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State of Minnesota

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Page No.

HOUSE OF REPRESENTATIVES

Unofficial Engrossment

House Engrossment of a Senate File

NINETY-FOURTH SESSION

S. F. No. **476**

- 04/27/2026 Companion to House File No. 729. (Authors:Noor; Schomacker; Hansen, R.; Curran and Virnig)
Read First Time and Referred to the Committee on Ways and Means
- 05/04/2026 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 05/11/2026 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and returned to the Senate to include Committee and Floor Amendments

1.1 A bill for an act

1.2 relating to state government; modifying provisions relating to Direct Care and

1.3 Treatment, the Department of Health, aging and disability services, behavioral

1.4 health services, housing and support services, maltreatment of vulnerable adults,

1.5 and continuity of care; removing housing stabilization supports provisions; requiring

1.6 release of Optum report; prohibiting Optum from disseminating private data;

1.7 requiring rulemaking; requiring a report; amending Minnesota Statutes 2024,

1.8 sections 3.7381; 13.04, subdivision 4a; 13.384, subdivision 3; 13.43, subdivision

1.9 5a; 13.46, subdivision 1, by adding a subdivision; 15.43, subdivision 3; 97B.001,

1.10 subdivision 4; 144.121, subdivision 9; 144.56, subdivision 2b; 144.586, subdivision

1.11 2; 144.6502, subdivision 1; 144.6512, subdivision 6; 144A.161, subdivisions 1a,

1.12 8; 144A.472, subdivision 5; 144A.72, subdivision 2; 144G.08, by adding

1.13 subdivisions; 144G.19, by adding a subdivision; 144G.31, subdivision 6; 144G.40,

1.14 subdivision 2; 144G.41, subdivisions 1, 2, by adding a subdivision; 144G.60,

1.15 subdivision 4; 144G.61, subdivision 2; 144G.92, subdivision 5; 152.137,

1.16 subdivision 6; 157.17, subdivisions 2, 5; 182.6545; 245.991, subdivision 3; 245.992,

1.17 subdivisions 1, 2; 245A.03, by adding subdivisions; 245A.11, subdivision 2a;

1.18 245D.04, subdivision 3, by adding a subdivision; 245D.09, subdivision 5; 245D.10,

1.19 subdivision 3; 245F.02, subdivision 17; 245F.15, subdivision 7; 245G.04, by

1.20 adding a subdivision; 245G.06, subdivision 4; 245G.11, subdivision 8; 245I.10,

1.21 subdivision 6; 253B.03, subdivisions 2, 3, 6, by adding a subdivision; 253B.18,

1.22 subdivision 14; 253D.19, subdivision 1; 254B.052, subdivision 1, by adding a

1.23 subdivision; 256.9752, as amended; 256B.04, subdivision 24, by adding

1.24 subdivisions; 256B.057, subdivision 9; 256B.0623, subdivision 6; 256B.0624,

1.25 subdivisions 6b, 7; 256B.0625, subdivisions 4, 47, by adding a subdivision;

1.26 256B.0658; 256B.0759, subdivision 3; 256B.0911, subdivision 32; 256B.0924,

1.27 subdivisions 3, 5, 7, by adding a subdivision; 256B.0943, subdivision 6, by adding

1.28 a subdivision; 256B.0946, subdivision 4; 256B.0947, subdivision 5; 256B.0949,

1.29 by adding a subdivision; 256B.4905, subdivision 2a; 256B.492, subdivisions 1,

1.30 3; 256B.493, subdivision 1; 256B.851, subdivision 8; 256D.54, subdivision 1;

1.31 256L.03, subdivision 1; 256R.481; 256S.205, subdivision 1; 256S.21, subdivision

1.32 3; 295.50, subdivision 4; 524.5-409, subdivision 2; 626.557, subdivisions 9, 9a,

1.33 12b, by adding subdivisions; 626.5572, subdivisions 2, 9, 17, by adding

1.34 subdivisions; Minnesota Statutes 2025 Supplement, sections 13.46, subdivision

1.35 2; 15.471, subdivision 6; 144.121, subdivision 1a; 144A.474, subdivision 11;

1.36 144A.4799, subdivision 1; 245.469, subdivision 1; 245.4889, subdivision 1;

1.37 245C.03, subdivision 6; 245C.04, subdivision 6; 245C.10, subdivision 6; 245D.091,

1.38 subdivisions 2, 3; 245D.10, subdivision 3a; 245F.08, subdivision 3; 245G.09,

2.1 subdivision 3; 245G.11, subdivision 7; 245I.04, subdivision 17; 253B.18,
2.2 subdivision 6; 254A.03, subdivision 3; 254B.04, subdivision 1a; 254B.0501,
2.3 subdivision 6; 254B.0505, subdivision 8, by adding subdivisions; 256B.04,
2.4 subdivision 21; 256B.0625, subdivision 5m; 256B.0701, subdivision 9; 256B.0759,
2.5 subdivision 4; 256B.0911, subdivision 13; 256B.0924, subdivision 6; 256B.0943,
2.6 subdivisions 1, 9; 256B.0947, subdivision 3a; 256B.0949, subdivisions 2, 16, 18;
2.7 256B.4914, subdivision 10a; 256L.03, subdivision 5; 256S.205, subdivision 2;
2.8 295.50, subdivision 9b; 524.5-311; 626.5572, subdivision 13; Laws 2023, chapter
2.9 61, article 1, section 67, subdivision 3, as amended; article 9, section 2, subdivision
2.10 5, as amended; Laws 2024, chapter 125, article 1, section 47; article 4, section 12,
2.11 subdivision 5; article 8, section 2, subdivisions 4, 14, as amended, 20; proposing
2.12 coding for new law in Minnesota Statutes, chapters 144A; 144G; 245; 245D; 246C;
2.13 253B; repealing Minnesota Statutes 2024, sections 245A.03, subdivision 7;
2.14 256B.051, subdivisions 1, 4, 7; 256B.0759, subdivisions 2, 5; 256B.5012,
2.15 subdivisions 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16; 626.557, subdivision 10;
2.16 Minnesota Statutes 2025 Supplement, sections 254B.052, subdivision 6; 256B.051,
2.17 subdivisions 2, 3, 5, 6, 6a, 6b, 8, 9, 10; Laws 2025, First Special Session chapter
2.18 3, article 18, section 3.

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

2.20 **ARTICLE 1**

2.21 **DIRECT CARE AND TREATMENT POLICY**

2.22 Section 1. Minnesota Statutes 2024, section 3.7381, is amended to read:

2.23 **3.7381 LOSS, DAMAGE, OR DESTRUCTION OF PROPERTY; STATE**
2.24 **INSTITUTIONS; CORRECTIONAL FACILITIES.**

2.25 (a) The commissioners of ~~human services~~, veterans affairs, or corrections or the Direct
2.26 Care and Treatment executive board, as appropriate, shall determine, adjust, and settle, at
2.27 any time, claims and demands of \$7,000 or less arising from negligent loss, damage, or
2.28 destruction of property of a patient of a state institution under the control of the Direct Care
2.29 and Treatment executive board or the commissioner of veterans affairs or an inmate of a
2.30 state correctional facility.

2.31 (b) A claim of more than \$7,000, or a claim that was not paid by the appropriate
2.32 department or agency may be presented to, heard, and determined by the appropriate
2.33 committees of the senate and the house of representatives and, if approved, shall be paid
2.34 pursuant to legislative claims procedure.

2.35 (c) The procedure established by this section is exclusive of all other legal, equitable,
2.36 and statutory remedies.

2.37 Sec. 2. Minnesota Statutes 2024, section 13.04, subdivision 4a, is amended to read:

2.38 Subd. 4a. **Sex offender program data; challenges.** Notwithstanding subdivision 4,
2.39 challenges to the accuracy or completeness of data maintained by the Direct Care and

3.1 Treatment sex offender program about a civilly committed sex offender as defined in section
3.2 246B.01, subdivision 1a, must be submitted in writing to the data practices compliance
3.3 official of Direct Care and Treatment or a delegee. The data practices compliance official
3.4 or a delegee must respond to the challenge as provided in this section.

3.5 Sec. 3. Minnesota Statutes 2024, section 13.384, subdivision 3, is amended to read:

3.6 Subd. 3. **Classification of medical data.** Unless the data is summary data or a statute
3.7 specifically provides a different classification, medical data are private but are available
3.8 only to the subject of the data as provided in sections 144.291 to 144.298, and shall not be
3.9 disclosed to others except:

3.10 (a) pursuant to ~~section~~ sections 13.05 and 13.46;

3.11 (b) pursuant to section 253B.0921;

3.12 (c) pursuant to a valid court order;

3.13 (d) to administer federal funds or programs;

3.14 (e) to the surviving spouse, parents, children, siblings, and health care agent of a deceased
3.15 patient or client or, if there are no surviving spouse, parents, children, siblings, or health
3.16 care agent to the surviving heirs of the nearest degree of kindred;

3.17 (f) to communicate a patient's or client's condition to a family member, health care agent,
3.18 or other appropriate person in accordance with acceptable medical practice, unless the
3.19 patient or client directs otherwise; or

3.20 (g) as otherwise required by law.

3.21 Sec. 4. Minnesota Statutes 2024, section 13.43, subdivision 5a, is amended to read:

3.22 Subd. 5a. **Limitation on disclosure of certain personnel data.** Notwithstanding any
3.23 other provision of this section, the following data relating to employees of a secure treatment
3.24 facility defined in section 253B.02, subdivision 18a, or 253D.02, subdivision 13; employees
3.25 of a treatment program as defined in section 253D.02, subdivision 17; employees of a state
3.26 correctional facility;; or employees of the Department of Corrections directly involved in
3.27 supervision of offenders in the community, ~~shall~~ must not be disclosed to facility patients
3.28 or clients, corrections inmates, or other individuals who facility or correction administrators
3.29 reasonably believe will use the information to harass, intimidate, or assault any of these
3.30 employees:

3.31 (1) place where previous education or training occurred;

4.1 (2) place of prior employment; and

4.2 (3) payroll timesheets or other comparable data, to the extent that disclosure of payroll
4.3 timesheets or other comparable data may disclose future work assignments, home address
4.4 or telephone number, the location of an employee during nonwork hours, or the location of
4.5 an employee's immediate family members.

4.6 EFFECTIVE DATE. This section is effective the day following final enactment and
4.7 applies to any data request pending on or received after that date.

4.8 Sec. 5. Minnesota Statutes 2024, section 13.46, subdivision 1, is amended to read:

4.9 Subdivision 1. **Definitions.** As used in this section:

4.10 (a) "Individual" means an individual according to section 13.02, subdivision 8, but does
4.11 not include a vendor of services.

4.12 (b) "Program" includes all programs for which authority is vested in a component of the
4.13 welfare system according to statute or federal law, including but not limited to Native
4.14 American Tribe programs that provide a service component of the welfare system, the
4.15 Minnesota family investment program, medical assistance, general assistance, general
4.16 assistance medical care formerly codified in chapter 256D, the child care assistance program,
4.17 and child support collections.

4.18 (c) "Welfare system" includes the Department of Human Services; Direct Care and
4.19 Treatment; the Department of Children, Youth, and Families; local social services agencies;
4.20 county welfare agencies; county public health agencies; county veteran services agencies;
4.21 county housing agencies; private licensing agencies; the public authority responsible for
4.22 child support enforcement; human services boards; community mental health center boards,
4.23 state hospitals, state nursing homes, the ombudsman for mental health and developmental
4.24 disabilities; Native American Tribes to the extent a Tribe provides a service component of
4.25 the welfare system; and persons, agencies, institutions, organizations, and other entities
4.26 under contract to any of the above agencies to the extent specified in the contract.

4.27 (d) "Mental health data" means data on individual clients and patients of community
4.28 mental health centers, established under section 245.62, mental health divisions of counties
4.29 and other providers under contract to deliver mental health services, ~~Direct Care and~~
4.30 ~~Treatment mental health services~~, or the ombudsman for mental health and developmental
4.31 disabilities.

4.32 (e) "Fugitive felon" means a person who has been convicted of a felony and who has
4.33 escaped from confinement or violated the terms of probation or parole for that offense.

5.1 (f) "Private licensing agency" means an agency licensed by the commissioner of children,
5.2 youth, and families under chapter 142B to perform the duties under section 142B.30.

5.3 Sec. 6. Minnesota Statutes 2025 Supplement, section 13.46, subdivision 2, is amended to
5.4 read:

5.5 Subd. 2. **General.** (a) Data on individuals collected, maintained, used, or disseminated
5.6 by the welfare system are private data on individuals, and shall not be disclosed except:

5.7 (1) according to section 13.05;

5.8 (2) according to court order;

5.9 (3) according to a statute specifically authorizing access to the private data;

5.10 (4) to an agent or investigator acting on behalf of a county, the state, or the federal
5.11 government, including a law enforcement person or attorney in the investigation or
5.12 prosecution of a criminal, civil, or administrative proceeding relating to the administration
5.13 of a program;

5.14 (5) to personnel of the welfare system who require the data to verify an individual's
5.15 identity; determine eligibility, amount of assistance, and the need to provide services to an
5.16 individual or family across programs; coordinate services for an individual or family;
5.17 evaluate the effectiveness of programs; assess parental contribution amounts; and investigate
5.18 suspected fraud;

5.19 (6) to administer federal funds or programs;

5.20 (7) between personnel of the welfare system working in the same program;

5.21 (8) to the Department of Revenue to administer and evaluate tax refund or tax credit
5.22 programs and to identify individuals who may benefit from these programs, and prepare
5.23 the databases for reports required under section 270C.13 and Laws 2008, chapter 366, article
5.24 17, section 6. The following information may be disclosed under this paragraph: an
5.25 individual's and their dependent's names, dates of birth, Social Security or individual taxpayer
5.26 identification numbers, income, addresses, and other data as required, upon request by the
5.27 Department of Revenue. Disclosures by the commissioner of revenue to the commissioner
5.28 of human services for the purposes described in this clause are governed by section 270B.14,
5.29 subdivision 1. Tax refund or tax credit programs include, but are not limited to, the dependent
5.30 care credit under section 290.067, the Minnesota working family credit under section
5.31 290.0671, the property tax refund under section 290A.04, and the Minnesota education
5.32 credit under section 290.0674;

6.1 (9) between the Department of Human Services; the Department of Employment and
6.2 Economic Development; the Department of Children, Youth, and Families; Direct Care and
6.3 Treatment; and, when applicable, the Department of Education, for the following purposes:

6.4 (i) to monitor the eligibility of the data subject for unemployment benefits, for any
6.5 employment or training program administered, supervised, or certified by that agency;

6.6 (ii) to administer any rehabilitation program or child care assistance program, whether
6.7 alone or in conjunction with the welfare system;

6.8 (iii) to monitor and evaluate the Minnesota family investment program or the child care
6.9 assistance program by exchanging data on recipients and former recipients of Supplemental
6.10 Nutrition Assistance Program (SNAP) benefits, cash assistance under chapter 142F, 256D,
6.11 256J, or 256K, child care assistance under chapter 142E, medical programs under chapter
6.12 256B or 256L; and

6.13 (iv) to analyze public assistance employment services and program utilization, cost,
6.14 effectiveness, and outcomes as implemented under the authority established in Title II,
6.15 Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999.
6.16 Health records governed by sections 144.291 to 144.298 and "protected health information"
6.17 as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code
6.18 of Federal Regulations, title 45, parts 160-164, including health care claims utilization
6.19 information, must not be exchanged under this clause;

6.20 (10) to appropriate parties in connection with an emergency if knowledge of the
6.21 information is necessary to protect the health or safety of the individual or other individuals
6.22 or persons;

6.23 (11) data maintained by residential programs as defined in section 245A.02 may be
6.24 disclosed to the protection and advocacy system established in this state according to Part
6.25 C of Public Law 98-527 to protect the legal and human rights of persons with developmental
6.26 disabilities or other related conditions who live in residential facilities for these persons if
6.27 the protection and advocacy system receives a complaint by or on behalf of that person and
6.28 the person does not have a legal guardian or the state or a designee of the state is the legal
6.29 guardian of the person;

6.30 (12) to the county medical examiner or the county coroner for identifying or locating
6.31 relatives or friends of a deceased person;

7.1 (13) data on a child support obligor who makes payments to the public agency may be
7.2 disclosed to the Minnesota Office of Higher Education to the extent necessary to determine
7.3 eligibility under section 136A.121, subdivision 2, clause (5);

7.4 (14) participant Social Security or individual taxpayer identification numbers and names
7.5 collected by the telephone assistance program may be disclosed to the Department of
7.6 Revenue to conduct an electronic data match with the property tax refund database to
7.7 determine eligibility under section 237.70, subdivision 4a;

7.8 (15) the current address of a Minnesota family investment program participant may be
7.9 disclosed to law enforcement officers who provide the name of the participant and notify
7.10 the agency that:

7.11 (i) the participant:

7.12 (A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after
7.13 conviction, for a crime or attempt to commit a crime that is a felony under the laws of the
7.14 jurisdiction from which the individual is fleeing; or

7.15 (B) is violating a condition of probation or parole imposed under state or federal law;

7.16 (ii) the location or apprehension of the felon is within the law enforcement officer's
7.17 official duties; and

7.18 (iii) the request is made in writing and in the proper exercise of those duties;

7.19 (16) the current address of a recipient of general assistance may be disclosed to probation
7.20 officers and corrections agents who are supervising the recipient and to law enforcement
7.21 officers who are investigating the recipient in connection with a felony level offense;

7.22 (17) information obtained from a SNAP applicant or recipient households may be
7.23 disclosed to local, state, or federal law enforcement officials, upon their written request, for
7.24 the purpose of investigating an alleged violation of the Food and Nutrition Act, according
7.25 to Code of Federal Regulations, title 7, section 272.1(c);

7.26 (18) the address, Social Security or individual taxpayer identification number, and, if
7.27 available, photograph of any member of a household receiving SNAP benefits shall be made
7.28 available, on request, to a local, state, or federal law enforcement officer if the officer
7.29 furnishes the agency with the name of the member and notifies the agency that:

7.30 (i) the member:

7.31 (A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a
7.32 crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

8.1 (B) is violating a condition of probation or parole imposed under state or federal law;
8.2 or

8.3 (C) has information that is necessary for the officer to conduct an official duty related
8.4 to conduct described in subitem (A) or (B);

8.5 (ii) locating or apprehending the member is within the officer's official duties; and

8.6 (iii) the request is made in writing and in the proper exercise of the officer's official duty;

8.7 (19) the current address of a recipient of Minnesota family investment program, general
8.8 assistance, or SNAP benefits may be disclosed to law enforcement officers who, in writing,
8.9 provide the name of the recipient and notify the agency that the recipient is a person required
8.10 to register under section 243.166, but is not residing at the address at which the recipient is
8.11 registered under section 243.166;

8.12 (20) certain information regarding child support obligors who are in arrears may be
8.13 made public according to section 518A.74;

8.14 (21) data on child support payments made by a child support obligor and data on the
8.15 distribution of those payments excluding identifying information on obligees may be
8.16 disclosed to all obligees to whom the obligor owes support, and data on the enforcement
8.17 actions undertaken by the public authority, the status of those actions, and data on the income
8.18 of the obligor or obligee may be disclosed to the other party;

8.19 (22) data in the work reporting system may be disclosed under section 142A.29,
8.20 subdivision 7;

8.21 (23) to the Department of Education for the purpose of matching Department of Education
8.22 student data with public assistance data to determine students eligible for free and
8.23 reduced-price meals, meal supplements, and free milk according to United States Code,
8.24 title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state
8.25 funds that are distributed based on income of the student's family; and to verify receipt of
8.26 energy assistance for the telephone assistance plan;

8.27 (24) the current address and telephone number of program recipients and emergency
8.28 contacts may be released to the commissioner of health or a community health board as
8.29 defined in section 145A.02, subdivision 5, when the commissioner or community health
8.30 board has reason to believe that a program recipient is a disease case, carrier, suspect case,
8.31 or at risk of illness, and the data are necessary to locate the person;

8.32 (25) to other state agencies, statewide systems, and political subdivisions of this state,
8.33 including the attorney general, and agencies of other states, interstate information networks,

9.1 federal agencies, and other entities as required by federal regulation or law for the
9.2 administration of the child support enforcement program;

9.3 (26) to personnel of public assistance programs as defined in section 518A.81, for access
9.4 to the child support system database for the purpose of administration, including monitoring
9.5 and evaluation of those public assistance programs;

9.6 (27) to monitor and evaluate the Minnesota family investment program by exchanging
9.7 data between the Departments of Human Services; Children, Youth, and Families; and
9.8 Education, on recipients and former recipients of SNAP benefits, cash assistance under
9.9 chapter 142F, 256D, 256J, or 256K, child care assistance under chapter 142E, medical
9.10 programs under chapter 256B or 256L, or a medical program formerly codified under chapter
9.11 256D;

9.12 (28) to evaluate child support program performance and to identify and prevent fraud
9.13 in the child support program by exchanging data between the Department of Human Services;
9.14 Department of Children, Youth, and Families; Department of Revenue under section 270B.14,
9.15 subdivision 1, paragraphs (a) and (b), without regard to the limitation of use in paragraph
9.16 (c); Department of Health; Department of Employment and Economic Development; and
9.17 other state agencies as is reasonably necessary to perform these functions;

9.18 (29) counties and the Department of Children, Youth, and Families operating child care
9.19 assistance programs under chapter 142E may disseminate data on program participants,
9.20 applicants, and providers to the commissioner of education;

9.21 (30) child support data on the child, the parents, and relatives of the child may be
9.22 disclosed to agencies administering programs under titles IV-B and IV-E of the Social
9.23 Security Act, as authorized by federal law;

9.24 (31) to a health care provider governed by sections 144.291 to 144.298, to the extent
9.25 necessary to coordinate services;

9.26 (32) to the chief administrative officer of a school to coordinate services for a student
9.27 and family; data that may be disclosed under this clause are limited to name, date of birth,
9.28 gender, and address;

9.29 (33) to county correctional agencies to the extent necessary to coordinate services and
9.30 diversion programs; data that may be disclosed under this clause are limited to name, client
9.31 demographics, program, case status, and county worker information; or

9.32 (34) between the Department of Human Services and the Metropolitan Council for the
9.33 following purposes:

10.1 (i) to coordinate special transportation service provided under section 473.386 with
10.2 services for people with disabilities and elderly individuals funded by or through the
10.3 Department of Human Services; and

10.4 (ii) to provide for reimbursement of special transportation service provided under section
10.5 473.386.

10.6 The data that may be shared under this clause are limited to the individual's first, last, and
10.7 middle names; date of birth; residential address; and program eligibility status with expiration
10.8 date for the purposes of informing the other party of program eligibility.

10.9 (b) Information on persons who have been treated for substance use disorder may only
10.10 be disclosed according to the requirements of Code of Federal Regulations, title 42, sections
10.11 2.1 to 2.67.

10.12 (c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16),
10.13 (17), or (18), or paragraph (b), are investigative data and are confidential or protected
10.14 nonpublic while the investigation is active. The data are private after the investigation
10.15 becomes inactive under section 13.82, subdivision 7, clause (a) or (b).

10.16 (d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but are
10.17 not subject to the access provisions of subdivision 10, paragraph (b).

10.18 (e) For the purposes of this subdivision, a request ~~will be~~ is deemed to be made in writing
10.19 if made through a computer interface system.

10.20 (f) Direct Care and Treatment may disclose data as provided in subdivision 14.

10.21 Sec. 7. Minnesota Statutes 2024, section 13.46, is amended by adding a subdivision to
10.22 read:

10.23 Subd. 14. **Direct Care and Treatment.** (a) Notwithstanding sections 144.291 to 144.298,
10.24 Direct Care and Treatment may disclose data pursuant to subdivision 2 and as otherwise
10.25 permitted by law.

10.26 (b) Direct Care and Treatment may disclose welfare system data held by the agency to
10.27 facilitate guardianship proceedings for Direct Care and Treatment clients, and for reporting
10.28 complaints to the Minnesota Judicial Branch or the Office of Ombudsman for Mental Health
10.29 and Developmental Disabilities. Direct Care and Treatment must obtain the client's consent
10.30 for a disclosure made pursuant to this paragraph except when the client:

10.31 (1) lacks capacity to provide the consent; or

11.1 (2) has a current legal guardian who is unavailable, is nonresponsive, or refuses to
11.2 authorize the disclosure in relation to complaints to the Minnesota Judicial Branch or Office
11.3 of Ombudsman for Mental Health and Developmental Disabilities.

11.4 Sec. 8. Minnesota Statutes 2024, section 182.6545, is amended to read:

11.5 **182.6545 RIGHTS OF NEXT OF KIN UPON DEATH.**

11.6 In the case of a death of an employee, the department shall make reasonable efforts to
11.7 locate the employee's next of kin and shall mail to them copies of the following:

11.8 (1) citations and notification of penalty;

11.9 (2) notices of hearings;

11.10 (3) complaints and answers;

11.11 (4) settlement agreements;

11.12 (5) orders and decisions; and

11.13 (6) notices of appeals.

11.14 In addition, the next of kin shall have the right to request a consultation with the
11.15 department regarding citations and notification of penalties issued as a result of the
11.16 investigation of the employee's death. For the purposes of this section, "next of kin" refers
11.17 to the nearest proper relative as that term is defined by section 253B.03, subdivision 6,
11.18 paragraph ~~(b)~~ (a), clause (3).

11.19 Sec. 9. **[246C.051] CLASSIFICATION ALIGNMENT FOR DIRECT CARE AND**
11.20 **TREATMENT EMPLOYEES.**

11.21 (a) Notwithstanding section 43A.08; Minnesota Rules, part 3900.1300; or any other law
11.22 to the contrary, Direct Care and Treatment may, with approval from Minnesota Management
11.23 and Budget, convert employees deemed unclassified pursuant to pilot authority of the
11.24 Department of Human Services under Laws 1997, chapter 97, section 18, into the classified
11.25 service.

11.26 (b) Employees converted to the classified service pursuant to this section are subject to
11.27 the terms and conditions of employment applicable to positions in the classified service
11.28 pursuant to statute, rule, bargaining unit or compensation plan, and agency policy, including
11.29 but not limited to required probationary periods and mandatory training requirements.

12.1 (c) Employees converted to the classified service pursuant to this section must not receive
12.2 a reduction in salary at the time of the conversion.

12.3 Sec. 10. Minnesota Statutes 2024, section 253B.03, subdivision 2, is amended to read:

12.4 Subd. 2. **Correspondence.** A patient has the right to correspond freely without censorship,
12.5 subject to section 253B.25. The head of the treatment facility or head of the state-operated
12.6 treatment program may restrict correspondence if the patient's medical welfare requires this
12.7 restriction. For a patient in a state-operated treatment program, that determination may be
12.8 reviewed by the executive board. Any limitation imposed on the exercise of a patient's
12.9 correspondence rights and the reason for it shall be made a part of the clinical record of the
12.10 patient. Any communication which is not delivered to a patient shall be immediately returned
12.11 to the sender.

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

12.13 Sec. 11. Minnesota Statutes 2024, section 253B.03, subdivision 3, is amended to read:

12.14 Subd. 3. **Visitors and phone calls.** Subject to the general rules of the treatment facility
12.15 or state-operated treatment program and section 253B.25, a patient has the right to receive
12.16 visitors and make phone calls. The head of the treatment facility or head of the state-operated
12.17 treatment program may restrict visits and phone calls on determining that the medical welfare
12.18 of the patient requires it. Any limitation imposed on the exercise of the patient's visitation
12.19 and phone call rights and the reason for it shall be made a part of the clinical record of the
12.20 patient.

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

12.22 Sec. 12. Minnesota Statutes 2024, section 253B.03, subdivision 6, is amended to read:

12.23 Subd. 6. **Consent for medical procedure.** (a) For purposes of this subdivision, the
12.24 following terms have the meanings given:

12.25 (1) notwithstanding section 253B.02, subdivision 10, "interested person" has the meaning
12.26 given under section 524.5-102, subdivision 7;

12.27 (2) notwithstanding section 253B.02, subdivision 15, "patient" includes a person
12.28 committed under chapter 253D who is in a state-operated treatment program; and

12.29 (3) "proper relative" means, in the following order, the patient's spouse, parent, adult
12.30 child, or adult sibling.

13.1 (b) A patient has the right to give prior consent to any medical ~~or surgical~~ treatment,
13.2 including but not limited to surgery, other than treatment for chemical dependency or
13.3 nonintrusive treatment for mental illness.

13.4 ~~(b)~~ (c) The following procedures shall be used to obtain consent for any treatment
13.5 necessary to preserve the life or health of any committed patient:

13.6 (1) the written, informed consent of a competent adult patient for the treatment is
13.7 sufficient;

13.8 (2) if the patient is subject to guardianship which includes the provision of medical care,
13.9 the written, informed consent of the guardian for the treatment is sufficient;

13.10 (3) for a patient in a treatment facility, if the head of the treatment facility ~~or~~
13.11 ~~state-operated treatment program~~ determines that the patient is not competent to consent to
13.12 the treatment and the patient has not been adjudicated incompetent, written, informed consent
13.13 for the ~~surgery~~ or medical treatment shall be obtained from the person appointed the health
13.14 care power of attorney, the patient's agent under the health care directive, or the nearest
13.15 proper relative. ~~For this purpose, the following persons are proper relatives, in the order~~
13.16 ~~listed: the patient's spouse, parent, adult child, or adult sibling.~~ If the nearest proper ~~relative~~
13.17 relative cannot be located, ~~refuse~~ refuses to consent to the procedure, or ~~are~~ is unable to
13.18 consent, the head of the treatment facility ~~or state-operated treatment program~~ or an interested
13.19 person may petition the committing court for approval for the treatment or may petition a
13.20 court of competent jurisdiction for the appointment of a guardian. The determination that
13.21 the patient is not competent, and the reasons for the determination, shall be documented in
13.22 the patient's clinical record;

13.23 (4) for patients in a state-operated treatment program, if (i) the patient does not have a
13.24 health care power of attorney or an agent under a health care directive or the patient's health
13.25 care agent is not reasonably available to make the necessary health care decision for the
13.26 patient, and (ii) the patient's treating physician determines that the patient lacks
13.27 decision-making capacity to consent to the medical treatment, the state-operated treatment
13.28 program must make a good faith attempt to locate the patient's nearest proper relative to
13.29 obtain written informed consent for the medical treatment;

13.30 (5) if the state-operated treatment program is unable to reasonably locate a proper relative,
13.31 the executive medical director has decision-making authority for the health care decision
13.32 for the patient subject to the provisions under subdivision 6c;

13.33 (6) if the state-operated treatment program consults with the patient's nearest proper
13.34 relative under clause (4) and the patient's nearest proper relative and the patient's treating

14.1 physician are not in agreement with respect to a medical treatment decision, the state-operated
14.2 treatment program or an interested person may petition the committing court for approval
14.3 of the treatment. The state-operated treatment program may also petition a court of competent
14.4 jurisdiction for the appointment of a guardian at any time. If a court determines that a patient
14.5 is not competent, the determination and the reasons for the determination must be documented
14.6 in the patient's clinical record;

14.7 ~~(4)~~ (7) consent to treatment of any minor patient shall be secured in accordance with
14.8 sections 144.341 to 144.346. A minor 16 years of age or older may consent to hospitalization,
14.9 routine diagnostic evaluation, and emergency or short-term acute care; and

14.10 ~~(5)~~ (8) in the case of an emergency when the persons ordinarily qualified to give consent
14.11 cannot be located in sufficient time to address the emergency need, the head of the treatment
14.12 facility or state-operated treatment program may give consent.

14.13 ~~(e)~~ (d) No person who consents to treatment pursuant to the provisions of this subdivision
14.14 shall be civilly or criminally liable for the performance or the manner of performing the
14.15 treatment. No person shall be liable for performing treatment without consent if written,
14.16 informed consent was given pursuant to this subdivision. This provision shall not affect any
14.17 other liability which may result from the manner in which the treatment is performed.

14.18 Sec. 13. Minnesota Statutes 2024, section 253B.03, is amended by adding a subdivision
14.19 to read:

14.20 Subd. 6e. **Health care decisions made by executive medical director.** (a) For purposes
14.21 of this subdivision, the following terms have the meanings given:

14.22 (1) notwithstanding section 253B.02, subdivision 10, "interested person" has the meaning
14.23 given under section 524.5-102, subdivision 7; and

14.24 (2) notwithstanding section 253B.02, subdivision 15, "patient" includes a person
14.25 committed under chapter 253D who is in a state-operated treatment program.

14.26 (b) Any health care decision made by the executive medical director under subdivision
14.27 6, paragraph (c), clause (5), must be consistent with any documented patient health care
14.28 directive and with reasonable medical practice and applicable law.

14.29 (c) Before proceeding with treatment under subdivision 6, paragraph (c), clause (5), a
14.30 state-operated treatment program must inform the patient of the determination by the patient's
14.31 treating physician that the patient lacks decision-making capacity to consent to the medical
14.32 treatment, the proposed treatment, and the right to request review. Upon the request of the
14.33 patient or an interested person a second physician not directly involved in the patient's

15.1 current treatment must review the incapacity determination. The executive medical director
15.2 must review the proposed treatment decision and the second physician's review of the
15.3 incapacity determination and make an updated determination. A state-operated treatment
15.4 program may proceed with treatment of the patient while a review under this paragraph is
15.5 pending.

15.6 (d) When a determination is made under paragraph (c), the state-operated treatment
15.7 program must document the following information in the patient's clinical record:

15.8 (1) the determination of incapacity and the clinical basis for the determination;

15.9 (2) the specific treatment authorized;

15.10 (3) the person who provided consent or who made the determination allowing the
15.11 treatment;

15.12 (4) the efforts made to locate and consult with a health care agent or nearest proper
15.13 relative; and

15.14 (5) the patient's expressed preferences regarding the treatment, if known, and how the
15.15 preferences were considered.

15.16 (e) The executive medical director must review a determination that a patient lacks
15.17 capacity periodically as medically appropriate, but not less than every six months. The
15.18 outcome of a review under this paragraph must be documented in the patient's clinical
15.19 record.

15.20 (f) If a patient or interested person is dissatisfied with the outcome of the review under
15.21 paragraph (c), the patient or interested person may petition the committing court under
15.22 section 253B.17 for review of the incapacity determination made under paragraph (c). Filing
15.23 a petition under section 253B.17 does not stay treatment under this subdivision unless
15.24 otherwise ordered by the court. In reviewing the executive medical director's decision under
15.25 paragraph (c) and issuing a determination, the court must determine if the patient lacks
15.26 capacity. If the patient lacks capacity, the court must determine if the patient clearly stated
15.27 what the patient would choose to do in the situation when the patient had the capacity to
15.28 make a reasoned decision. Evidence of the patient's wishes may include written instruments,
15.29 including a durable power of attorney for health care under chapter 145C or a declaration
15.30 under section 253B.03, subdivision 6d. If the court finds that the patient clearly stated what
15.31 the patient would choose to do in the situation, the patient's wishes must be followed. If the
15.32 court determines that the evidence of the patient's wishes regarding the situation are

16.1 conflicting or lacking, the court must make a decision based on what a reasonable person
16.2 would do, taking into consideration:

16.3 (1) the patient's family, community, moral, religious, and social values;

16.4 (2) the medical risks, benefits, and alternatives to the proposed treatment;

16.5 (3) past efficacy and any extenuating circumstances of past experience with the particular
16.6 medical treatment; and

16.7 (4) any other relevant factors.

16.8 Sec. 14. Minnesota Statutes 2025 Supplement, section 253B.18, subdivision 6, is amended
16.9 to read:

16.10 Subd. 6. **Transfer.** (a) A patient who is a person who has a mental illness and is
16.11 dangerous to the public shall not be transferred out of a secure treatment facility unless it
16.12 appears to the satisfaction of the executive board, after a hearing and favorable
16.13 recommendation by a majority of the special review board, that the transfer is appropriate.
16.14 Transfer may be to another state-operated treatment program. In those instances where a
16.15 commitment also exists to the Department of Corrections, transfer may be to a facility
16.16 designated by the commissioner of corrections.

16.17 (b) The following factors must be considered in determining whether a transfer is
16.18 appropriate:

16.19 (1) the person's clinical progress and present treatment needs;

16.20 (2) the need for security to accomplish continuing treatment;

16.21 (3) the need for continued institutionalization;

16.22 (4) which facility can best meet the person's needs; and

16.23 (5) whether transfer can be accomplished with a reasonable degree of safety for the
16.24 public.

16.25 (c) If a committed person has been transferred out of a secure treatment facility pursuant
16.26 to this subdivision, that committed person may voluntarily return to a secure treatment
16.27 facility ~~for a period of up to 60 days~~ with the consent of the head of the treatment facility;
16.28 for a period of up to:

16.29 (1) 90 days if due to a psychiatric medical condition; or

16.30 (2) six months if due to a nonpsychiatric medical condition.

17.1 (d) If the committed person is not returned to the original, nonsecure transfer facility
17.2 within ~~60~~ 90 days of being readmitted to a secure treatment facility if due to a psychiatric
17.3 medical condition or within six months of being readmitted to a secure treatment facility if
17.4 due to a nonpsychiatric medical condition, the transfer is revoked and the committed person
17.5 must remain in a secure treatment facility. The committed person must immediately be
17.6 notified in writing of the revocation.

17.7 (e) Within 15 days of receiving notice of the revocation, the committed person may
17.8 petition the special review board for a review of the revocation. The special review board
17.9 shall review the circumstances of the revocation and shall recommend to the executive
17.10 board whether or not the revocation should be upheld. The special review board may also
17.11 recommend a new transfer at the time of the revocation hearing.

17.12 (f) No action by the special review board is required if the transfer has not been revoked
17.13 and the committed person is returned to the original, nonsecure transfer facility with no
17.14 substantive change to the conditions of the transfer ordered under this subdivision.

17.15 (g) The head of the treatment facility may revoke a transfer made under this subdivision
17.16 and require a committed person to return to a secure treatment facility if:

17.17 (1) remaining in a nonsecure setting does not provide a reasonable degree of safety to
17.18 the committed person or others; or

17.19 (2) the committed person has regressed clinically and the facility to which the committed
17.20 person was transferred does not meet the committed person's needs.

17.21 (h) Upon the revocation of the transfer, the committed person must be immediately
17.22 returned to a secure treatment facility. A report documenting the reasons for revocation
17.23 must be issued by the head of the treatment facility within seven days after the committed
17.24 person is returned to the secure treatment facility. Advance notice to the committed person
17.25 of the revocation is not required.

17.26 (i) The committed person must be provided a copy of the revocation report and informed,
17.27 orally and in writing, of the rights of a committed person under this section. The revocation
17.28 report must be served upon the committed person, the committed person's counsel, and the
17.29 designated agency. The report must outline the specific reasons for the revocation, including
17.30 but not limited to the specific facts upon which the revocation is based.

17.31 (j) If a committed person's transfer is revoked, the committed person may re-petition for
17.32 transfer according to subdivision 5.

18.1 (k) A committed person aggrieved by a transfer revocation decision may petition the
18.2 special review board within seven business days after receipt of the revocation report for a
18.3 review of the revocation. The matter must be scheduled within 30 days. The special review
18.4 board shall review the circumstances leading to the revocation and, after considering the
18.5 factors in paragraph (b), shall recommend to the executive board whether or not the
18.6 revocation shall be upheld. The special review board may also recommend a new transfer
18.7 out of a secure treatment facility at the time of the revocation hearing.

