor supervision factor base wage; and

23.30 (2) multiply the result of clause (1) by one plus the general and administrative factor;

24.1 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
 24.2 and

24.3 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

24.4 Subd. 11. **Homemaker services and home management rate.** The 15-minute unit rate
 24.5 for homemaker services and home management is calculated as follows:

24.6 (1) sum the homemaker services and home management adjusted base wage and the
 24.7 ~~registered nurse management and~~ unlicensed supervisor supervision factor wage component;
 24.8 and

24.9 (2) multiply the result of clause (1) by one plus the general and administrative factor;

24.10 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
 24.11 and

24.12 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

24.13 Subd. 12. **In-home respite care services rates.** (a) The 15-minute unit rate for in-home
 24.14 respite care services is calculated as follows:

24.15 (1) sum the in-home respite care services adjusted base wage and the registered nurse
 24.16 management and supervision ~~factor~~ wage component; ~~and~~

24.17 (2) multiply the result of clause (1) by one plus the general and administrative factor;

24.18 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
 24.19 and

24.20 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

24.21 (b) The in-home respite care services daily rate equals the in-home respite care services
 24.22 15-minute unit rate multiplied by 18.

24.23 Subd. 13. **Out-of-home respite care services rates.** (a) The 15-minute unit rate for
 24.24 out-of-home respite care is calculated as follows:

24.25 (1) sum the out-of-home respite care services adjusted base wage and the registered
 24.26 nurse management and supervision ~~factor~~ wage component; ~~and~~

24.27 (2) multiply the result of clause (1) by one plus the general and administrative factor;

24.28 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
 24.29 and

24.30 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

25.1 (b) The out-of-home respite care services daily rate equals the 15-minute unit rate for
 25.2 out-of-home respite care services multiplied by 18.

25.3 Subd. 14. **Individual community living support rate.** The individual community living
 25.4 support rate is calculated as follows:

25.5 (1) ~~sum the home care aide~~ individual community living support adjusted base wage
 25.6 ~~and the social worker registered nurse management and supervision factor wage component;~~
 25.7 ~~and~~

25.8 (2) multiply the result of clause (1) by one plus the general and administrative factor;

25.9 (3) multiply the result of clause (1) by one plus the supplies and transportation factor;
 25.10 and

25.11 (4) sum the results of clauses (1) to (3) and divide the result of clause (1) by four.

25.12 Subd. 15. **Home-delivered meals rate.** The home-delivered meals rate equals ~~\$9.30~~
 25.13 ~~\$8.17. The commissioner shall increase the home delivered meals rate every July 1 by the~~
 25.14 ~~percent increase in the nursing facility dietary per diem using the two most recent and~~
 25.15 ~~available nursing facility cost reports.~~

25.16 Subd. 16. **Adult day services rate.** The 15-minute unit rate for adult day services, ~~with~~
 25.17 ~~an assumed staffing ratio of one staff person to four participants, is the sum of~~ is calculated
 25.18 as follows:

25.19 (1) ~~one-sixteenth of the home care aide~~ divide the adult day services adjusted base wage,
 25.20 ~~except that the general and administrative factor used to determine the home care aide~~
 25.21 ~~services adjusted base wage is 20 percent~~ by five to reflect an assumed staffing ratio of one
 25.22 to five;

25.23 (2) ~~one-fourth of the registered nurse management and supervision factor~~ sum the result
 25.24 of clause (1) and the registered nurse management and supervision wage component; and

25.25 (3) ~~\$0.63 to cover the cost of meals.~~ multiply the result of clause (2) by one plus the
 25.26 general and administrative factor;

25.27 (4) multiply the result of clause (2) by one plus the facility and equipment factor;

25.28 (5) multiply the result of clause (2) by one plus the food, supplies, and transportation
 25.29 factor; and

25.30 (6) sum the results of clauses (2) to (5) and divide the result by four.