18.8 **EFFECTIVE DATE.** This section is effective July 1, 2026.

18.9 Sec. 15. Minnesota Statutes 2024, section 253B.18, subdivision 14, is amended to read:

18.10 Subd. 14. **Voluntary readmission.** (a) With the consent of the head of the treatment
18.11 facility or state-operated treatment program, a patient may voluntarily return from provisional
18.12 discharge with the consent of the designated agency for a period of up to:

18.13 (1) 30 days; or

18.14 (2) up to 60 90 days with the consent of the designated agency. if due to a psychiatric
18.15 medical condition; or

18.16 (3) six months if due to a nonpsychiatric medical condition.

18.17 (b) If the patient is not returned to provisional discharge status within 60 90 days of
18.18 being readmitted if due to a psychiatric medical condition or within six months of being
18.19 readmitted if due to a nonpsychiatric medical condition, the provisional discharge is revoked.
18.20 Within 15 days of receiving notice of the change in status, the patient may request a review
18.21 of the matter before the special review board. The special review board may recommend a
18.22 return to a provisional discharge status.

18.23 ~~(b)~~ (c) The treatment facility or state-operated treatment program is not required to
18.24 petition for a further review by the special review board unless the patient's return to the
18.25 community results in substantive change to the existing provisional discharge plan. All the
18.26 terms and conditions of the provisional discharge order shall remain unchanged if the patient
18.27 is released again.

18.28 **EFFECTIVE DATE.** This section is effective July 1, 2026.

20.1	(1) medical or veterinary equipment	\$ 130
20.2	(2) dental x-ray equipment	\$ 60
20.3	(3) x-ray equipment not used on	\$ 130
20.4	humans or animals	
20.5	(4) devices with sources of ionizing	\$ 130
20.6	radiation not used on humans or	
20.7	animals	
20.8	(5) security screening system	\$ 160
20.9	(6) radiation therapy and accelerator	\$ 1,000
20.10	x-ray equipment	
20.11	(7) industrial accelerator x-ray	\$ 300
20.12	equipment	

20.13 (b) Electron microscopy equipment is exempt from the registration fee requirements of
20.14 this section.

20.15 (c) For purposes of this section, a security screening system means ionizing
20.16 radiation-producing equipment designed and used for security screening of humans who
20.17 are in the custody of a correctional or detention facility or who are civilly committed in a
20.18 secure treatment facility, and used by the facility to image and identify contraband items
20.19 concealed within or on all sides of a human body.

20.20 (d) For purposes of this section, a correctional or detention facility is a facility licensed
20.21 under section 241.021 and operated by a state agency or political subdivision charged with
20.22 detection, enforcement, or incarceration in respect to state criminal and traffic laws.

20.23 (e) For purposes of this section, a secure treatment facility includes the facilities listed
20.24 in sections 253B.02, subdivision 18a, and 253D.02, subdivision 13.

20.25 (f) The commissioner shall adopt rules to establish requirements for the use of security
20.26 screening systems. Notwithstanding section 14.125, the authority to adopt these rules does
20.27 not expire.

20.28 Sec. 3. Minnesota Statutes 2024, section 144.121, subdivision 9, is amended to read:

20.29 Subd. 9. **Exemption from examination requirements; operators of security screening**
20.30 **systems.** (a) An employee of a correctional ~~or~~ detention, or secure treatment facility who
20.31 operates a security screening system and the facility in which the system is being operated
20.32 are exempt from the requirements of subdivisions 5 and 6.

20.33 (b) An employee of a correctional or detention facility who operates a security screening
20.34 system and the facility in which the system is being operated must meet the requirements
20.35 of a variance to Minnesota Rules, parts 4732.0305 and 4732.0565, issued under Minnesota

21.1 Rules, parts 4717.7000 to 4717.7050. This paragraph expires on December 31 of the year
21.2 that the permanent rules adopted by the commissioner governing security screening systems
21.3 are published in the State Register.

21.4 (c) An employee of a secure treatment facility who operates a security screening system
21.5 and the facility in which the system is being operated must meet the requirements of a
21.6 variance to Minnesota Rules, parts 4732.0305 and 4732.0565, issued under Minnesota
21.7 Rules, parts 4717.7000 to 4717.7050.

21.8 Sec. 4. Laws 2024, chapter 125, article 4, section 12, subdivision 5, is amended to read:

21.9 Subd. 5. **Report.** By ~~December 15, 2025~~ November 30, 2026, the commissioner must
21.10 provide a summary report on the pilot program to the chairs and ranking minority members
21.11 of the legislative committees with jurisdiction over mental health and county correctional
21.12 facilities.

21.13 **EFFECTIVE DATE.** This section is effective retroactively from December 15, 2025.

21.14 Sec. 5. Laws 2024, chapter 125, article 8, section 2, subdivision 20, is amended to read:

21.15 Subd. 20. **Direct Care and Treatment -**
21.16 **Operations** -0- 6,094,000

21.17 (a) **Free Communication Services for**
21.18 **Patients and Clients.** \$1,368,000 in fiscal
21.19 year 2025 is for free communication services
21.20 under article 6, section 1. This is a onetime
21.21 appropriation. Notwithstanding Minnesota
21.22 Statutes, section 16A.28, subdivision 3, this
21.23 appropriation is available until June 30, 2026.

21.24 (b) **Direct Care and Treatment Capacity;**
21.25 **Miller Building.** \$1,796,000 in fiscal year
21.26 2025 is to design a replacement facility for the
21.27 Miller Building on the Anoka Metro Regional
21.28 Treatment Center campus. This is a onetime
21.29 appropriation. Notwithstanding Minnesota
21.30 Statutes, section 16A.28, subdivision 3, this
21.31 appropriation is available until June 30, 2027.

22.1 **(c) Direct Care and Treatment County**
22.2 **Correctional Facility Support Pilot**
22.3 **Program.** \$2,387,000 in fiscal year 2025 is
22.4 to establish a two-year county correctional
22.5 facility support pilot program. The pilot
22.6 program must: (1) provide education and
22.7 support to counties and county correctional
22.8 facilities on protocols and best practices for
22.9 the provision of involuntary medications for
22.10 mental health treatment; (2) provide technical
22.11 assistance to expand access to injectable
22.12 psychotropic medications in county
22.13 correctional facilities; and (3) survey county
22.14 correctional facilities and their contracted
22.15 medical providers on their capacity to provide
22.16 injectable psychotropic medications, including
22.17 involuntary administration of medications,
22.18 and barriers to providing these services. This
22.19 is a onetime appropriation. Notwithstanding
22.20 Minnesota Statutes, section 16A.28,
22.21 subdivision 3, this appropriation is available
22.22 until June 30, ~~2026~~ 2028.

22.23 **(d) Advisory Committee for Direct Care**
22.24 **and Treatment.** \$482,000 in fiscal year 2025
22.25 is for the administration of the advisory
22.26 committee for the operation of Direct Care
22.27 and Treatment. This is a onetime
22.28 appropriation. Notwithstanding Minnesota
22.29 Statutes, section 16A.28, subdivision 3, this
22.30 appropriation is available until June 30, ~~2027~~
22.31 2028.

22.32 **(e) Base Level Adjustment.** The general fund
22.33 base is increased by \$31,000 in fiscal year
22.34 2026 and increased by \$0 in fiscal year 2027.

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

23.1 **ARTICLE 3**

23.2 **DEPARTMENT OF HEALTH POLICY**

23.3 Section 1. Minnesota Statutes 2024, section 144.56, subdivision 2b, is amended to read:

23.4 Subd. 2b. **Boarding care homes.** The commissioner shall not adopt or enforce any rule
23.5 that limits:

23.6 (1) a certified boarding care home from providing nursing services in accordance with
23.7 the home's Medicaid certification; or

23.8 (2) a noncertified boarding care home ~~registered under chapter 144D~~ from providing
23.9 home care services ~~in accordance with the home's registration.~~

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

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

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

23.15 (i) the likelihood of the patient needing posthospital services and of the availability of
23.16 those services; and

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

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

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

23.28 (4) providing counseling, as needed, for the patient and family members or interested
23.29 persons to prepare them for posthospital care. The hospital must provide a list of available
23.30 Medicare-eligible home care agencies or skilled nursing facilities that serve the patient's
23.31 geographic area, or other area requested by the patient if such care or placement is indicated

24.1 and appropriate. Once the patient has designated their preferred providers, the hospital will
24.2 assist the patient in securing care covered by their health plan or within the care network.
24.3 The hospital must not specify or otherwise limit the qualified providers that are available
24.4 to the patient. The hospital must document in the patient's record that the list was presented
24.5 to the patient or to the individual acting on the patient's behalf.

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

24.12 **EFFECTIVE DATE.** This section is effective January 1, 2027.

24.13 Sec. 3. Minnesota Statutes 2024, section 144.6502, subdivision 1, is amended to read:

24.14 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this
24.15 subdivision have the meanings given.

24.16 (b) "Commissioner" means the commissioner of health.

24.17 (c) "Department" means the Department of Health.

24.18 (d) "Electronic monitoring" means the placement and use of an electronic monitoring
24.19 device in the resident's room or private living unit in accordance with this section.

24.20 (e) "Electronic monitoring device" means a camera or other device that captures, records,
24.21 or broadcasts audio, video, or both, that is placed in a resident's room or private living unit
24.22 and is used to monitor the resident or activities in the room or private living unit.

24.23 (f) "Facility" means a facility that is:

24.24 (1) licensed as a nursing home under chapter 144A;

24.25 (2) licensed as a boarding care home under sections 144.50 to 144.56; or

24.26 ~~(3) until August 1, 2021, a housing with services establishment registered under chapter~~
24.27 ~~144D that is either subject to chapter 144G or has a disclosed special unit under section~~
24.28 ~~325F.72; or~~

24.29 ~~(4) on or after August 1, 2021, (3) licensed as an assisted living facility under chapter~~
24.30 144G.

24.31 (g) "Resident" means a person 18 years of age or older residing in a facility.

25.1 (h) "Resident representative" means one of the following in the order of priority listed,
25.2 to the extent the person may reasonably be identified and located:

25.3 (1) a court-appointed guardian;

25.4 (2) a health care agent as defined in section 145C.01, subdivision 2; or

25.5 (3) a person who is not an agent of a facility or of a home care provider designated in
25.6 writing by the resident and maintained in the resident's records on file with the facility.

25.7 **Sec. 4. 144A.104 PROHIBITED CONDITION FOR ADMISSION OR CONTINUED**
25.8 **RESIDENCE.**

25.9 (a) A nursing home is prohibited from requiring a current or prospective resident to have
25.10 or obtain a guardian or conservator as a condition of admission to or continued residence
25.11 in the nursing home.

25.12 (b) Nothing in this section may be construed to prohibit, limit, or otherwise affect section
25.13 524.5-303 or 524.5-403.

25.14 **EFFECTIVE DATE.** This section is effective August 1, 2026.

25.15 Sec. 5. Minnesota Statutes 2024, section 144A.161, subdivision 1a, is amended to read:

25.16 Subd. 1a. **Scope.** Where a facility is undertaking a closure, reduction, or change in
25.17 operations, ~~or where a housing with services unit registered under chapter 144D is closed~~
25.18 ~~because the space that it occupies is being replaced by a nursing facility bed that is being~~
25.19 ~~reactivated from layaway status,~~ the facility and the county social services agency must
25.20 comply with the requirements of this section.

25.21 Sec. 6. Minnesota Statutes 2024, section 144A.472, subdivision 5, is amended to read:

25.22 Subd. 5. **Changes in ownership.** (a) A home care license issued by the commissioner
25.23 may not be transferred to another party. Before acquiring ownership of or a controlling
25.24 interest in a home care provider business, a prospective owner must apply for a new license.
25.25 A change of ownership is a transfer of operational control of the home care provider business
25.26 and includes:

25.27 (1) transfer of the business to a different or new corporation;

25.28 (2) in the case of a partnership, the dissolution or termination of the partnership under
25.29 chapter 323A, with the business continuing by a successor partnership or other entity;

26.1 (3) relinquishment of control of the provider to another party, including to a contract
26.2 management firm that is not under the control of the owner of the business' assets;

26.3 (4) transfer of the business by a sole proprietor to another party or entity; or

26.4 (5) transfer of ownership or control of 50 percent or more of the controlling interest of
26.5 a home care provider business not covered by clauses (1) to (4).

26.6 (b) An employee who was employed by the previous owner of the home care provider
26.7 business prior to the effective date of a change in ownership under paragraph (a), and who
26.8 will be employed by the new owner in the same or a similar capacity, shall be treated as if
26.9 no change in employer occurred, with respect to orientation, training, tuberculosis testing,
26.10 background studies, and competency testing and training on the policies identified in
26.11 subdivision 1, clause (14), and subdivision 2, if applicable.

26.12 (c) Notwithstanding paragraph (b), a new owner of a home care provider business must
26.13 ensure that employees of the provider receive and complete training and testing on any
26.14 provisions of policies that differ from those of the previous owner within 90 days after the
26.15 date of the change in ownership.

26.16 (d) After a change of ownership, the new licensee is responsible for any outstanding
26.17 finances and any fines assessed following the effective date of the change of ownership.
26.18 Additionally, the new licensee is responsible for bringing the home care provider into
26.19 compliance with all existing ordered, imposed, or agreed-upon corrections and conditions.

26.20 Sec. 7. Minnesota Statutes 2025 Supplement, section 144A.474, subdivision 11, is amended
26.21 to read:

26.22 Subd. 11. **Fines.** (a) Fines and enforcement actions under this subdivision may be assessed
26.23 based on the level and scope of the violations described in paragraph (b) and imposed
26.24 immediately with no opportunity to correct the violation first as follows:

26.25 (1) Level 1, no fines or enforcement;

26.26 (2) Level 2, a fine of \$500 per violation, in addition to any of the enforcement
26.27 mechanisms authorized in section 144A.475;

26.28 (3) Level 3, a fine of \$1,000 per incident, in addition to any of the enforcement
26.29 mechanisms authorized in section 144A.475;

26.30 (4) Level 4, a fine of \$3,000 per incident, in addition to any of the enforcement
26.31 mechanisms authorized in section 144A.475;

27.1 (5) Level 5, a fine of \$5,000 per violation, in addition to any enforcement mechanism
27.2 authorized in section 144A.475; and

27.3 (6) for maltreatment violations for which the licensee was determined to be responsible
27.4 for the maltreatment under section 626.557, subdivision 9c, paragraph (c), a fine of \$1,000.
27.5 A fine of \$5,000 may be imposed if the commissioner determines the licensee is responsible
27.6 for maltreatment consisting of sexual assault, death, or abuse resulting in serious injury.

27.7 The fines in clauses (1) to (5) are increased and immediate fine imposition is authorized
27.8 for both surveys and investigations conducted.

27.9 When a fine is assessed against a facility for substantiated maltreatment, the commissioner
27.10 shall not also impose an immediate fine under this chapter for the same circumstance.

27.11 (b) Correction orders for violations are categorized by both level and scope and fines
27.12 shall be assessed as follows:

27.13 (1) level of violation:

27.14 (i) Level 1 is a violation that will cause only minimal impact on the client and does not
27.15 affect health or safety;

27.16 (ii) Level 2 is a violation that did not harm a client's health or safety but had the potential
27.17 to have harmed a client's health or safety, but was not likely to cause serious injury,
27.18 impairment, or death;

27.19 (iii) Level 3 is a violation that harmed a client's health or safety, or a violation that had
27.20 the potential to cause more than minimal harm to the client;

27.21 (iv) Level 4 is a violation that harmed a client's health or safety, not including serious
27.22 injury or death, or a violation that was likely to lead to serious injury or death; and

27.23 (v) Level 5 is a violation that results in serious injury or death; and

27.24 (2) scope of violation:

27.25 (i) isolated, when one or a limited number of clients are affected or one or a limited
27.26 number of staff are involved or the situation has occurred only occasionally;

27.27 (ii) pattern, when more than a limited number of clients are affected, more than a limited
27.28 number of staff are involved, or the situation has occurred repeatedly but is not found to be
27.29 pervasive; and

27.30 (iii) widespread, when problems are pervasive or represent a systemic failure that has
27.31 affected or has the potential to affect a large portion or all of the clients.

28.1 (c) If the commissioner finds that the applicant or a home care provider has not corrected
28.2 violations by the date specified in the correction order or conditional license resulting from
28.3 a survey or complaint investigation, the commissioner shall provide a notice of
28.4 noncompliance with a correction order by email to the applicant's or provider's last known
28.5 email address. The noncompliance notice must list the violations not corrected.

28.6 (d) For every violation identified by the commissioner, the commissioner shall issue an
28.7 immediate fine pursuant to paragraph (a). The license holder must still correct the violation
28.8 in the time specified. The issuance of an immediate fine can occur in addition to any
28.9 enforcement mechanism authorized under section 144A.475. The immediate fine may be
28.10 appealed as allowed under this subdivision.

28.11 (e) The license holder must pay the fines assessed on or before the payment date specified.
28.12 If the license holder fails to fully comply with the order, the commissioner may issue a
28.13 second fine or suspend the license until the license holder complies by paying the fine. A
28.14 timely appeal shall stay payment of the fine until the commissioner issues a final order.

28.15 (f) A license holder shall promptly notify the commissioner in writing when a violation
28.16 specified in the order is corrected. If upon reinspection the commissioner determines that
28.17 a violation has not been corrected as indicated by the order, the commissioner may issue a
28.18 second fine. The commissioner shall notify the license holder by mail to the last known
28.19 address in the licensing record that a second fine has been assessed. The license holder may
28.20 appeal the second fine as provided under this subdivision.

28.21 (g) A home care provider that has been assessed a fine under this subdivision has a right
28.22 to a reconsideration or a hearing under this section and chapter 14.

28.23 (h) When a fine has been assessed, the license holder may not avoid payment by closing,
28.24 ~~selling, or otherwise transferring the licensed program to a third party~~ the license. In such
28.25 an event, the license holder shall be liable for payment of the fine. In the event of a change
28.26 of ownership, the new licensee is responsible for any outstanding fines and any fines assessed
28.27 following the effective date of the change of ownership regardless of the date of the violation.

28.28 (i) In addition to any fine imposed under this section, the commissioner may assess a
28.29 penalty amount based on costs related to an investigation that results in a final order assessing
28.30 a fine or other enforcement action authorized by this chapter.

28.31 (j) Fines collected under paragraph (a) shall be deposited in a dedicated special revenue
28.32 account. ~~On an annual basis, the balance in the special revenue account shall be appropriated~~
28.33 ~~to the commissioner to implement the recommendations of the advisory council established~~
28.34 ~~in section 144A.4799.~~ Money deposited in the account is appropriated to the commissioner

29.1 on an annual basis for a competitive grant program for special projects for improving home
29.2 care client quality of care and outcomes in Minnesota, with a specific focus on workforce
29.3 and clinical outcomes, including projects consistent with the criteria in section 144A.4799,
29.4 subdivision 3, paragraph (c). Grants must be distributed to home care providers licensed
29.5 under this chapter or organizations with experience in or knowledge of home care operations,
29.6 compliance, client needs, or best practices. Each grant must be at least \$1,000. The
29.7 commissioner may retain up to ten percent of the amount available to cover the costs to
29.8 administer the grant under this section. The commissioner must publish on the department's
29.9 website an annual report on the fines assessed and collected, and how the appropriated
29.10 money was allocated.

29.11 Sec. 8. Minnesota Statutes 2025 Supplement, section 144A.4799, subdivision 1, is amended
29.12 to read:

29.13 Subdivision 1. **Membership.** (a) The commissioner of health shall appoint 14 persons
29.14 to a home care and assisted living advisory council consisting of the following:

29.15 (1) four public members as defined in section 214.02, one of whom must be a person
29.16 who either is receiving or has received home care services preferably within the five years
29.17 prior to initial appointment, one of whom must be a person who has or had a family member
29.18 receiving home care services preferably within the five years prior to initial appointment,
29.19 one of whom must be a person who either is or has been a resident in an assisted living
29.20 facility preferably within the five years prior to initial appointment, and one of whom must
29.21 be a person who has or had a family member residing in an assisted living facility preferably
29.22 within the five years prior to initial appointment;

29.23 (2) two Minnesota home care licensees representing basic and comprehensive levels of
29.24 licensure who may be a managerial official, an administrator, a supervising registered nurse,
29.25 or an unlicensed personnel performing home care tasks;

29.26 (3) one member representing the Minnesota Board of Nursing;

29.27 (4) one member representing the Office of Ombudsman for Long-Term Care;

29.28 (5) one member representing the Office of Ombudsman for Mental Health and
29.29 Developmental Disabilities;

29.30 (6) one member of a county health and human services or county adult protection office;

29.31 (7) two Minnesota assisted living facility licensees representing assisted living facilities
29.32 and assisted living facilities with dementia care levels of licensure who may be the facility's
29.33 assisted living director, managerial official, or clinical nurse supervisor;

30.1 (8) one organization representing long-term care providers, home care providers, and
30.2 assisted living providers in Minnesota; and

30.3 (9) one representative of a consumer advocacy organization representing individuals
30.4 receiving long-term care from licensed home care providers or assisted living facilities.

30.5 (b) When a vacancy occurs for an appointment identified in paragraph (a), the
30.6 commissioner must select an applicant for appointment within 81 calendars days of the
30.7 position being posted by the secretary of state if the application of a qualified and, if
30.8 applicable, a licensee in good standing applicant is received within 21 days of posting. If
30.9 no qualified applications are received within the first 21 days, the commissioner must select
30.10 an applicant for appointment within 60 calendar days of receiving the application of a
30.11 qualified and, if applicable, a licensee in good standing applicant.

30.12 Sec. 9. Minnesota Statutes 2024, section 144A.72, subdivision 2, is amended to read:

30.13 Subd. 2. **Penalties.** (a) Failure to comply with this section shall subject the supplemental
30.14 nursing services agency to revocation or nonrenewal of its registration. Violations of section
30.15 144A.74 are subject to a fine equal to 200 percent of the amount billed or received in excess
30.16 of the maximum permitted under that section.

30.17 (b) The commissioner may request and must be given access to relevant information,
30.18 records, incident reports, or other documents in the possession of a registered supplemental
30.19 nursing services agency if considered necessary by the commissioner for verification
30.20 purposes. If access is denied, the commissioner may bring enforcement action.

30.21 Sec. 10. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision
30.22 to read:

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

30.25 **EFFECTIVE DATE.** This section is effective January 1, 2027.

30.26 Sec. 11. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision
30.27 to read:

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

31.1 position and as quickly as possible the resident is restored to a standing, sitting, or side-lying
31.2 position.

31.3 **EFFECTIVE DATE.** This section is effective January 1, 2027.

31.4 Sec. 12. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision
31.5 to read:

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

31.7 (1) chemical restraint, as defined in section 245D.02, subdivision 3b;

31.8 (2) manual restraint, as defined in section 245D.02, subdivision 15a;

31.9 (3) mechanical restraint, as defined in section 245D.02, subdivision 15b; or

31.10 (4) any other form of restraint that limits the free and normal movement of body or
31.11 limbs.

31.12 **EFFECTIVE DATE.** This section is effective January 1, 2027.

31.13 Sec. 13. Minnesota Statutes 2024, section 144G.19, is amended by adding a subdivision
31.14 to read:

31.15 Subd. 6. **Correction orders and fines.** After a change of ownership, the new licensee
31.16 is responsible for any outstanding fines and any fines assessed following the effective date
31.17 of the change of ownership regardless of the date of the violation. Additionally, the new
31.18 licensee is responsible for bringing the facility into compliance with all existing ordered,
31.19 imposed, or agreed-upon corrections and conditions.

31.20 Sec. 14. Minnesota Statutes 2024, section 144G.31, subdivision 6, is amended to read:

31.21 Subd. 6. **Payment of fines required.** When a fine has been assessed, the licensee may
31.22 not avoid payment by closing, selling, or otherwise transferring the license to a third party
31.23 the license. In such an event, the licensee shall be liable for payment of the fine. In the event
31.24 of a change of ownership, the new licensee is responsible for any outstanding fines and any
31.25 fines assessed following the effective date of the change of ownership regardless of the date
31.26 of the violation.

31.27 Sec. 15. Minnesota Statutes 2024, section 144G.40, subdivision 2, is amended to read:

31.28 Subd. 2. **Uniform checklist disclosure of services.** (a) All assisted living facilities must
31.29 provide to prospective residents:

32.1 (1) a disclosure of the categories of assisted living licenses available and the category
32.2 of license held by the facility;

32.3 (2) a written checklist listing all services permitted under the facility's license, identifying
32.4 all services the facility offers to provide under the assisted living facility contract, ~~and~~
32.5 identifying all services allowed under the license that the facility does not provide, and
32.6 beginning August 1, 2027, including notification that the facility's most recent plan of
32.7 correction is available, according to section 144G.30, subdivision 5, paragraph (d), and the
32.8 website for the Department of Human Services and Board on Aging assisted living report
32.9 card; and

32.10 (3) an oral explanation of the services offered under the contract.

32.11 (b) The requirements of paragraph (a) must be completed prior to the execution of the
32.12 assisted living contract.

32.13 (c) The commissioner must, in consultation with all interested stakeholders, design the
32.14 uniform checklist disclosure form for use as provided under paragraph (a).

32.15 Sec. 16. Minnesota Statutes 2024, section 144G.41, subdivision 1, is amended to read:

32.16 Subdivision 1. **Minimum requirements.** All assisted living facilities shall:

32.17 (1) distribute to residents the assisted living bill of rights;

32.18 (2) provide services in a manner that complies with the Nurse Practice Act in sections
32.19 148.171 to 148.285;

32.20 (3) utilize a person-centered planning and service delivery process;

32.21 (4) have and maintain a system for delegation of health care activities to unlicensed
32.22 personnel by a registered nurse, including supervision and evaluation of the delegated
32.23 activities as required by the Nurse Practice Act in sections 148.171 to 148.285;

32.24 (5) except as specified in subdivision 1c, provide a means for residents to request
32.25 assistance for health and safety needs 24 hours per day, seven days per week. A facility
32.26 may use person-centered strategies to provide a means for residents to request assistance
32.27 and, if effective, may allow residents to use technological devices to request assistance;

32.28 (6) allow residents the ability to furnish and decorate the resident's unit within the terms
32.29 of the assisted living contract;

32.30 (7) permit residents access to food at any time;

32.31 (8) allow residents to choose the resident's visitors and times of visits;

33.1 (9) allow the resident the right to choose a roommate if sharing a unit;

33.2 (10) notify the resident of the resident's right to have and use a lockable door to the
33.3 resident's unit. The licensee shall provide the locks on the unit. Only a staff member with
33.4 a specific need to enter the unit shall have keys, and advance notice must be given to the
33.5 resident before entrance, when possible. An assisted living facility must not lock a resident
33.6 in the resident's unit;

33.7 (11) develop and implement a staffing plan for determining its staffing level that:

33.8 (i) includes an evaluation, to be conducted at least twice a year, of the appropriateness
33.9 of staffing levels in the facility;

33.10 (ii) ensures sufficient staffing at all times to meet the scheduled and reasonably
33.11 foreseeable unscheduled needs of each resident as required by the residents' assessments
33.12 and service plans on a 24-hour per day basis; and

33.13 (iii) ensures that the facility can respond promptly and effectively to individual resident
33.14 emergencies and to emergency, life safety, and disaster situations affecting staff or residents
33.15 in the facility;

33.16 (12) effective until the effective date of clause (14), ensure that one or more persons are
33.17 available 24 hours per day, seven days per week, who are responsible for responding to the
33.18 requests of residents for assistance with health or safety needs. Such persons must be:

33.19 (i) awake;

33.20 (ii) located in the same building, in an attached building, or on a contiguous campus
33.21 with the facility in order to respond within a reasonable amount of time;

33.22 (iii) capable of communicating with residents;

33.23 (iv) capable of providing or summoning the appropriate assistance; and

33.24 (v) capable of following directions; ~~and~~

33.25 (13) provide staff access to an on-call registered nurse 24 hours per day, seven days per
33.26 week;

33.27 (14) effective August 1, 2027, ensure that one or more persons who are trained in
33.28 accordance with section 144G.61, subdivision 2, are available 24 hours per day, seven days
33.29 per week, and are responsible for responding to the requests of residents for assistance with
33.30 health or safety needs. Such persons must be:

33.31 (i) awake;

34.1 (ii) located in the same building, in an attached building, or on a contiguous campus
34.2 with the facility in order to respond within a reasonable amount of time;

34.3 (iii) capable of communicating with residents;

34.4 (iv) capable of providing or summoning the appropriate assistance; and

34.5 (v) capable of following directions;

34.6 (15) effective August 1, 2027, ensure a plan is in place for facility staff to immediately
34.7 attend to resident needs in a medical emergency until any emergency personnel arrive, if
34.8 summoned; and

34.9 (16) effective August 1, 2027, ensure a plan is in place for facility staff to meet the
34.10 nonemergency medical needs of residents due to falling, including needs for lift assistance.

34.11 Sec. 17. Minnesota Statutes 2024, section 144G.41, is amended by adding a subdivision
34.12 to read:

34.13 Subd. 1c. **Alternative to summoning device to request assistance.** For a resident who,
34.14 based on an individualized nursing assessment under section 144G.70, subdivision 2, cannot
34.15 reliably use a summoning device such as a phone, bell, call light, pull cord, or pendant to
34.16 request assistance for health and safety needs, a facility:

34.17 (1) is not required to have a resident use a summoning device to request assistance for
34.18 health and safety needs; and

34.19 (2) must use person-centered strategies to meet the resident's assessed needs.

34.20 Sec. 18. Minnesota Statutes 2024, section 144G.41, subdivision 2, is amended to read:

34.21 Subd. 2. **Policies and procedures.** (a) Each assisted living facility must have policies
34.22 and procedures in place to address the following ~~and keep them current~~:

34.23 (1) requirements in section 626.557, reporting of maltreatment of vulnerable adults;

34.24 (2) conducting and handling background studies on employees;

34.25 (3) orientation, training, and competency evaluations of staff, and a process for evaluating
34.26 staff performance;

34.27 (4) handling complaints regarding staff or services provided by staff;

34.28 (5) conducting initial evaluations of residents' needs and the providers' ability to provide
34.29 those services;

35.1 (6) conducting initial and ongoing resident evaluations and assessments of resident
35.2 needs, including assessments by a registered nurse or appropriate licensed health professional,
35.3 and how changes in a resident's condition are identified, managed, and communicated to
35.4 staff and other health care providers as appropriate;

35.5 (7) orientation to and implementation of the assisted living bill of rights;

35.6 (8) infection control practices;

35.7 (9) reminders for medications, treatments, or exercises, if provided;

35.8 (10) conducting appropriate screenings, or documentation of prior screenings, to show
35.9 that staff are free of tuberculosis, consistent with current United States Centers for Disease
35.10 Control and Prevention standards;

35.11 (11) ensuring that nurses and licensed health professionals have current and valid licenses
35.12 to practice;

35.13 (12) medication and treatment management;

35.14 (13) delegation of tasks by registered nurses or licensed health professionals;

35.15 (14) supervision of registered nurses and licensed health professionals; ~~and~~

35.16 (15) supervision of unlicensed personnel performing delegated tasks;

35.17 (16) effective August 1, 2027, emergency procedures to be initiated by facility staff
35.18 when a resident experiences a medical emergency due to falling, a heart event, difficulty
35.19 breathing, or choking, and to be followed until emergency personnel arrive, if summoned;
35.20 and

35.21 (17) effective August 1, 2027, after determining that a resident is not experiencing a
35.22 medical emergency pursuant to clause (16), procedures to be initiated by facility staff to
35.23 meet the nonemergency medical needs of residents due to falling, including needs for lift
35.24 assistance.

35.25 (b) Beginning August 1, 2027, each assisted living facility must keep all policies and
35.26 procedures current and make them available to a resident or the resident's representative
35.27 upon request. Policies and procedures covering medical emergency events under paragraph
35.28 (a), clause (16), must be provided to prospective residents for whom a prospective resident
35.29 assessment has been performed as described under section 144G.70, subdivision 2, paragraph
35.30 (b), but before signing an assisted living contract, and to current residents upon any changes
35.31 to the policies and procedures covering medical emergencies under paragraph (a), clause
35.32 (16).

36.1 Sec. 19. **[144G.505] PROHIBITED CONDITION OF ADMISSION OR CONTINUED**
36.2 **RESIDENCE.**

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

36.6 (b) Nothing in this section may be construed to prohibit, limit, or otherwise affect section
36.7 524.5-303 or 524.5-403.

36.8 **EFFECTIVE DATE.** This section is effective August 1, 2026.

36.9 Sec. 20. Minnesota Statutes 2024, section 144G.60, subdivision 4, is amended to read:

36.10 Subd. 4. **Unlicensed personnel.** (a) Unlicensed personnel providing assisted living
36.11 services must have:

36.12 (1) successfully completed a training and competency evaluation appropriate to the
36.13 services provided by the facility and the topics listed in section 144G.61, subdivision 2,
36.14 paragraph (a); or

36.15 (2) demonstrated competency by satisfactorily completing a written or oral test on the
36.16 tasks the unlicensed personnel will perform and on the topics listed in section 144G.61,
36.17 subdivision 2, paragraph (a); and successfully demonstrated competency on topics in section
36.18 144G.61, subdivision 2, paragraph (a), clauses (5), (7), ~~and (8)~~, and (20), by a practical
36.19 skills test.

36.20 Unlicensed personnel who only provide assisted living services listed in section 144G.08,
36.21 subdivision 9, clauses (1) to (5), shall not perform delegated nursing or therapy tasks.

36.22 (b) Unlicensed personnel performing delegated nursing tasks in an assisted living facility
36.23 must:

36.24 (1) have successfully completed training and demonstrated competency by successfully
36.25 completing a written or oral test of the topics in section 144G.61, subdivision 2, paragraphs
36.26 (a) and (b), and a practical skills test on tasks listed in section 144G.61, subdivision 2,
36.27 paragraphs (a), clauses (5) ~~and (7)~~, and (20), and (b), clauses (3), (5), (6), and (7), and all
36.28 the delegated tasks they will perform;

36.29 (2) satisfy the current requirements of Medicare for training or competency of home
36.30 health aides or nursing assistants, as provided by Code of Federal Regulations, title 42,
36.31 section 483 or 484.36; or

37.1 (3) have, before April 19, 1993, completed a training course for nursing assistants that
37.2 was approved by the commissioner.

37.3 (c) Unlicensed personnel performing therapy or treatment tasks delegated or assigned
37.4 by a licensed health professional must meet the requirements for delegated tasks in section
37.5 144G.62, subdivision 2, paragraph (a), and any other training or competency requirements
37.6 within the licensed health professional's scope of practice relating to delegation or assignment
37.7 of tasks to unlicensed personnel.

37.8 Sec. 21. Minnesota Statutes 2024, section 144G.61, subdivision 2, is amended to read:

37.9 Subd. 2. **Training and evaluation of unlicensed personnel.** (a) Training and competency
37.10 evaluations for all unlicensed personnel must include the following:

37.11 (1) documentation requirements for all services provided;

37.12 (2) reports of changes in the resident's condition to the supervisor designated by the
37.13 facility;

37.14 (3) basic infection control, including blood-borne pathogens;

37.15 (4) maintenance of a clean and safe environment;

37.16 (5) appropriate and safe techniques in personal hygiene and grooming, including:

37.17 (i) hair care and bathing;

37.18 (ii) care of teeth, gums, and oral prosthetic devices;

37.19 (iii) care and use of hearing aids; and

37.20 (iv) dressing and assisting with toileting;

37.21 (6) training on the prevention of falls;

37.22 (7) standby assistance techniques and how to perform them;

37.23 (8) medication, exercise, and treatment reminders;

37.24 (9) basic nutrition, meal preparation, food safety, and assistance with eating;

37.25 (10) preparation of modified diets as ordered by a licensed health professional;

37.26 (11) communication skills that include preserving the dignity of the resident and showing
37.27 respect for the resident and the resident's preferences, cultural background, and family;

37.28 (12) awareness of confidentiality and privacy;

38.1 (13) understanding appropriate boundaries between staff and residents and the resident's
38.2 family;

38.3 (14) effective until the effective date of clause (15), procedures to use in handling various
38.4 emergency situations; ~~and~~

38.5 (15) effective August 1, 2027, procedures to use in handling various medical and
38.6 nonmedical emergency situations;

38.7 ~~(15)~~ (16) awareness of commonly used health technology equipment and assistive
38.8 devices;

38.9 (17) effective August 1, 2027, recognition of and immediate response to signs and
38.10 symptoms of airway, breathing, and circulation concerns;

38.11 (18) effective August 1, 2027, recognition of and immediate response to bleeding,
38.12 including hemorrhage;

38.13 (19) effective August 1, 2027, safe techniques for emergency movement of residents;
38.14 and

38.15 (20) effective August 1, 2027, log roll technique and spinal precautions.

38.16 (b) In addition to paragraph (a), training and competency evaluation for unlicensed
38.17 personnel providing assisted living services must include:

38.18 (1) observing, reporting, and documenting resident status;

38.19 (2) basic knowledge of body functioning and changes in body functioning, injuries, or
38.20 other observed changes that must be reported to appropriate personnel;

38.21 (3) reading and recording temperature, pulse, and respirations of the resident;

38.22 (4) recognizing physical, emotional, cognitive, and developmental needs of the resident;

38.23 (5) safe transfer techniques and ambulation;

38.24 (6) range of motioning and positioning; and

38.25 (7) administering medications or treatments as required.

38.26 Sec. 22. [144G.65] TRAINING IN EMERGENCY MANUAL RESTRAINTS.

38.27 Subdivision 1. Training. A licensee must ensure that staff who are authorized to apply
38.28 an emergency use of a manual restraint complete a minimum of four hours of training from
38.29 a qualified individual prior to assuming these responsibilities. Training must include:

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

39.1 (2) principles of person-centered planning and service delivery as identified in section
39.2 245D.07, subdivision 1a, paragraph (b);

39.3 (3) what constitutes the use of a restraint;

39.4 (4) staff responsibilities related to: (i) prohibited procedures under section 144G.85; (ii)
39.5 why prohibited procedures are not effective for reducing or eliminating symptoms or
39.6 interfering behavior; and (iii) why prohibited procedures are not safe;

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

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

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

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

39.15 Subd. 4. **Verification and documentation of orientation and training.** For staff who
39.16 are authorized to apply an emergency use of a manual restraint, the assisted living facility
39.17 must retain evidence in the employee record of each staff person having completed the
39.18 orientation and training under this section.

39.19 Subd. 5. **Exemption.** This section does not apply to licensees who have a policy
39.20 prohibiting the use of restraints.

39.21 **EFFECTIVE DATE.** This section is effective January 1, 2027.

39.22 Sec. 23. **[144G.85] USE OF RESTRAINTS.**

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

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

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

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

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

40.4 (b) This section does not apply when a resident or the resident's legal representative
40.5 chooses, after being informed of the facility's policy prohibiting the use of restraints, to
40.6 utilize a bed rail or other device that may constitute a restraint. The facility must document
40.7 that the resident or the resident's representative received information regarding the facility's
40.8 policy and the risks of using the device and voluntarily elected to utilize the device.