26.1 Subd. 17. **Adult day services bath rate.** The 15-minute unit rate for adult day services
26.2 bath is ~~the sum of~~ calculated as follows:

26.3 (1) ~~one-fourth of the home care aide sum the adult day services adjusted base wage,~~
26.4 ~~except that the general and administrative factor used to determine the home care aide~~
26.5 ~~services adjusted base wage is 20 percent~~ and the nurse management and supervision wage
26.6 component;

26.7 (2) ~~one-fourth of the registered nurse management and supervision factor~~ multiply the
26.8 result of clause (1) by one plus the general and administrative factor; and

26.9 (3) ~~\$0.63 to cover the cost of meals.~~ multiply the result of clause (1) by one plus the
26.10 facility and equipment factor;

26.11 (4) multiply the result of clause (1) by one plus the food, supplies, and transportation
26.12 factor; and

26.13 (5) sum the results of clauses (1) to (4) and divide the result by four.

26.14 **EFFECTIVE DATE.** This section is effective January 1, 2023.

26.15 Sec. 21. Minnesota Statutes 2020, section 290.0132, is amended by adding a subdivision
26.16 to read:

26.17 **Subd. 31. Workforce incentive fund grant payments.** The amount of workforce
26.18 incentive grants under section 256.4778 is a subtraction.

26.19 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
26.20 31, 2021.

26.21 Sec. 22. Minnesota Statutes 2020, section 290.0674, subdivision 2a, is amended to read:

26.22 Subd. 2a. **Income.** (a) For purposes of this section, "income" means the sum of the
26.23 following:

26.24 (1) federal adjusted gross income as defined in section 62 of the Internal Revenue Code;
26.25 and

26.26 (2) the sum of the following amounts to the extent not included in clause (1):

26.27 (i) all nontaxable income;

26.28 (ii) the amount of a passive activity loss that is not disallowed as a result of section 469,
26.29 paragraph (i) or (m) of the Internal Revenue Code and the amount of passive activity loss
26.30 carryover allowed under section 469(b) of the Internal Revenue Code;

- 27.1 (iii) an amount equal to the total of any discharge of qualified farm indebtedness of a
27.2 solvent individual excluded from gross income under section 108(g) of the Internal Revenue
27.3 Code;
- 27.4 (iv) cash public assistance and relief;
- 27.5 (v) any pension or annuity (including railroad retirement benefits, all payments received
27.6 under the federal Social Security Act, Supplemental Security Income, and veterans benefits),
27.7 which was not exclusively funded by the claimant or spouse, or which was funded exclusively
27.8 by the claimant or spouse and which funding payments were excluded from federal adjusted
27.9 gross income in the years when the payments were made;
- 27.10 (vi) interest received from the federal or a state government or any instrumentality or
27.11 political subdivision thereof;
- 27.12 (vii) workers' compensation;
- 27.13 (viii) nontaxable strike benefits;
- 27.14 (ix) the gross amounts of payments received in the nature of disability income or sick
27.15 pay as a result of accident, sickness, or other disability, whether funded through insurance
27.16 or otherwise;
- 27.17 (x) a lump-sum distribution under section 402(e)(3) of the Internal Revenue Code of
27.18 1986, as amended through December 31, 1995;
- 27.19 (xi) contributions made by the claimant to an individual retirement account, including
27.20 a qualified voluntary employee contribution; simplified employee pension plan;
27.21 self-employed retirement plan; cash or deferred arrangement plan under section 401(k) of
27.22 the Internal Revenue Code; or deferred compensation plan under section 457 of the Internal
27.23 Revenue Code;
- 27.24 (xii) nontaxable scholarship or fellowship grants;
- 27.25 (xiii) the amount of deduction allowed under section 199 of the Internal Revenue Code;
- 27.26 (xiv) the amount of deduction allowed under section 220 or 223 of the Internal Revenue
27.27 Code;
- 27.28 (xv) the amount deducted for tuition expenses under section 222 of the Internal Revenue
27.29 Code; and
- 27.30 (xvi) the amount deducted for certain expenses of elementary and secondary school
27.31 teachers under section 62(a)(2)(D) of the Internal Revenue Code.

28.1 In the case of an individual who files an income tax return on a fiscal year basis, the
 28.2 term "federal adjusted gross income" means federal adjusted gross income reflected in the
 28.3 fiscal year ending in the next calendar year. Federal adjusted gross income may not be
 28.4 reduced by the amount of a net operating loss carryback or carryforward or a capital loss
 28.5 carryback or carryforward allowed for the year.

28.6 (b) "Income" does not include:

28.7 (1) amounts excluded pursuant to the Internal Revenue Code, sections 101(a) and 102;

28.8 (2) amounts of any pension or annuity that were exclusively funded by the claimant or
 28.9 spouse if the funding payments were not excluded from federal adjusted gross income in
 28.10 the years when the payments were made;

28.11 (3) surplus food or other relief in kind supplied by a governmental agency;

28.12 (4) relief granted under chapter 290A;

28.13 (5) child support payments received under a temporary or final decree of dissolution or
 28.14 legal separation; ~~and~~

28.15 (6) restitution payments received by eligible individuals and excludable interest as
 28.16 defined in section 803 of the Economic Growth and Tax Relief Reconciliation Act of 2001,
 28.17 Public Law 107-16; and

28.18 (7) workforce incentive grant payments under section 256.4778.

28.19 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
 28.20 31, 2021.

28.21 Sec. 23. Minnesota Statutes 2021 Supplement, section 290A.03, subdivision 3, is amended
 28.22 to read:

28.23 Subd. 3. **Income.** (a) "Income" means the sum of the following:

28.24 (1) federal adjusted gross income as defined in the Internal Revenue Code; and

28.25 (2) the sum of the following amounts to the extent not included in clause (1):

28.26 (i) all nontaxable income;

28.27 (ii) the amount of a passive activity loss that is not disallowed as a result of section 469,
 28.28 paragraph (i) or (m) of the Internal Revenue Code and the amount of passive activity loss
 28.29 carryover allowed under section 469(b) of the Internal Revenue Code;

- 29.1 (iii) an amount equal to the total of any discharge of qualified farm indebtedness of a
29.2 solvent individual excluded from gross income under section 108(g) of the Internal Revenue
29.3 Code;
- 29.4 (iv) cash public assistance and relief;
- 29.5 (v) any pension or annuity (including railroad retirement benefits, all payments received
29.6 under the federal Social Security Act, Supplemental Security Income, and veterans benefits),
29.7 which was not exclusively funded by the claimant or spouse, or which was funded exclusively
29.8 by the claimant or spouse and which funding payments were excluded from federal adjusted
29.9 gross income in the years when the payments were made;
- 29.10 (vi) interest received from the federal or a state government or any instrumentality or
29.11 political subdivision thereof;
- 29.12 (vii) workers' compensation;
- 29.13 (viii) nontaxable strike benefits;
- 29.14 (ix) the gross amounts of payments received in the nature of disability income or sick
29.15 pay as a result of accident, sickness, or other disability, whether funded through insurance
29.16 or otherwise;
- 29.17 (x) a lump-sum distribution under section 402(e)(3) of the Internal Revenue Code of
29.18 1986, as amended through December 31, 1995;
- 29.19 (xi) contributions made by the claimant to an individual retirement account, including
29.20 a qualified voluntary employee contribution; simplified employee pension plan;
29.21 self-employed retirement plan; cash or deferred arrangement plan under section 401(k) of
29.22 the Internal Revenue Code; or deferred compensation plan under section 457 of the Internal
29.23 Revenue Code, to the extent the sum of amounts exceeds the retirement base amount for
29.24 the claimant and spouse;
- 29.25 (xii) to the extent not included in federal adjusted gross income, distributions received
29.26 by the claimant or spouse from a traditional or Roth style retirement account or plan;
- 29.27 (xiii) nontaxable scholarship or fellowship grants;
- 29.28 (xiv) alimony received to the extent not included in the recipient's income;
- 29.29 (xv) the amount of deduction allowed under section 220 or 223 of the Internal Revenue
29.30 Code;
- 29.31 (xvi) the amount deducted for tuition expenses under section 222 of the Internal Revenue
29.32 Code; and

30.1 (xvii) the amount deducted for certain expenses of elementary and secondary school
30.2 teachers under section 62(a)(2)(D) of the Internal Revenue Code.

30.3 In the case of an individual who files an income tax return on a fiscal year basis, the
30.4 term "federal adjusted gross income" shall mean federal adjusted gross income reflected in
30.5 the fiscal year ending in the calendar year. Federal adjusted gross income shall not be reduced
30.6 by the amount of a net operating loss carryback or carryforward or a capital loss carryback
30.7 or carryforward allowed for the year.