40.9 Subd. 3. **Documentation and notification.** (a) The resident's legal representative must
40.10 be notified within 24 hours of an emergency use of a manual restraint and of the
40.11 circumstances that prompted the use. Notification of an emergency use of a manual restraint
40.12 must be documented. If known, the advanced practice registered nurse, physician, or
40.13 physician assistant must be notified within 24 hours of an emergency use of a manual
40.14 restraint.

40.15 (b) On a form developed by the commissioner, the facility must notify the commissioner
40.16 and the ombudsman for long-term care within seven calendar days of an emergency use of
40.17 a manual restraint, including when any restraint is first applied or ordered. The commissioner
40.18 will monitor reported uses to detect overuse or unauthorized, inappropriate, or ineffective
40.19 use of the restraint. The form must include:

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

40.21 (2) the date and time of the use of the restraint;

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

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

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

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

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

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

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

41.12 (d) A copy of the form submitted under paragraph (b) must be sent to the resident's
41.13 waiver case manager within seven calendar days of an emergency use of manual restraints.
41.14 An emergency use of manual restraints on people served under section 256B.49 and chapter
41.15 256S must be documented by the case manager in the resident's support plan, as defined in
41.16 sections 256B.49, subdivision 15, and 256S.10.

41.17 (e) The use of restraints by law enforcement officers or other emergency personnel acting
41.18 in a licensed capacity does not require the facility to comply with the requirements of this
41.19 subdivision.

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

41.23 **EFFECTIVE DATE.** This section is effective January 1, 2027.

41.24 Sec. 24. Minnesota Statutes 2024, section 157.17, subdivision 2, is amended to read:

41.25 Subd. 2. **Registration.** At the time of licensure or license renewal, a boarding and lodging
41.26 establishment or a lodging establishment that provides supportive services or health
41.27 supervision services must be registered with the commissioner, and must register annually
41.28 thereafter. The registration must include the name, address, and telephone number of the
41.29 establishment, the name of the operator, the types of services that are being provided, a
41.30 description of the residents being served, the type and qualifications of staff in the facility,
41.31 and other information that is necessary to identify the needs of the residents and the types
41.32 of services that are being provided. The commissioner shall develop and furnish to the

42.1 boarding and lodging establishment or lodging establishment the necessary form for
42.2 submitting the registration.

42.3 ~~Housing with services establishments registered under chapter 144D shall be considered~~
42.4 ~~registered under this section for all purposes except that:~~

42.5 ~~(1) the establishments shall operate under the requirements of chapter 144D; and~~

42.6 ~~(2) the criminal background check requirements of sections 299C.66 to 299C.71 apply.~~

42.7 ~~The criminal background check requirements of section 144.057 apply only to personnel~~
42.8 ~~providing home care services under sections 144A.43 to 144A.47 and personnel providing~~
42.9 ~~hospice care under sections 144A.75 to 144A.755.~~

42.10 Sec. 25. Minnesota Statutes 2024, section 157.17, subdivision 5, is amended to read:

42.11 Subd. 5. **Services that may not be provided in a boarding and lodging establishment**
42.12 **or lodging establishment.** ~~Except those facilities registered under chapter 144D,~~ A boarding
42.13 and lodging establishment or lodging establishment may not admit or retain individuals
42.14 who:

42.15 (1) would require assistance from establishment staff because of the following needs:
42.16 bowel incontinence, catheter care, use of injectable or parenteral medications, wound care,
42.17 or dressing changes or irrigations of any kind; or

42.18 (2) require a level of care and supervision beyond supportive services or health
42.19 supervision services.

42.20 Sec. 26. Minnesota Statutes 2024, section 295.50, subdivision 4, is amended to read:

42.21 Subd. 4. **Health care provider.** (a) "Health care provider" means:

42.22 (1) a person whose health care occupation is regulated or required to be regulated by
42.23 the state of Minnesota furnishing any or all of the following goods or services directly to a
42.24 patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services,
42.25 drugs, laboratory, diagnostic or therapeutic services;

42.26 (2) a person who provides goods and services not listed in clause (1) that qualify for
42.27 reimbursement under the medical assistance program provided under chapter 256B;

42.28 (3) a staff model health plan company;

42.29 (4) an ambulance service required to be licensed;

43.1 (5) a person who sells or repairs hearing aids and related equipment or prescription
43.2 eyewear; or

43.3 (6) a person providing patient services, who does not otherwise meet the definition of
43.4 health care provider and is not specifically excluded in ~~clause~~ paragraph (b), who employs
43.5 or contracts with a health care provider as defined in clauses (1) to (5) to perform, supervise,
43.6 otherwise oversee, or consult with regarding patient services.

43.7 (b) Health care provider does not include:

43.8 (1) hospitals; medical supplies distributors, except as specified under paragraph (a),
43.9 clause (5); nursing homes licensed under chapter 144A or licensed in any other jurisdiction;
43.10 wholesale drug distributors; pharmacies; surgical centers; bus and taxicab transportation,
43.11 or any other providers of transportation services other than ambulance services required to
43.12 be licensed; supervised living facilities for persons with developmental disabilities, licensed
43.13 under Minnesota Rules, parts 4665.0100 to 4665.9900; ~~housing with services establishments~~
43.14 ~~required to be registered under chapter 144D~~; assisted living facilities licensed under chapter
43.15 144G; board and lodging establishments providing only custodial services that are licensed
43.16 under chapter 157 and registered under section 157.17 to provide supportive services or
43.17 health supervision services; adult foster homes as defined in Minnesota Rules, part
43.18 9555.5105; day training and habilitation services for adults with developmental disabilities
43.19 as defined in section 252.41, subdivision 3; boarding care homes, as defined in Minnesota
43.20 Rules, part 4655.0100; and adult day care centers as defined in Minnesota Rules, part
43.21 9555.9600;

43.22 (2) home health agencies as defined in Minnesota Rules, part 9505.0175, subpart 15; a
43.23 person providing personal care assistance services and supervision of personal care assistance
43.24 services as defined in ~~Minnesota Rules, part 9505.0335~~ section 256B.0625, subdivision
43.25 19a; a person providing home care nursing services as defined in Minnesota Rules, part
43.26 9505.0360; and home care providers required to be licensed under chapter 144A for home
43.27 care services provided under chapter 144A;

43.28 (3) a person who employs health care providers solely for the purpose of providing
43.29 patient services to its employees;

43.30 (4) an educational institution that employs health care providers solely for the purpose
43.31 of providing patient services to its students if the institution does not receive fee for service
43.32 payments or payments for extended coverage; and

43.33 (5) a person who receives all payments for patient services from health care providers,
43.34 surgical centers, or hospitals for goods and services that are taxable to the paying health

44.1 care providers, surgical centers, or hospitals, as provided under section 295.53, subdivision
44.2 1, paragraph (b), clause (3) or (4), or from a source of funds that is excluded or exempt from
44.3 tax under sections 295.50 to 295.59.

44.4 Sec. 27. Minnesota Statutes 2025 Supplement, section 295.50, subdivision 9b, is amended
44.5 to read:

44.6 Subd. 9b. **Patient services.** (a) "Patient services" means inpatient and outpatient services
44.7 and other goods and services provided by hospitals, surgical centers, or health care providers.
44.8 They include the following health care goods and services provided to a patient or consumer:

44.9 (1) bed and board;

44.10 (2) nursing services and other related services;

44.11 (3) use of hospitals, surgical centers, or health care provider facilities;

44.12 (4) medical social services;

44.13 (5) drugs, biologicals, supplies, appliances, and equipment;

44.14 (6) other diagnostic or therapeutic items or services;

44.15 (7) medical or surgical services;

44.16 (8) items and services furnished to ambulatory patients not requiring emergency care;

44.17 and

44.18 (9) emergency services.

44.19 (b) "Patient services" does not include:

44.20 (1) services provided to nursing homes licensed under chapter 144A;

44.21 (2) examinations for purposes of utilization reviews, insurance claims or eligibility,
44.22 litigation, and employment, including reviews of medical records for those purposes;

44.23 (3) services provided to and by community residential mental health facilities licensed
44.24 under section 245I.23 or Minnesota Rules, parts 9520.0500 to 9520.0670, and to and by
44.25 residential treatment programs for children with a serious mental illness licensed or certified
44.26 under chapter 245A;

44.27 (4) services provided under the following programs: day treatment services as defined
44.28 in section 245.462, subdivision 8; assertive community treatment as described in section
44.29 256B.0622; adult rehabilitative mental health services as described in section 256B.0623;

45.1 crisis response services as described in section 256B.0624; and children's therapeutic services
45.2 and supports as described in section 256B.0943;

45.3 (5) services provided to and by community mental health centers as defined in section
45.4 245.62, subdivision 2;

45.5 (6) services provided to and by assisted living programs and congregate housing
45.6 programs;

45.7 (7) hospice care services;

45.8 (8) home and community-based waived services under chapter 256S and sections
45.9 256B.49 and 256B.501;

45.10 (9) targeted case management services under sections 256B.0621; 256B.0625,
45.11 subdivisions 20, 20a, 33, and 44; and 256B.094; and

45.12 (10) services provided to the following: supervised living facilities for persons with
45.13 developmental disabilities licensed under Minnesota Rules, parts 4665.0100 to 4665.9900;
45.14 ~~housing with services establishments required to be registered under chapter 144D; assisted~~
45.15 living facilities licensed under chapter 144G; board and lodging establishments providing
45.16 only custodial services that are licensed under chapter 157 and registered under section
45.17 157.17 to provide supportive services or health supervision services; adult foster homes as
45.18 defined in Minnesota Rules, part 9555.5105; day training and habilitation services for adults
45.19 with developmental disabilities as defined in section 252.41, subdivision 3; boarding care
45.20 homes as defined in Minnesota Rules, part 4655.0100; adult day care services as defined
45.21 in section 245A.02, subdivision 2a; and home health agencies as defined in Minnesota
45.22 Rules, part 9505.0175, subpart 15, or licensed under chapter 144A.

45.23 **Sec. 28. SPECIAL PROJECTS GRANT PROGRAM FOR HOME CARE**
45.24 **PROVIDERS.**

45.25 By December 31, 2028, the commissioner of health must distribute the balance as of
45.26 January 1, 2027, in the special revenue account under Minnesota Statutes, section 144A.474,
45.27 subdivision 11, paragraph (j), under a competitive grant program for special projects for
45.28 improving home care client quality of care and outcomes in Minnesota, with a specific focus
45.29 on workforce and clinical outcomes, including projects consistent with criteria in Minnesota
45.30 Statutes, section 144A.4799, subdivision 3, paragraph (c). Grants must be distributed to
45.31 home care providers licensed under Minnesota Statutes, chapter 144A, or organizations
45.32 with experience in or knowledge of home care operations, compliance, client needs, or best
45.33 practices. Each grant must be at least \$1,000. Any amount that has not been awarded as a

46.1 grant by December 31, 2028, must be used for the annual distributions under Minnesota
46.2 Statutes, section 144A.474, subdivision 11, paragraph (j), beginning January 1, 2029.

46.3 **ARTICLE 4**

46.4 **AGING AND DISABILITY SERVICES POLICY**

46.5 Section 1. Minnesota Statutes 2024, section 245A.03, is amended by adding a subdivision
46.6 to read:

46.7 Subd. 7b. **Licensing moratorium.** (a) The commissioner shall not issue an initial license
46.8 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, under
46.9 this chapter. This paragraph does not apply to child foster residence settings with residential
46.10 program certifications for compliance with the Family First Prevention Services Act under
46.11 section 245A.25, subdivision 1, paragraph (a). If a child foster residence setting that was
46.12 previously exempt from the licensing moratorium under this paragraph has its Family First
46.13 Prevention Services Act certification rescinded under section 245A.25, subdivision 9, the
46.14 commissioner shall revoke the license according to section 245A.07.

46.15 (b) The commissioner shall not issue an initial license for adult foster care licensed under
46.16 Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter for a physical location
46.17 that will not be the primary residence of the license holder for the entire period of licensure.
46.18 If an adult foster care home license is issued during this moratorium, and the license holder
46.19 changes the license holder's primary residence away from the physical location of the foster
46.20 care license, the commissioner shall revoke the license according to section 245A.07. When
46.21 an adult resident served by the program moves out of a foster home that is not the primary
46.22 residence of the license holder according to Minnesota Statutes 2016, section 256B.49,
46.23 subdivision 15, paragraph (f), the county shall immediately inform the Department of Human
46.24 Services Licensing Division. The department may decrease the statewide licensed capacity
46.25 for adult foster care settings. Residential settings that would otherwise be subject to the
46.26 decreased license capacity established in this paragraph must be exempt if the license holder's
46.27 beds are occupied by residents whose primary diagnosis is mental illness and the license
46.28 holder is certified under the requirements in subdivision 6a or section 245D.33.

46.29 (c) The commissioner shall not issue an initial license for a community residential setting
46.30 licensed under this chapter and chapter 245D. When an adult resident served by the program
46.31 moves out of an adult community residential setting, the county shall immediately inform
46.32 the Department of Human Services Licensing Division. The department may decrease the
46.33 statewide licensed capacity for community residential settings. Residential settings that
46.34 would otherwise be subject to the decreased license capacity established in this paragraph

47.1 must be exempt if the license holder's beds are occupied by residents whose primary diagnosis
47.2 is mental illness and the license holder is certified under the requirements in subdivision 6a
47.3 or section 245D.33.

47.4 (d) The commissioner shall not issue an initial license for children's residential treatment
47.5 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter
47.6 for a program that Centers for Medicare and Medicaid Services would consider an institution
47.7 for mental diseases. Facilities that serve only private pay clients are exempt from the
47.8 moratorium described in this paragraph. The commissioner has the authority to manage
47.9 existing statewide capacity for children's residential treatment services subject to the
47.10 moratorium under this paragraph and may issue an initial license for such facilities if the
47.11 initial license would not increase the statewide capacity for children's residential treatment
47.12 services subject to the moratorium under this paragraph.

47.13 Sec. 2. Minnesota Statutes 2024, section 245A.03, is amended by adding a subdivision to
47.14 read:

47.15 Subd. 7c. **Licensing moratorium exceptions.** (a) The commissioner may approve
47.16 exceptions to the foster care and community residential settings moratoria described under
47.17 subdivision 7b as provided in this subdivision.

47.18 (b) When approving an exception under this subdivision to the foster care or community
47.19 residential setting moratorium described in subdivision 7b, the commissioner shall consider
47.20 the resource need determination process in subdivision 7d, the availability of foster care
47.21 licensed beds in the geographic area in which the licensee seeks to operate, the results of
47.22 the person's choices during the person's annual assessment and service plan review, and the
47.23 recommendation of the local county board. The determination by the commissioner is final
47.24 and not subject to appeal.

47.25 (c) Permissible exceptions to the moratorium include:

47.26 (1) a license for a person in a foster care setting that is not the primary residence of the
47.27 license holder and where at least 80 percent of the residents are 55 years of age or older;

47.28 (2) new foster care licenses or community residential setting licenses determined to be
47.29 needed by the commissioner under subdivision 7d for the closure of a nursing facility, an
47.30 intermediate care facility for individuals with developmental disabilities, or regional treatment
47.31 center; restructuring of state-operated services that limits the capacity of state-operated
47.32 facilities; or movement to the community of people who no longer require the level of care

48.1 provided in state-operated facilities as provided under section 256B.092, subdivision 13,
48.2 or 256B.49, subdivision 24; and

48.3 (3) new foster care licenses or community residential setting licenses determined to be
48.4 needed by the commissioner under subdivision 7d for persons requiring hospital-level care.

48.5 Sec. 3. Minnesota Statutes 2024, section 245A.03, is amended by adding a subdivision to
48.6 read:

48.7 Subd. 7d. **Resource needs determination process.** (a) The commissioner shall determine
48.8 the need for newly licensed foster care homes or community residential settings. As part of
48.9 the determination, the commissioner shall consider the availability of foster care capacity
48.10 in the area in which the licensee seeks to operate and the recommendation of the local county
48.11 board. The determination by the commissioner is final. A determination of need is not
48.12 required for a change in ownership at the same address.

48.13 (b) A resource need determination process, managed at the state level, using the available
48.14 data required under section 144A.351 and other data and information must be used to
48.15 determine where the reduced capacity determined under section 256B.493 will be
48.16 implemented. The commissioner shall consult with the stakeholders described in section
48.17 144A.351 and employ a variety of methods to improve the state's capacity to meet the
48.18 informed decisions of those people who want to move out of corporate foster care or
48.19 community residential settings, long-term service needs within budgetary limits, including
48.20 seeking proposals from service providers or lead agencies to change service type, capacity,
48.21 or location to improve services, increase the independence of residents, and better meet
48.22 needs identified by the long-term services and supports reports and statewide data and
48.23 information.

48.24 (c) At the time of application and reapplication for licensure, the applicant and the license
48.25 holder that are subject to the moratorium or an exclusion established in subdivision 7b are
48.26 required to inform the commissioner whether the physical location where the foster care
48.27 will be provided is or will be the primary residence of the license holder for the entire period
48.28 of licensure. If the primary residence of the applicant or license holder changes, the applicant
48.29 or license holder must notify the commissioner immediately. The commissioner shall print
48.30 on the foster care license certificate whether or not the physical location is the primary
48.31 residence of the license holder.

48.32 (d) License holders of foster care homes identified under paragraph (c) that are not the
48.33 primary residence of the license holder and that also provide services in the foster care home
48.34 that are covered by a federally approved home and community-based services waiver, as

49.1 authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human
49.2 services licensing division that the license holder provides or intends to provide these
49.3 waiver-funded services.

49.4 (e) The commissioner may adjust capacity to address needs identified in section
49.5 144A.351. Under this authority, the commissioner may approve new licensed settings or
49.6 delicense existing settings. Delicensing of settings must be accomplished through a process
49.7 identified in section 256B.493.

49.8 (f) The commissioner must notify a license holder when its corporate foster care or
49.9 community residential setting licensed beds are reduced under this section. The notice of
49.10 reduction of licensed beds must be in writing and delivered to the license holder by certified
49.11 mail or personal service. The notice must state why the licensed beds are reduced and must
49.12 inform the license holder of its right to request reconsideration by the commissioner. The
49.13 license holder's request for reconsideration must be in writing. If mailed, the request for
49.14 reconsideration must be postmarked and sent to the commissioner within 20 calendar days
49.15 after the license holder's receipt of the notice of reduction of licensed beds. If a request for
49.16 reconsideration is made by personal service, it must be received by the commissioner within
49.17 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

49.18 Sec. 4. Minnesota Statutes 2024, section 245A.11, subdivision 2a, is amended to read:

49.19 Subd. 2a. **Adult foster care and community residential setting license capacity.** (a)
49.20 The commissioner shall issue adult foster care and community residential setting licenses
49.21 with a maximum licensed capacity of four beds, including nonstaff roomers and boarders,
49.22 except that the commissioner may issue a license with a capacity of five beds, including
49.23 roomers and boarders, according to paragraphs (b) to (h).

49.24 (b) The license holder may have a maximum license capacity of five if all persons in
49.25 care are age 55 or over and do not have a serious and persistent mental illness or a
49.26 developmental disability.

49.27 (c) The commissioner may grant variances to paragraph (b) to allow a facility with a
49.28 licensed capacity of up to five persons to admit an individual under the age of 55 if the
49.29 variance complies with section 245A.04, subdivision 9, and approval of the variance is
49.30 recommended by the county in which the licensed facility is located.

49.31 (d) The commissioner may grant variances to paragraph (a) to allow the use of an
49.32 additional bed, up to six, for emergency crisis services for a person with serious and persistent
49.33 mental illness or a developmental disability, regardless of age, if the variance complies with

50.1 section 245A.04, subdivision 9, and approval of the variance is recommended by the county
50.2 in which the licensed facility is located.

50.3 (e) The commissioner may grant a variance to paragraph (b) to allow for the use of an
50.4 additional bed, up to six, for respite services, as defined in section 245A.02, for persons
50.5 with disabilities, regardless of age, if the variance complies with sections 245A.03,
50.6 subdivision 7, and 245A.04, subdivision 9, and approval of the variance is recommended
50.7 by the county in which the licensed facility is located. Respite care may be provided under
50.8 the following conditions:

50.9 (1) staffing ratios cannot be reduced below the approved level for the individuals being
50.10 served in the home on a permanent basis;

50.11 (2) no more than two different individuals can be accepted for respite services in any
50.12 calendar month and the total respite days may not exceed 120 days per program in any
50.13 calendar year;

50.14 (3) the person receiving respite services must have his or her own bedroom, which could
50.15 be used for alternative purposes when not used as a respite bedroom, and cannot be the
50.16 room of another person who lives in the facility; and

50.17 (4) individuals living in the facility must be notified when the variance is approved. The
50.18 provider must give 60 days' notice in writing to the residents and their legal representatives
50.19 prior to accepting the first respite placement. Notice must be given to residents at least two
50.20 days prior to service initiation, or as soon as the license holder is able if they receive notice
50.21 of the need for respite less than two days prior to initiation, each time a respite client will
50.22 be served, unless the requirement for this notice is waived by the resident or legal guardian.

50.23 (f) The commissioner may issue an adult foster care or community residential setting
50.24 license with a capacity of five adults if the fifth bed does not increase the overall statewide
50.25 capacity of licensed adult foster care or community residential setting beds in homes that
50.26 are not the primary residence of the license holder, as identified in a plan submitted to the
50.27 commissioner by the county, when the capacity is recommended by the county licensing
50.28 agency of the county in which the facility is located and if the recommendation verifies
50.29 that:

50.30 (1) the facility meets the physical environment requirements in the adult foster care
50.31 licensing rule;

50.32 (2) the five-bed living arrangement is specified for each resident in the resident's:

50.33 (i) individualized plan of care;

51.1 (ii) individual service plan under section 256B.092, subdivision 1b, if required; or

51.2 (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105,
51.3 subpart 19, if required;

51.4 (3) the license holder obtains written and signed informed consent from each resident
51.5 or resident's legal representative documenting the resident's informed choice to remain
51.6 living in the home and that the resident's refusal to consent would not have resulted in
51.7 service termination; and

51.8 (4) the facility was licensed for adult foster care before March 1, 2016.

51.9 (g) The commissioner shall not issue a new adult foster care license under paragraph (f)
51.10 after December 31, 2020. The commissioner shall allow a facility with an adult foster care
51.11 license issued under paragraph (f) before December 31, 2020, to continue with a capacity
51.12 of five adults if the license holder continues to comply with the requirements in paragraph
51.13 (f).

51.14 (h) The commissioner may ~~issue an adult foster care or community residential setting~~
51.15 ~~license with a capacity of five or six adults to facilities meeting the criteria in section~~
51.16 ~~245A.03, subdivision 7, paragraph (a), clause (5), and~~ grant variances to paragraph (b) to
51.17 allow the facility to admit an individual under the age of 55 if the variance complies with
51.18 section 245A.04, subdivision 9, and approval of the variance is recommended by the county
51.19 in which the licensed facility is located.

51.20 (i) Notwithstanding Minnesota Rules, part 9520.0500, adult foster care and community
51.21 residential setting licenses with a capacity of up to six adults as allowed under this subdivision
51.22 are not required to be licensed as an adult mental health residential program according to
51.23 Minnesota Rules, parts 9520.0500 to 9520.0670.

51.24 Sec. 5. Minnesota Statutes 2025 Supplement, section 245C.03, subdivision 6, is amended
51.25 to read:

51.26 **Subd. 6. Unlicensed home and community-based waiver providers of service to**
51.27 **seniors and individuals with disabilities and providers of housing stabilization**
51.28 **services.** (a) For providers of services specified in the federally approved home and
51.29 community-based waiver plans under section 256B.4912 ~~and providers of housing~~
51.30 ~~stabilization services under section 256B.051,~~ the commissioner shall conduct background
51.31 studies on any individual who is an owner with at least a five percent ownership stake in
51.32 the provider, an operator of the provider, or an employee or volunteer for the provider who
51.33 has direct contact with people receiving the services. The individual studied must meet the

52.1 requirements of this chapter prior to providing waiver services and as part of ongoing
52.2 enrollment.

52.3 (b) The requirements in paragraph (a) apply to consumer-directed community supports
52.4 under section 256B.4911.

52.5 (c) For purposes of this section, "operator" includes but is not limited to a managerial
52.6 officer who oversees the billing, management, or policies of the services provided.

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

52.8 Sec. 6. Minnesota Statutes 2025 Supplement, section 245C.04, subdivision 6, is amended
52.9 to read:

52.10 Subd. 6. **Unlicensed home and community-based waiver providers of service to**
52.11 **seniors and individuals with disabilities and ~~providers of housing stabilization~~**
52.12 **services.** (a) Providers required to initiate background studies under section 245C.03,
52.13 subdivision 6, must initiate a study using the electronic system known as NETStudy 2.0
52.14 before the individual begins in a position allowing direct contact with persons served by
52.15 the provider. New providers must initiate a study under this subdivision before initial
52.16 enrollment if the provider has not already initiated background studies as part of the service
52.17 licensure requirements.

52.18 (b) Except as provided in paragraph (c), the providers must initiate a background study
52.19 annually of an individual required to be studied under section 245C.03, subdivision 6.

52.20 (c) After an initial background study under this subdivision is initiated on an individual
52.21 by a provider of both services licensed by the commissioner and the unlicensed services
52.22 under this subdivision, a repeat annual background study is not required if:

52.23 (1) the provider maintains compliance with the requirements of section 245C.07,
52.24 paragraph (a), regarding one individual with one address and telephone number as the person
52.25 to receive sensitive background study information for the multiple programs that depend
52.26 on the same background study, and that the individual who is designated to receive the
52.27 sensitive background information is capable of determining, upon the request of the
52.28 commissioner, whether a background study subject is providing direct contact services in
52.29 one or more of the provider's programs or services and, if so, at which location or locations;
52.30 and

52.31 (2) the individual who is the subject of the background study provides direct contact
52.32 services under the provider's licensed program for at least 40 hours per year so the individual
52.33 will be recognized by a probation officer or corrections agent to prompt a report to the

53.1 commissioner regarding criminal convictions as required under section 245C.05, subdivision
53.2 7.

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

53.4 Sec. 7. Minnesota Statutes 2025 Supplement, section 245C.10, subdivision 6, is amended
53.5 to read:

53.6 Subd. 6. **Unlicensed home and community-based waiver providers of service to**
53.7 **seniors and individuals with disabilities and providers of housing stabilization**
53.8 **services.** The commissioner shall recover the cost of background studies initiated by
53.9 unlicensed home and community-based waiver providers of service to seniors and individuals
53.10 with disabilities under section 256B.4912 ~~and providers of housing stabilization services~~
53.11 ~~under section 256B.051~~ through a fee of no more than \$44 per study.

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

53.13 Sec. 8. Minnesota Statutes 2024, section 245D.09, subdivision 5, is amended to read:

53.14 Subd. 5. **Annual training.** (a) A license holder must provide annual training to direct
53.15 support staff on the topics identified in subdivision 4, clauses (3) to (11). A license holder
53.16 may delay annual training up to 90 calendar days following the date by which the direct
53.17 care staff would otherwise be required to receive the annual training.

53.18 (b) If the direct support staff has a first aid certification, annual training under subdivision
53.19 4, clause (9), is not required as long as the certification remains current.

53.20 **EFFECTIVE DATE.** This section is effective August 1, 2026.

53.21 Sec. 9. Minnesota Statutes 2025 Supplement, section 245D.091, subdivision 2, is amended
53.22 to read:

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

53.28 (1) ethical considerations;

53.29 (2) functional assessment;

53.30 (3) functional analysis;

- 54.1 (4) measurement of behavior and interpretation of data;
- 54.2 (5) selecting intervention outcomes and strategies;
- 54.3 (6) behavior reduction and elimination strategies that promote least restrictive approved
- 54.4 alternatives;
- 54.5 (7) data collection;
- 54.6 (8) staff and caregiver training;
- 54.7 (9) support plan monitoring;
- 54.8 (10) co-occurring mental disorders or neurocognitive disorder;
- 54.9 (11) demonstrated expertise with populations being served; and
- 54.10 (12) must be a:
- 54.11 (i) psychologist licensed under sections 148.88 to 148.98, who has stated to the Board
- 54.12 of Psychology competencies in the above identified areas;
- 54.13 (ii) clinical social worker licensed as an independent clinical social worker under chapter
- 54.14 148E, or a person with a master's degree in social work from an accredited college or
- 54.15 university, with at least 4,000 hours of post-master's supervised experience in the delivery
- 54.16 of clinical services in the areas identified in clauses (1) to (11);
- 54.17 (iii) physician licensed under chapter 147 and certified by the American Board of
- 54.18 Psychiatry and Neurology or eligible for board certification in psychiatry with competencies
- 54.19 in the areas identified in clauses (1) to (11);
- 54.20 (iv) licensed professional clinical counselor licensed under sections ~~148B.29 to 148B.39~~
- 54.21 148B.50 to 148B.75 with at least 4,000 hours of post-master's supervised experience in the
- 54.22 delivery of clinical services who has demonstrated competencies in the areas identified in
- 54.23 clauses (1) to (11);
- 54.24 (v) person with a master's degree from an accredited college or university in one of the
- 54.25 behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised
- 54.26 experience in the delivery of clinical services with demonstrated competencies in the areas
- 54.27 identified in clauses (1) to (11);
- 54.28 (vi) person with a master's degree or PhD in one of the behavioral sciences or related
- 54.29 fields with demonstrated expertise in positive support services, as determined by the person's
- 54.30 needs as outlined in the person's assessment summary;

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

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

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

55.10 Sec. 10. Minnesota Statutes 2025 Supplement, section 245D.091, subdivision 3, is amended
55.11 to read:

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

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

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

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

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

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

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

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

- 56.1 (i) ten hours of instruction in functional assessment and functional analysis;
- 56.2 (ii) 20 hours of instruction in the understanding of the function of behavior;
- 56.3 (iii) ten hours of instruction on design of positive practices behavior support strategies;
- 56.4 (iv) 20 hours of instruction preparing written intervention strategies, designing data
- 56.5 collection protocols, training other staff to implement positive practice strategies,
- 56.6 summarizing and reporting program evaluation data, analyzing program evaluation data to
- 56.7 identify design flaws in behavioral interventions or failures in implementation fidelity, and
- 56.8 recommending enhancements based on evaluation data; and
- 56.9 (v) eight hours of instruction on principles of person-centered thinking;
- 56.10 (3) be determined by a positive support professional to have the training and prerequisite
- 56.11 skills required to provide positive practice strategies as well as behavior reduction approved
- 56.12 and permitted intervention to the person who receives positive support; and
- 56.13 (4) be under the direct supervision of a positive support professional.
- 56.14 (c) Meeting the qualifications for a positive support professional under subdivision 2
- 56.15 shall substitute for meeting the qualifications listed in paragraph (b).

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

56.17 Sec. 11. Minnesota Statutes 2024, section 256.9752, as amended by Laws 2025, First

56.18 Special Session chapter 9, article 1, sections 6 and 7, is amended to read:

56.19 **256.9752 SENIOR NUTRITION PROGRAMS.**

56.20 Subdivision 1. **Program goals.** It is the goal of all area agencies on aging and senior

56.21 nutrition programs to support the physical and mental health of ~~seniors~~ older adults living

56.22 in the community by:

56.23 (1) promoting nutrition programs that serve ~~senior citizens~~ older adults in their homes

56.24 and communities; ~~and~~

56.25 (2) providing, within the limit of funds available, the support services that will enable

56.26 ~~the senior citizen~~ each older adult to access nutrition programs in the most cost-effective

56.27 and efficient manner; and

56.28 (3) coordinating with health and long-term care systems, emergency preparedness

56.29 systems, and other systems and stakeholders that support the health and wellness of older

56.30 adults.

57.1 Subd. 1a. **Food delivery support account; appropriation.** (a) A food delivery support
57.2 account is established in the special revenue fund. The account consists of funds under
57.3 section 174.49, subdivision 2, and as provided by law and any other money donated, allotted,
57.4 transferred, or otherwise provided to the account.

57.5 (b) Money in the account is annually appropriated to the commissioner of human services
57.6 for grants to nonprofit organizations to provide transportation of home-delivered meals,
57.7 groceries, purchased food, or a combination, to Minnesotans who are experiencing food
57.8 insecurity and have difficulty obtaining or preparing meals due to limited mobility, disability,
57.9 age, or resources to prepare their own meals. A nonprofit organization must have a
57.10 demonstrated history of providing and distributing food customized for the population that
57.11 they serve.

57.12 (c) Grant funds under this subdivision must supplement, but not supplant, any state or
57.13 federal funding used to provide prepared meals to Minnesotans experiencing food insecurity.

57.14 Subd. 2. **Authority.** The Minnesota Board on Aging shall allocate to area agencies on
57.15 aging the state nutrition support and food delivery support funds and the federal funds which
57.16 that are received for the senior nutrition programs of congregate dining and home-delivered
57.17 meals in a manner consistent with the board's intrastate funding formula.

57.18 Subd. 3. **Nutrition support services.** (a) Funds allocated to an area agency on aging
57.19 for nutrition support services may be used for the following, as determined appropriate by
57.20 the area agency on aging to address the needs of older adults in the agency's planning and
57.21 service area:

57.22 (1) transportation of home-delivered meals and purchased food and medications to the
57.23 residence of ~~a senior citizen~~ an older adult;

57.24 (2) expansion of home-delivered meals into unserved and underserved areas;

57.25 (3) transportation of older adults to supermarkets grocery stores or delivery of groceries
57.26 ~~from supermarkets~~ to homes of older adults;

57.27 (4) vouchers for food purchases at selected restaurants in isolated rural areas;

57.28 (5) the Supplemental Nutrition Assistance Program (SNAP) outreach;

57.29 (6) transportation of ~~seniors~~ older adults to congregate dining sites;

57.30 (7) nutrition screening assessments and counseling as needed by individuals with special
57.31 dietary needs, performed by a licensed dietitian or nutritionist;

57.32 (8) medically tailored meals;

58.1 ~~(8)~~ (9) other appropriate services ~~which~~ and tools that support senior nutrition programs,
58.2 including new service delivery models and technology; and

58.3 ~~(9)~~ (10) development and implementation of innovative models of providing to provide
58.4 healthy and nutritious ~~meals to seniors~~ food to older adults, including through partnerships
58.5 with schools, restaurants, hospitals, food shelves and food pantries, farmers, and other
58.6 community partners.

58.7 (b) An area agency on aging may transfer unused funding for nutrition support services
58.8 to fund congregate dining services and home-delivered meals.

58.9 (c) State funds under this subdivision are subject to federal requirements in accordance
58.10 with the Minnesota Board on Aging's intrastate funding formula.

58.11 Sec. 12. Minnesota Statutes 2025 Supplement, section 256B.04, subdivision 21, is amended
58.12 to read:

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

58.24 (b) The commissioner shall revalidate:

58.25 (1) each provider under this subdivision at least once every five years;

58.26 (2) each personal care assistance agency, CFSS provider-agency, and CFSS financial
58.27 management services provider under this subdivision at least once every three years;

58.28 (3) each EIDBI agency under this subdivision at least once every three years; and

58.29 (4) at the commissioner's discretion, any medical-assistance-only provider type the
58.30 commissioner deems "high-risk" under this subdivision.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

60.9 (h) The commissioner may revoke the enrollment of an ordering or rendering provider
60.10 for a period of not more than one year, if the provider fails to maintain and, upon request
60.11 from the commissioner, provide access to documentation relating to written orders or requests
60.12 for payment for durable medical equipment, certifications for home health services, or
60.13 referrals for other items or services written or ordered by such provider, when the
60.14 commissioner has identified a pattern of a lack of documentation. A pattern means a failure
60.15 to maintain documentation or provide access to documentation on more than one occasion.
60.16 Nothing in this paragraph limits the authority of the commissioner to sanction a provider
60.17 under the provisions of section 256B.064.

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

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

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

60.27 (3) serves primarily a pediatric population.

60.28 (j) As a condition of enrollment in medical assistance, the commissioner shall require
60.29 that a provider designated "moderate" or "high-risk" by the Centers for Medicare and
60.30 Medicaid Services or the commissioner permit the Centers for Medicare and Medicaid
60.31 Services, its agents, or its designated contractors and the state agency, its agents, or its
60.32 designated contractors to conduct unannounced on-site inspections of any provider location.
60.33 The commissioner shall publish in the Minnesota Health Care Program Provider Manual a

61.1 list of provider types designated "limited," "moderate," or "high-risk," based on the criteria
61.2 and standards used to designate Medicare providers in Code of Federal Regulations, title
61.3 42, section 424.518. The list and criteria are not subject to the requirements of chapter 14.
61.4 The commissioner's designations are not subject to administrative appeal.

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

61.11 (l)(1) Upon initial enrollment, reenrollment, and notification of revalidation, all durable
61.12 medical equipment, prosthetics, orthotics, and supplies (DMEPOS) medical suppliers
61.13 meeting the durable medical equipment provider and supplier definition in clause (3),
61.14 operating in Minnesota and receiving Medicaid funds must purchase a surety bond that is
61.15 annually renewed and designates the Minnesota Department of Human Services as the
61.16 obligee, and must be submitted in a form approved by the commissioner. For purposes of
61.17 this clause, the following medical suppliers are not required to obtain a surety bond: a
61.18 federally qualified health center, a home health agency, the Indian Health Service, a
61.19 pharmacy, and a rural health clinic.

61.20 (2) At the time of initial enrollment or reenrollment, durable medical equipment providers
61.21 and suppliers defined in clause (3) must purchase a surety bond of \$50,000. If a revalidating
61.22 provider's Medicaid revenue in the previous calendar year is up to and including \$300,000,
61.23 the provider agency must purchase a surety bond of \$50,000. If a revalidating provider's
61.24 Medicaid revenue in the previous calendar year is over \$300,000, the provider agency must
61.25 purchase a surety bond of \$100,000. The surety bond must allow for recovery of costs and
61.26 fees in pursuing a claim on the bond. Any action to obtain monetary recovery or sanctions
61.27 from a surety bond must occur within six years from the date the debt is affirmed by a final
61.28 agency decision. An agency decision is final when the right to appeal the debt has been
61.29 exhausted or the time to appeal has expired under section 256B.064.

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

62.1 (m) The Department of Human Services may require a provider to purchase a surety
62.2 bond as a condition of initial enrollment, reenrollment, reinstatement, or continued enrollment
62.3 if: (1) the provider fails to demonstrate financial viability, (2) the department determines
62.4 there is significant evidence of or potential for fraud and abuse by the provider, or (3) the
62.5 provider or category of providers is designated high-risk pursuant to paragraph (f) and as
62.6 per Code of Federal Regulations, title 42, section 455.450. The surety bond must be in an
62.7 amount of \$100,000 or ten percent of the provider's payments from Medicaid during the
62.8 immediately preceding 12 months, whichever is greater. The surety bond must name the
62.9 Department of Human Services as an obligee and must allow for recovery of costs and fees
62.10 in pursuing a claim on the bond. This paragraph does not apply if the provider currently
62.11 maintains a surety bond under the requirements in section ~~256B.051~~, 256B.0659, 256B.0701,
62.12 or 256B.85.

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

62.14 Sec. 13. Minnesota Statutes 2024, section 256B.0625, is amended by adding a subdivision
62.15 to read:

62.16 **Subd. 77. Early intensive developmental and behavioral intervention benefit.** Medical
62.17 assistance covers early intensive developmental and behavioral intervention services
62.18 according to section 256B.0949.

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

62.20 Sec. 14. Minnesota Statutes 2024, section 256B.0658, is amended to read:

62.21 **256B.0658 HOUSING ACCESS GRANTS.**

62.22 **Subdivision 1. Establishment.** The commissioner of human services shall award through
62.23 a competitive process contracts for grants to public and private agencies to support and
62.24 assist individuals with a disability ~~as defined in section 256B.051, subdivision 2, paragraph~~
62.25 ~~(e)~~, to access housing.

62.26 **Subd. 2. Definition.** (a) For the purposes of this section, the term defined in this
62.27 subdivision has the meaning given.

62.28 **(b) "Individual with a disability" means:**

62.29 **(1) an individual who is aged, blind, or disabled as determined by the criteria under**
62.30 **sections 216(i)(1) and 221 of the Social Security Act; or**

63.1 (2) an individual who meets a category of eligibility under section 256D.05, subdivision
63.2 1, paragraph (a), clause (1), (4), (5) to (8), or (13).

63.3 Subd. 3. Allowable uses of grant money. Grants may be awarded to agencies that may
63.4 include, but are not limited to, the following supports: assessment to ensure suitability of
63.5 housing, accompanying an individual to look at housing, filling out applications and rental
63.6 agreements, meeting with landlords, helping with Section 8 or other program applications,
63.7 helping to develop a budget, obtaining furniture and household goods, if necessary, and
63.8 assisting with any problems that may arise with housing.

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

63.10 Sec. 15. Minnesota Statutes 2025 Supplement, section 256B.0701, subdivision 9, is
63.11 amended to read:

63.12 Subd. 9. **Provider qualifications and duties.** A provider is eligible for reimbursement
63.13 under this section only if the provider:

63.14 (1) is confirmed by the commissioner as an eligible provider after a pre-enrollment risk
63.15 assessment under subdivision 10;

63.16 (2) is enrolled as a medical assistance Minnesota health care program provider and meets
63.17 all applicable provider standards and requirements;

63.18 ~~(3) demonstrates compliance with federal and state laws and policies for housing~~
63.19 ~~stabilization services as determined by the commissioner;~~

63.20 (3) demonstrates compliance with federal and state laws and policies for recuperative
63.21 care services as determined by the commissioner;

63.22 (4) complies with background study requirements under chapter 245C and maintains
63.23 documentation of background study requests and results;

63.24 (5) provides at the time of enrollment, reenrollment, and revalidation in a format
63.25 determined by the commissioner, proof of surety bond coverage for each business location
63.26 providing services. Upon new enrollment, or if the provider's medical assistance revenue
63.27 in the previous calendar year is \$300,000 or less, the provider agency must purchase a surety
63.28 bond of \$50,000. If the provider's medical assistance revenue in the previous year is over
63.29 \$300,000, the provider agency must purchase a surety bond of \$100,000. The surety bond
63.30 must be in a form approved by the commissioner, must be renewed annually, and must
63.31 allow for recovery of costs and fees in pursuing a claim on the bond. Any action to obtain
63.32 monetary recovery or sanctions from a surety bond must occur within six years from the

64.1 date the debt is affirmed by a final agency decision. An agency decision is final when the
64.2 right to appeal the debt has been exhausted or the time to appeal has expired under section
64.3 256B.064;

64.4 (6) ensures all controlling individuals and employees of the agency complete annual
64.5 vulnerable adult training;

64.6 (7) completes compliance training as required under subdivision 11; and

64.7 (8) complies with the habitability inspection requirements in subdivision 13.

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

64.9 Sec. 16. Minnesota Statutes 2025 Supplement, section 256B.0911, subdivision 13, is
64.10 amended to read:

64.11 Subd. 13. **MnCHOICES assessor qualifications, training, and certification.** (a) The
64.12 commissioner shall develop and implement a curriculum and an assessor certification
64.13 process.

64.14 (b) MnCHOICES certified assessors must have received training and certification specific
64.15 to assessment and consultation for long-term care services in the state and either:

64.16 (1) have at least an associate's degree in human services, or other closely related field;

64.17 (2) have at least an associate's degree in nursing with a public health nursing certificate,
64.18 or other closely related field; or

64.19 (3) be a registered nurse.

64.20 (c) Certified assessors shall demonstrate best practices in assessment and support
64.21 planning, including person-centered planning principles, and have a common set of skills
64.22 that ensures consistency and equitable access to services statewide.

64.23 (d) Certified assessors must be recertified every three years.

64.24 (e) A Tribal Nation may establish the Tribal Nation's own education and experience
64.25 qualifications for certified assessors.

64.26 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
64.27 whichever is later.

64.28 Sec. 17. Minnesota Statutes 2024, section 256B.0911, subdivision 32, is amended to read:

64.29 Subd. 32. **Administrative activity.** (a) The commissioner shall:

65.1 (1) streamline the processes, including timelines for when assessments need to be
65.2 completed;

65.3 (2) provide the services in this section; and

65.4 (3) implement integrated solutions to automate the business processes to the extent
65.5 necessary for support plan approval, reimbursement, program planning, evaluation, and
65.6 policy development.

65.7 (b) The commissioner shall work with lead agencies responsible for conducting long-term
65.8 care consultation services to:

65.9 ~~(1)~~ modify the MnCHOICES application and assessment policies to create efficiencies
65.10 while ensuring federal compliance with medical assistance and long-term services and
65.11 supports eligibility criteria; ~~and.~~

65.12 ~~(2) develop a set of measurable benchmarks sufficient to demonstrate quarterly~~
65.13 ~~improvement in the average time per assessment and other mutually agreed upon measures~~
65.14 ~~of increasing efficiency.~~

65.15 ~~(c) The commissioner shall collect data on the benchmarks developed under paragraph~~
65.16 ~~(b) and provide to the lead agencies an annual trend analysis of the data in order to~~
65.17 ~~demonstrate the commissioner's compliance with the requirements of this subdivision.~~

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

65.19 Sec. 18. Minnesota Statutes 2024, section 256B.0924, subdivision 3, is amended to read:

65.20 Subd. 3. **Eligibility.** Persons are eligible to receive targeted case management services
65.21 under this section if the requirements in paragraphs (a) and (b) are met.

65.22 (a) The person must be assessed and determined by the local county or Tribal agency
65.23 to:

65.24 (1) be age 18 or older;

65.25 (2) be receiving medical assistance;

65.26 (3) have significant functional limitations; and

65.27 (4) be in need of service coordination to attain or maintain living in an integrated
65.28 community setting.

65.29 (b) Except as permitted under paragraph (c), the person must be: (1) a vulnerable adult
65.30 in need of adult protection as defined in section 626.5572, or is; (2) an adult with a
65.31 developmental disability as defined in section 252A.02, subdivision 2, or; (3) an adult with

66.1 a related condition as defined in section 256B.02, subdivision 11, ~~and~~ who is not receiving
66.2 home and community-based waiver services; or is (4) an adult who lacks a permanent
66.3 residence and who has been without a permanent residence for at least one year or on at
66.4 least four occasions in the last three years.

66.5 (c) Tribal agencies may make a determination of eligibility under Tribal governance
66.6 codes for adult protection or policy procedures consistent with section 626.5572 when
66.7 determining whether a person is a vulnerable adult in need of adult protection or an adult
66.8 with developmental disabilities or a related condition.

66.9 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
66.10 whichever is later.

66.11 Sec. 19. Minnesota Statutes 2024, section 256B.0924, subdivision 5, is amended to read:

66.12 Subd. 5. **Provider standards.** County boards ~~or~~ providers who contract with the county,
66.13 or Tribal government contracted providers are eligible to receive medical assistance
66.14 reimbursement for adult targeted case management services. To qualify as a provider of
66.15 targeted case management services the vendor must:

66.16 (1) have demonstrated the capacity and experience to provide the activities of case
66.17 management services defined in subdivision 4;

66.18 (2) be able to coordinate and link community resources needed by the recipient;

66.19 (3) have the administrative capacity and experience to serve the eligible population in
66.20 providing services and to ensure quality of services under state and federal requirements;

66.21 (4) have a financial management system that provides accurate documentation of services
66.22 and costs under state and federal requirements;

66.23 (5) have the capacity to document and maintain individual case records complying with
66.24 state and federal requirements;

66.25 (6) coordinate with county social ~~service~~ services or Tribal human services agencies
66.26 responsible for planning for community social services under chapters 256E and 256F;
66.27 conducting adult protective investigations under section 626.557, and conducting prepetition
66.28 screenings for commitments under section 253B.07;

66.29 (7) coordinate with health care providers to ensure access to necessary health care
66.30 services;

66.31 (8) have a procedure in place that notifies the recipient and the recipient's legal
66.32 representative of any conflict of interest if the contracted targeted case management service

67.1 provider also provides the recipient's services and supports and provides information on all
67.2 potential conflicts of interest and obtains the recipient's informed consent and provides the
67.3 recipient with alternatives; and

67.4 (9) have demonstrated the capacity to achieve the following performance outcomes:
67.5 access, quality, and consumer satisfaction.

67.6 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
67.7 whichever is later.

67.8 Sec. 20. Minnesota Statutes 2024, section 256B.0924, is amended by adding a subdivision
67.9 to read:

67.10 **Subd. 5a. Tribal case manager qualifications.** An individual is authorized to serve as
67.11 a vulnerable adult and developmental disability targeted case manager if the individual is
67.12 certified by a federally recognized Tribal government in Minnesota pursuant to section
67.13 256B.02, subdivision 7, paragraph (c).

67.14 Sec. 21. Minnesota Statutes 2025 Supplement, section 256B.0924, subdivision 6, is
67.15 amended to read:

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

67.24 (b) Except as provided under paragraph (m), payment for targeted case management
67.25 provided by county staff under this subdivision shall be based on the monthly rate
67.26 methodology under section 256B.094, subdivision 6, paragraph (b), calculated as one
67.27 combined average rate together with adult mental health case management under section
67.28 256B.0625, subdivision 20, ~~except for calendar year 2002. In calendar year 2002, the rate~~
67.29 ~~for case management under this section shall be the same as the rate for adult mental health~~
67.30 ~~case management in effect as of December 31, 2001.~~ Billing and payment must identify the
67.31 recipient's primary population group to allow tracking of revenues.

68.1 (c) Payment for targeted case management provided by county-contracted vendors shall
68.2 be based on a monthly rate calculated in accordance with section 256B.076, subdivision 2.
68.3 Payment for case management provided by vendors who contract with a Tribe must be made
68.4 in accordance with Indian Health Service facility requirements. If a Tribe chooses to contract
68.5 with a vendor receiving payment not through an Indian Health Service facility, the rate must
68.6 be based on a monthly rate negotiated by the Tribe. The rate must not exceed the rate charged
68.7 by the vendor for the same service to other payers. If the service is provided by a team of
68.8 contracted vendors, the team shall determine how to distribute the rate among its members.
68.9 No reimbursement received by contracted vendors shall be returned to the county or Tribe,
68.10 except to reimburse the county or Tribe for advance funding provided by the county or
68.11 Tribe to the vendor.

68.12 (d) If the service is provided by a team that includes any combination of contracted
68.13 vendors ~~and~~, county staff, and Tribal staff, the costs for county staff participation on the
68.14 team shall be included in the rate for county-provided services. In this case, the contracted
68.15 vendor and the county and Tribal case managers may each receive separate payment for
68.16 services provided by each entity in the same month. In order to prevent duplication of
68.17 services, ~~the county~~ each entity must document, ~~in the recipient's file~~, the need for team
68.18 targeted case management and a description of the different roles of ~~the team members~~ staff.

68.19 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
68.20 targeted case management shall be provided by the recipient's county of responsibility, as
68.21 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
68.22 used to match other federal funds. If the service is provided by a Tribal agency, the recipient's
68.23 Tribe must provide the nonfederal share of costs, if any.

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

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

68.32 (h) Payments to counties and Tribes for targeted case management expenditures under
68.33 this section shall only be made from federal earnings from services provided under this

69.1 section. Payments to contracted vendors shall include both the federal earnings and the
69.2 county share.

69.3 (i) Notwithstanding section 256B.041, county or Tribal payments for the cost of case
69.4 management services provided by county or Tribal staff shall not be made to the
69.5 commissioner of management and budget. For the purposes of targeted case management
69.6 services provided by county or Tribal staff under this section, the centralized disbursement
69.7 of payments to counties or Tribes under section 256B.041 consists only of federal earnings
69.8 from services provided under this section.

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

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

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

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

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

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

69.22 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
69.23 whichever is later.

69.24 Sec. 22. Minnesota Statutes 2024, section 256B.0924, subdivision 7, is amended to read:

69.25 Subd. 7. **Implementation and evaluation.** The commissioner of human services in
69.26 consultation with county boards and Tribal Nations shall establish a program to accomplish
69.27 the provisions of subdivisions 1 to 6. The commissioner in consultation with county boards
69.28 and Tribal Nations shall establish performance measures to evaluate the effectiveness of
69.29 the targeted case management services. If a county or Tribe fails to meet agreed-upon
69.30 performance measures, the commissioner may authorize contracted providers other than
69.31 the county or Tribe. Providers contracted by the commissioner shall also be subject to the
69.32 standards in subdivision 6.

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

70.2 Sec. 23. Minnesota Statutes 2025 Supplement, section 256B.0949, subdivision 2, is
70.3 amended to read:

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

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

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

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

70.18 (1) is severe and chronic;

70.19 (2) results in impairment of adaptive behavior and function similar to that of a person
70.20 with ASD;

70.21 (3) requires treatment or services similar to those required for a person with ASD; and

70.22 (4) results in substantial functional limitations in three core developmental deficits of
70.23 ASD: social or interpersonal interaction; functional communication, including nonverbal
70.24 or social communication; and restrictive or repetitive behaviors or hyperreactivity or
70.25 hyporeactivity to sensory input; and may include deficits or a high level of support in one
70.26 or more of the following domains:

70.27 (i) behavioral challenges and self-regulation;

70.28 (ii) cognition;

70.29 (iii) learning and play;

70.30 (iv) self-care; or

70.31 (v) safety.

71.1 (e) "Behavior analyst" means an individual licensed under sections 148.9981 to 148.9995
71.2 as a behavior analyst.

71.3 (f) "Clinical supervision" means the overall responsibility for the control and direction
71.4 of EIDBI service delivery, including ~~individual treatment planning~~, staff supervision,
71.5 including observation and direction; individual treatment plan development and progress
71.6 monitoring; family training and counseling; and ~~treatment review~~ coordinated care
71.7 conference coordination for each person. Clinical supervision is provided by a qualified
71.8 supervising professional (QSP) who takes full professional responsibility for the service
71.9 provided by each supervisee and the clinical effectiveness of all interventions.

71.10 (g) "Commissioner" means the commissioner of human services, unless otherwise
71.11 specified.

71.12 (h) "Comprehensive multidisciplinary evaluation" or "CMDE" means a comprehensive
71.13 evaluation of a person to determine medical necessity for EIDBI services based on the
71.14 requirements in subdivision 5.

71.15 (i) "Department" means the Department of Human Services, unless otherwise specified.

71.16 (j) "Early intensive developmental and behavioral intervention benefit" or "EIDBI
71.17 benefit" means a variety of individualized, intensive treatment modalities approved and
71.18 published by the commissioner that are based in behavioral and developmental science
71.19 consistent with best practices on effectiveness.

71.20 (k) "Employee of an agency" or "employee" means any individual who is employed
71.21 temporarily, part time, or full time by the agency that is submitting claims or billing for the
71.22 work, services, supervision, or treatment performed by the individual. Employee does not
71.23 include an independent contractor, billing agency, or consultant who is not providing EIDBI
71.24 services. Employee does not include an individual who performs work, provides services,
71.25 supervises, or provides treatment for less than 80 hours in a 12-month period.

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

71.30 (m) "Incident" means when any of the following occur:

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

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

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

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

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

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

72.14 (q) "Person" means an individual under 21 years of age.

72.15 (r) "Person-centered" means a service that both responds to the identified needs, interests,
72.16 values, preferences, and desired outcomes of the person or the person's legal representative
72.17 and respects the person's history, dignity, and cultural background and allows inclusion and
72.18 participation in the person's community.

72.19 (s) "Qualified EIDBI provider" means an individual who is a QSP or a level I, level II,
72.20 or level III treatment provider.

72.21 Sec. 24. Minnesota Statutes 2025 Supplement, section 256B.0949, subdivision 16, is
72.22 amended to read:

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

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

72.28 (2) designate an individual as the agency's compliance officer who must perform the
72.29 duties described in section 256B.04, subdivision 21, paragraph (g);

72.30 (3) demonstrate compliance with federal and state laws for the delivery of and billing
72.31 for EIDBI service;

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

73.3 (5) demonstrate that while enrolled or seeking enrollment as a Minnesota health care
73.4 program provider the agency did not have a lead agency contract or provider agreement
73.5 discontinued because of a conviction of fraud; or did not have an owner, board member, or
73.6 manager fail a state or federal criminal background check or appear on the list of excluded
73.7 individuals or entities maintained by the federal Department of Human Services Office of
73.8 Inspector General;

73.9 (6) have established business practices including written policies and procedures, internal
73.10 controls, and a system that demonstrates the organization's ability to deliver quality EIDBI
73.11 services, appropriately submit claims, conduct required staff training, document staff
73.12 qualifications, document service activities, and document service quality;

73.13 (7) have an office located in Minnesota or a border state;

73.14 (8) initiate a background study as required under subdivision 16a;

73.15 (9) report maltreatment according to section 626.557 and chapter 260E;

73.16 (10) comply with any data requests consistent with the Minnesota Government Data
73.17 Practices Act, sections 256B.064 and 256B.27;

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

73.22 (12) have a written policy to resolve issues collaboratively with the person and the
73.23 person's legal representative when possible. The policy must include a timeline for when
73.24 the person and the person's legal representative will be notified about issues that arise in
73.25 the provision of services;

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

73.30 (14) before starting a service, provide the person or the person's legal representative a
73.31 description of the treatment modality that the person shall receive, including the staffing
73.32 certification levels and training of the staff who shall provide a treatment;

74.1 (15) provide clinical supervision for a minimum of one hour for every 16 hours of direct
74.2 treatment per person, unless otherwise authorized in the person's individual treatment plan;
74.3 and

74.4 (16) provide the required EIDBI intervention observation and direction by a QSP at least
74.5 once per month. Notwithstanding subdivision 13, paragraph (1), required EIDBI intervention
74.6 observation and direction under this clause may be conducted via telehealth provided that
74.7 no more than two consecutive monthly required EIDBI intervention observation and direction
74.8 sessions under this clause are conducted via telehealth.

74.9 (b) Upon request of the commissioner, an agency delivering services under this section
74.10 must:

74.11 (1) identify the agency's controlling individuals, as defined under section 245A.02,
74.12 subdivision 5a;

74.13 (2) provide disclosures of the use of billing agencies and other consultants who do not
74.14 provide EIDBI services; and

74.15 (3) provide copies of any contracts with consultants or independent contractors who do
74.16 not provide EIDBI services, including hours contracted and responsibilities.

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

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

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

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

74.27 Sec. 25. Minnesota Statutes 2025 Supplement, section 256B.0949, subdivision 18, is
74.28 amended to read:

74.29 Subd. 18. **Site visits and sanctions.** (a) The commissioner may conduct unannounced
74.30 on-site inspections of any and all EIDBI agencies and service locations to verify that
74.31 information submitted to the commissioner is accurate, determine compliance with all
74.32 enrollment requirements, investigate reports of maltreatment, determine compliance with

75.1 service delivery and billing requirements, and determine compliance with any other applicable
75.2 laws or rules.

75.3 (b) The commissioner may withhold payment from an agency or suspend or terminate
75.4 the agency's enrollment number if the agency fails to provide access to the agency's service
75.5 locations or records or fails to comply with documentation requirements under subdivision
75.6 19 or the commissioner determines the agency has failed to comply fully with applicable
75.7 laws or rules. The provider has the right to appeal the decision of the commissioner under
75.8 section 256B.064.

75.9 Sec. 26. Minnesota Statutes 2024, section 256B.0949, is amended by adding a subdivision
75.10 to read:

75.11 Subd. 19. Documentation requirements. (a) CMDE and EIDBI providers must ensure
75.12 that all documentation, including but not limited to health service records and personnel
75.13 files, complies with this subdivision, subdivision 16, and Minnesota Rules, parts 9505.2175
75.14 and 9505.2197. Documentation must be complete, legible, accurate, and readily accessible.

75.15 (b) All documentation must:

75.16 (1) be legible and understandable to individuals outside service delivery;

75.17 (2) include the participant's name on each health record page and the provider's name
75.18 on each personnel file page;

75.19 (3) be signed and dated by the provider completing the documentation with the provider's
75.20 full name, title, and credentials;

75.21 (4) be entered within 72 hours of service and contain a record and explanation of any
75.22 delays in entry;

75.23 (5) clearly reflect clinical decision-making and support medical necessity;

75.24 (6) be securely stored in accordance with the Health Insurance Portability and
75.25 Accountability Act (HIPAA), Public Law 104-191;

75.26 (7) be stored in accordance with state and federal document retention laws;

75.27 (8) be available for review or audit;

75.28 (9) include a record of caregiver involvement where applicable; and

75.29 (10) include a record of supervision and oversight for staff providing services requiring
75.30 supervision under EIDBI policy.

76.1 (c) Each EIDBI service occurrence must be documented in a progress note in a manner
76.2 and with the information determined by the commissioner.

76.3 (d) All providers must maintain current personnel records for each employee in a manner
76.4 determined by the commissioner that include:

76.5 (1) the employee's name, contact information, and hire date;

76.6 (2) the employee's completed employment application and acknowledgment of duties;

76.7 (3) the job description for the employee's job with the effective date;

76.8 (4) verification of the employee's qualifications, including but not limited to education,
76.9 licenses, certifications, enrollment attestation, degrees, transcripts, and experience;

76.10 (5) a background study pursuant to chapter 245C with a notice from the commissioner
76.11 that the subject of the study is:

76.12 (i) not disqualified under section 245C.14; or

76.13 (ii) disqualified but the subject of the study has received a set-aside of the disqualification
76.14 under section 245C.22;

76.15 (6) orientation and required training the employee attended, including but not limited
76.16 to training on mandated reporting, cultural responsiveness, and EIDBI competencies;

76.17 (7) the dates of the employee's first supervised and unsupervised client contact following
76.18 employment;

76.19 (8) documentation of supervision received by the employee, including but not limited
76.20 to the supervisor's name and credentials, dates of supervision, supervision content, and the
76.21 employee's signature indicating the accuracy of the documented supervision;

76.22 (9) the employee's CPR and emergency response training, if required; and

76.23 (10) the employee's annual performance evaluations.

76.24 (e) If an incident occurs or the person is injured while receiving services, the provider
76.25 must document what occurred and how staff responded to the incident.

76.26 Sec. 27. Minnesota Statutes 2024, section 256B.4905, subdivision 2a, is amended to read:

76.27 Subd. 2a. **Informed choice policy.** (a) It is the policy of this state that all adults who
76.28 have disabilities and, with support from their families or legal representatives, that all
76.29 children who have disabilities:

77.1 (1) may make informed choices to select and utilize disability services and supports;
77.2 and

77.3 (2) are offered an informed decision-making process sufficient to make informed choices.

77.4 (b) It is the policy of this state that disability waivers services support the presumption
77.5 that adults who have disabilities and, with support from their families or legal representatives,
77.6 all children who have disabilities may make informed choices; and that all adults who have
77.7 disabilities and all families of children who have disabilities and are accessing waiver
77.8 services under sections 256B.092 and 256B.49 are provided an informed decision-making
77.9 process that satisfies the requirements of subdivision 3a.

77.10 (c) Lead agencies must support individuals in making informed choices by:

77.11 (1) providing complete and accurate information about available home and
77.12 community-based services and settings;

77.13 (2) providing the information in a manner that is culturally and linguistically appropriate;
77.14 and

77.15 (3) facilitating access to services that reflect the individual's preferences and assessed
77.16 needs.

77.17 (d) For individuals who are members of or affiliated with a federally recognized Tribal
77.18 Nation located within Minnesota, informed choice includes the right to receive services
77.19 administered or provided by the individual's Tribal Nation. Lead agencies must:

77.20 (1) inform individuals of services offered by Tribal Nations enrolled as Minnesota health
77.21 care providers;

77.22 (2) directly coordinate with the individual's Tribal Nation human services agency when
77.23 the individual seeks or may be eligible for services administered or provided by that Tribal
77.24 Nation; and

77.25 (3) ensure that service planning and delivery respects the individual's rights as both a
77.26 member of a sovereign Tribal Nation and a resident of Minnesota.

77.27 (e) County lead agencies and Tribal Nation human services agencies must establish and
77.28 maintain procedures to share updated contact information, coordinate case management,
77.29 and provide timely referrals necessary to ensure that informed choice is fully exercised.

77.30 (f) Nothing in this section limits the sovereignty of Tribal Nations or the authority of
77.31 Tribal governments to administer home and community-based services to their members.

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

78.1 Sec. 28. Minnesota Statutes 2025 Supplement, section 256B.4914, subdivision 10a, is
78.2 amended to read:

78.3 Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure
78.4 that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the
78.5 service. As determined by the commissioner, in consultation with community partners
78.6 identified in subdivision 17, a provider enrolled to provide services with rates determined
78.7 under this section must submit requested cost data to the commissioner to support research
78.8 on the cost of providing services that have rates determined by the disability waiver rates
78.9 system. Requested cost data may include, but is not limited to:

78.10 (1) worker wage costs;

78.11 (2) benefits paid;

78.12 (3) supervisor wage costs;

78.13 (4) executive wage costs;

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

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

78.16 (7) administrative costs paid;

78.17 (8) program costs paid;

78.18 (9) transportation costs paid;

78.19 (10) vacancy rates; and

78.20 (11) other data relating to costs required to provide services requested by the
78.21 commissioner.

78.22 (b) At least once in any five-year period, a provider must submit cost data for a fiscal
78.23 year that ended not more than 18 months prior to the submission date. The commissioner
78.24 shall provide each provider a 90-day notice prior to its submission due date. The
78.25 commissioner may review report submissions for inaccurate, inconclusive, incomplete, or
78.26 otherwise deficient data and may remove the report from submitted status for further
78.27 verification. If a provider fails to submit required reporting data, the commissioner shall
78.28 provide notice to providers that have not provided required data 30 days after the required
78.29 submission date, and a second notice for providers who have not provided required data 60
78.30 days after the required submission date. The commissioner shall temporarily suspend
78.31 payments to the provider if cost data is not received 90 days after the required submission

79.1 date. Withheld payments shall be made once data is received and reviewed for compliance
79.2 by the commissioner.

79.3 (c) The commissioner shall conduct a random validation of data submitted under
79.4 paragraph (a) to ensure data accuracy. Providers selected to validate cost reports must
79.5 respond to the commissioner within 30 days with the requested financial documentation. If
79.6 a provider fails to respond to the commissioner with all the requested information within
79.7 30 days, the commissioner must temporarily suspend payments. The commissioner must
79.8 resume payments once the requested documentation is received. If a provider is unable to
79.9 validate the provider's costs with supporting documentation, the commissioner must require
79.10 the provider to participate in the random validation the next year that the commissioner
79.11 selects providers to report their costs. The commissioner shall analyze cost documentation
79.12 in paragraph (a) and provide recommendations for adjustments to cost components.

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

79.16 (e) Beginning January 1, 2029, the commissioner shall use data collected in paragraph
79.17 (a) to determine the compliance with requirements identified under subdivision 10d. The
79.18 commissioner shall identify providers who have not met the thresholds identified under
79.19 subdivision 10d on the Department of Human Services website for the year for which the
79.20 providers reported their costs.

79.21 **EFFECTIVE DATE.** This section is effective January 1, 2027.

79.22 Sec. 29. Minnesota Statutes 2024, section 256B.493, subdivision 1, is amended to read:

79.23 Subdivision 1. **Commissioner's duties; report.** The commissioner of human services
79.24 has the authority to manage statewide licensed corporate foster care or community residential
79.25 settings capacity, including the reduction and realignment of licensed capacity of a current
79.26 foster care or community residential setting to accomplish the consolidation or closure of
79.27 settings. The commissioner shall implement a program for planned closure of licensed
79.28 corporate adult foster care or community residential settings, necessary as a preferred method
79.29 to: ~~(1) respond to the informed decisions of those individuals who want to move out of these~~
79.30 ~~settings into other types of community settings; and (2) achieve necessary budgetary savings~~
79.31 ~~required in section 245A.03, subdivision 7, paragraphs (c) and (d).~~

80.1 Sec. 30. Minnesota Statutes 2024, section 256B.851, subdivision 8, is amended to read:

80.2 Subd. 8. **Personal care provider agency; required reporting of cost data; training.** (a)

80.3 As determined by the commissioner and in consultation with stakeholders, agencies enrolled
80.4 to provide services with rates determined under this section must submit requested cost data
80.5 to the commissioner. The commissioner may request cost data, including but not limited
80.6 to:

80.7 (1) worker wage costs;

80.8 (2) benefits paid;

80.9 (3) supervisor wage costs;

80.10 (4) executive wage costs;

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

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

80.13 (7) administrative costs paid;

80.14 (8) program costs paid;

80.15 (9) transportation costs paid;

80.16 (10) staff vacancy rates; and

80.17 (11) other data relating to costs required to provide services requested by the
80.18 commissioner.

80.19 (b) At least once in any three-year period, a provider must submit the required cost data
80.20 for a fiscal year that ended not more than 18 months prior to the submission date. The
80.21 commissioner must provide each provider a 90-day notice prior to its submission due date.
80.22 The commissioner may review report submissions for inaccurate, inconclusive, incomplete,
80.23 or otherwise deficient data and may remove the report from submitted status for further
80.24 verification. If a provider fails to submit required cost data, the commissioner must provide
80.25 notice to a provider that has not provided required cost data 30 days after the required
80.26 submission date and a second notice to a provider that has not provided required cost data
80.27 60 days after the required submission date. The commissioner must temporarily suspend
80.28 payments to a provider if the commissioner has not received required cost data 90 days after
80.29 the required submission date. The commissioner must make withheld payments when the
80.30 required cost data is received and reviewed for compliance by the commissioner.

81.1 (c) The commissioner must conduct a random validation of data submitted under this
81.2 subdivision to ensure data accuracy. A provider selected to validate the provider's cost
81.3 reports must respond to the commissioner within 30 days with the requested financial
81.4 documentation. If a provider fails to respond to the commissioner with the requested
81.5 information within 30 days, the commissioner must temporarily suspend payments. The
81.6 commissioner must resume payments once the requested documentation is received. If a
81.7 provider is unable to validate the provider's costs with supporting documentation, the
81.8 commissioner must require the provider to participate in the random validation the next
81.9 year that the commissioner selects providers to report their costs. The commissioner shall
81.10 analyze cost documentation in paragraph (a) and provide recommendations for adjustments
81.11 to cost components.

81.12 (d) The commissioner, in consultation with stakeholders, must develop and implement
81.13 a process for providing training and technical assistance necessary to support provider
81.14 submission of cost data required under this subdivision.

81.15 **EFFECTIVE DATE.** This section is effective January 1, 2027.

81.16 Sec. 31. Minnesota Statutes 2024, section 256L.03, subdivision 1, is amended to read:

81.17 Subdivision 1. **Covered health services.** (a) "Covered health services" means the health
81.18 services reimbursed under chapter 256B, with the exception of special education services,
81.19 home care nursing services, nonemergency medical transportation services, personal care
81.20 assistance and case management services, community first services and supports under
81.21 section 256B.85, behavioral health home services under section 256B.0757, ~~housing~~
81.22 ~~stabilization services under section 256B.051,~~ and nursing home or intermediate care facilities
81.23 services.

81.24 (b) Covered health services shall be expanded as provided in this section.

81.25 (c) For the purposes of covered health services under this section, "child" means an
81.26 individual younger than 19 years of age.

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

81.28 Sec. 32. Minnesota Statutes 2024, section 256R.481, is amended to read:

81.29 **256R.481 RATE ADJUSTMENTS FOR BORDER CITY FACILITIES.**

81.30 (a) The commissioner shall allow each nonprofit nursing facility located within the
81.31 boundaries of the city of Breckenridge or Moorhead prior to January 1, 2015, to apply once
81.32 annually for a rate add-on to the facility's external fixed costs payment rate.

82.1 (b) A facility seeking an add-on to its external fixed costs payment rate under this section
82.2 must apply annually to the commissioner to receive the add-on. A facility must submit the
82.3 application within 60 calendar days of the effective date of any add-on under this section.
82.4 The commissioner may waive the deadlines required by this paragraph under extraordinary
82.5 circumstances.

82.6 (c) The commissioner shall provide the add-on to each eligible facility that applies by
82.7 the application deadline.

82.8 (d) The add-on to the external fixed costs payment rate is the difference on January 1
82.9 of the median total payment rate for ~~ease-mix classification PA1~~ the lowest case mix
82.10 classification in effect of the nonprofit facilities located in an adjacent city in another state
82.11 and in cities contiguous to the adjacent city minus the eligible nursing facility's total payment
82.12 rate for ~~ease-mix classification PA1~~ the lowest case mix classification in effect as determined
82.13 under section 256R.22, subdivision 4.

82.14 **EFFECTIVE DATE.** This section is effective January 1, 2027, and applies to rate years
82.15 beginning on or after January 1, 2027.

82.16 Sec. 33. Minnesota Statutes 2024, section 256S.205, subdivision 1, is amended to read:

82.17 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this
82.18 subdivision have the meanings given.

82.19 (b) "Application year" means a year in which a facility submits an application for
82.20 designation as a disproportionate share facility.

82.21 (c) "Customized living resident" means a resident of a facility who is receiving either
82.22 24-hour customized living services or customized living services authorized under the
82.23 elderly waiver, the brain injury waiver, or the community access for disability inclusion
82.24 waiver. Effective August 31, 2026, a resident who experiences an interruption to waiver
82.25 benefits resulting from a temporary absence from the facility is a customized living resident
82.26 during the period of the temporary absence for purposes of this section.

82.27 (d) "Disproportionate share facility" means a facility designated by the commissioner
82.28 under subdivision 4.

82.29 (e) "Facility" means either an assisted living facility licensed under chapter 144G or a
82.30 setting that is exempt from assisted living licensure under section 144G.08, subdivision 7,
82.31 clauses (10) to (13).

83.1 (f) "Rate year" means January 1 to December 31 of the year following an application
83.2 year.

83.3 (g) "Residing in the facility" means that the facility is the resident's fixed permanent
83.4 home and the place to which the resident intends to return following a temporary absence.

83.5 Sec. 34. Minnesota Statutes 2025 Supplement, section 256S.205, subdivision 2, is amended
83.6 to read:

83.7 Subd. 2. **Rate adjustment application.** (a) Effective through September 30, 2023, a
83.8 facility may apply to the commissioner for an initial designation as a disproportionate share
83.9 facility. Applications must be submitted annually between September 1 and September 30.
83.10 The applying facility must apply in a manner determined by the commissioner. The applying
83.11 facility must document each of the following on the application:

83.12 (1) the number of customized living residents residing in the facility on September 1 of
83.13 the application year, broken out by specific waiver program; and

83.14 (2) the total number of people residing in the facility on September 1 of the application
83.15 year.

83.16 (b) Effective October 1, 2023, the commissioner must not process any new initial
83.17 applications for disproportionate share facilities.

83.18 (c) A facility that received rate floor payments in rate year 2024 may submit an annual
83.19 application under this subdivision to maintain its designation as a disproportionate share
83.20 facility.

83.21 Sec. 35. Minnesota Statutes 2024, section 256S.21, subdivision 3, is amended to read:

83.22 Subd. 3. **Cost reporting.** (a) As determined by the commissioner, in consultation with
83.23 stakeholders, a provider enrolled to provide services with rates determined under this chapter
83.24 must submit requested cost data to the commissioner to support evaluation of the rate
83.25 methodologies in this chapter. Requested cost data may include but are not limited to:

83.26 (1) worker wage costs;

83.27 (2) benefits paid;

83.28 (3) supervisor wage costs;

83.29 (4) executive wage costs;

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

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

84.2 (7) administrative costs paid;

84.3 (8) program costs paid;

84.4 (9) transportation costs paid;

84.5 (10) vacancy rates; and

84.6 (11) other data relating to costs required to provide services requested by the
84.7 commissioner.

84.8 (b) At least once in any five-year period, a provider must submit the required cost data
84.9 for a fiscal year that ended not more than 18 months prior to the submission date. The
84.10 commissioner ~~shall~~ must provide each provider a 90-day notice prior to the provider's
84.11 submission due date. The commissioner may review report submissions for inaccurate,
84.12 inconclusive, incomplete, or otherwise deficient data and may remove the report from
84.13 submitted status for further verification. If by 30 days after the required submission date a
84.14 provider fails to submit required reporting data, the commissioner ~~shall~~ must provide notice
84.15 to the provider, ~~and~~ and. If by 60 days after the required submission date a provider has not
84.16 provided the required data, the commissioner ~~shall~~ must provide a second notice. The
84.17 commissioner ~~shall~~ must temporarily suspend payments to ~~the~~ a provider if the commissioner
84.18 has not received the required cost data ~~is not received~~ 90 days after the required submission
84.19 date or 90 days after the commissioner requests updated data. The commissioner must make
84.20 withheld payments must be made once data is received when the required cost data is
84.21 received and reviewed for compliance by the commissioner.

84.22 (c) The commissioner shall coordinate the cost reporting activities required under this
84.23 section with the cost reporting activities directed under section 256B.4914, subdivision 10a.

84.24 (d) The commissioner shall analyze cost documentation in paragraph (a) and, in
84.25 consultation with stakeholders, may submit recommendations on rate methodologies in this
84.26 chapter, including ways to monitor and enforce the spending requirements directed in section
84.27 ~~256S.2101, subdivision 3,~~ 256S.211, subdivision 4, through the reports directed by
84.28 subdivision 2.

84.29 **EFFECTIVE DATE.** This section is effective January 1, 2027.

85.1 Sec. 36. Laws 2023, chapter 61, article 1, section 67, subdivision 3, as amended by Laws
85.2 2024, chapter 125, article 8, section 10, is amended to read:

85.3 Subd. 3. **Evaluation and report.** (a) The Metropolitan Center for Independent Living
85.4 must contract with a third party to evaluate the pilot project's impact on health care costs,
85.5 retention of personal care assistants, and patients' and providers' satisfaction of care. The
85.6 evaluation must include the number of participants, the hours of care provided by participants,
85.7 and the retention of participants from semester to semester.

85.8 (b) By January 15, ~~2026~~ 2028, the Metropolitan Center for Independent Living must
85.9 report the findings under paragraph (a) to the chairs and ranking minority members of the
85.10 legislative committees with jurisdiction over human services finance and policy.