30.8 (b) "Income" does not include:

30.9 (1) amounts excluded pursuant to the Internal Revenue Code, sections 101(a) and 102;

30.10 (2) amounts of any pension or annuity which was exclusively funded by the claimant
30.11 or spouse and which funding payments were not excluded from federal adjusted gross
30.12 income in the years when the payments were made;

30.13 (3) to the extent included in federal adjusted gross income, amounts contributed by the
30.14 claimant or spouse to a traditional or Roth style retirement account or plan, but not to exceed
30.15 the retirement base amount reduced by the amount of contributions excluded from federal
30.16 adjusted gross income, but not less than zero;

30.17 (4) surplus food or other relief in kind supplied by a governmental agency;

30.18 (5) relief granted under this chapter;

30.19 (6) child support payments received under a temporary or final decree of dissolution or
30.20 legal separation;

30.21 (7) restitution payments received by eligible individuals and excludable interest as
30.22 defined in section 803 of the Economic Growth and Tax Relief Reconciliation Act of 2001,
30.23 Public Law 107-16;

30.24 (8) alimony paid; ~~or~~

30.25 (9) veterans disability compensation paid under title 38 of the United States Code; and

30.26 (10) workforce incentive grant payments under section 256.4778.

30.27 (c) The sum of the following amounts may be subtracted from income:

30.28 (1) for the claimant's first dependent, the exemption amount multiplied by 1.4;

30.29 (2) for the claimant's second dependent, the exemption amount multiplied by 1.3;

30.30 (3) for the claimant's third dependent, the exemption amount multiplied by 1.2;

31.1 (4) for the claimant's fourth dependent, the exemption amount multiplied by 1.1;

31.2 (5) for the claimant's fifth dependent, the exemption amount; and

31.3 (6) if the claimant or claimant's spouse had a disability or attained the age of 65 on or
31.4 before December 31 of the year for which the taxes were levied or rent paid, the exemption
31.5 amount.

31.6 (d) For purposes of this subdivision, the following terms have the meanings given:

31.7 (1) "exemption amount" means the exemption amount under section 290.0121,
31.8 subdivision 1, paragraph (b), for the taxable year for which the income is reported;

31.9 (2) "retirement base amount" means the deductible amount for the taxable year for the
31.10 claimant and spouse under section 219(b)(5)(A) of the Internal Revenue Code, adjusted for
31.11 inflation as provided in section 219(b)(5)(C) of the Internal Revenue Code, without regard
31.12 to whether the claimant or spouse claimed a deduction; and

31.13 (3) "traditional or Roth style retirement account or plan" means retirement plans under
31.14 sections 401, 403, 408, 408A, and 457 of the Internal Revenue Code.

31.15 **EFFECTIVE DATE.** This section is effective for refunds based on rent paid in 2022
31.16 **and property taxes payable in 2023.**

31.17 Sec. 24. Laws 2022, chapter 33, section 1, subdivision 5a, is amended to read:

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

31.20 (1) for supervisory staff, 100 percent of the median wage for community and social
31.21 services specialist (SOC code 21-1099), with the exception of the supervisor of positive
31.22 supports professional, positive supports analyst, and positive supports specialist, which is
31.23 100 percent of the median wage for clinical counseling and school psychologist (SOC code
31.24 19-3031);

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

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

31.29 (4) for residential asleep-overnight staff, the minimum wage in Minnesota for large
31.30 employers, with the exception of asleep-overnight staff for family residential services, which
31.31 is 36 percent of the minimum wage in Minnesota for large employers;

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

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

32.6 (ii) 85 percent of the subtotal of 40 percent of the median wage for home health and
32.7 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant
32.8 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code
32.9 29-2053); and 20 percent of the median wage for social and human services aide (SOC code
32.10 21-1093);

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

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

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

32.20 (9) for positive supports professional staff, 100 percent of the median wage for clinical
32.21 counseling and ~~school psychologist~~ psychologists-other (SOC code ~~19-3031~~ 19-3039);

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

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

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

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

33.4 (14) for employment exploration services staff, 50 percent of the median wage for
 33.5 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
 33.6 community and social services specialist (SOC code 21-1099);

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

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

33.13 (17) for night supervision staff, 40 percent of the median wage for home health and
 33.14 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant
 33.15 (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code
 33.16 29-2053); and 20 percent of the median wage for social and human services aide (SOC code
 33.17 21-1093); and

33.18 (18) for respite staff, 50 percent of the median wage for home health and personal care
 33.19 aide (SOC code 31-1131); and 50 percent of the median wage for nursing assistant (SOC
 33.20 code 31-1014).-

33.21 **EFFECTIVE DATE.** This section is effective January 1, 2023, or 60 days following
 33.22 federal approval, whichever is later. The commissioner of human services shall notify the
 33.23 revisor of statutes when federal approval is obtained.