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

85.12 Sec. 37. Laws 2023, chapter 61, article 9, section 2, subdivision 5, as amended by Laws
85.13 2024, chapter 125, article 8, section 12, is amended to read:

85.14 Subd. 5. **Central Office; Aging and Disability**
85.15 **Services** 40,115,000 11,995,000

85.16 (a) **Employment Supports Alignment Study.**
85.17 \$50,000 in fiscal year 2024 and \$200,000 in
85.18 fiscal year 2025 are to conduct an interagency
85.19 employment supports alignment study. The
85.20 base for this appropriation is \$150,000 in fiscal
85.21 year 2026 and \$100,000 in fiscal year 2027.

85.22 (b) **Case Management Training**
85.23 **Curriculum.** \$377,000 in fiscal year 2024 and
85.24 \$377,000 in fiscal year 2025 are to develop
85.25 and implement a curriculum and training plan
85.26 to ensure all lead agency assessors and case
85.27 managers have the knowledge and skills
85.28 necessary to fulfill support planning and
85.29 coordination responsibilities for individuals
85.30 who use home and community-based disability
85.31 services and live in own-home settings. This
85.32 is a onetime appropriation.

- 86.1 **(c) Office of Ombudsperson for Long-Term**
86.2 **Care.** \$875,000 in fiscal year 2024 and
86.3 \$875,000 in fiscal year 2025 are for additional
86.4 staff and associated direct costs in the Office
86.5 of Ombudsperson for Long-Term Care.
- 86.6 **(d) Direct Care Services Corps Pilot Project.**
86.7 \$500,000 in fiscal year 2024 is from the
86.8 general fund for a grant to the Metropolitan
86.9 Center for Independent Living for the direct
86.10 care services corps pilot project. Up to \$25,000
86.11 may be used by the Metropolitan Center for
86.12 Independent Living for administrative costs.
86.13 This is a onetime appropriation and is
86.14 available until June 30, ~~2026~~ 2027.
- 86.15 **(e) Research on Access to Long-Term Care**
86.16 **Services and Financing.** Any unexpended
86.17 amount of the fiscal year 2023 appropriation
86.18 referenced in Laws 2021, First Special Session
86.19 chapter 7, article 17, section 16, estimated to
86.20 be \$300,000, is canceled. The amount canceled
86.21 is appropriated in fiscal year 2024 for the same
86.22 purpose.
- 86.23 **(f) Native American Elder Coordinator.**
86.24 \$441,000 in fiscal year 2024 and \$441,000 in
86.25 fiscal year 2025 are for the Native American
86.26 elder coordinator position under Minnesota
86.27 Statutes, section 256.975, subdivision 6.
- 86.28 **(g) Grant Administration Carryforward.**
86.29 (1) Of this amount, \$8,154,000 in fiscal year
86.30 2024 is available until June 30, 2027.
86.31 (2) Of this amount, \$1,071,000 in fiscal year
86.32 2025 is available until June 30, 2027.
86.33 (3) Of this amount, \$19,000,000 in fiscal year
86.34 2024 is available until June 30, 2029.

87.1 (h) **Base Level Adjustment.** The general fund
87.2 base is increased by \$8,189,000 in fiscal year
87.3 2026 and increased by \$8,093,000 in fiscal
87.4 year 2027.

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

87.6 Sec. 38. Laws 2024, chapter 125, article 1, section 47, is amended to read:

87.7 Sec. 47. **DIRECTION TO COMMISSIONER; PEDIATRIC HOSPITAL-TO-HOME**
87.8 **TRANSITION PILOT PROGRAM.**

87.9 (a) The commissioner of human services must award a single competitive grant to a
87.10 home care nursing provider to develop and implement, in coordination with the commissioner
87.11 of health, Fairview Masonic Children's Hospital, Gillette Children's Specialty Healthcare,
87.12 and Children's Minnesota of St. Paul and Minneapolis, a pilot program to expedite and
87.13 facilitate pediatric hospital-to-home discharges for patients receiving services in this state
87.14 under medical assistance, including under the community alternative care waiver, community
87.15 access for disability inclusion waiver, and developmental disabilities waiver.

87.16 (b) Grant money awarded under this section must be used only to support the
87.17 administrative, training, and auxiliary services necessary to reduce:

87.18 (1) delayed discharge days due to unavailability of home care nursing staffing to
87.19 accommodate complex pediatric patients;

87.20 (2) avoidable rehospitalization days for pediatric patients;

87.21 (3) unnecessary emergency department utilization by pediatric patients following
87.22 discharge;

87.23 (4) long-term nursing needs for pediatric patients; and

87.24 (5) the number of school days missed by pediatric patients.

87.25 (c) Grant money must not be used to supplant payment rates for services covered under
87.26 Minnesota Statutes, chapter 256B.

87.27 (d) No later than December 15, ~~2026~~ 2027, the commissioner must prepare a report
87.28 summarizing the impact of the pilot program that includes but is not limited to: (1) the
87.29 number of delayed discharge days eliminated; (2) the number of rehospitalization days
87.30 eliminated; (3) the number of unnecessary emergency department admissions eliminated;

88.1 (4) the number of missed school days eliminated; and (5) an estimate of the return on
88.2 investment of the pilot program.

88.3 (e) The commissioner must submit the report under paragraph (d) to the chairs and
88.4 ranking minority members of the legislative committees with jurisdiction over health and
88.5 human services finance and policy.

88.6 Sec. 39. Laws 2024, chapter 125, article 8, section 2, subdivision 4, is amended to read:

88.7	Subd. 4. Central Office; Aging and Disability		
88.8	Services	(2,664,000)	4,164,000

88.9 **(a) Tribal Vulnerable Adult and**
88.10 **Developmental Disabilities Targeted Case**
88.11 **Management Medical Assistance Benefit.**
88.12 \$200,000 in fiscal year 2025 is for a contract
88.13 to develop a Tribal vulnerable adult and
88.14 developmental disabilities targeted case
88.15 management medical assistance benefit under
88.16 Minnesota Statutes, section 256B.0924. This
88.17 is a onetime appropriation. Notwithstanding
88.18 Minnesota Statutes, section 16A.28,
88.19 subdivision 3, this appropriation is available
88.20 until June 30, 2027.

88.21 **(b) Disability Services Person-Centered**
88.22 **Engagement and Navigation Study.**
88.23 \$600,000 in fiscal year 2025 is for the
88.24 disability services person-centered engagement
88.25 and navigation study. This is a onetime
88.26 appropriation. Notwithstanding Minnesota
88.27 Statutes, section 16A.28, subdivision 3, this
88.28 appropriation is available until June 30, 2026.

88.29 **(c) Pediatric Hospital-to-Home Transition**
88.30 **Pilot Program Administration.** \$300,000 in
88.31 fiscal year 2025 is for a contract related to the
88.32 pediatric hospital-to-home transition pilot
88.33 program. This is a onetime appropriation.
88.34 Notwithstanding Minnesota Statutes, section

89.1 16A.28, subdivision 3, this appropriation is
89.2 available until June 30, ~~2027~~ 2028.

89.3 **(d) Reimbursement for Community-First**
89.4 **Services and Supports Workers Report.**

89.5 \$250,000 in fiscal year 2025 is for a contract
89.6 related to the reimbursement for
89.7 community-first services and supports workers
89.8 report. This is a onetime appropriation.

89.9 Notwithstanding Minnesota Statutes, section
89.10 16A.28, subdivision 3, this appropriation is
89.11 available until June 30, 2026.

89.12 **(e) Carryforward Authority.**

89.13 Notwithstanding Minnesota Statutes, section
89.14 16A.28, subdivision 3, \$758,000 in fiscal year
89.15 2025 is available until June 30, 2026, and
89.16 \$2,687,000 in fiscal year 2025 is available
89.17 until June 30, 2027.

89.18 **(f) Base Level Adjustment.** The general fund
89.19 base is increased by \$340,000 in fiscal year
89.20 2026 and increased by \$340,000 in fiscal year
89.21 2027.

89.22 Sec. 40. Laws 2024, chapter 125, article 8, section 2, subdivision 14, as amended by Laws
89.23 2025, First Special Session chapter 9, article 12, section 29, is amended to read:

89.24 Subd. 14. Grant Programs; Disabilities Grants	1,650,000	9,574,000
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89.25 **(a) Capital Improvement for Accessibility.**

89.26 \$400,000 in fiscal year 2025 is for a payment
89.27 to Anoka County to make capital
89.28 improvements to existing space in the Anoka
89.29 County Human Services building in the city
89.30 of Blaine, including making bathrooms fully
89.31 compliant with the Americans with Disabilities
89.32 Act with adult changing tables and ensuring
89.33 barrier-free access for the purposes of
89.34 improving and expanding the services an

90.1 existing building tenant can provide to adults
90.2 with developmental disabilities. This is a
90.3 onetime appropriation.

90.4 **(b) Dakota County Disability Services**
90.5 **Workforce Shortage Pilot Project.** \$500,000
90.6 in fiscal year 2025 is for a grant to Dakota
90.7 County for innovative solutions to the
90.8 disability services workforce shortage. Up to
90.9 \$250,000 of this amount must be used to
90.10 develop and test an online application for
90.11 matching requests for services from people
90.12 with disabilities to available staff, and up to
90.13 \$250,000 of this amount must be used to
90.14 develop a communities-for-all program that
90.15 engages businesses, community organizations,
90.16 neighbors, and informal support systems to
90.17 promote community inclusion of people with
90.18 disabilities. By October 1, 2026, the
90.19 commissioner shall report the outcomes and
90.20 recommendations of these pilot projects to the
90.21 chairs and ranking minority members of the
90.22 legislative committees with jurisdiction over
90.23 human services finance and policy. This is a
90.24 onetime appropriation. Notwithstanding
90.25 Minnesota Statutes, section 16A.28,
90.26 subdivision 3, this appropriation is available
90.27 until June 30, 2027.

90.28 **(c) Pediatric Hospital-to-Home Transition**
90.29 **Pilot Program.** \$1,040,000 in fiscal year 2025
90.30 is for the pediatric hospital-to-home pilot
90.31 program. This is a onetime appropriation.
90.32 Notwithstanding Minnesota Statutes, section
90.33 16A.28, subdivision 3, this appropriation is
90.34 available until June 30, ~~2027~~ 2028.

- 91.1 **(d) Artists With Disabilities Support.**
- 91.2 \$690,000 in fiscal year 2025 is for a payment
- 91.3 to a nonprofit organization licensed under
- 91.4 Minnesota Statutes, chapter 245D, located on
- 91.5 Minnehaha Avenue West in Saint Paul, and
- 91.6 that supports artists with disabilities in creating
- 91.7 visual and performing art that challenges
- 91.8 society's views of persons with disabilities.
- 91.9 This is a onetime appropriation.
- 91.10 Notwithstanding Minnesota Statutes, section
- 91.11 16A.28, subdivision 3, this appropriation is
- 91.12 available until June 30, 2027.
- 91.13 **(e) Emergency Relief Grants for Rural**
- 91.14 **EIDBI Providers.** \$600,000 in fiscal year
- 91.15 2025 is for emergency relief grants for EIDBI
- 91.16 providers. This is a onetime appropriation.
- 91.17 Notwithstanding Minnesota Statutes, section
- 91.18 16A.28, subdivision 3, this appropriation is
- 91.19 available until June 30, 2027.
- 91.20 **(f) Self-Advocacy Grants for Persons with**
- 91.21 **Intellectual and Developmental Disabilities.**
- 91.22 \$250,000 in fiscal year 2025 is for
- 91.23 self-advocacy grants under Minnesota Statutes,
- 91.24 section 256.477, subdivision 1, paragraph (a),
- 91.25 clauses (5) to (7), and for administrative costs.
- 91.26 This is a onetime appropriation and is
- 91.27 available until June 30, 2027.
- 91.28 **(g) Electronic Visit Verification**
- 91.29 **Implementation Grants.** \$864,000 in fiscal
- 91.30 year 2025 is for electronic visit verification
- 91.31 implementation grants. This is a onetime
- 91.32 appropriation. Notwithstanding Minnesota
- 91.33 Statutes, section 16A.28, subdivision 3, this
- 91.34 appropriation is available until June 30, 2027.

92.1 **(h) Aging and Disability Services for**
92.2 **Immigrant and Refugee Communities.**
92.3 \$250,000 in fiscal year 2025 is for a payment
92.4 to SEWA-AIFW to address aging, disability,
92.5 and mental health needs for immigrant and
92.6 refugee communities. This is a onetime
92.7 appropriation and is available until June 30,
92.8 2027.

92.9 **(i) License Transition Support for Small**
92.10 **Disability Waiver Providers.** \$3,150,000 in
92.11 fiscal year 2025 is for license transition
92.12 payments to small disability waiver providers.
92.13 This is a onetime appropriation.
92.14 Notwithstanding Minnesota Statutes, section
92.15 16A.28, subdivision 3, this appropriation is
92.16 available until June 30, 2027.

92.17 **(j) Own home services provider**
92.18 **capacity-building grants.** \$1,519,000 in fiscal
92.19 year 2025 is for the own home services
92.20 provider capacity-building grant program.
92.21 Notwithstanding Minnesota Statutes, section
92.22 16A.28, subdivision 3, this appropriation is
92.23 available until June 30, 2027. This is a onetime
92.24 appropriation.

92.25 **(k) Continuation of Centers for**
92.26 **Independent Living HCBS Access Grants.**
92.27 \$311,000 in fiscal year 2024 is for continued
92.28 funding of grants awarded under Laws 2021,
92.29 First Special Session chapter 7, article 17,
92.30 section 19, as amended by Laws 2022, chapter
92.31 98, article 15, section 15. This is a onetime
92.32 appropriation and is available until June 30,
92.33 2025.

92.34 **(l) Base Level Adjustment.** The general fund
92.35 base is increased by \$811,000 in fiscal year

93.1 2026 and increased by \$811,000 in fiscal year
93.2 2027.

93.3 **Sec. 41. REVISOR INSTRUCTION.**

93.4 In each section of Minnesota Statutes referred to in column A, the revisor of statutes
93.5 shall delete the reference in column B and insert the reference in column C.

93.6	<u>A</u>	<u>B</u>	<u>C</u>
93.7	<u>Minnesota Statutes, section</u>	<u>subdivision 7</u>	<u>section 245A.03, subdivision</u>
93.8	<u>245A.03, subdivision 9</u>		<u>7b</u>
93.9	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivisions</u>
93.10	<u>245A.11, subdivision 2a,</u>	<u>7</u>	<u>7b to 7d</u>
93.11	<u>paragraph (e)</u>		
93.12	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivision</u>
93.13	<u>256B.092, subdivision 11,</u>	<u>7, paragraph (f)</u>	<u>7d, paragraph (c)</u>
93.14	<u>paragraph (c)</u>		
93.15	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivisions</u>
93.16	<u>256B.092, subdivision 11a,</u>	<u>7</u>	<u>7b to 7d</u>
93.17	<u>paragraph (b)</u>		
93.18	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivision</u>
93.19	<u>256B.092, subdivision 11a,</u>	<u>7, paragraph (a)</u>	<u>7c</u>
93.20	<u>paragraph (c)</u>		
93.21	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivision</u>
93.22	<u>256B.092, subdivision 13,</u>	<u>7, paragraph (a)</u>	<u>7c</u>
93.23	<u>paragraph (c)</u>		
93.24	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivision</u>
93.25	<u>256B.49, subdivision 24,</u>	<u>7, paragraph (a)</u>	<u>7c</u>
93.26	<u>paragraph (c)</u>		
93.27	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivisions</u>
93.28	<u>256B.49, subdivision 29,</u>	<u>7</u>	<u>7b to 7d</u>
93.29	<u>paragraph (b)</u>		
93.30	<u>Minnesota Statutes, section</u>	<u>section 245A.03, subdivision</u>	<u>section 245A.03, subdivision</u>
93.31	<u>256B.49, subdivision 29,</u>	<u>7, paragraph (a)</u>	<u>7b</u>
93.32	<u>paragraph (c)</u>		

93.33 **Sec. 42. REPEALER.**

93.34 (a) Minnesota Statutes 2024, sections 245A.03, subdivision 7; 256B.051, subdivisions
93.35 1, 4, and 7; and 256B.5012, subdivisions 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, and 16, are
93.36 repealed.

93.37 (b) Minnesota Statutes 2025 Supplement, section 256B.051, subdivisions 2, 3, 5, 6, 6a,
93.38 6b, 8, 9, and 10, are repealed.

93.39 (c) Laws 2025, First Special Session chapter 3, article 18, section 3, is repealed.

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

94.2

ARTICLE 5

94.3

BEHAVIORAL HEALTH

94.4 Section 1. Minnesota Statutes 2025 Supplement, section 245.469, subdivision 1, is amended
94.5 to read:

94.6 Subdivision 1. **Availability of emergency services.** (a) County boards must provide or
94.7 contract for enough emergency services within the county to meet the needs of adults,
94.8 children, and families in the county who are experiencing an emotional crisis or mental
94.9 illness. Clients must not be charged for services provided and emergency service providers
94.10 must not delay or deny the timely provision of emergency services to a client due to payor
94.11 source for the services provided. Emergency service providers must meet the qualifications
94.12 under section 256B.0624, subdivision 4. Emergency services must include assessment,
94.13 crisis intervention, and appropriate case disposition. Emergency services must:

94.14 (1) promote the safety and emotional stability of each client;

94.15 (2) minimize further deterioration of each client;

94.16 (3) help each client to obtain ongoing care and treatment;

94.17 (4) prevent placement in settings that are more intensive, costly, or restrictive than
94.18 necessary and appropriate to meet client needs; and

94.19 (5) provide support, psychoeducation, and referrals to each client's family members,
94.20 service providers, and other third parties on behalf of the client in need of emergency
94.21 services.

94.22 (b) If a county provides engagement services under section 253B.041, the county's
94.23 emergency service providers must refer clients to engagement services when the client
94.24 meets the criteria for engagement services.

94.25 Sec. 2. Minnesota Statutes 2025 Supplement, section 245.4889, subdivision 1, is amended
94.26 to read:

94.27 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
94.28 make grants from available appropriations to assist:

94.29 (1) counties;

94.30 (2) Indian tribes;

- 95.1 (3) children's collaboratives under section 142D.15 or 245.493; or
- 95.2 (4) mental health service providers.
- 95.3 (b) The following services are eligible for grants under this section:
- 95.4 (1) services to children with mental illness as defined in section 245.4871, subdivision
- 95.5 15, and their families;
- 95.6 (2) transition services under section 245.4875, subdivision 8, for young adults under
- 95.7 age 21 and their families;
- 95.8 (3) respite care services for children with mental illness or serious mental illness who
- 95.9 are at risk of residential treatment or hospitalization; who are already in residential treatment
- 95.10 or therapeutic foster care or in family foster settings as defined in chapter 142B and at risk
- 95.11 of change in foster care or placement in a residential facility or other higher level of care;
- 95.12 who have utilized crisis services or emergency room services; or who have experienced a
- 95.13 loss of in-home staffing support. Allowable activities and expenses for respite care services
- 95.14 are defined under subdivision 4. A child is not required to have case management services
- 95.15 to receive respite care services. Counties must work to provide access to regularly scheduled
- 95.16 respite care;
- 95.17 (4) children's mental health crisis services;
- 95.18 (5) child-, youth-, and family-specific mobile response and stabilization services models;
- 95.19 (6) mental health services for people from cultural and ethnic minorities, including
- 95.20 supervision of clinical trainees who are Black, indigenous, or people of color;
- 95.21 (7) children's mental health screening and follow-up diagnostic assessment and treatment;
- 95.22 (8) services to promote and develop the capacity of providers to use evidence-based
- 95.23 practices in providing children's mental health services;
- 95.24 (9) school-linked mental health services under section 245.4901;
- 95.25 (10) building evidence-based mental health intervention capacity for children birth to
- 95.26 age five;
- 95.27 (11) suicide prevention and counseling services that use text messaging statewide;
- 95.28 (12) mental health first aid training;
- 95.29 (13) training for parents, collaborative partners, and mental health providers on the
- 95.30 impact of adverse childhood experiences and trauma and development of an interactive
- 95.31 website to share information and strategies to promote resilience and prevent trauma;

96.1 (14) transition age services to develop or expand mental health treatment and supports
96.2 for adolescents and young adults 26 years of age or younger;

96.3 (15) early childhood mental health consultation under section 245.4908;

96.4 (16) evidence-based interventions for youth at risk of developing or experiencing a first
96.5 episode of psychosis, and a public awareness campaign on the signs and symptoms of
96.6 psychosis;

96.7 (17) psychiatric consultation for primary care practitioners;

96.8 (18) providers to begin operations and meet program requirements when establishing a
96.9 new children's mental health program. These may be start-up grants; and

96.10 (19) evidence-based interventions for youth and young adults at risk of developing or
96.11 experiencing an early episode of bipolar disorder.

96.12 (c) Services under paragraph (b) must be designed to help each child to function and
96.13 remain with the child's family in the community and delivered consistent with the child's
96.14 treatment plan. Transition services to eligible young adults under this paragraph must be
96.15 designed to foster independent living in the community.

96.16 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party
96.17 reimbursement sources, if applicable.

96.18 (e) The commissioner may establish and design a pilot program to expand the mobile
96.19 response and stabilization services model for children, youth, and families. The commissioner
96.20 may use grant funding to consult with a qualified expert entity to assist in the formulation
96.21 of measurable outcomes and explore and position the state to submit a Medicaid state plan
96.22 amendment to scale the model statewide.

96.23 Sec. 3. **[245.4908] EARLY CHILDHOOD MENTAL HEALTH CONSULTATION**
96.24 **GRANTS.**

96.25 Subdivision 1. Establishment. The commissioner of human services must establish an
96.26 early childhood mental health consultation grant program to support the delivery of
96.27 specialized mental health care consultation to child care, social services, educational, and
96.28 health programs that serve children five years of age or younger.

96.29 Subd. 2. Eligible applicants. An applicant is eligible for an early childhood mental
96.30 health consultation grant under this section if the applicant is:

96.31 (1) a mental health clinic certified under section 245I.20;

97.1 (2) a community mental health center under section 256B.0625, subdivision 5;

97.2 (3) an Indian health service facility or a facility owned and operated by a Tribe or Tribal
97.3 organization operating under United States Code, title 25, section 5321;

97.4 (4) a provider of children's therapeutic services and supports, as defined in section
97.5 256B.0943; or

97.6 (5) an agency with expertise in infant and early childhood mental health that has the
97.7 competency to provide early childhood mental health consultation and training.

97.8 Subd. 3. Allowable grant activities and related expenses. Grant money must be used
97.9 to provide early childhood mental health consultation, including but not limited to:

97.10 (1) supporting early identification of social, emotional, and behavioral concerns for
97.11 children five years of age or younger through observation, screening support, and guidance
97.12 to early childhood professionals;

97.13 (2) developing and delivering training to early childhood professionals that includes
97.14 evidence-based or evidence-informed clinical practices related to infant and early childhood
97.15 mental health, and train-the-trainer models to build capacity for grantees to train the grantee's
97.16 staff; and

97.17 (3) providing direct or reflective consultation to early childhood professionals.

97.18 Subd. 4. Data collection and outcome measurement. (a) The commissioner must
97.19 consult with grantees to develop ongoing outcome measures for program capacity and
97.20 performance.

97.21 (b) Grantees must collect and report the data required under paragraph (c) quarterly to
97.22 the commissioner in a form and manner specified by the commissioner, for the purpose of
97.23 evaluating the effectiveness of the grant program.

97.24 (c) Grantees must provide the following data to the commissioner:

97.25 (1) the number of sites, programs, and early childhood professionals served by the
97.26 grantee;

97.27 (2) demographics of participants served by the grantee; and

97.28 (3) data to demonstrate outcomes related to improving early childhood professionals'
97.29 ability to support the mental, social, and emotional development of young children.

97.30 **EFFECTIVE DATE.** This section is effective July 1, 2026.

98.1 Sec. 4. Minnesota Statutes 2024, section 245D.04, subdivision 3, is amended to read:

98.2 Subd. 3. **Protection-related rights.** (a) A person's protection-related rights include the
98.3 right to:

98.4 (1) have personal, financial, service, health, and medical information kept private, and
98.5 be advised of disclosure of this information by the license holder;

98.6 (2) access records and recorded information about the person in accordance with
98.7 applicable state and federal law, regulation, or rule;

98.8 (3) be free from maltreatment;

98.9 (4) be free from restraint, time out, seclusion, restrictive intervention, or other prohibited
98.10 procedure identified in section 245D.06, subdivision 5, or successor provisions, except for:

98.11 (i) emergency use of manual restraint to protect the person from imminent danger to self
98.12 or others according to the requirements in section 245D.061 or successor provisions; or (ii)
98.13 the use of safety interventions as part of a positive support transition plan under section
98.14 245D.06, subdivision 8, or successor provisions;

98.15 (5) receive services in a clean and safe environment when the license holder is the owner,
98.16 lessor, or tenant of the service site;

98.17 (6) be treated with courtesy and respect and receive respectful treatment of the person's
98.18 property;

98.19 (7) reasonable observance of cultural and ethnic practice and religion;

98.20 (8) be free from bias and harassment regarding race, gender, age, disability, spirituality,
98.21 and sexual orientation;

98.22 (9) be informed of and use the license holder's grievance policy and procedures, including
98.23 knowing how to contact persons responsible for addressing problems and to appeal under
98.24 section 256.045;

98.25 (10) know the name, telephone number, and the website, email, and street addresses of
98.26 protection and advocacy services, including the appropriate state-appointed ombudsman,
98.27 and a brief description of how to file a complaint with these offices;

98.28 (11) assert these rights personally, or have them asserted by the person's family,
98.29 authorized representative, or legal representative, without retaliation;

98.30 (12) give or withhold written informed consent to participate in any research or
98.31 experimental treatment;

- 99.1 (13) associate with other persons of the person's choice in the community;
- 99.2 (14) personal privacy, including the right to use the lock on the person's bedroom or unit
99.3 door;
- 99.4 (15) engage in chosen activities; and
- 99.5 (16) access to the person's personal possessions at any time, including financial resources.
- 99.6 (b) For a person residing in a residential site licensed according to chapter 245A, or
99.7 where the license holder is the owner, lessor, or tenant of the residential service site,
99.8 protection-related rights also include the right to:
- 99.9 (1) have daily, private access to and use of a non-coin-operated telephone for local calls
99.10 and long-distance calls made collect or paid for by the person;
- 99.11 (2) receive and send, without interference, uncensored, unopened mail or electronic
99.12 correspondence or communication;
- 99.13 (3) have use of and free access to common areas in the residence and the freedom to
99.14 come and go from the residence at will;
- 99.15 (4) choose the person's visitors and time of visits and have privacy for visits with the
99.16 person's spouse, next of kin, legal counsel, religious adviser, or others, in accordance with
99.17 section 363A.09 of the Human Rights Act, including privacy in the person's bedroom;
- 99.18 (5) have access to three nutritionally balanced meals and nutritious snacks between
99.19 meals each day;
- 99.20 (6) have freedom and support to access food and potable water at any time;
- 99.21 (7) have the freedom to furnish and decorate the person's bedroom or living unit;
- 99.22 (8) a setting that is clean and free from accumulation of dirt, grease, garbage, peeling
99.23 paint, mold, vermin, and insects;
- 99.24 (9) a setting that is free from hazards that threaten the person's health or safety; and
- 99.25 (10) a setting that meets the definition of a dwelling unit within a residential occupancy
99.26 as defined in the State Fire Code.
- 99.27 (c) Except as provided under subdivision 4, restriction of a person's rights under paragraph
99.28 (a), clauses (13) to (16), or paragraph (b) is allowed only if determined necessary to ensure
99.29 the health, safety, and well-being of the person. Any restriction of those rights must be
99.30 documented in the person's support plan or support plan addendum. The restriction must
99.31 be implemented in the least restrictive alternative manner necessary to protect the person

100.1 and provide support to reduce or eliminate the need for the restriction in the most integrated
100.2 setting and inclusive manner. The documentation must include the following information:

100.3 (1) the justification for the restriction based on an assessment of the person's vulnerability
100.4 related to exercising the right without restriction;

100.5 (2) the objective measures set as conditions for ending the restriction;

100.6 (3) a schedule for reviewing the need for the restriction based on the conditions for
100.7 ending the restriction to occur semiannually from the date of initial approval, at a minimum,
100.8 or more frequently if requested by the person, the person's legal representative, if any, and
100.9 case manager; and

100.10 (4) signed and dated approval for the restriction from the person, or the person's legal
100.11 representative, if any. A restriction may be implemented only when the required approval
100.12 has been obtained. Approval may be withdrawn at any time. If approval is withdrawn, the
100.13 right must be immediately and fully restored.

100.14 Sec. 5. Minnesota Statutes 2024, section 245D.04, is amended by adding a subdivision to
100.15 read:

100.16 Subd. 4. Rights of minor children. (a) For the purposes of this subdivision:

100.17 (1) "developmentally appropriate" means, for a person under 18 years of age, activities
100.18 or items that are determined to be developmentally appropriate based on the development
100.19 of a person's cognitive, emotional, physical, and behavioral capacities that are typical for
100.20 the person's age or age group; and

100.21 (2) "reasonable and prudent parenting" means, for a person under 18 years of age, the
100.22 standards characterized by careful and sensible parenting decisions that maintain a person's
100.23 health and safety; cultural, religious, and Tribal values; and best interests while encouraging
100.24 the person's emotional and developmental growth.

100.25 (b) A person under 18 years of age who is receiving services under this chapter has a
100.26 right to:

100.27 (1) participate in activities or events that are generally accepted as suitable for minor
100.28 children of the same chronological age or are developmentally appropriate; and

100.29 (2) receive reasonable and prudent parenting.

100.30 (c) Restriction of the rights under subdivision 3, paragraph (a), clauses (13) to (16), or
100.31 (b), clauses (1) to (4), for a person under 18 years of age is allowed only if determined

101.1 necessary to ensure the health, safety, and well-being of the person or pursuant to reasonable
101.2 and prudent parenting standards.

101.3 Sec. 6. Minnesota Statutes 2024, section 245F.02, subdivision 17, is amended to read:

101.4 Subd. 17. **Peer recovery support services.** "Peer recovery support services" means
101.5 services provided according to section ~~245F.08, subdivision 3~~ 254B.052.

101.6 Sec. 7. Minnesota Statutes 2025 Supplement, section 245F.08, subdivision 3, is amended
101.7 to read:

101.8 Subd. 3. **Peer recovery support services.** Peer recovery support services must meet the
101.9 requirements in section ~~245G.07, subdivision 2a, paragraph (b), clause (2)~~ 254B.052, and
101.10 must be provided by a person who is qualified according to the requirements in section
101.11 ~~245F.15, subdivision 7~~ 245I.04, subdivisions 18 and 19.

101.12 Sec. 8. Minnesota Statutes 2024, section 245F.15, subdivision 7, is amended to read:

101.13 Subd. 7. **Recovery peer qualifications.** Recovery peers must:

101.14 (1) meet the qualifications in section 245I.04, subdivision 18; and

101.15 (2) provide services according to the scope of practice established in section 245I.04,
101.16 subdivision 19, ~~under the supervision of an alcohol and drug counselor.~~

101.17 Sec. 9. Minnesota Statutes 2024, section 245G.04, is amended by adding a subdivision to
101.18 read:

101.19 Subd. 4. **Tobacco educational material.** A license holder must provide tobacco and
101.20 nicotine educational material to a client on the day of service initiation. The license holder
101.21 must use educational material approved by the commissioner that contains information on:

101.22 (1) risks associated with use of tobacco or nicotine products;

101.23 (2) types of tobacco or nicotine products, including differentiating between commercial
101.24 versus traditional or sacred tobacco;

101.25 (3) treatment options, including the use of medication for tobacco use disorder; and

101.26 (4) benefits of receiving treatment for tobacco or nicotine use while attending substance
101.27 use disorder treatment for another primary substance.

101.28 **EFFECTIVE DATE.** This section is effective January 1, 2027.

102.1 Sec. 10. Minnesota Statutes 2024, section 245G.06, subdivision 4, is amended to read:

102.2 Subd. 4. **Service discharge summary.** (a) An alcohol and drug counselor must write a
102.3 service discharge summary for each client. The service discharge summary must be
102.4 completed within five days of the client's service termination, excluding weekends and
102.5 holidays. A copy of the client's service discharge summary must be provided to the client
102.6 upon the client's request.

102.7 (b) The service discharge summary must be recorded in the six dimensions listed in
102.8 section 254B.04, subdivision 4, and include the following information:

102.9 (1) the client's issues, strengths, and needs while participating in treatment, including
102.10 services provided;

102.11 (2) the client's progress toward achieving each goal identified in the individual treatment
102.12 plan;

102.13 (3) a risk rating and description for each of the ASAM six dimensions;

102.14 (4) the reasons for and circumstances of service termination. If a program discharges a
102.15 client at staff request, the reason for discharge and the procedure followed for the decision
102.16 to discharge must be documented and comply with the requirements in section 245G.14,
102.17 subdivision 3, clause (3);

102.18 (5) the client's living arrangements at service termination;

102.19 (6) continuing care recommendations, including transitions between more or less intense
102.20 services, or more frequent to less frequent services, and referrals made with specific attention
102.21 to continuity of care for mental health, as needed; and

102.22 (7) service termination diagnosis.

102.23 Sec. 11. Minnesota Statutes 2025 Supplement, section 245G.09, subdivision 3, is amended
102.24 to read:

102.25 Subd. 3. **Contents.** (a) Client records must contain the following:

102.26 (1) documentation that the client was given:

102.27 (i) information on client rights and responsibilities and grievance procedures on the day
102.28 of service initiation;

102.29 (ii) information on tuberculosis and HIV within 72 hours of service initiation;

103.1 (iii) an orientation to the program abuse prevention plan required under section 245A.65,
103.2 subdivision 2, paragraph (a), clause (4), within 24 hours of admission or, for clients who
103.3 would benefit from a later orientation, 72 hours; and

103.4 (iv) opioid educational material according to section 245G.04, subdivision 3, and tobacco
103.5 educational material according to section 245G.04, subdivision 4, on the day of service
103.6 initiation;

103.7 (2) an initial services plan completed according to section 245G.04;

103.8 (3) a comprehensive assessment completed according to section 245G.05;

103.9 (4) an individual abuse prevention plan according to sections 245A.65, subdivision 2,
103.10 and 626.557, subdivision 14, when applicable;

103.11 (5) an individual treatment plan according to section 245G.06, subdivisions 1 and 1a;

103.12 (6) documentation of treatment services, significant events, appointments, concerns, and
103.13 treatment plan reviews according to section 245G.06, subdivisions 2a, 2b, 3, and 3a; and

103.14 (7) a summary at the time of service termination according to section 245G.06,
103.15 subdivision 4.

103.16 (b) For a client that transfers to another of the license holder's licensed treatment locations,
103.17 the license holder is not required to complete new documents or orientation for the client,
103.18 except that the client must receive an orientation to the new location's grievance procedure,
103.19 program abuse prevention plan, and maltreatment of minor and vulnerable adults reporting
103.20 procedures.

103.21 **EFFECTIVE DATE.** This section is effective January 1, 2027.

103.22 Sec. 12. Minnesota Statutes 2025 Supplement, section 245G.11, subdivision 7, is amended
103.23 to read:

103.24 **Subd. 7. Treatment coordination provider qualifications.** (a) Treatment coordination
103.25 must be provided by qualified staff. An individual is qualified to provide treatment
103.26 coordination if the individual meets the qualifications of an alcohol and drug counselor
103.27 under subdivision 5 or if the individual:

103.28 (1) is skilled in the process of identifying and assessing a wide range of client needs;

103.29 (2) is knowledgeable about local community resources and how to use those resources
103.30 for the benefit of the client;

104.1 (3) has completed 15 hours of education or training on substance use disorder,
104.2 co-occurring conditions, and care coordination for individuals with substance use disorder
104.3 or co-occurring conditions that is consistent with national evidence-based standards;

104.4 (4) meets one of the following criteria:

104.5 ~~(i) has a bachelor's degree in one of the behavioral sciences or related fields;~~

104.6 ~~(ii) (i) has a high school diploma or equivalent; or~~

104.7 ~~(iii) (ii) is a mental health practitioner who meets the qualifications under section 245I.04,~~
104.8 subdivision 4; and

104.9 (5) either has at least 1,000 hours of supervised experience working with individuals
104.10 with substance use disorder or co-occurring conditions or receives treatment supervision at
104.11 least once per week until obtaining 1,000 hours of supervised experience working with
104.12 individuals with substance use disorder or co-occurring conditions.

104.13 (b) A treatment coordinator must receive the following levels of supervision from an
104.14 alcohol and drug counselor or a mental health professional whose scope of practice includes
104.15 substance use disorder treatment and assessments:

104.16 (1) for a treatment coordinator that has not obtained 1,000 hours of supervised experience
104.17 under paragraph (a), clause (5), at least one hour of supervision per week; or

104.18 (2) for a treatment coordinator that has obtained at least 1,000 hours of supervised
104.19 experience under paragraph (a), clause (5), at least one hour of supervision per month.

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

104.21 Sec. 13. Minnesota Statutes 2024, section 245G.11, subdivision 8, is amended to read:

104.22 Subd. 8. **Recovery peer qualifications.** A recovery peer must:

104.23 (1) meet the qualifications in section 245I.04, subdivision 18; and

104.24 (2) provide services according to the scope of practice established in section 245I.04,
104.25 subdivision 19, ~~under the supervision of an alcohol and drug counselor.~~

104.26 Sec. 14. Minnesota Statutes 2025 Supplement, section 245I.04, subdivision 17, is amended
104.27 to read:

104.28 Subd. 17. **Mental health behavioral aide scope of practice.** While under the treatment
104.29 supervision of a mental health professional, a mental health behavioral aide may practice
104.30 psychosocial skills with a child client according to the child's treatment plan ~~and individual~~

105.1 ~~behavior plan~~ that a mental health professional, clinical trainee, or behavioral health
105.2 practitioner has previously taught to the child.

105.3 Sec. 15. Minnesota Statutes 2024, section 245I.10, subdivision 6, is amended to read:

105.4 Subd. 6. **Standard diagnostic assessment; required elements.** (a) Only a mental health
105.5 professional or a clinical trainee may complete a standard diagnostic assessment of a client.
105.6 A standard diagnostic assessment of a client must include a face-to-face interview with a
105.7 client and a written evaluation of the client. The assessor must complete a client's standard
105.8 diagnostic assessment within the client's cultural context. An alcohol and drug counselor
105.9 may gather and document the information in paragraphs (b) and (c) when completing a
105.10 comprehensive assessment according to section 245G.05.

105.11 (b) When completing a standard diagnostic assessment of a client, the assessor must
105.12 gather and document information about the client's current life situation, including the
105.13 following information:

105.14 (1) the client's age;

105.15 (2) the client's current living situation, including the client's housing status and household
105.16 members;

105.17 (3) the status of the client's basic needs;

105.18 (4) the client's education level and employment status;

105.19 (5) the client's current medications;

105.20 (6) any immediate risks to the client's health and safety, including withdrawal symptoms,
105.21 medical conditions, and behavioral and emotional symptoms;

105.22 (7) the client's perceptions of the client's condition;

105.23 (8) the client's description of the client's symptoms, including the reason for the client's
105.24 referral;

105.25 (9) the client's history of mental health and substance use disorder treatment, including
105.26 but not limited to treatment for tobacco or nicotine use;

105.27 (10) cultural influences on the client; and

105.28 (11) substance use history, if applicable, including:

105.29 (i) amounts and types of substances, including but not limited to tobacco and nicotine
105.30 products; frequency and duration; route of administration; periods of abstinence; and
105.31 circumstances of relapse; and

106.1 (ii) the impact to functioning when under the influence of substances, including legal
106.2 interventions.

106.3 (c) If the assessor cannot obtain the information that this paragraph requires without
106.4 retraumatizing the client or harming the client's willingness to engage in treatment, the
106.5 assessor must identify which topics will require further assessment during the course of the
106.6 client's treatment. The assessor must gather and document information related to the following
106.7 topics:

106.8 (1) the client's relationship with the client's family and other significant personal
106.9 relationships, including the client's evaluation of the quality of each relationship;

106.10 (2) the client's strengths and resources, including the extent and quality of the client's
106.11 social networks;

106.12 (3) important developmental incidents in the client's life;

106.13 (4) maltreatment, trauma, potential brain injuries, and abuse that the client has suffered;

106.14 (5) the client's history of or exposure to alcohol and drug usage and treatment; and

106.15 (6) the client's health history and the client's family health history, including the client's
106.16 physical, chemical, and mental health history.

106.17 (d) When completing a standard diagnostic assessment of a client, an assessor must use
106.18 a recognized diagnostic framework.

106.19 (1) When completing a standard diagnostic assessment of a client who is five years of
106.20 age or younger, the assessor must use the current edition of the DC: 0-5 Diagnostic
106.21 Classification of Mental Health and Development Disorders of Infancy and Early Childhood
106.22 published by Zero to Three.

106.23 (2) When completing a standard diagnostic assessment of a client who is six years of
106.24 age or older, the assessor must use the current edition of the Diagnostic and Statistical
106.25 Manual of Mental Disorders published by the American Psychiatric Association.

106.26 (3) When completing a standard diagnostic assessment of a client who is 18 years of
106.27 age or older, an assessor must use either (i) the CAGE-AID Questionnaire or (ii) the criteria
106.28 in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders
106.29 published by the American Psychiatric Association to screen and assess the client for a
106.30 substance use disorder, including but not limited to tobacco use disorder.

106.31 (e) When completing a standard diagnostic assessment of a client, the assessor must
106.32 include and document the following components of the assessment:

107.1 (1) the client's mental status examination;
107.2 (2) the client's baseline measurements; symptoms; behavior; skills; abilities; resources;
107.3 vulnerabilities; safety needs, including client information that supports the assessor's findings
107.4 after applying a recognized diagnostic framework from paragraph (d); and any differential
107.5 diagnosis of the client; and

107.6 (3) an explanation of: (i) how the assessor diagnosed the client using the information
107.7 from the client's interview, assessment, psychological testing, and collateral information
107.8 about the client; (ii) the client's needs; (iii) the client's risk factors; (iv) the client's strengths;
107.9 and (v) the client's responsivity factors.

107.10 (f) When completing a standard diagnostic assessment of a client, the assessor must
107.11 consult the client and the client's family about which services that the client and the family
107.12 prefer to treat the client. The assessor must make referrals for the client as to services required
107.13 by law.

107.14 (g) Information from other providers and prior assessments may be used to complete
107.15 the diagnostic assessment if the source of the information is documented in the diagnostic
107.16 assessment.

107.17 **EFFECTIVE DATE.** This section is effective January 1, 2027.

107.18 Sec. 16. Minnesota Statutes 2025 Supplement, section 254A.03, subdivision 3, is amended
107.19 to read:

107.20 Subd. 3. **Rules for substance use disorder care.** (a) An eligible vendor of comprehensive
107.21 assessments under section 254B.0501 may determine the appropriate level of substance use
107.22 disorder treatment for a recipient of public assistance. The process for determining an
107.23 individual's financial eligibility for the behavioral health fund or determining an individual's
107.24 enrollment in or eligibility for a publicly subsidized health plan is not affected by the
107.25 individual's choice to access a comprehensive assessment for placement.

107.26 ~~(b) The commissioner shall develop and implement a utilization review process for~~
107.27 ~~publicly funded treatment placements to monitor and review the clinical appropriateness~~
107.28 ~~and timeliness of all publicly funded placements in treatment.~~

107.29 ~~(e)~~ (b) If a screen result is positive for alcohol or substance misuse, a brief screening for
107.30 alcohol or substance use disorder that is provided to a recipient of public assistance within
107.31 a primary care clinic, hospital, or other medical setting or school setting establishes medical
107.32 necessity and approval for an initial set of substance use disorder services identified in
107.33 section 254B.0505. The initial set of services approved for a recipient whose screen result

108.1 is positive may include any combination of up to four hours of individual or group substance
108.2 use disorder treatment, two hours of substance use disorder treatment coordination, or two
108.3 hours of substance use disorder peer support services provided by a qualified individual
108.4 according to chapter 245G. A recipient must obtain an assessment pursuant to paragraph
108.5 (a) to be approved for additional treatment services. A comprehensive assessment pursuant
108.6 to section 245G.05 is not required to receive the initial set of services allowed under this
108.7 subdivision. A positive screen result establishes eligibility for the initial set of services
108.8 allowed under this subdivision.

108.9 ~~(d)~~ (c) An individual may choose to obtain a comprehensive assessment as provided in
108.10 section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled
108.11 provider that is licensed to provide the level of service authorized pursuant to section
108.12 254A.19, subdivision 3. If the individual is enrolled in a prepaid health plan, the individual
108.13 must comply with any provider network requirements or limitations.

108.14 Sec. 17. Minnesota Statutes 2025 Supplement, section 254B.04, subdivision 1a, is amended
108.15 to read:

108.16 Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal
108.17 Regulations, title 25, part 20, who meet the income standards of section 256B.056,
108.18 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health
108.19 fund services. State money appropriated for this paragraph must be placed in a separate
108.20 account established for this purpose.

108.21 (b) Persons with dependent children who are determined to be in need of substance use
108.22 disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in
108.23 need of chemical dependency treatment pursuant to a case plan under section 260C.201,
108.24 subdivision 6, or 260C.212, shall be assisted by the commissioner to access needed treatment
108.25 services. Treatment services must be appropriate for the individual or family, which may
108.26 include long-term care treatment or treatment in a facility that allows the dependent children
108.27 to stay in the treatment facility. The county shall pay for out-of-home placement costs, if
108.28 applicable.

108.29 (c) Notwithstanding paragraph (a), any person enrolled in medical assistance or
108.30 MinnesotaCare is eligible for room and board services under section 254B.0505, subdivision
108.31 1, clause (9).

108.32 (d) A client is eligible to have substance use disorder treatment paid for with funds from
108.33 the behavioral health fund when the client:

109.1 (1) is eligible for MFIP as determined under chapter 142G;

109.2 (2) is eligible for medical assistance as determined under Minnesota Rules, parts
109.3 9505.0010 to 9505.0140;

109.4 (3) is eligible for general assistance, general assistance medical care, or work readiness
109.5 as determined under Minnesota Rules, parts 9500.1200 to 9500.1272; or

109.6 (4) has income that is within current household size and income guidelines for entitled
109.7 persons, as defined in this subdivision and subdivision 7.

109.8 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have
109.9 a third-party payment source are eligible for the behavioral health fund if the third-party
109.10 payment source pays less than 100 percent of the cost of treatment services for eligible
109.11 clients.

109.12 (f) A client is ineligible to have substance use disorder treatment services paid for with
109.13 behavioral health fund money if the client:

109.14 (1) has an income that exceeds current household size and income guidelines for entitled
109.15 persons as defined in this subdivision and subdivision 7; or

109.16 (2) has an available third-party payment source that will pay the total cost of the client's
109.17 treatment.

109.18 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode
109.19 is eligible for continued treatment service that is paid for by the behavioral health fund until
109.20 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan
109.21 if the client:

109.22 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance
109.23 medical care; or

109.24 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by the
109.25 commissioner under section 254B.04.

109.26 (h) When a county commits a client under chapter 253B to a regional treatment center
109.27 for substance use disorder services and the client is ineligible for the behavioral health fund,
109.28 the county is responsible for the payment to the regional treatment center according to
109.29 section 254B.0501, subdivision 3.

109.30 (i) Notwithstanding any laws to the contrary, persons enrolled in MinnesotaCare or
109.31 medical assistance are eligible for room and board services when provided through intensive

110.1 residential treatment services and residential crisis services under section 256B.0632 and
110.2 chapter 245I.

110.3 (j) A person is eligible for one 60-consecutive-calendar-day period per year. A person
110.4 may submit a request for additional eligibility to the commissioner. A person denied
110.5 additional eligibility under this paragraph may request a state agency hearing under section
110.6 256.045.

110.7 Sec. 18. Minnesota Statutes 2025 Supplement, section 254B.0501, subdivision 6, is
110.8 amended to read:

110.9 Subd. 6. **Recovery community organizations.** (a) A recovery community organization
110.10 that meets the requirements of clauses (1) to (15), complies with the training requirements
110.11 in section 254B.052, subdivision 4, and meets certification requirements of the Minnesota
110.12 Alliance of Recovery Community Organizations or another Minnesota statewide recovery
110.13 organization identified by the commissioner is an eligible vendor of peer recovery support
110.14 services. If the commissioner does not identify another statewide recovery organization, or
110.15 the Minnesota Alliance of Recovery Community Organizations or the statewide recovery
110.16 organization identified by the commissioner is not reasonably positioned to certify vendors,
110.17 the commissioner must determine the eligibility of a vendor of peer recovery support services.
110.18 A Minnesota statewide recovery organization identified by the commissioner must update
110.19 recovery community organization applicants for certification on the status of the application
110.20 within 45 days of receipt. If the approved statewide recovery organization denies an
110.21 application, it must provide a written explanation for the denial to the recovery community
110.22 organization. Eligible vendors under this paragraph must:

110.23 (1) be nonprofit organizations under section 501(c)(3) of the Internal Revenue Code, be
110.24 free from conflicting self-interests, and be autonomous in decision-making, program
110.25 development, peer recovery support services provided, and advocacy efforts for the purpose
110.26 of supporting the recovery community organization's mission;

110.27 (2) be led and governed by individuals in the recovery community, with more than 50
110.28 percent of the board of directors or advisory board members self-identifying as people in
110.29 personal recovery from substance use disorders;

110.30 (3) have a mission statement and conduct corresponding activities indicating that the
110.31 organization's primary purpose is to support recovery from substance use disorder;

111.1 (4) demonstrate ongoing community engagement with the identified primary region and
111.2 population served by the organization, including individuals in recovery and their families,
111.3 friends, and recovery allies;

111.4 (5) be accountable to the recovery community through documented priority-setting and
111.5 participatory decision-making processes that promote the engagement of, and consultation
111.6 with, people in recovery and their families, friends, and recovery allies;

111.7 (6) provide nonclinical peer recovery support services, including but not limited to
111.8 recovery support groups, recovery coaching, telephone recovery support, skill-building,
111.9 and harm-reduction activities, and provide recovery public education and advocacy;

111.10 (7) have written policies that allow for and support opportunities for all paths toward
111.11 recovery and refrain from excluding anyone based on their chosen recovery path, which
111.12 may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based
111.13 paths;

111.14 (8) maintain organizational practices to meet the needs of Black, Indigenous, and people
111.15 of color communities, LGBTQ+ communities, and other underrepresented or marginalized
111.16 communities. Organizational practices may include board and staff training, service offerings,
111.17 advocacy efforts, and culturally informed outreach and services;

111.18 (9) use recovery-friendly language in all media and written materials that is supportive
111.19 of and promotes recovery across diverse geographical and cultural contexts and reduces
111.20 stigma;

111.21 (10) establish and maintain a publicly available recovery community organization code
111.22 of ethics and grievance policy and procedures;

111.23 (11) not classify or treat any recovery peer hired on or after July 1, 2024, as an
111.24 independent contractor;

111.25 (12) not classify or treat any recovery peer as an independent contractor on or after
111.26 January 1, 2025;

111.27 (13) provide an orientation for recovery peers that includes an overview of the consumer
111.28 advocacy services provided by the Ombudsman for Mental Health and Developmental
111.29 Disabilities and other relevant advocacy services;

111.30 (14) provide notice to peer recovery support services participants that includes the
111.31 following statement: "If you have a complaint about the provider or the person providing
111.32 your peer recovery support services, you may contact the Minnesota Alliance of Recovery

112.1 Community Organizations. You may also contact the Office of Ombudsman for Mental
112.2 Health and Developmental Disabilities." The statement must also include:

112.3 (i) the telephone number, website address, email address, and mailing address of the
112.4 Minnesota Alliance of Recovery Community Organizations and the Office of Ombudsman
112.5 for Mental Health and Developmental Disabilities;

112.6 (ii) the recovery community organization's name, address, email, telephone number, and
112.7 name or title of the person at the recovery community organization to whom problems or
112.8 complaints may be directed; and

112.9 (iii) a statement that the recovery community organization will not retaliate against a
112.10 peer recovery support services participant because of a complaint; and

112.11 (15) comply with the requirements of section 245A.04, subdivision 15a.

112.12 (b) A recovery community organization approved by the commissioner before June 30,
112.13 2023, must have begun the application process as required by an approved certifying or
112.14 accrediting entity and have begun the process to meet the requirements under paragraph (a)
112.15 by September 1, 2024, in order to be considered as an eligible vendor of peer recovery
112.16 support services.

112.17 (c) A recovery community organization that is aggrieved by a certification determination
112.18 and believes it meets the requirements under paragraph (a) may appeal the determination
112.19 under section 256.045, subdivision 3, paragraph (a), clause (14), for reconsideration as an
112.20 eligible vendor. If the human services judge determines that the recovery community
112.21 organization meets the requirements under paragraph (a), the recovery community
112.22 organization is an eligible vendor of peer recovery support services for up to two years from
112.23 the date of the determination. After two years, the recovery community organization must
112.24 apply for certification under paragraph (a) to continue to be an eligible vendor of peer
112.25 recovery support services.

112.26 (d) All recovery community organizations must be certified by an entity listed in
112.27 paragraph (a) by June 30, ~~2027~~ 2026.

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

112.29 Sec. 19. Minnesota Statutes 2025 Supplement, section 254B.0505, subdivision 8, is
112.30 amended to read:

112.31 Subd. 8. ~~Peer recovery support services~~ **Utilization review requirements.** Eligible
112.32 vendors of ~~peer recovery support services~~ in subdivision 1, clauses (1) to (10), must:

113.1 ~~(1) submit to a review by the commissioner of up to ten percent of all medical assistance~~
113.2 ~~and behavioral health fund claims to determine the medical necessity of peer recovery~~
113.3 ~~support services for entities billing for peer recovery support services individually and not~~
113.4 ~~receiving a daily rate; and.~~

113.5 ~~(2) limit an individual client to 14 hours per week for peer recovery support services~~
113.6 ~~from an individual provider of peer recovery support services.~~

113.7 Sec. 20. Minnesota Statutes 2025 Supplement, section 254B.0505, is amended by adding
113.8 a subdivision to read:

113.9 Subd. 9. **Withdrawal management services.** For withdrawal management services
113.10 provided by an eligible vendor that is licensed under chapter 245F as a clinically managed
113.11 withdrawal management program or as a medically monitored withdrawal management
113.12 program, utilization review, as defined in section 62M.02, may occur but may not be initiated
113.13 until five calendar days after the date of service initiation.

113.14 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
113.15 whichever is later.

113.16 Sec. 21. Minnesota Statutes 2025 Supplement, section 254B.0505, is amended by adding
113.17 a subdivision to read:

113.18 Subd. 10. **Monetary recovery.** Reimbursement for services authorized under this chapter
113.19 that are not provided in accordance with this chapter are subject to monetary recovery under
113.20 section 256B.064 as money improperly paid.

113.21 Sec. 22. Minnesota Statutes 2024, section 254B.052, subdivision 1, is amended to read:

113.22 Subdivision 1. **Peer recovery support services; service requirements.** (a) Peer recovery
113.23 support services are face-to-face interactions between a recovery peer and a client, on a
113.24 one-on-one basis, in which specific goals identified in an individual recovery plan, treatment
113.25 plan, or stabilization plan are discussed and addressed. Peer recovery support services are
113.26 provided to promote a client's recovery goals, self-sufficiency, self-advocacy, and
113.27 development of natural supports and to support maintenance of a client's recovery.

113.28 (b) Peer recovery support services must be provided according to (1) an individual
113.29 recovery plan if provided by a recovery community organization or county, (2) a treatment
113.30 plan if provided in either a substance use disorder treatment program under chapter 245G;
113.31 or a Tribally licensed substance use disorder treatment program, or (3) a stabilization plan
113.32 if provided by a withdrawal management program under chapter 245F.

114.1 (c) A client receiving peer recovery support services must participate in the services
114.2 voluntarily. Any program that incorporates peer recovery support services must provide
114.3 written notice to the client that peer recovery support services will be provided.

114.4 (d) Peer recovery support services may not be provided to a client residing with or
114.5 employed by a recovery peer from whom ~~they receive~~ the client receives services.

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

114.7 Sec. 23. Minnesota Statutes 2024, section 254B.052, is amended by adding a subdivision
114.8 to read:

114.9 **Subd. 7. Billing limits.** Eligible vendors of peer recovery support services must limit
114.10 an individual client to 14 hours per week for peer recovery support services from an
114.11 individual provider of peer recovery support services.

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

114.13 Sec. 24. Minnesota Statutes 2024, section 256B.0623, subdivision 6, is amended to read:

114.14 **Subd. 6. Required supervision.** (a) A treatment supervisor providing treatment
114.15 supervision required by section 245I.06 must:

114.16 (1) meet with staff receiving treatment supervision at least monthly to discuss treatment
114.17 topics of interest and treatment plans of recipients; and

114.18 (2) meet at least monthly with the directing clinical trainee or mental health practitioner,
114.19 if there is one, to review needs of the adult rehabilitative mental health services program,
114.20 review staff on-site observations and evaluate mental health rehabilitation workers, plan
114.21 staff training, review program evaluation and development, and consult with the directing
114.22 clinical trainee or mental health practitioner.

114.23 **(b) A treatment supervisor providing treatment supervision required by section 245I.06**
114.24 **must complete an attestation form in a manner provided by the commissioner. This form**
114.25 **must be completed at least annually, and updated upon any change in the number of**
114.26 **organizations the treatment supervisor is affiliated with under this section or section**
114.27 **256B.0943. The attestation must include:**

114.28 **(1) the total number of staff and full-time equivalent staff the treatment supervisor**
114.29 **supervises, across all programs under this section and section 256B.0943, which must not**
114.30 **exceed 20 full-time equivalent staff; and**

115.1 (2) the name and national provider identifier of each organization for which the treatment
115.2 supervisor provides supervision under this section or section 256B.0943, which must not
115.3 exceed ten organizations.

115.4 (c) The commissioner may grant an exception to the limitations in paragraph (b), clauses
115.5 (1) and (2). The commissioner must develop criteria and a standardized process for evaluating
115.6 exception requests and may rescind approval of an exception if the treatment supervisor
115.7 fails to comply with applicable program standards.

115.8 ~~(b)~~ (d) An adult rehabilitative mental health services provider entity must have a treatment
115.9 director who is a mental health professional, clinical trainee, certified rehabilitation specialist,
115.10 or mental health practitioner. The treatment director must:

115.11 (1) ensure the direct observation of mental health rehabilitation workers required by
115.12 section 245I.06, subdivision 3, is provided;

115.13 (2) ensure immediate availability by phone or in person for consultation by a mental
115.14 health professional, certified rehabilitation specialist, clinical trainee, or a mental health
115.15 practitioner to the mental health rehabilitation worker during service provision;

115.16 (3) model service practices which: respect the recipient, include the recipient in planning
115.17 and implementation of the individual treatment plan, recognize the recipient's strengths,
115.18 collaborate and coordinate with other involved parties and providers;

115.19 (4) ensure that clinical trainees, mental health practitioners, and mental health
115.20 rehabilitation workers are able to effectively communicate with the recipients, significant
115.21 others, and providers; and

115.22 (5) oversee the record of the results of direct observation, progress note evaluation, and
115.23 corrective actions taken to modify the work of the clinical trainees, mental health
115.24 practitioners, and mental health rehabilitation workers.

115.25 ~~(e)~~ (e) A clinical trainee or mental health practitioner who is providing treatment direction
115.26 for a provider entity must receive treatment supervision at least monthly to:

115.27 (1) identify and plan for general needs of the recipient population served;

115.28 (2) identify and plan to address provider entity program needs and effectiveness;

115.29 (3) identify and plan provider entity staff training and personnel needs and issues; and

115.30 (4) plan, implement, and evaluate provider entity quality improvement programs.

115.31 **EFFECTIVE DATE.** This section is effective July 1, 2026.

116.1 Sec. 25. Minnesota Statutes 2024, section 256B.0624, subdivision 6b, is amended to read:

116.2 Subd. 6b. **Crisis intervention services.** (a) If the crisis assessment determines mobile
116.3 crisis intervention services are needed, the crisis intervention services must be provided
116.4 promptly. As opportunity presents during the intervention, at least two members of the
116.5 mobile crisis intervention team must confer directly or by telephone about the crisis
116.6 assessment, crisis treatment plan, and actions taken and needed. At least one of the team
116.7 members must be providing face-to-face crisis intervention services. If providing crisis
116.8 intervention services, a clinical trainee or mental health practitioner must seek treatment
116.9 supervision as required in subdivision 9.

116.10 (b) If a provider delivers crisis intervention services while the recipient is absent, the
116.11 provider must document the reason for delivering services while the recipient is absent.

116.12 (c) The mobile crisis intervention team must develop a crisis treatment plan according
116.13 to subdivision 11.

116.14 (d) The mobile crisis intervention team must document which crisis treatment plan goals
116.15 and objectives have been met and when no further crisis intervention services are required.

116.16 (e) If the recipient's mental health crisis is stabilized, but the recipient needs a referral
116.17 to other services, the team must provide referrals to these services. If the recipient has a
116.18 case manager, planning for other services must be coordinated with the case manager. If
116.19 the recipient is unable to follow up on the referral, the team must link the recipient to the
116.20 service and follow up to ensure the recipient is receiving the service.

116.21 ~~(f) If the recipient's mental health crisis is stabilized and the recipient does not have an~~
116.22 ~~advance directive, the case manager or crisis team shall offer to work with the recipient to~~
116.23 ~~develop one.~~

116.24 **EFFECTIVE DATE.** This section is effective upon federal approval.

116.25 Sec. 26. Minnesota Statutes 2024, section 256B.0624, subdivision 7, is amended to read:

116.26 Subd. 7. **Crisis stabilization services.** (a) Crisis stabilization services must be provided
116.27 by qualified staff of a crisis stabilization services provider entity and must meet the following
116.28 standards:

116.29 (1) a crisis treatment plan must be developed that meets the criteria in subdivision 11;

116.30 (2) staff must be qualified as defined in subdivision 8;

116.31 (3) crisis stabilization services must be delivered according to the crisis treatment plan
116.32 and include face-to-face contact with the recipient by qualified staff for further assessment,

117.1 help with referrals, updating of the crisis treatment plan, skills training, and collaboration
117.2 with other service providers in the community; ~~and~~

117.3 (4) if a provider delivers crisis stabilization services while the recipient is absent, the
117.4 provider must document the reason for delivering services while the recipient is absent;
117.5 and

117.6 (5) for a recipient who is 18 years of age or older, the case manager or crisis team must
117.7 offer to work with the recipient to develop a health care directive, as defined in section
117.8 145C.01, subdivision 5a, or a declaration of preferences under section 253B.03, subdivision
117.9 6d, if the recipient's mental health crisis is stabilized and the recipient does not have a
117.10 directive or declaration.

117.11 (b) If crisis stabilization services are provided in a supervised, licensed residential setting
117.12 that serves no more than four adult residents, and one or more individuals are present at the
117.13 setting to receive residential crisis stabilization, the residential staff must include, for at
117.14 least eight hours per day, at least one mental health professional, clinical trainee, certified
117.15 rehabilitation specialist, or mental health practitioner. The commissioner ~~shall~~ must establish
117.16 a statewide per diem rate for crisis stabilization services provided under this paragraph to
117.17 medical assistance enrollees. The rate for a provider ~~shall~~ must not exceed the rate charged
117.18 by that provider for the same service to other payers. Payment ~~shall~~ must not be made to
117.19 more than one entity for each individual for services provided under this paragraph on a
117.20 given day. The commissioner ~~shall~~ must set rates prospectively for the annual rate period.
117.21 The commissioner ~~shall~~ must require providers to submit annual cost reports on a uniform
117.22 cost reporting form and ~~shall~~ must use submitted cost reports to inform the rate-setting
117.23 process. The commissioner ~~shall~~ must recalculate the statewide per diem every year.

117.24 **EFFECTIVE DATE.** This section is effective upon federal approval.

117.25 Sec. 27. Minnesota Statutes 2025 Supplement, section 256B.0625, subdivision 5m, is
117.26 amended to read:

117.27 Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical
117.28 assistance covers services provided by a not-for-profit certified community behavioral health
117.29 clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

117.30 (b) The commissioner ~~shall~~ must reimburse CCBHCs on a per-day basis for each day
117.31 that an eligible service is delivered using the CCBHC daily bundled rate system for medical
117.32 assistance payments as described in paragraph (c). The commissioner ~~shall~~ must include a
117.33 quality incentive payment in the CCBHC daily bundled rate system as described in paragraph

118.1 (e). There is no county share for medical assistance services when reimbursed through the
118.2 CCBHC daily bundled rate system.

118.3 (c) The commissioner ~~shall~~ must ensure that the CCBHC daily bundled rate system for
118.4 CCBHC payments under medical assistance meets the following requirements:

118.5 (1) the CCBHC daily bundled rate ~~shall~~ must be a provider-specific rate calculated for
118.6 each CCBHC, based on the daily cost of providing CCBHC services and the total annual
118.7 allowable CCBHC costs divided by the total annual number of CCBHC visits. For calculating
118.8 the payment rate, total annual visits include visits covered by medical assistance and visits
118.9 not covered by medical assistance. Allowable costs include but are not limited to the salaries
118.10 and benefits of medical assistance providers; the cost of CCBHC services provided under
118.11 section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as
118.12 insurance or supplies needed to provide CCBHC services;

118.13 (2) payment ~~shall~~ must be limited to one payment per day per medical assistance enrollee
118.14 when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement
118.15 if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph
118.16 (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or
118.17 licensed agency employed by or under contract with a CCBHC;

118.18 (3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735,
118.19 subdivision 3, ~~shall~~ must be established by the commissioner using a provider-specific rate
118.20 based on the newly certified CCBHC's audited historical cost report data adjusted for the
118.21 expected cost of delivering CCBHC services. Estimates are subject to review by the
118.22 commissioner and must include the expected cost of providing the full scope of CCBHC
118.23 services and the expected number of visits for the rate period;

118.24 (4) the commissioner ~~shall~~ must rebase CCBHC rates once every two years following
118.25 the last rebasing and no less than 12 months following an initial rate or a rate change due
118.26 to a change in the scope of services. ~~For CCBHCs certified after September 30, 2020, and~~
118.27 ~~before January 1, 2021, the commissioner shall rebase rates according to this clause for~~
118.28 ~~services provided on or after January 1, 2024;~~

118.29 (5) the commissioner ~~shall~~ must provide for a 60-day appeals process after notice of the
118.30 results of the rebasing;

118.31 (6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal
118.32 Medicaid rate is not eligible for the CCBHC rate methodology;

119.1 (7) payments for CCBHC services to individuals enrolled in managed care ~~shall~~ must
119.2 be coordinated with the state's phase-out of CCBHC wrap payments. The commissioner
119.3 ~~shall~~ must complete the phase-out of CCBHC wrap payments within 60 days of the
119.4 implementation of the CCBHC daily bundled rate system in the Medicaid Management
119.5 Information System (MMIS), for CCBHCs reimbursed under this chapter, with a final
119.6 settlement of payments due made payable to CCBHCs no later than 18 months thereafter;

119.7 (8) the CCBHC daily bundled rate for each CCBHC ~~shall~~ must be updated by trending
119.8 each provider-specific rate by the Medicare Economic Index for primary care services. This
119.9 update ~~shall~~ must occur each year in between rebasing periods determined by the
119.10 commissioner in accordance with clause (4). CCBHCs must provide data on costs and visits
119.11 to the state annually using the CCBHC cost report established by the commissioner; and

119.12 (9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of
119.13 services when such changes are expected to result in an adjustment to the CCBHC payment
119.14 rate by 2.5 percent or more. The CCBHC must provide the commissioner with information
119.15 regarding the changes in the scope of services, including the estimated cost of providing
119.16 the new or modified services and any projected increase or decrease in the number of visits
119.17 resulting from the change. Estimated costs are subject to review by the commissioner. Rate
119.18 adjustments for changes in scope ~~shall~~ must occur no more than once per year in between
119.19 rebasing periods per CCBHC and are effective on the date of the annual CCBHC rate update.

119.20 (d) Managed care plans and county-based purchasing plans ~~shall~~ must reimburse CCBHC
119.21 providers at the CCBHC daily bundled rate. The commissioner ~~shall~~ must monitor the effect
119.22 of this requirement on the rate of access to the services delivered by CCBHC providers. If,
119.23 for any contract year, federal approval is not received for this paragraph, the commissioner
119.24 must adjust the capitation rates paid to managed care plans and county-based purchasing
119.25 plans for that contract year to reflect the removal of this provision. Contracts between
119.26 managed care plans and county-based purchasing plans and providers to whom this paragraph
119.27 applies must allow recovery of payments from those providers if capitation rates are adjusted
119.28 in accordance with this paragraph. Payment recoveries must not exceed the amount equal
119.29 to any increase in rates that results from this provision. This paragraph expires if federal
119.30 approval is not received for this paragraph at any time.

119.31 (e) The commissioner ~~shall~~ must implement a quality incentive payment program for
119.32 CCBHCs that meets the following requirements:

119.33 (1) a CCBHC ~~shall~~ must receive a quality incentive payment upon meeting specific
119.34 numeric thresholds for performance metrics established by the commissioner, in addition

120.1 to payments for which the CCBHC is eligible under the CCBHC daily bundled rate system
120.2 described in paragraph (c);

120.3 (2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement
120.4 year to be eligible for incentive payments;

120.5 (3) each CCBHC ~~shall~~ must receive written notice of the criteria that must be met in
120.6 order to receive quality incentive payments at least 90 days prior to the measurement year;
120.7 and

120.8 (4) a CCBHC must provide the commissioner with data needed to determine incentive
120.9 payment eligibility within six months following the measurement year. The commissioner
120.10 ~~shall~~ must notify CCBHC providers of their performance on the required measures and the
120.11 incentive payment amount within 12 months following the measurement year.

120.12 (f) All claims to managed care plans for CCBHC services as provided under this section
120.13 ~~shall~~ must be submitted directly to, and paid by, the commissioner on the dates specified
120.14 no later than January 1 of the following calendar year, if:

120.15 (1) one or more managed care plans does not comply with the federal requirement for
120.16 payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42,
120.17 section 447.45(b), and the managed care plan does not resolve the payment issue within 30
120.18 days of noncompliance; and

120.19 (2) the total amount of clean claims not paid in accordance with federal requirements
120.20 by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims
120.21 eligible for payment by managed care plans.

120.22 If the conditions in this paragraph are met between January 1 and June 30 of a calendar
120.23 year, claims ~~shall~~ must be submitted to and paid by the commissioner beginning on January
120.24 1 of the following year. If the conditions in this paragraph are met between July 1 and
120.25 December 31 of a calendar year, claims ~~shall~~ must be submitted to and paid by the
120.26 commissioner beginning on July 1 of the following year.

120.27 (g) Peer services provided by a CCBHC certified under section 245.735 are a covered
120.28 service under medical assistance when a licensed mental health professional or alcohol and
120.29 drug counselor determines that peer services are medically necessary. Eligibility under this
120.30 subdivision for peer services provided by a CCBHC supersede eligibility standards under
120.31 sections 256B.0615, 256B.0616, and 245G.07, subdivision 2a, paragraph (b), clause (2).

121.1 Sec. 28. Minnesota Statutes 2024, section 256B.0625, subdivision 47, is amended to read:

121.2 Subd. 47. ~~Treatment foster care~~ **Children's intensive behavioral health**
121.3 **services.** ~~Effective July 1, 2011, and subject to federal approval,~~ Medical assistance covers
121.4 ~~treatment foster care~~ children's intensive behavioral health services according to section
121.5 256B.0946.

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

121.7 Sec. 29. Minnesota Statutes 2024, section 256B.0759, subdivision 3, is amended to read:

121.8 Subd. 3. **Provider standards.** ~~(a) The commissioner must establish requirements for~~
121.9 ~~participating providers that are consistent with the federal requirements of the demonstration~~
121.10 ~~project.~~ The following programs that receive payment for substance use disorder treatment
121.11 services under section 256B.0625 must enroll as a Minnesota Health Care Programs provider,
121.12 meet the requirements established by the commissioner, and certify that the program meets
121.13 the applicable American Society of Addiction Medicine (ASAM) levels of care according
121.14 to section 254B.19:

121.15 (1) nonresidential substance use disorder treatment programs and residential treatment
121.16 programs licensed under chapter 245G as licensed substance use disorder treatment facilities;

121.17 (2) withdrawal management programs licensed under chapter 245F; and

121.18 (3) out-of-state residential substance use disorder treatment programs.

121.19 Programs that do not meet the requirements of this paragraph are ineligible for payment for
121.20 services provided under section 256B.0625.

121.21 ~~(b) A participating residential provider must obtain applicable licensure under chapter~~
121.22 ~~245F or 245G or other applicable standards for the services provided and must:~~

121.23 ~~(1) deliver services in accordance with standards published by the commissioner pursuant~~
121.24 ~~to paragraph (d);~~

121.25 ~~(2) maintain formal patient referral arrangements with providers delivering step-up or~~
121.26 ~~step-down levels of care in accordance with ASAM standards; and~~

121.27 ~~(3) offer substance use disorder treatment services with medications for opioid use~~
121.28 ~~disorder on site or facilitate access to substance use disorder treatment services with~~
121.29 ~~medications for opioid use disorder off site.~~

121.30 ~~(c) A participating outpatient provider must obtain applicable licensure under chapter~~
121.31 ~~245G or other applicable standards for the services provided and must:~~

122.1 ~~(1) deliver services in accordance with standards published by the commissioner pursuant~~
122.2 ~~to paragraph (d); and~~

122.3 ~~(2) maintain formal patient referral arrangements with providers delivering step-up or~~
122.4 ~~step-down levels of care in accordance with ASAM standards.~~

122.5 ~~(d) If the provider standards under chapter 245G or other applicable standards conflict~~
122.6 ~~or are duplicative, the commissioner may grant variances to the standards if the variances~~
122.7 ~~do not conflict with federal requirements. The commissioner must publish service~~
122.8 ~~components, service standards, and staffing requirements for participating providers that~~
122.9 ~~are consistent with ASAM standards and federal requirements by October 1, 2020.~~

122.10 (b) Programs licensed by the commissioner as residential treatment programs according
122.11 to section 245G.21 that (1) receive payment under this chapter, (2) are licensed as a hospital
122.12 under sections 144.50 to 144.581, and (3) provide only ASAM level 3.7 medically monitored
122.13 inpatient level of care are not required to certify the ASAM 3.7 level of care. If a program
122.14 described in this paragraph provides any additional ASAM levels of care, the program must
122.15 certify those levels of care according to section 254B.19. Programs meeting the criteria in
122.16 this paragraph must submit evidence of providing the required level of care to the
122.17 commissioner to be exempt from enrolling in the demonstration.

122.18 (c) Tribally licensed programs that otherwise meet the requirements of this subdivision
122.19 may elect to participate in the demonstration project. The commissioner must consult with
122.20 Tribal Nations to discuss participation in the substance use disorder demonstration project.

122.21 (d) Programs subject to this section must:

122.22 (1) deliver services in accordance with section 254B.19; and

122.23 (2) offer substance use disorder treatment services with medications for opioid use
122.24 disorder on site or facilitate timely access to medications for opioid use disorder off site.

122.25 Sec. 30. Minnesota Statutes 2025 Supplement, section 256B.0759, subdivision 4, is
122.26 amended to read:

122.27 Subd. 4. **Provider payment rates.** ~~(a) Payment rates for participating Providers must~~
122.28 ~~be increased for services provided to medical assistance enrollees. To receive a rate increase,~~
122.29 ~~participating providers must meet demonstration project requirements and provide evidence~~
122.30 ~~of formal referral arrangements with providers delivering step-up or step-down levels of~~
122.31 ~~care. Providers that have enrolled in the demonstration project but have not met the provider~~
122.32 ~~standards under subdivision 3 as of July 1, 2022, are not eligible for a rate increase under~~
122.33 ~~this subdivision until the date that the provider meets the provider standards in subdivision~~

123.1 ~~3. Services provided from July 1, 2022, to the date that the provider meets the provider~~
123.2 ~~standards under subdivision 3 shall be reimbursed at rates according to section 254B.0505,~~
123.3 ~~subdivision 1. Rate increases paid under this subdivision to a provider for services provided~~
123.4 ~~between July 1, 2021, and July 1, 2022, are not subject to recoupment when the provider~~
123.5 ~~is taking meaningful steps to meet demonstration project requirements that are not otherwise~~
123.6 ~~required by law, and the provider provides documentation to the commissioner, upon request,~~
123.7 ~~of the steps being taken.~~

123.8 ~~(b) The commissioner may temporarily suspend payments to the provider according to~~
123.9 ~~section 256B.04, subdivision 21, paragraph (d), if the provider does not meet the requirements~~
123.10 ~~in paragraph (a). Payments withheld from the provider must be made once the commissioner~~
123.11 ~~determines that the requirements in paragraph (a) are met.~~

123.12 ~~(e) For outpatient individual and group substance use disorder services under section~~
123.13 ~~254B.0505, subdivision 1, clause (1), and adolescent treatment programs that are licensed~~
123.14 ~~as outpatient treatment programs according to sections 245G.01 to 245G.18, provided on~~
123.15 ~~or after January 1, 2021, payment rates must be increased by 20 percent over the rates in~~
123.16 ~~effect on December 31, 2020.~~

123.17 ~~(d)~~ (b) Effective January 1, 2021, and contingent on annual federal approval, managed
123.18 care plans and county-based purchasing plans must reimburse providers of the substance
123.19 use disorder services meeting the ~~criteria described in paragraph (a) who~~ requirements of
123.20 section 254B.19 that are employed by or under contract with the plan an amount that is at
123.21 least equal to the fee-for-service base rate payment for the substance use disorder services
123.22 described in paragraph ~~(e)~~ (a). The commissioner must monitor the effect of this requirement
123.23 on the rate of access to substance use disorder services and residential substance use disorder
123.24 rates. Capitation rates paid to managed care organizations and county-based purchasing
123.25 plans must reflect the impact of this requirement. This paragraph expires if federal approval
123.26 is not received at any time as required under this paragraph.