33.24 **Sec. 25. APPROPRIATION; ON-SITE WORKFORCE SUPPORT SERVICES AT**
 33.25 **POSTSECONDARY INSTITUTIONS.**

33.26 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 33.27 of human services for planning necessary to develop an on-site workforce support services
 33.28 program at postsecondary institutions to support the placement of workforce services at
 33.29 Minnesota State Colleges and Universities campuses to increase the number of low-income
 33.30 students and students of color participating in the Supplemental Nutrition Assistance Program
 33.31 who successfully complete degrees and transition into employment after degree completion.
 33.32 Workforce services must include career counseling, support services, and resources to

34.1 resolve barriers to degree completion. The general fund base for this purpose is \$2,430,000
34.2 in fiscal year 2024 and \$3,240,000 in fiscal year 2025.

34.3 **Sec. 26. APPROPRIATION; BEHAVIORAL HEALTH PEER TRAINING.**

34.4 \$1,000,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
34.5 of human services for training and development for mental health certified peer specialists,
34.6 mental health certified family peer specialists, and recovery peer specialists. Training and
34.7 development may include but is not limited to initial training and certification. This
34.8 appropriation is ongoing.

34.9 **Sec. 27. APPROPRIATION; MIDSKILLED HEALTH CARE OCCUPATIONS.**

34.10 \$1,911,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
34.11 of human services to support demonstration sites that deliver wraparound workforce services
34.12 and household economic support. The commissioner shall work in collaboration with
34.13 postsecondary institutions to support adults receiving assistance through the Supplemental
34.14 Nutrition Assistance Program or the Minnesota family investment program in obtaining
34.15 postsecondary degrees affiliated with health care occupations. To the extent practicable,
34.16 the demonstration sites must be evenly divided between greater Minnesota and the Twin
34.17 Cities metropolitan area and must include at least one Tribal site. The general fund base for
34.18 this purpose is \$7,075,000 in fiscal year 2024 and \$10,112,000 in fiscal year 2025. This
34.19 appropriation is available until June 30, 2026.

34.20 **Sec. 28. APPROPRIATION; ONLINE TOOL ACCESSIBILITY AND CAPACITY**
34.21 **EXPANSION.**

34.22 \$395,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
34.23 of human services to expand the capacity and accessibility of online tools for people receiving
34.24 services and direct support workers. The base for this appropriation is \$664,000 in fiscal
34.25 year 2024 and \$681,000 in fiscal year 2025.

34.26 **Sec. 29. APPROPRIATION; SYSTEMIC CRITICAL INCIDENT REVIEW TEAM.**

34.27 \$500,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
34.28 of human services to implement the systemic critical incident review process in Minnesota
34.29 Statutes, section 256.01, subdivision 12b. The base for this appropriation is \$500,000 in
34.30 fiscal year 2024 and \$500,000 in fiscal year 2025.

35.1 Sec. 30. **REPEALER.**

35.2 Minnesota Statutes 2020, section 256S.19, subdivision 4, is repealed.

35.3 **EFFECTIVE DATE.** This section is effective January 1, 2023.

256S.19 MONTHLY CASE MIX BUDGET CAPS; NURSING FACILITY RESIDENTS.

Subd. 4. **Calculation of monthly conversion budget cap with consumer-directed community supports.** For the elderly waiver monthly conversion budget cap for the cost of elderly waiver services with consumer-directed community supports, the nursing facility case mix adjusted total payment rate used under subdivision 3 to calculate the monthly conversion budget cap for elderly waiver services without consumer-directed community supports must be reduced by a percentage equal to the percentage difference between the consumer-directed community supports budget limit that would be assigned according to the elderly waiver plan and the corresponding monthly case mix budget cap under this chapter, but not to exceed 50 percent.