123.27 ~~(e)~~ (c) Effective July 1, 2021, contracts between managed care plans and county-based
123.28 purchasing plans and providers to whom paragraph ~~(d)~~ (b) applies must allow recovery of
123.29 payments from those providers if, for any contract year, federal approval for the provisions
123.30 of paragraph ~~(d)~~ (b) is not received, and capitation rates are adjusted as a result. Payment
123.31 recoveries must not exceed the amount equal to any decrease in rates that results from this
123.32 provision.

123.33 ~~(f)~~ (d) For substance use disorder services with medications for opioid use disorder under
123.34 section 254B.0505, subdivision 1, clause (7), provided on or after January 1, 2021, payment

124.1 rates must be increased by 20 percent over the rates in effect on December 31, 2020. Upon
124.2 implementation of new rates according to section 254B.121, the 20 percent increase will
124.3 no longer apply.

124.4 Sec. 31. Minnesota Statutes 2025 Supplement, section 256B.0943, subdivision 1, is
124.5 amended to read:

124.6 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
124.7 the meanings given ~~them~~.

124.8 (b) "Children's therapeutic services and supports" means the flexible package of mental
124.9 health services for children who require varying therapeutic and rehabilitative levels of
124.10 intervention to treat a diagnosed mental illness, as defined in section 245.462, subdivision
124.11 20, or 245.4871, subdivision 15. The services are time-limited interventions that are delivered
124.12 using various treatment modalities and combinations of services designed to reach treatment
124.13 outcomes identified in the individual treatment plan.

124.14 (c) "Clinical trainee" means a staff person who is qualified according to section 245I.04,
124.15 subdivision 6.

124.16 (d) "Crisis planning" has the meaning given in section 245.4871, subdivision 9a.

124.17 (e) "Culturally competent provider" means a provider who understands and can utilize
124.18 to a client's benefit the client's culture when providing services to the client. A provider
124.19 may be culturally competent because the provider is of the same cultural or ethnic group
124.20 as the client or the provider has developed the knowledge and skills through training and
124.21 experience to provide services to culturally diverse clients.

124.22 (f) "Day treatment program" for children means a site-based structured mental health
124.23 program consisting of psychotherapy for ~~three~~ two or more individuals and individual or
124.24 group skills training provided by a team, under the treatment supervision of a mental health
124.25 professional.

124.26 (g) "Direct service time" means the time that a mental health professional, clinical trainee,
124.27 mental health practitioner, or mental health behavioral aide spends face-to-face with a client
124.28 and the client's family or providing covered services through telehealth as defined under
124.29 section 256B.0625, subdivision 3b. Direct service time includes time in which the provider
124.30 obtains a client's history, develops a client's treatment plan, records individual treatment
124.31 outcomes, or provides service components of children's therapeutic services and supports.
124.32 Direct service time does not include time doing work before and after providing direct
124.33 services, including scheduling or maintaining clinical records.

125.1 (h) "Direction of mental health behavioral aide" means the activities of a mental health
125.2 professional, clinical trainee, or mental health practitioner in guiding the mental health
125.3 behavioral aide in providing services to a client. The direction of a mental health behavioral
125.4 aide must be based on the client's individual treatment plan and meet the requirements in
125.5 subdivision 6, paragraph (b), clause (7).

125.6 (i) "Individual treatment plan" means the plan described in section 245I.10, subdivisions
125.7 7 and 8.

125.8 (j) "Mental health behavioral aide services" means medically necessary one-on-one
125.9 activities performed by a mental health behavioral aide qualified according to section
125.10 245I.04, subdivision 16, to assist a child retain or generalize psychosocial skills as previously
125.11 trained by a mental health professional, clinical trainee, or mental health practitioner and
125.12 as described in the child's individual treatment plan ~~and individual behavior plan~~. Activities
125.13 involve working directly with the child or child's family as provided in subdivision 9,
125.14 paragraph (b), clause (4).

125.15 (k) "Mental health certified family peer specialist" means a staff person who is qualified
125.16 according to section 245I.04, subdivision 12.

125.17 (l) "Mental health practitioner" means a staff person who is qualified according to section
125.18 245I.04, subdivision 4.

125.19 (m) "Mental health professional" means a staff person who is qualified according to
125.20 section 245I.04, subdivision 2.

125.21 (n) "Mental health service plan development" includes:

125.22 (1) development and revision of a child's individual treatment plan; and

125.23 (2) administering and reporting standardized outcome measurements approved by the
125.24 commissioner, as periodically needed to evaluate the effectiveness of treatment.

125.25 (o) "Mental illness" has the meaning given in section 245.462, subdivision 20, paragraph
125.26 (a), for persons at least 18 years of age but under 21 years of age, and has the meaning given
125.27 in section 245.4871, subdivision 15, for children under 18 years of age.

125.28 (p) "Psychotherapy" means the treatment described in section 256B.0671, subdivision
125.29 11.

125.30 (q) "Rehabilitative services" or "psychiatric rehabilitation services" means interventions
125.31 to: (1) restore a child or adolescent to an age-appropriate developmental trajectory that had
125.32 been disrupted by a psychiatric illness; or (2) enable the child to self-monitor, compensate

126.1 for, cope with, counteract, or replace psychosocial skills deficits or maladaptive skills
126.2 acquired over the course of a psychiatric illness. Psychiatric rehabilitation services for
126.3 children combine coordinated psychotherapy to address internal psychological, emotional,
126.4 and intellectual processing deficits, and skills training to restore personal and social
126.5 functioning. Psychiatric rehabilitation services establish a progressive series of goals with
126.6 each achievement building upon a prior achievement.

126.7 (r) "Skills training" means individual, family, or group training, delivered by or under
126.8 the supervision of a mental health professional, designed to facilitate the acquisition of
126.9 psychosocial skills that are medically necessary to rehabilitate the child to an age-appropriate
126.10 developmental trajectory heretofore disrupted by a psychiatric illness or to enable the child
126.11 to self-monitor, compensate for, cope with, counteract, or replace skills deficits or
126.12 maladaptive skills acquired over the course of a psychiatric illness. Skills training is subject
126.13 to the service delivery requirements under subdivision 9, paragraph (b), clause (2).

126.14 (s) "Standard diagnostic assessment" means the assessment described in section 245I.10,
126.15 subdivision 6.

126.16 (t) "Treatment supervision" means the supervision described in section 245I.06.

126.17 Sec. 32. Minnesota Statutes 2024, section 256B.0943, subdivision 6, is amended to read:

126.18 Subd. 6. **Provider entity clinical infrastructure requirements.** (a) To be an eligible
126.19 provider entity under this section, a provider entity must have a clinical infrastructure that
126.20 utilizes diagnostic assessment, individual treatment plans, service delivery, and individual
126.21 treatment plan review that are culturally competent, child-centered, and family-driven to
126.22 achieve maximum benefit for the client. The provider entity must review, and update as
126.23 necessary, the clinical policies and procedures every ~~three~~ two years, must distribute the
126.24 policies and procedures to staff initially and upon each subsequent update, and must train
126.25 staff accordingly.

126.26 (b) The clinical infrastructure written policies and procedures must include policies and
126.27 procedures for meeting the requirements in this subdivision:

126.28 (1) providing or obtaining a client's standard diagnostic assessment, including a standard
126.29 diagnostic assessment. When required components of the standard diagnostic assessment
126.30 are not provided in an outside or independent assessment or cannot be attained immediately,
126.31 the provider entity must determine the missing information within 30 days and amend the
126.32 child's standard diagnostic assessment or incorporate the information into the child's
126.33 individual treatment plan;

- 127.1 (2) developing an individual treatment plan;
- 127.2 (3) providing treatment supervision plans for staff according to section 245I.06. Treatment
127.3 supervision does not include the authority to make or terminate court-ordered placements
127.4 of the child. A treatment supervisor must be available for urgent consultation as required
127.5 by the individual client's needs or the situation;
- 127.6 (4) requiring a mental health professional to determine the level of supervision for a
127.7 behavioral health aide and to document and sign the supervision determination in the
127.8 behavioral health aide's supervision plan;
- 127.9 (5) ensuring the immediate accessibility of a mental health professional, clinical trainee,
127.10 or mental health practitioner to the behavioral aide during service delivery;
- 127.11 (6) providing service delivery that implements the individual treatment plan and meets
127.12 the requirements under subdivision 9; and
- 127.13 (7) individual treatment plan review. The review must determine the extent to which
127.14 the services have met each of the goals and objectives in the treatment plan. The review
127.15 must assess the client's progress and ensure that services and treatment goals continue to
127.16 be necessary and appropriate to the client and the client's family or foster family.

127.17 Sec. 33. Minnesota Statutes 2025 Supplement, section 256B.0943, subdivision 9, is
127.18 amended to read:

127.19 Subd. 9. **Service delivery criteria.** (a) In delivering services under this section, a certified
127.20 provider entity must ensure that:

127.21 (1) the provider's caseload size should reasonably enable the provider to play an active
127.22 role in service planning, monitoring, and delivering services to meet the client's and client's
127.23 family's needs, as specified in each client's individual treatment plan;

127.24 (2) site-based programs, including day treatment programs, provide staffing and facilities
127.25 to ensure the client's health, safety, and protection of rights, and that the programs are able
127.26 to implement each client's individual treatment plan; and

127.27 (3) a day treatment program is provided to a group of clients by a team under the treatment
127.28 supervision of a mental health professional. The day treatment program must be provided
127.29 in and by: (i) an outpatient hospital accredited by the Joint Commission on Accreditation
127.30 of Health Organizations and licensed under sections 144.50 to 144.55; (ii) a community
127.31 mental health center under section 245.62; or (iii) an entity that is certified under subdivision
127.32 4 to operate a program that meets the requirements of section 245.4884, subdivision 2, and

128.1 Minnesota Rules, parts 9505.0170 to 9505.0475. The day treatment program must stabilize
128.2 the client's mental health status while developing and improving the client's independent
128.3 living and socialization skills. The goal of the day treatment program must be to reduce or
128.4 relieve the effects of mental illness and provide training to enable the client to live in the
128.5 community. The remainder of the structured treatment program may include patient and/or
128.6 family or group psychotherapy, and individual or group skills training, if included in the
128.7 client's individual treatment plan. Day treatment programs are not part of inpatient or
128.8 residential treatment services. When a day treatment group that meets the minimum group
128.9 size requirement temporarily falls below the minimum group size because of a member's
128.10 temporary absence, medical assistance covers a group session conducted for the group
128.11 members in attendance. ~~A day treatment program may provide fewer than the minimally~~
128.12 ~~required hours for a particular child during a billing period in which the child is transitioning~~
128.13 ~~into, or out of, the program.~~

128.14 (b) To be eligible for medical assistance payment, a provider entity must deliver the
128.15 service components of children's therapeutic services and supports in compliance with the
128.16 following requirements:

128.17 (1) psychotherapy to address the child's underlying mental health disorder must be
128.18 documented as part of the child's ongoing treatment. A provider must deliver or arrange for
128.19 medically necessary psychotherapy unless the child's parent or caregiver chooses not to
128.20 receive it or the provider determines that psychotherapy is no longer medically necessary.
128.21 When a provider determines that psychotherapy is no longer medically necessary, the
128.22 provider must update required documentation, including but not limited to the individual
128.23 treatment plan, the child's medical record, or other authorizations, to include the
128.24 determination. When a provider determines that a child needs psychotherapy but
128.25 psychotherapy cannot be delivered due to a shortage of licensed mental health professionals
128.26 in the child's community, the provider must document the lack of access in the child's
128.27 medical record;

128.28 (2) individual, family, or group skills training is subject to the following requirements:

128.29 (i) a mental health professional, clinical trainee, or mental health practitioner shall provide
128.30 skills training;

128.31 (ii) skills training delivered to a child or the child's family must be targeted to the specific
128.32 deficits or maladaptations of the child's mental health disorder and must be prescribed in
128.33 the child's individual treatment plan;

129.1 (iii) group skills training may be provided to multiple recipients who, because of the
129.2 nature of their emotional, behavioral, or social dysfunction, can derive mutual benefit from
129.3 interaction in a group setting, which must be staffed as follows:

129.4 (A) one mental health professional, clinical trainee, or mental health practitioner must
129.5 work with a group of ~~three~~ two to eight clients; or

129.6 (B) any combination of two mental health professionals, clinical trainees, or mental
129.7 health practitioners must work with a group of nine to 12 clients;

129.8 (iv) a mental health professional, clinical trainee, or mental health practitioner must have
129.9 taught the psychosocial skill before a mental health behavioral aide may practice that skill
129.10 with the client; and

129.11 (v) for group skills training, when a skills group that meets the minimum group size
129.12 requirement temporarily falls below the minimum group size because of a group member's
129.13 temporary absence, the provider may conduct the session for the group members in
129.14 attendance;

129.15 (3) crisis planning to a child and family must include development of a written plan that
129.16 anticipates the particular factors specific to the child that may precipitate a psychiatric crisis
129.17 for the child in the near future. The written plan must document actions that the family
129.18 should be prepared to take to resolve or stabilize a crisis, such as advance arrangements for
129.19 direct intervention and support services to the child and the child's family. Crisis planning
129.20 must include preparing resources designed to address abrupt or substantial changes in the
129.21 functioning of the child or the child's family when sudden change in behavior or a loss of
129.22 usual coping mechanisms is observed, or the child begins to present a danger to self or
129.23 others;

129.24 (4) mental health behavioral aide services must be medically necessary treatment services,
129.25 identified in the child's individual treatment plan.

129.26 To be eligible for medical assistance payment, mental health behavioral aide services must
129.27 be delivered to a child who has been diagnosed with a mental illness, as provided in
129.28 subdivision 1, paragraph (a). The mental health behavioral aide must document the delivery
129.29 of services in written progress notes. Progress notes must reflect implementation of the
129.30 treatment strategies, as performed by the mental health behavioral aide and the child's
129.31 responses to the treatment strategies; and

129.32 (5) mental health service plan development must be performed in consultation with the
129.33 child's family and, when appropriate, with other key participants in the child's life by the

130.1 child's treating mental health professional or clinical trainee or by a mental health practitioner
130.2 and approved by the treating mental health professional. Treatment plan drafting consists
130.3 of development, review, and revision by face-to-face or electronic communication. The
130.4 provider must document events, including the time spent with the family and other key
130.5 participants in the child's life to approve the individual treatment plan. Medical assistance
130.6 covers service plan development before completion of the child's individual treatment plan.
130.7 Service plan development is covered only if a treatment plan is completed for the child. If
130.8 upon review it is determined that a treatment plan was not completed for the child, the
130.9 commissioner shall recover the payment for the service plan development.

130.10 Sec. 34. Minnesota Statutes 2024, section 256B.0943, is amended by adding a subdivision
130.11 to read:

130.12 Subd. 14. **Treatment supervision limits.** (a) A treatment supervisor providing treatment
130.13 supervision required by section 245I.06 must complete an attestation form in a manner
130.14 provided by the commissioner. This form must be completed at least annually, and updated
130.15 upon any change in the number of organizations the treatment supervisor is affiliated with
130.16 under this section or section 256B.0623. The attestation must include:

130.17 (1) the total number of staff and full-time equivalent staff the treatment supervisor
130.18 supervises, across all programs under this section and section 256B.0623, which must not
130.19 exceed 20 full-time equivalent staff; and

130.20 (2) the name and national provider identifier of each organization for which the treatment
130.21 supervisor provides supervision under this section or section 256B.0623, which must not
130.22 exceed ten organizations.

130.23 (b) The commissioner may grant an exception to the limitations in paragraph (a), clauses
130.24 (1) and (2). The commissioner must develop criteria and a standardized process for evaluating
130.25 exception requests and may rescind approval of an exception if the treatment supervisor
130.26 fails to comply with applicable program standards.

130.27 **EFFECTIVE DATE.** This section is effective July 1, 2026.

130.28 Sec. 35. Minnesota Statutes 2024, section 256B.0946, subdivision 4, is amended to read:

130.29 Subd. 4. **Service delivery payment requirements.** (a) To be eligible for payment under
130.30 this section, a provider must develop and practice written policies and procedures for
130.31 children's intensive behavioral health services, consistent with subdivision 1, paragraph (b),
130.32 and comply with the following requirements in paragraphs (b) to (n).

131.1 (b) Each previous and current mental health, school, and physical health treatment
131.2 provider must be contacted to request documentation of treatment and assessments that the
131.3 eligible client has received. This information must be reviewed and incorporated into the
131.4 standard diagnostic assessment and team consultation and treatment planning review process.

131.5 (c) Each client receiving treatment must be assessed for a trauma history, and the client's
131.6 treatment plan must document how the results of the assessment will be incorporated into
131.7 treatment.

131.8 (d) The level of care assessment as defined in section 245I.02, subdivision 19, and
131.9 functional assessment as defined in section 245I.02, subdivision 17, must be updated at
131.10 least every 180 days or prior to discharge from the service, whichever comes first.

131.11 (e) Each client receiving treatment services must have an individual treatment plan that
131.12 is reviewed, evaluated, and approved every 180 days using the team consultation and
131.13 treatment planning process.

131.14 (f) Clinical care consultation must be provided in accordance with the client's individual
131.15 treatment plan.

131.16 (g) Each client must have a crisis plan within ten days of initiating services and must
131.17 have access to clinical phone support 24 hours per day, seven days per week, during the
131.18 course of treatment. The crisis plan must demonstrate coordination with the local or regional
131.19 mobile crisis intervention team.

131.20 (h) Services must be delivered and documented at least three days per week, equaling
131.21 at least six hours of treatment per week. If the mental health professional, client, and family
131.22 agree, service units may be temporarily reduced for a period of no more than 60 days in
131.23 order to meet the needs of the client and family, or as part of transition or on a discharge
131.24 plan to another service or level of care. The reasons for service reduction must be identified,
131.25 and documented, and included in the treatment plan or case file. Billing and payment are
131.26 prohibited for days on which no services are delivered and documented.

131.27 (i) Location of service delivery must be in the client's home, day care setting, school, or
131.28 other community-based setting that is specified on the client's individualized treatment plan.

131.29 (j) Treatment must be developmentally and culturally appropriate for the client.

131.30 (k) Services must be delivered in continual collaboration and consultation with the
131.31 client's medical providers and, in particular, with prescribers of psychotropic medications,
131.32 including those prescribed on an off-label basis. Members of the service team must be aware
131.33 of the medication regimen and potential side effects.

132.1 (l) Parents, siblings, foster parents, legal guardians, and members of the child's
132.2 permanency plan must be involved in treatment and service delivery unless otherwise noted
132.3 in the treatment plan.

132.4 (m) Transition planning for the child must be conducted starting with the first treatment
132.5 plan and must be addressed throughout treatment to support the child's permanency plan
132.6 and postdischarge mental health service needs.

132.7 (n) In order for a provider to receive the daily per-client encounter rate, at least one of
132.8 the services listed in subdivision 1, paragraph (b), clauses (1) to (3), must be provided. The
132.9 services listed in subdivision 1, paragraph (b), clauses (4) and (5), may be included as part
132.10 of the daily per-client encounter rate.

132.11 Sec. 36. Minnesota Statutes 2025 Supplement, section 256B.0947, subdivision 3a, is
132.12 amended to read:

132.13 Subd. 3a. **Required service components.** (a) Intensive nonresidential rehabilitative
132.14 mental health services, supports, and ancillary activities that are covered by a single daily
132.15 rate per client must include the following, as needed by the individual client:

132.16 (1) individual, family, and group psychotherapy;

132.17 (2) individual, family, and group skills training, as defined in section 256B.0943,
132.18 subdivision 1, paragraph (r);

132.19 (3) crisis planning as defined in section 245.4871, subdivision 9a;

132.20 (4) medication management provided by a ~~physician, an advanced practice registered~~
132.21 ~~nurse with certification in psychiatric and mental health care, or a physician assistant~~ qualified
132.22 provider;

132.23 (5) mental health case management as provided in section 256B.0625, subdivision 20;

132.24 (6) medication education services as defined in this section;

132.25 (7) care coordination by a client-specific lead worker assigned by and responsible to the
132.26 treatment team;

132.27 (8) psychoeducation of and consultation and coordination with the client's biological,
132.28 adoptive, or foster family and, in the case of a youth living independently, the client's
132.29 immediate nonfamilial support network;

133.1 (9) clinical consultation to a client's employer or school or to other service agencies or
133.2 to the courts to assist in managing the mental illness or co-occurring disorder and to develop
133.3 client support systems;

133.4 (10) coordination with, or performance of, crisis intervention and stabilization services
133.5 as defined in section 256B.0624;

133.6 (11) transition services;

133.7 (12) co-occurring substance use disorder treatment as defined in section 245I.02,
133.8 subdivision 11; and

133.9 (13) housing access support that assists clients to find, obtain, retain, and move to safe
133.10 and adequate housing. Housing access support does not provide monetary assistance for
133.11 rent, damage deposits, or application fees.

133.12 (b) The provider shall ensure and document the following by means of performing the
133.13 required function or by contracting with a qualified person or entity: client access to crisis
133.14 intervention services, as defined in section 256B.0624, and available 24 hours per day and
133.15 seven days per week.

133.16 **EFFECTIVE DATE.** This section is effective July 1, 2027, or upon federal approval,
133.17 whichever is later.

133.18 Sec. 37. Minnesota Statutes 2024, section 256B.0947, subdivision 5, is amended to read:

133.19 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services
133.20 must meet the standards in this section and chapter 245I as required in section 245I.011,
133.21 subdivision 5.

133.22 (b) The treatment team must have specialized training in providing services to the specific
133.23 age group of youth that the team serves. An individual treatment team must serve youth
133.24 who are: (1) at least eight years of age or older and under 16 years of age; ~~or~~ (2) at least
133.25 14 years of age or older and under 21 years of age; or (3) if a treatment team demonstrates
133.26 to the commissioner expertise in meeting the developmental and clinical needs of an
133.27 expanded age range, at least eight years of age and under 21 years of age.

133.28 (c) The treatment team for intensive nonresidential rehabilitative mental health services
133.29 comprises both permanently employed core team members and client-specific team members
133.30 as follows:

133.31 (1) Based on professional qualifications and client needs, clinically qualified core team
133.32 members are assigned on a rotating basis as the client's lead worker to coordinate a client's

134.1 care. The core team must comprise at least four full-time equivalent direct care staff and
134.2 must minimally include:

134.3 (i) a mental health professional who serves as team leader to provide administrative
134.4 direction and treatment supervision to the team;

134.5 (ii) ~~an advanced practice registered nurse with certification in psychiatric or mental~~
134.6 ~~health care or a board-certified child and adolescent psychiatrist, either of which must be~~
134.7 ~~credentialed to prescribe medications;~~ a psychiatric care provider who is credentialed to
134.8 prescribe medications and is either an advanced practice registered nurse with advanced
134.9 education and training in psychiatric and mental health care or a board-certified psychiatrist.
134.10 The psychiatric care provider must have demonstrated clinical experience and qualifications
134.11 for working with children and adolescents with serious mental illness and co-occurring
134.12 mental illness and substance use disorders;

134.13 (iii) a mental health certified peer specialist who is qualified according to section 245I.04,
134.14 subdivision 10, and is also a former children's mental health consumer; and

134.15 (iv) a co-occurring disorder specialist who meets the requirements under section
134.16 256B.0622, subdivision 7a, paragraph (a), clause (4), who will provide or facilitate the
134.17 provision of co-occurring disorder treatment to clients.

134.18 (2) The core team may also include any of the following:

134.19 (i) additional mental health professionals;

134.20 (ii) a vocational specialist;

134.21 (iii) an educational specialist with knowledge and experience working with youth
134.22 regarding special education requirements and goals, special education plans, and coordination
134.23 of educational activities with health care activities;

134.24 (iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

134.25 (v) a clinical trainee qualified according to section 245I.04, subdivision 6;

134.26 (vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

134.27 (vii) a case management service provider, as defined in section 245.4871, subdivision
134.28 4;

134.29 (viii) a housing access specialist; ~~and~~

134.30 (ix) a family peer specialist as defined in subdivision 2, paragraph (j); and

134.31 (x) a registered nurse, as defined in section 148.171, subdivision 20.

135.1 (3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc
135.2 members not employed by the team who consult on a specific client and who must accept
135.3 overall clinical direction from the treatment team for the duration of the client's placement
135.4 with the treatment team and must be paid by the provider agency at the rate for a typical
135.5 session by that provider with that client or at a rate negotiated with the client-specific
135.6 member. Client-specific treatment team members may include:

135.7 (i) the mental health professional treating the client prior to placement with the treatment
135.8 team;

135.9 (ii) the client's current substance use counselor, if applicable;

135.10 (iii) a lead member of the client's individualized education program team or school-based
135.11 mental health provider, if applicable;

135.12 (iv) a representative from the client's health care home or primary care clinic, as needed
135.13 to ensure integration of medical and behavioral health care;

135.14 (v) the client's probation officer or other juvenile justice representative, if applicable;
135.15 and

135.16 (vi) the client's current vocational or employment counselor, if applicable.

135.17 (d) The treatment supervisor shall be an active member of the treatment team and shall
135.18 function as a practicing clinician at least on a part-time basis. The treatment team shall meet
135.19 with the treatment supervisor at least weekly to discuss recipients' progress and make rapid
135.20 adjustments to meet recipients' needs. The team meeting must include client-specific case
135.21 reviews and general treatment discussions among team members. Client-specific case
135.22 reviews and planning must be documented in the individual client's treatment record.

135.23 (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment
135.24 team position.

135.25 (f) The treatment team shall serve no more than 80 clients at any one time. Should local
135.26 demand exceed the team's capacity, an additional team must be established rather than
135.27 exceed this limit.

135.28 (g) Nonclinical staff shall have prompt access in person or by telephone to a mental
135.29 health practitioner, clinical trainee, or mental health professional. The provider shall have
135.30 the capacity to promptly and appropriately respond to emergent needs and make any
135.31 necessary staffing adjustments to ensure the health and safety of clients.

136.1 (h) The intensive nonresidential rehabilitative mental health services provider shall
136.2 participate in evaluation of the assertive community treatment for youth (Youth ACT) model
136.3 as conducted by the commissioner, including the collection and reporting of data and the
136.4 reporting of performance measures as specified by contract with the commissioner.

136.5 (i) A regional treatment team may serve multiple counties.

136.6 EFFECTIVE DATE. The amendment made to paragraph (c), clause (1), item (ii), is
136.7 effective July 1, 2027, or upon federal approval, whichever is later.

136.8 Sec. 38. Minnesota Statutes 2025 Supplement, section 256L.03, subdivision 5, is amended
136.9 to read:

136.10 Subd. 5. **Cost-sharing.** (a) Co-payments, coinsurance, and deductibles do not apply to
136.11 children under the age of 21 and to American Indians as defined in Code of Federal
136.12 Regulations, title 42, section 600.5.

136.13 (b) The commissioner must adjust co-payments, coinsurance, and deductibles for covered
136.14 services in a manner sufficient to maintain the actuarial value of the benefit to 94 percent.
136.15 The cost-sharing changes described in this paragraph do not apply to eligible recipients or
136.16 services exempt from cost-sharing under state law. The cost-sharing changes described in
136.17 this paragraph shall not be implemented prior to January 1, 2016.

136.18 (c) The cost-sharing changes authorized under paragraph (b) must satisfy the requirements
136.19 for cost-sharing under the Basic Health Program as set forth in Code of Federal Regulations,
136.20 title 42, sections 600.510 and 600.520.

136.21 (d) Cost-sharing for prescription drugs and related medical supplies to treat chronic
136.22 disease must comply with the requirements of section 62Q.481.

136.23 (e) Co-payments, coinsurance, and deductibles do not apply to additional diagnostic
136.24 services or testing that a health care provider determines an enrollee requires after a
136.25 mammogram, as specified under section 62A.30, subdivision 5.

136.26 (f) Cost-sharing must not apply to drugs used for tobacco and nicotine cessation or to
136.27 tobacco and nicotine cessation services covered under section 256B.0625, subdivision 68.

136.28 (g) Co-payments, coinsurance, and deductibles do not apply to pre-exposure prophylaxis
136.29 (PrEP) and postexposure prophylaxis (PEP) medications when used for the prevention or
136.30 treatment of the human immunodeficiency virus (HIV).

137.1 (h) Co-payments, coinsurance, and deductibles do not apply to mobile crisis intervention,
137.2 crisis stabilization provided in a community setting, or crisis assessment as defined in section
137.3 256B.0624, subdivision 2.

137.4 Sec. 39. **DIRECTION TO COMMISSIONER; CERTIFIED COMMUNITY**
137.5 **BEHAVIORAL HEALTH CLINIC REBASING.**

137.6 Notwithstanding Minnesota Statutes, section 256B.0625, subdivision 5m, paragraph (c),
137.7 clause (4), for certified community behavioral health clinics certified on or after January 1,
137.8 2021, and before January 1, 2022, the commissioner of human services must rebase rates
137.9 for purposes of Minnesota Statutes, section 256B.0625, subdivision 5m, paragraph (c),
137.10 clause (4), for services provided on or after January 1, 2026.

137.11 Sec. 40. **REPEALER.**

137.12 (a) Minnesota Statutes 2024, section 256B.0759, subdivisions 2 and 5, are repealed.

137.13 (b) Minnesota Statutes 2025 Supplement, section 254B.052, subdivision 6, is repealed.

137.14 **ARTICLE 6**

137.15 **DEPARTMENT OF HUMAN SERVICES HOUSING AND SUPPORT SERVICES**

137.16 Section 1. Minnesota Statutes 2024, section 245.991, subdivision 3, is amended to read:

137.17 Subd. 3. **Allowable grant activities.** Grantees must provide homeless outreach and case
137.18 management services. Projects may provide clinical assessment, habilitation and rehabilitation
137.19 services, community mental health services, substance use disorder treatment, housing
137.20 transition and sustaining services, or direct assistance funding. Services must be provided
137.21 to individuals with a serious mental illness, substance use disorder, or ~~with a~~ co-occurring
137.22 substance use disorder; and who are homeless or at imminent risk of homelessness.
137.23 Individuals receiving homeless outreach services may be presumed eligible until a serious
137.24 mental illness can be verified.

137.25 **EFFECTIVE DATE.** This section is effective July 1, 2026.

137.26 Sec. 2. Minnesota Statutes 2024, section 245.992, subdivision 1, is amended to read:

137.27 Subdivision 1. **Establishment.** The commissioner of human services must establish a
137.28 housing with support for adults with serious mental illness program to prevent or end
137.29 homelessness for people with serious mental illness, substance use disorder, or co-occurring
137.30 substance use disorder; to increase the availability of housing with support; and to ensure

138.1 the commissioner may achieve the goals of the housing mission statement in section 245.461,
138.2 subdivision 4.

138.3 **EFFECTIVE DATE.** This section is effective July 1, 2026.

138.4 Sec. 3. Minnesota Statutes 2024, section 245.992, subdivision 2, is amended to read:

138.5 Subd. 2. **Eligible beneficiaries.** Program activities must be provided to people with a
138.6 serious mental illness, substance use disorder, or ~~with~~ a co-occurring substance use disorder,
138.7 who meet homeless criteria determined by the commissioner.

138.8 **EFFECTIVE DATE.** This section is effective July 1, 2026.

138.9 Sec. 4. Minnesota Statutes 2024, section 256D.54, subdivision 1, is amended to read:

138.10 Subdivision 1. **Potential eligibility.** An applicant or recipient who is otherwise eligible
138.11 for supplemental aid and who is potentially eligible for maintenance benefits from any other
138.12 source ~~shall~~ must (1) apply for those benefits within ~~30~~ 90 days of the county's determination
138.13 of potential eligibility for those benefits; and (2) execute an interim assistance authorization
138.14 agreement on a form as directed by the commissioner.

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

138.16 **ARTICLE 7**

138.17 **MALTREATMENT OF VULNERABLE ADULTS**

138.18 Section 1. Minnesota Statutes 2024, section 144.6512, subdivision 6, is amended to read:

138.19 Subd. 6. **Other laws.** Nothing in this section affects the rights and remedies available
138.20 under section 626.557, subdivisions ~~10~~ 11b to 11j, 17, and 20.

138.21 Sec. 2. Minnesota Statutes 2024, section 144A.161, subdivision 8, is amended to read:

138.22 Subd. 8. **Responsibilities of county social services agency.** (a) The county social
138.23 services agency shall participate in the meeting as outlined in subdivision 3, paragraph (b),
138.24 to develop a relocation plan.

138.25 (b) The county social services agency shall designate a representative to the
138.26 interdisciplinary team established by the licensee responsible for coordinating the relocation
138.27 efforts.

138.28 (c) The county social services agency shall serve as a resource in the relocation process.

139.1 (d) Concurrent with the notice sent to residents from the licensee as provided in
139.2 subdivision 5a, the county social services agency shall provide written notice to residents
139.3 and responsible parties describing:

139.4 (1) the county's role in the relocation process and in the follow-up to relocations;

139.5 (2) the county social services agency contact information; and

139.6 (3) the contact information for the Office of Ombudsman for Long-Term Care and the
139.7 Office of Ombudsman for Mental Health and Developmental Disabilities.

139.8 (e) The county social services agency designee shall meet with appropriate facility staff
139.9 to coordinate any assistance in the relocation process. This coordination shall include
139.10 participating in group meetings with residents, families, and responsible parties to explain
139.11 the relocation process.

139.12 (f) Beginning from the initial notice given in subdivision 2, the county social services
139.13 agency shall monitor compliance with all components of this section and the plan developed
139.14 under subdivision 3, paragraph (b). If the licensee is not in compliance, the county social
139.15 services agency shall notify the commissioner of the Department of Health and the
139.16 commissioner of the Department of Human Services.

139.17 (g) Except as requested by the resident or responsible party and within the parameters
139.18 of the Vulnerable Adults Act, the county social services agency, in coordination with the
139.19 commissioner of health and the commissioner of human services, may halt a relocation that
139.20 it deems inappropriate or dangerous to the health or safety of a resident. In situations where
139.21 a resident relocation is halted, the county social services agency must notify the resident,
139.22 family, responsible parties, Office of the Ombudsman for Long-Term Care and Office of
139.23 the Ombudsman for Mental Health and Developmental Disabilities, and resident's managed
139.24 care organization, of this action. The county social services agency shall pursue remedies
139.25 to protect the resident during the relocation process, including, but not limited to, assisting
139.26 the resident with filing an appeal of transfer or discharge, notification of all appropriate
139.27 licensing boards and agencies, and other remedies available to the county under section
139.28 626.557, ~~subdivision 10~~ subdivisions 11b to 11j.

139.29 (h) A member of the county social services agency staff shall follow up with relocated
139.30 residents within 30 days after the relocation. This requirement does not apply to changes
139.31 in operation where the facility moved to a new location and residents chose to move to that
139.32 new location. The requirement also does not apply to residents admitted after the notice in
139.33 subdivision 5a is given and discharged prior to the actual change in facility operations or
139.34 reduction. County social services agency staff shall interview the resident or responsible

140.1 party and review and discuss pertinent medical or social records with appropriate facility
140.2 staff to:

140.3 (1) assess the adjustment of the resident to the new placement;

140.4 (2) recommend services or methods to meet any special needs of the resident; and

140.5 (3) identify residents at risk.

140.6 (i) The county social services agency shall conduct subsequent follow-up visits on site
140.7 in cases where the adjustment of the resident to the new placement is in question.

140.8 (j) Within 60 days of the completion of the follow up under paragraphs (h) and (i), the
140.9 county social services agency shall submit a written summary of the follow-up work to the
140.10 Department of Health and the Department of Human Services in a manner approved by the
140.11 commissioners.

140.12 (k) The county social services agency shall submit to the Department of Health and the
140.13 Department of Human Services a report of any issues that may require further review or
140.14 monitoring.

140.15 (l) The county social services agency shall be responsible for the safe and orderly
140.16 relocation of residents in cases where an emergent need arises or when the licensee has
140.17 abrogated its responsibilities under the plan.

140.18 Sec. 3. Minnesota Statutes 2024, section 144G.92, subdivision 5, is amended to read:

140.19 Subd. 5. **Other laws.** Nothing in this section affects the rights and remedies available
140.20 under section 626.557, subdivisions ~~10~~ 11b to 11j, 17, and 20.

140.21 Sec. 4. Minnesota Statutes 2024, section 152.137, subdivision 6, is amended to read:

140.22 Subd. 6. **Reporting maltreatment of vulnerable adult.** (a) A peace officer shall make
140.23 a report of suspected maltreatment of a vulnerable adult if the vulnerable adult is present
140.24 in an area where any of the activities described in subdivision 2, paragraph (a), clauses (1)
140.25 to (4), are taking place, and the peace officer has reason to believe the vulnerable adult
140.26 inhaled, was exposed to, had contact with, or ingested methamphetamine, a chemical
140.27 substance, or methamphetamine paraphernalia. The peace officer shall immediately report
140.28 to the county common entry point as described in section 626.557, subdivision 9b.

140.29 (b) As required in section 626.557, subdivision 9b, law enforcement is the primary
140.30 agency to conduct investigations of any incident when there is reason to believe a crime
140.31 has been committed. Law enforcement shall initiate a response immediately. If the common

141.1 entry point notified a county agency for adult protective services, law enforcement shall
141.2 cooperate with that county agency when both agencies are involved and shall exchange data
141.3 to the extent authorized in section 626.557, subdivision 12b, paragraph (g). County adult
141.4 protection shall initiate a response immediately.

141.5 (c) The county social services agency shall immediately respond as required in section
141.6 626.557, ~~subdivision 10~~ subdivisions 11b to 11j, upon receipt of a report from the common
141.7 entry point staff.

141.8 Sec. 5. Minnesota Statutes 2025 Supplement, section 524.5-311, is amended to read:

141.9 **524.5-311 EMERGENCY GUARDIAN.**

141.10 (a) If the court finds that compliance with the procedures of this article will likely result
141.11 in substantial harm to the respondent's health, safety, or welfare, and that no other person
141.12 appears to have authority and willingness to act in the circumstances, the court, on petition
141.13 by a person interested in the respondent's welfare, may appoint an emergency guardian
141.14 whose authority may not exceed 60 days and who may exercise only the powers specified
141.15 in the order. A county that is acting under section 626.557, ~~subdivision 10~~ subdivisions 11h
141.16 and 11i, by petitioning for appointment of an emergency guardian on behalf of a vulnerable
141.17 adult may be granted authority to act for a period not to exceed 90 days. An emergency
141.18 guardian's appointment under this section may only be extended once for a period not to
141.19 exceed 60 days if the court finds good cause for the continuation of the guardianship.
141.20 Immediately upon receipt of the petition for an emergency guardianship, the court shall
141.21 appoint a lawyer to represent the respondent in the proceeding. Except as otherwise provided
141.22 in paragraph (b), reasonable notice of the time and place of a hearing on the petition must
141.23 be given to the respondent; interested parties, if known; and any other persons as the court
141.24 directs.

141.25 (b) An emergency guardian may be appointed without notice to the respondent and the
141.26 respondent's lawyer only if the court finds from affidavit or other sworn testimony that the
141.27 respondent will be substantially harmed before a hearing on the appointment can be held
141.28 and the petitioner made good faith efforts to provide notice to the respondent or the
141.29 respondent's lawyer. If the court appoints an emergency guardian without notice to the
141.30 respondent, the respondent must be given notice of the appointment within 48 hours after
141.31 the appointment. The court shall hold a hearing on the appropriateness of the appointment
141.32 within five days after the appointment.

141.33 (c) Appointment of an emergency guardian, with or without notice, is not a determination
141.34 of the respondent's incapacity.

142.1 (d) The court may remove an emergency guardian at any time. An emergency guardian
142.2 shall make any report the court requires. In other respects, the provisions of this article
142.3 concerning guardians apply to an emergency guardian.

142.4 (e) Any documents or information disclosing or pertaining to health or financial
142.5 information shall be filed as confidential documents, consistent with the bill of particulars
142.6 under section 524.5-121.

142.7 (f) The mere fact that the respondent is a patient in a hospital or a resident of a facility
142.8 is not in and of itself sufficient evidence to support a risk of substantial harm to the
142.9 respondent's health, safety, or welfare.

142.10 Sec. 6. Minnesota Statutes 2024, section 524.5-409, subdivision 2, is amended to read:

142.11 Subd. 2. **Emergency and temporary conservator.** (a) If the court finds that compliance
142.12 with the procedures of this article will likely result in the immediate loss, waste, or dissipation
142.13 of the individual's assets or income unless management is provided, or money is needed for
142.14 the support, care, education, health, and welfare of the individual or of individuals who are
142.15 entitled to the individual's support and that protection is necessary or desirable to obtain or
142.16 provide money, and that no other person appears to have authority and willingness to act
142.17 in the circumstances, the court, on petition by a person interested in the respondent's welfare,
142.18 may appoint an emergency conservator whose authority may not exceed 60 days and who
142.19 may exercise only the powers specified in the order. A county that is acting under section
142.20 626.557, ~~subdivision 10~~ subdivisions 11h and 11i, by petitioning for appointment of an
142.21 emergency conservator on behalf of a vulnerable adult may be granted authority to act for
142.22 a period not to exceed 90 days. An emergency conservator's appointment under this section
142.23 may be extended once for a period not to exceed 60 days if the court finds good cause for
142.24 the continuation of the conservatorship. Immediately upon receipt of the petition for an
142.25 emergency conservatorship, the court shall appoint a lawyer to represent the respondent in
142.26 the proceeding. Except as otherwise provided in paragraph (b), reasonable notice of the
142.27 time and place of a hearing on the petition must be given to the respondent and any other
142.28 persons as the court directs.

142.29 (b) An emergency conservator may be appointed without notice to the respondent and
142.30 the respondent's lawyer only if the court finds from affidavit or other sworn testimony that
142.31 the respondent will be substantially harmed before a hearing on the appointment can be
142.32 held. If the court appoints an emergency conservator without notice to the respondent, the
142.33 respondent must be given notice of the appointment within 48 hours after the appointment.

143.1 The court shall hold a hearing on the appropriateness of the appointment within five days
143.2 after the appointment.

143.3 (c) Appointment of an emergency conservator, with or without notice, is not a
143.4 determination of the respondent's incapacity.

143.5 (d) The court may remove an emergency conservator at any time. An emergency
143.6 conservator shall make any report the court requires. In other respects, the provisions of
143.7 this article concerning conservators apply to an emergency conservator.

143.8 (e) If the court finds that a conservator is not effectively performing the conservator's
143.9 duties and that the security and preservation of the assets of the person subject to
143.10 conservatorship requires immediate action, the court may appoint a temporary substitute
143.11 conservator for the person subject to conservatorship for a specified period not exceeding
143.12 six months. Except as otherwise ordered by the court, a temporary substitute conservator
143.13 so appointed has the powers set forth in the previous order of appointment. The authority
143.14 of any unlimited or limited conservator previously appointed by the court is suspended as
143.15 long as a temporary substitute conservator has authority. If an appointment is made without
143.16 previous notice to the person subject to conservatorship or the affected conservator within
143.17 five days after the appointment, the court shall inform the person subject to conservatorship
143.18 or conservator of the appointment.

143.19 (f) The court may remove a temporary substitute conservator at any time. A temporary
143.20 substitute conservator shall make any report the court requires. In other respects, the
143.21 provisions of this article concerning conservators apply to a temporary substitute conservator.

143.22 (g) Any documents or information disclosing or pertaining to health or financial
143.23 information shall be filed as confidential documents, consistent with the bill of particulars
143.24 under section 524.5-121.

143.25 Sec. 7. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision to
143.26 read:

143.27 Subd. 1a. **Adult protective services.** The Department of Human Services is the state
143.28 agency responsible for supervision of adult protective services administered by county social
143.29 services agencies.

144.1 Sec. 8. Minnesota Statutes 2024, section 626.557, subdivision 9, is amended to read:

144.2 Subd. 9. **Common entry point designation.** (a) The commissioner of human services
144.3 shall establish a common entry point. The common entry point is the unit responsible for
144.4 receiving the report of suspected maltreatment under this section.

144.5 (b) The common entry point must be available 24 hours per day to ~~take calls~~ accept
144.6 reports from reporters of suspected maltreatment and make required referrals for suspected
144.7 maltreatment of a vulnerable adult. The common entry point shall use a standard intake
144.8 form that includes:

144.9 (1) the time and date of the report;

144.10 (2) the name, relationship, and identifying and contact information for the person believed
144.11 to be a vulnerable adult and the individual or facility alleged responsible for maltreatment;

144.12 (3) the name, relationship, and contact information for the:

144.13 (i) reporter;

144.14 (ii) initial reporter, witnesses, and persons who may have knowledge about the
144.15 maltreatment; and

144.16 (iii) legal surrogate and persons who may provide support to the vulnerable adult;

144.17 (4) the basis of vulnerability for the vulnerable adult;

144.18 (5) the time, date, and location of the incident;

144.19 (6) the immediate safety risk to the vulnerable adult;

144.20 (7) a description of the suspected maltreatment;

144.21 (8) the impact of the suspected maltreatment on the vulnerable adult;

144.22 (9) whether a facility was involved and, if so, which agency licenses the facility;

144.23 (10) the actions taken to protect the vulnerable adult;

144.24 (11) the required notifications and referrals made by the common entry point; and

144.25 (12) whether the reporter wishes to receive notification of the disposition.

144.26 (c) The common entry point is not required to complete each item on the form prior to
144.27 dispatching the report to the appropriate lead investigative agency.

144.28 (d) The common entry point shall immediately report to a law enforcement agency any
144.29 incident in which there is reason to believe a crime has been committed.

145.1 (e) If a report is initially made to a law enforcement agency or a lead investigative agency,
145.2 those agencies shall take the report on the appropriate common entry point intake forms
145.3 and immediately forward a copy to the common entry point.

145.4 (f) The common entry point staff must receive training on how to screen and dispatch
145.5 reports efficiently and in accordance with this section.

145.6 (g) The commissioner of human services shall maintain a centralized database for the
145.7 collection of common entry point data, lead investigative agency data including maltreatment
145.8 report disposition, and appeals data. The common entry point shall have access to the
145.9 centralized database and must log the reports into the database.

145.10 (h) When appropriate, the common entry point staff must refer calls that do not allege
145.11 the abuse, neglect, or exploitation of a vulnerable adult to other organizations that might
145.12 resolve the reporter's concerns.

145.13 (i) A common entry point must be operated in a manner that enables the commissioner
145.14 of human services to:

145.15 (1) track critical steps in the reporting, evaluation, referral, response, disposition, and
145.16 investigative process to ensure compliance with all requirements for all reports;

145.17 (2) maintain data to facilitate the production of aggregate statistical reports for monitoring
145.18 patterns of abuse, neglect, or exploitation;

145.19 (3) serve as a resource for the evaluation, management, and planning of preventative
145.20 and remedial services for vulnerable adults who have been subject to abuse, neglect, or
145.21 exploitation;

145.22 (4) set standards, priorities, and policies to maximize the efficiency and effectiveness
145.23 of the common entry point; and

145.24 (5) track and manage consumer complaints related to the common entry point.

145.25 (j) The commissioners of human services and health shall collaborate on the creation of
145.26 a system for referring reports to the lead investigative agencies. This system shall enable
145.27 the commissioner of human services to track critical steps in the reporting, evaluation,
145.28 referral, response, disposition, investigation, notification, determination, and appeal processes.

145.29 Sec. 9. Minnesota Statutes 2024, section 626.557, subdivision 9a, is amended to read:

145.30 Subd. 9a. **Evaluation and referral of reports made to common entry point.** (a) The
145.31 common entry point must screen the reports of alleged or suspected maltreatment for

146.1 immediate risk and make all necessary referrals ~~as follows~~ using the referral guidelines
146.2 established by the commissioner and the following:

146.3 (1) if the common entry point determines that there is an immediate need for emergency
146.4 adult protective services, the common entry point agency shall immediately notify the
146.5 appropriate county agency;

146.6 (2) if the report contains suspected criminal activity against a vulnerable adult, the
146.7 common entry point shall immediately notify the appropriate law enforcement agency;

146.8 (3) the common entry point shall refer all reports of alleged or suspected maltreatment
146.9 to the appropriate lead investigative agency as soon as possible, but in any event no longer
146.10 than two working days;

146.11 (4) if the report contains information about a suspicious death, the common entry point
146.12 shall immediately notify the appropriate law enforcement agencies, the local medical
146.13 examiner, and the ombudsman for mental health and developmental disabilities established
146.14 under section 245.92. Law enforcement agencies shall coordinate with the local medical
146.15 examiner and the ombudsman as provided by law; and

146.16 (5) for reports involving multiple locations or changing circumstances, the common
146.17 entry point shall determine the county agency responsible for emergency adult protective
146.18 services and the county responsible as the lead investigative agency, ~~using referral guidelines~~
146.19 ~~established by the commissioner.~~

146.20 (b) If the lead investigative agency receiving a report believes the report was referred
146.21 by the common entry point in error, the lead investigative agency shall immediately notify
146.22 the common entry point of the error, including the basis for the lead investigative agency's
146.23 belief that the referral was made in error. The common entry point shall review the
146.24 information submitted by the lead investigative agency and immediately refer the report to
146.25 the appropriate lead investigative agency using the referral guidelines established by the
146.26 commissioner.

146.27 Sec. 10. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
146.28 to read:

146.29 Subd. 11b. County social services agency; responsibilities. The county social services
146.30 agency is responsible for supervision of:

146.31 (1) intake decisions for initial disposition of the report;

- 147.1 (2) agency prioritization used to screen out an adult meeting eligibility for adult protective
147.2 services as vulnerable and maltreated;
- 147.3 (3) safety, assessment, and services plans;
- 147.4 (4) protective service interventions;
- 147.5 (5) use of guardianship and other involuntary interventions;
- 147.6 (6) final determination for maltreatment; and
- 147.7 (7) case closure decisions.

147.8 Sec. 11. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
147.9 to read:

147.10 Subd. 11c. **County social services agency; referrals.** (a) When the common entry point
147.11 refers a report to the county social services agency as the lead investigative agency or makes
147.12 a referral to the county social services agency for emergency adult protective services, or
147.13 when another lead investigative agency requests adult protective services from the county
147.14 social services agency for an adult referred to that lead investigative agency by the common
147.15 entry point, the county social services agency must use the data report system and
147.16 standardized decision and assessment tools provided by the commissioner of human services.
147.17 The information entered by the county social services agency into the data system and
147.18 standardized tools must be accessible to the Department of Human Services for the
147.19 department to meet federal requirements, evaluate consistent application of policy, review
147.20 quality of services and outcomes for adults, and meet requirements for background studies
147.21 and disqualification of individuals determined responsible for vulnerable adult maltreatment
147.22 under chapter 245C.

147.23 (b) The county social services agency must screen the report using the standardized tools
147.24 provided by the commissioner to determine:

147.25 (1) whether the referred adult meets adult protective services eligibility as potentially
147.26 vulnerable and maltreated under this section; and

147.27 (2) the response time required to initiate adult protective services.

147.28 (c) For reports referred by the common entry point for emergency adult protective
147.29 services, the county social services agency must immediately screen the report to determine
147.30 whether the adult should be accepted for emergency adult protective services. If the adult
147.31 is accepted for emergency adult protective services, the county social services agency must
147.32 immediately offer protective services to prevent further maltreatment and safeguard the

148.1 welfare of the vulnerable adult. Assessment of adults accepted by the county social services
148.2 agency for emergency protective services must be conducted in person by the agency or a
148.3 designee within 24 hours of the agency receiving the referral. When sexual or physical
148.4 abuse is suspected, the county social services agency must immediately arrange for and
148.5 make available to the vulnerable adult appropriate medical examination and services.

148.6 (d) For reports referred by the common entry point to the county as lead investigative
148.7 agency, the county social services agency must screen the report and make an initial
148.8 determination within seven calendar days following receipt of the report from the common
148.9 entry point on whether the adult should be accepted for adult protective services.

148.10 (e) For referrals made for adult protective services by the Department of Human Services
148.11 or the Department of Health in the applicable department's role as the lead investigative
148.12 agency responsible for reports made under this section, the county social services agency
148.13 must screen the report and determine within seven calendar days following receipt of referral
148.14 whether the adult should be accepted for adult protective services.

148.15 (f) If an adult meets eligibility requirements but is not accepted for adult protective
148.16 services based on local agency prioritization, the agency must document the reason for the
148.17 screening decision in the standardized tool provided by the commissioner.

148.18 Sec. 12. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
148.19 to read:

148.20 Subd. 11d. **County social services agency; assessments.** (a) For adults accepted into
148.21 adult protective services, the county social services agency must decide, prior to initiation
148.22 of assessment activities, if the agency must also conduct an investigation for final disposition
148.23 for responsibility of maltreatment in addition to the assessment for adult protective services.

148.24 (b) The county social services agency must conduct assessments concurrently with
148.25 investigations when the county is the lead investigative agency.

148.26 (c) The county social services agency must conduct an assessment to initiate adult
148.27 protective services:

148.28 (1) within 24 hours of accepting a referral for emergency protective services;

148.29 (2) within 24 hours of making an initial disposition that the adult is in immediate need
148.30 of protection; or

148.31 (3) within 72 hours but in no instance later than seven calendar days from the first
148.32 business day after receiving the report for adults accepted for adult protective services.

149.1 (d) The county social services agency must use the standardized decision, assessment,
149.2 and service planning tools provided by the commissioner with all vulnerable adults accepted
149.3 for adult protective services. The county social services agency must involve the vulnerable
149.4 adult in the assessment and service plan. The county social services agency must document
149.5 and update assessment and service plans consistent with significant changes in the vulnerable
149.6 adult's health and safety.

149.7 (e) The county social services agency must notify the vulnerable adult and, if applicable,
149.8 the guardian or health care agent of the vulnerable adult of the results of the assessment and
149.9 service plan, including but not limited to recommendations for protective services intervention
149.10 to stop or prevent maltreatment and to protect the vulnerable adult's health, safety, and
149.11 comfort. When necessary to prevent further maltreatment or safeguard the vulnerable adult,
149.12 the county social services agency may share the results of the assessment with the vulnerable
149.13 adult's primary supports.

149.14 Sec. 13. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
149.15 to read:

149.16 Subd. 11e. **County social services agency; investigations.** (a) The county social services
149.17 agency must investigate for a final disposition of responsibility for maltreatment for an
149.18 allegation of:

149.19 (1) abuse;

149.20 (2) financial exploitation by a fiduciary;

149.21 (3) financial exploitation involving a nonfiduciary that may be criminal or that involved
149.22 force, coercion, harassment, deception, fraud, undue influence, or a scam;

149.23 (4) financial exploitation that involved another type of maltreatment;

149.24 (5) caregiver neglect by a paid caregiver or personal care assistance provider under
149.25 chapter 256B;

149.26 (6) caregiver neglect by an unpaid caregiver that resulted in intentional harm to the
149.27 vulnerable adult or involved another type of maltreatment; and

149.28 (7) a situation for which the county social services agency finds that a determination of
149.29 responsibility of maltreatment may safeguard a vulnerable adult or prevent further
149.30 maltreatment.

150.1 (b) The county social services agency must conduct an investigation for final disposition
150.2 of responsibility for maltreatment if the agency receives information during an assessment
150.3 that indicates the presence of any scenario listed in paragraph (a) or subdivision 11f.

150.4 Sec. 14. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
150.5 to read:

150.6 Subd. 11f. **County social services agency; self-neglect.** (a) The county social services
150.7 agency may determine that an allegation that does not result in a determination of
150.8 responsibility for maltreatment is:

150.9 (1) self-neglect;

150.10 (2) neglect by an unpaid caregiver that did not result in intentional harm to the vulnerable
150.11 adult and did not involve another type of alleged maltreatment; or

150.12 (3) financial exploitation by a nonfiduciary that is consistent with the choice of the adult
150.13 and not criminal or involving force, coercion, harassment, deception, fraud, undue influence,
150.14 a scam, or another type of alleged maltreatment.

150.15 (b) An allegation of self-neglect is a substantiated determination if the county social
150.16 services agency determines that adult protective services are needed.

150.17 Sec. 15. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
150.18 to read:

150.19 Subd. 11g. **County social services agency; initial contact.** (a) At the initial contact
150.20 with the vulnerable adult accepted by the county social services agency, the agency must
150.21 provide the vulnerable adult with information about the process for adult protective services
150.22 and the vulnerable adult's rights as an adult protective client.

150.23 (b) At initial contact, the county social services agency must inform the individual or
150.24 entity alleged responsible for maltreatment of the allegation in a manner consistent with
150.25 requirements under this section to protect the identity of the reporter. The interview with
150.26 the individual or entity alleged responsible for maltreatment may be postponed at the request
150.27 of a law enforcement agency or if the interview may endanger the safety of the vulnerable
150.28 adult.

151.1 Sec. 16. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
151.2 to read:

151.3 Subd. 11h. **County social services agency; agency authority.** (a) A county social
151.4 services agency may enter all facilities and business premises of a licensed provider to
151.5 inspect and copy records as part of an adult protective services assessment or investigation.
151.6 The licensed provider must provide the county social services agency access to not public
151.7 data as defined in section 13.02, subdivision 8a, and medical records under sections 144.291
151.8 to 144.298 that are maintained at the facilities and business premises to the extent that the
151.9 data and records are necessary to conduct the agency's investigation. The licensed provider
151.10 must provide the county social services agency access to all available sources of information
151.11 at the facilities and business premises, not only written records.

151.12 (b) When necessary in order to protect a vulnerable adult from serious harm from
151.13 maltreatment, the county social services agency may seek any of the following protective
151.14 services interventions:

151.15 (1) emergency protective services;

151.16 (2) participation of law enforcement or emergency medical services;

151.17 (3) authority from a court to remove an adult from the situation in which maltreatment
151.18 occurred;

151.19 (4) a restraining order or court order for removal of the perpetrator from the residence
151.20 of the vulnerable adult pursuant to section 518B.01;

151.21 (5) a referral for a financial transaction hold under chapter 45A or a protective
151.22 arrangement under this chapter or chapter 524;

151.23 (6) a referral for a representative payee;

151.24 (7) a referral to the prosecuting attorney for possible criminal prosecution of the
151.25 perpetrator under chapter 609;

151.26 (8) the appointment or replacement of a guardian or conservator pursuant to sections
151.27 524.5-101 to 524.5-502, or guardianship or conservatorship pursuant to chapter 252A when
151.28 maltreatment has been substantiated and when less restrictive interventions are not sufficient
151.29 to stop or reduce the risk of serious harm from maltreatment; and

151.30 (9) other interventions recommended by a multidisciplinary team under this section.

151.31 (c) The county social services agency may seek the protective services interventions
151.32 under paragraph (b) regardless of the vulnerable adult's voluntary or involuntary participation.

152.1 (d) The county social services agency may offer voluntary service interventions to
152.2 support the vulnerable adult or primary supports to stop, reduce the risk for, or prevent
152.3 subsequent maltreatment.

152.4 Sec. 17. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
152.5 to read:

152.6 Subd. 11i. **County social services agency; legal intervention.** (a) In proceedings under
152.7 sections 524.5-101 to 524.5-502, if a suitable relative or other person is not available to
152.8 petition for guardianship or conservatorship, a county employee must present the petition
152.9 with representation by the county attorney. The county must contract with or arrange for a
152.10 suitable person or organization to provide ongoing guardianship services. If the county
152.11 presents evidence to the court exercising probate jurisdiction that the county has made
152.12 diligent effort and no other suitable person can be found, a county employee may serve as
152.13 guardian or conservator.

152.14 (b) The county must not retaliate against the employee for any action taken on behalf
152.15 of the person subject to guardianship or conservatorship, even if the action is adverse to the
152.16 county's interests. Any person retaliated against in violation of this subdivision shall have
152.17 a cause of action against the county and is entitled to reasonable attorney fees and costs of
152.18 the action if the action is upheld by the court.

152.19 (c) The expenses of a legal intervention must be paid by the county in the case of indigent
152.20 persons under section 524.5-502 and chapter 563.

152.21 Sec. 18. Minnesota Statutes 2024, section 626.557, is amended by adding a subdivision
152.22 to read:

152.23 Subd. 11j. **County social services agency; conflict of interest.** (a) A county that
152.24 identifies a potential conflict of interest under paragraph (c) related to an investigation,
152.25 assessment, or protective services intervention must coordinate with another county social
152.26 services agency to delegate the initial county's authority as the lead investigative agency to
152.27 remediate the potential conflict.

152.28 (b) The initial county must notify the commissioner of human services when no other
152.29 county is available to accept delegation of adult protective services duties. If the
152.30 commissioner is notified that no other county is available, the commissioner may use the
152.31 authority under subdivision 9a to determine the county social services agency responsible
152.32 as lead investigative agency and for adult protective services.

- 153.1 (c) A county social services agency employee or designee must not have:
- 153.2 (1) a personal or family relationship with a party in the investigation or assessment;
- 153.3 (2) a dual relationship, as defined in Code of Federal Regulations, title 45, section
- 153.4 1324.401, with the vulnerable adult;
- 153.5 (3) a personal financial interest or financial relationship with a provider receiving referrals
- 153.6 from the employee; or
- 153.7 (4) any other appearance of conflict of interest as determined by the county social services
- 153.8 agency.

153.9 Sec. 19. Minnesota Statutes 2024, section 626.557, subdivision 12b, is amended to read:

153.10 Subd. 12b. **Data management.** (a) In performing any of the duties of this section as a

153.11 lead investigative agency, the county social ~~service~~ services agency shall maintain appropriate

153.12 records. Data collected by the county social ~~service~~ services agency under this section while

153.13 providing adult protective services are welfare data under section 13.46. Investigative data

153.14 collected under this section are confidential data on individuals or protected nonpublic data

153.15 as defined under section 13.02. Notwithstanding section 13.46, subdivision 1, paragraph

153.16 (a), data under this paragraph that are inactive investigative data on an individual who is a

153.17 vendor of services are private data on individuals, as defined in section 13.02. The identity

153.18 of the reporter may only be disclosed as provided in paragraph (c).

153.19 Data maintained by the common entry point are confidential data on individuals or

153.20 protected nonpublic data as defined in section 13.02. Notwithstanding section 138.163, the

153.21 common entry point shall maintain data for three calendar years after date of receipt and

153.22 then destroy the data unless otherwise directed by federal requirements.

153.23 (b) The commissioners of health and human services shall prepare an investigation

153.24 memorandum for each report alleging maltreatment investigated under this section. County

153.25 social ~~service~~ services agencies must maintain private data on individuals but are not required

153.26 to prepare an investigation memorandum. During an investigation by the commissioner of

153.27 health or the commissioner of human services, data collected under this section are

153.28 confidential data on individuals or protected nonpublic data as defined in section 13.02.

153.29 Upon completion of the investigation, the data are classified as provided in clauses (1) to

153.30 (3) and paragraph (c).

153.31 (1) The investigation memorandum must contain the following data, which are public:

153.32 (i) the name of the facility investigated;

- 154.1 (ii) a statement of the nature of the alleged maltreatment;
- 154.2 (iii) pertinent information obtained from medical or other records reviewed;
- 154.3 (iv) the identity of the investigator;
- 154.4 (v) a summary of the investigation's findings;
- 154.5 (vi) statement of whether the report was found to be substantiated, inconclusive, false,
- 154.6 or that no determination will be made;
- 154.7 (vii) a statement of any action taken by the facility;
- 154.8 (viii) a statement of any action taken by the lead investigative agency; and
- 154.9 (ix) when a lead investigative agency's determination has substantiated maltreatment, a
- 154.10 statement of whether an individual, individuals, or a facility were responsible for the
- 154.11 substantiated maltreatment, if known.

154.12 The investigation memorandum must be written in a manner which protects the identity
154.13 of the reporter and of the vulnerable adult and may not contain the names or, to the extent
154.14 possible, data on individuals or private data listed in clause (2).

154.15 (2) Data on individuals collected and maintained in the investigation memorandum are
154.16 private data, including:

- 154.17 (i) the name of the vulnerable adult;
- 154.18 (ii) the identity of the individual alleged to be the perpetrator;
- 154.19 (iii) the identity of the individual substantiated as the perpetrator; and
- 154.20 (iv) the identity of all individuals interviewed as part of the investigation.

154.21 (3) Other data on individuals maintained as part of an investigation under this section
154.22 are private data on individuals upon completion of the investigation.

154.23 (c) The name of the reporter must be confidential. The subject of the report may compel
154.24 disclosure of the name of the reporter only with the consent of the reporter or upon a written
154.25 finding by a court that the report was false and there is evidence that the report was made
154.26 in bad faith. This subdivision does not alter disclosure responsibilities or obligations under
154.27 the Rules of Criminal Procedure, except that where the identity of the reporter is relevant
154.28 to a criminal prosecution, the district court shall do an in-camera review prior to determining
154.29 whether to order disclosure of the identity of the reporter.

154.30 (d) Notwithstanding section 138.163, data maintained under this section by the
154.31 commissioners of health and human services and county adult protective services must be

155.1 maintained under the following schedule and then destroyed unless otherwise directed by
155.2 federal requirements:

155.3 (1) data from reports determined to be false, maintained for three years after the finding
155.4 was made for reports under the jurisdiction of the Department of Human Services or the
155.5 Department of Health and five years after the finding was made for reports under the
155.6 jurisdiction of county adult protective services;

155.7 (2) data from reports determined to be inconclusive, maintained for four years after the
155.8 finding was made for reports under the jurisdiction of the Department of Human Services
155.9 or the Department of Health and five years after the finding was made for reports under the
155.10 jurisdiction of county adult protective services;

155.11 (3) data from reports determined to be substantiated, maintained for seven years after
155.12 the finding was made; and

155.13 (4) data from reports which were not investigated by a lead investigative agency and for
155.14 which there is no final disposition, maintained for three years from the date of the report
155.15 for reports under the jurisdiction of the Department of Human Services or the Department
155.16 of Health and five years from the date of the report for reports under the jurisdiction of
155.17 county adult protective services.

155.18 (e) The commissioners of health and human services shall annually publish on their
155.19 websites the number and type of reports of alleged maltreatment involving licensed facilities
155.20 reported under this section, the number of those requiring investigation under this section,
155.21 and the resolution of those investigations.

155.22 ~~(f) Each lead investigative agency must have a record retention policy.~~

155.23 ~~(g)~~ (f) Lead investigative agencies, county agencies responsible for adult protective
155.24 services, prosecuting authorities, and law enforcement agencies may exchange not public
155.25 data, as defined in section 13.02, with a tribal agency, facility, service provider, vulnerable
155.26 adult, primary support person for a vulnerable adult, emergency management service,
155.27 financial institution, medical examiner, state licensing board, federal or state agency, the
155.28 ombudsman for long-term care, or the ombudsman for mental health and developmental
155.29 disabilities, if the agency or authority providing the data determines that the data are pertinent
155.30 and necessary to prevent further maltreatment of a vulnerable adult, to safeguard a vulnerable
155.31 adult, or for an investigation under this section. Data collected under this section must be
155.32 made available to prosecuting authorities and law enforcement officials, local county
155.33 agencies, the commissioner of human services as the state Medicaid agency, and licensing
155.34 agencies investigating the alleged maltreatment under this section. The lead investigative

156.1 agency shall exchange not public data with the vulnerable adult maltreatment review panel
156.2 established in section 256.021 if the data are pertinent and necessary for a review requested
156.3 under that section. Notwithstanding section 138.17, upon completion of the review, not
156.4 public data received by the review panel must be destroyed.

156.5 ~~(h)~~ (g) Each lead investigative agency shall keep records of the length of time it takes
156.6 to complete its investigations.

156.7 ~~(i)~~ (h) A lead investigative agency may notify other affected parties and their authorized
156.8 representative if the lead investigative agency has reason to believe maltreatment has occurred
156.9 and determines the information will safeguard the well-being of the affected parties or dispel
156.10 widespread rumor or unrest in the affected facility.

156.11 ~~(j)~~ (i) Under any notification provision of this section, where federal law specifically
156.12 prohibits the disclosure of patient identifying information, a lead investigative agency may
156.13 not provide any notice unless the vulnerable adult has consented to disclosure in a manner
156.14 which conforms to federal requirements.

156.15 (j) When a county agency acting as the lead investigative agency is aware the person
156.16 determined responsible for maltreatment is a guardian or conservator appointed under
156.17 chapter 524, the county agency must share the final determination with the state judicial
156.18 branch within 14 calendar days of the determination.

156.19 Sec. 20. Minnesota Statutes 2024, section 626.5572, subdivision 2, is amended to read:

156.20 Subd. 2. **Abuse.** "Abuse" means:

156.21 (a) An act against a vulnerable adult that constitutes a violation of, an attempt to violate,
156.22 or aiding and abetting a violation of:

156.23 (1) assault in the first through fifth degrees as defined in sections 609.221 to 609.224;

156.24 (2) the use of drugs to injure or facilitate crime as defined in section 609.235;

156.25 (3) the solicitation, inducement, and promotion of prostitution as defined in section
156.26 609.322; and

156.27 (4) criminal sexual conduct in the first through fifth degrees as defined in sections
156.28 609.342 to 609.3451.

156.29 A violation includes any action that meets the elements of the crime, regardless of
156.30 whether there is a criminal proceeding or conviction.

157.1 (b) Conduct which is not an accident or therapeutic conduct as defined in this section,
157.2 which produces or could reasonably be expected to produce physical pain or injury or
157.3 emotional distress including, but not limited to, the following:

157.4 (1) hitting, slapping, kicking, pinching, biting, or corporal punishment of a vulnerable
157.5 adult;

157.6 (2) use of repeated or malicious oral, written, or gestured language toward a vulnerable
157.7 adult or the treatment of a vulnerable adult which would be considered by a reasonable
157.8 person to be disparaging, derogatory, humiliating, harassing, or threatening; or

157.9 (3) use of any aversive or deprivation procedure, unreasonable confinement, or
157.10 involuntary seclusion, including the forced separation of the vulnerable adult from other
157.11 persons against the will of the vulnerable adult or the legal representative of the vulnerable
157.12 adult unless authorized under applicable licensing requirements or Minnesota Rules, chapter
157.13 9544.

157.14 (c) Any contact with the vulnerable adult that is not therapeutic conduct and a reasonable
157.15 person would consider a sexual act or any nonconsensual sexual interaction with the
157.16 vulnerable adult, including but not limited to:

157.17 (1) making, viewing, or sharing sexual images or videos with or of the vulnerable adult;
157.18 and

157.19 (2) using oral, written, gestured, or electronic communication that is sexually harassing,
157.20 including but not limited to unwelcome sexual advances or requests for sexual favors.

157.21 ~~(e)~~ (d) Any sexual contact or penetration as defined in section 609.341, between a facility
157.22 staff person or a person providing services in the facility and a resident, patient, or client
157.23 of that facility.

157.24 ~~(d)~~ (e) The act of forcing, compelling, coercing, or enticing a vulnerable adult against
157.25 the vulnerable adult's will to perform services for the advantage of another.

157.26 ~~(e)~~ (f) For purposes of this section, a vulnerable adult is not abused for the sole reason
157.27 that the vulnerable adult or a person with authority to make health care decisions for the
157.28 vulnerable adult under sections 144.651, 144A.44, chapter 145B, 145C or 252A, or section
157.29 253B.03 or 524.5-313, refuses consent or withdraws consent, consistent with that authority
157.30 and within the boundary of reasonable medical practice, to any therapeutic conduct, including
157.31 any care, service, or procedure to diagnose, maintain, or treat the physical or mental condition
157.32 of the vulnerable adult or, where permitted under law, to provide nutrition and hydration

158.1 parenterally or through intubation. This paragraph does not enlarge or diminish rights
158.2 otherwise held under law by:

158.3 (1) a vulnerable adult or a person acting on behalf of a vulnerable adult, including an
158.4 involved family member, to consent to or refuse consent for therapeutic conduct; or

158.5 (2) a caregiver to offer or provide or refuse to offer or provide therapeutic conduct.

158.6 ~~(f)~~ (g) For purposes of this section, a vulnerable adult is not abused for the sole reason
158.7 that the vulnerable adult, a person with authority to make health care decisions for the
158.8 vulnerable adult, or a caregiver in good faith selects and depends upon spiritual means or
158.9 prayer for treatment or care of disease or remedial care of the vulnerable adult in lieu of
158.10 medical care, provided that this is consistent with the prior practice or belief of the vulnerable
158.11 adult or with the expressed intentions of the vulnerable adult.

158.12 ~~(g)~~ (h) For purposes of this section, a vulnerable adult is not abused for the sole reason
158.13 that the vulnerable adult, who is not impaired in judgment or capacity by mental or emotional
158.14 dysfunction or undue influence, engages in consensual sexual contact with:

158.15 (1) a person, including a facility staff person, when a consensual sexual personal
158.16 relationship existed prior to the caregiving relationship; or

158.17 (2) a personal care attendant, regardless of whether the consensual sexual personal
158.18 relationship existed prior to the caregiving relationship.

158.19 Sec. 21. Minnesota Statutes 2024, section 626.5572, is amended by adding a subdivision
158.20 to read:

158.21 Subd. 3a. **Adult protective services.** "Adult protective services" means an adult
158.22 protection program administered by a county social services agency under the authority of
158.23 the agency's governing body or delegated to a Tribal government by the commissioner of
158.24 human services to support adults referred for maltreatment to live safely and with dignity.

158.25 Sec. 22. Minnesota Statutes 2024, section 626.5572, is amended by adding a subdivision
158.26 to read:

158.27 Subd. 3b. **Assessment.** "Assessment" means a structured process conducted by a county
158.28 social services agency to review the safety, strengths, and needs of an adult referred as
158.29 vulnerable and maltreated and accepted by the agency for adult protective services and to
158.30 develop a service plan to stop, prevent, and reduce risk of maltreatment for the adult using
158.31 standardized tools provided by the Department of Human Services.

159.1 Sec. 23. Minnesota Statutes 2024, section 626.5572, subdivision 9, is amended to read:

159.2 Subd. 9. **Financial exploitation.** "Financial exploitation" means:

159.3 (a) In breach of a fiduciary obligation recognized elsewhere in law, including pertinent
159.4 regulations, contractual obligations, documented consent by a competent person, or the
159.5 obligations of a responsible party under section 144.6501, a person:

159.6 (1) engages in unauthorized expenditure of funds entrusted to the actor by the vulnerable
159.7 adult ~~which results or is likely to result in detriment to the vulnerable adult~~; or

159.8 (2) fails to use the financial resources of the vulnerable adult to provide food, clothing,
159.9 shelter, health care, therapeutic conduct or supervision for the vulnerable adult, and the
159.10 failure results or is likely to result in detriment to the vulnerable adult.

159.11 (b) In the absence of legal authority a person:

159.12 (1) willfully uses, withholds, or disposes of funds or property of a vulnerable adult;

159.13 (2) obtains for the actor or another the performance of services by ~~a third person~~ the
159.14 vulnerable adult for the wrongful profit or advantage of the actor or another to the detriment
159.15 of the vulnerable adult;

159.16 (3) acquires possession or control of, or an interest in, funds or property of a vulnerable
159.17 adult through the use of undue influence, harassment, duress, deception, or fraud; or

159.18 (4) forces, compels, coerces, or entices a vulnerable adult against the vulnerable adult's
159.19 will to perform services for the profit or advantage of another.

159.20 (c) Nothing in this definition requires a facility or caregiver to provide financial
159.21 management or supervise financial management for a vulnerable adult except as otherwise
159.22 required by law.

159.23 Sec. 24. Minnesota Statutes 2024, section 626.5572, is amended by adding a subdivision
159.24 to read:

159.25 Subd. 12a. **Investigation.** "Investigation" means activities for fact gathering conducted
159.26 by the lead investigative agency to make a final determination of maltreatment.

159.27 Sec. 25. Minnesota Statutes 2025 Supplement, section 626.5572, subdivision 13, is amended
159.28 to read:

159.29 Subd. 13. **Lead investigative agency.** "Lead investigative agency" is the primary
159.30 administrative agency responsible for investigating reports made under section 626.557.

160.1 (a) The Department of Health is the lead investigative agency for facilities or services
160.2 licensed or required to be licensed as hospitals, home care providers, nursing homes, boarding
160.3 care homes, hospice providers, residential facilities that are also federally certified as
160.4 intermediate care facilities that serve people with developmental disabilities, or any other
160.5 facility or service not listed in this subdivision that is licensed or required to be licensed by
160.6 the Department of Health for the care of vulnerable adults. "Home care provider" has the
160.7 meaning provided in section 144A.43, subdivision 4, and applies when care or services are
160.8 delivered in the vulnerable adult's home.

160.9 (b) The Department of Human Services is the lead investigative agency for facilities or
160.10 services licensed or required to be licensed as adult day care, adult foster care, community
160.11 residential settings, programs for people with disabilities, EIDBI agencies, family adult day
160.12 services, mental health programs, mental health clinics, substance use disorder programs,
160.13 the Minnesota Sex Offender Program, or any other facility or service not listed in this
160.14 subdivision that is licensed or required to be licensed by the Department of Human Services.
160.15 The Department of Human Services is also the lead investigative agency for unlicensed
160.16 EIDBI agencies under section 256B.0949.

160.17 (c) The county social ~~service~~ services agency adult protective services or ~~its~~ the agency's
160.18 designee or a federally recognized Indian Tribe that entered into a contractual agreement
160.19 with the commissioner of human services to operate adult protective services is the lead
160.20 investigative agency for all other reports, including but not limited to reports involving
160.21 vulnerable adults receiving services from a personal care provider organization under section
160.22 256B.0659 or 256B.85.

160.23 Sec. 26. Minnesota Statutes 2024, section 626.5572, subdivision 17, is amended to read:

160.24 Subd. 17. **Neglect.** (a) "Neglect" means neglect by a caregiver or self-neglect.

160.25 (b) "Caregiver neglect" means the failure or omission by a caregiver to supply a
160.26 vulnerable adult with care or services, including but not limited to, food, clothing, shelter,
160.27 health care, or supervision which is:

160.28 (1) reasonable and necessary to obtain or maintain the vulnerable adult's physical or
160.29 mental health or safety, considering the physical and mental capacity or dysfunction of the
160.30 vulnerable adult; and

160.31 (2) which is not the result of an accident or therapeutic conduct.

160.32 (c) "Self-neglect" means neglect by a vulnerable adult of the vulnerable adult's own
160.33 food, clothing, shelter, health care, financial management, or other services that are not the

161.1 responsibility of a caregiver which a reasonable person would deem essential to obtain or
161.2 maintain the vulnerable adult's health, safety, or comfort.

161.3 (d) For purposes of this section, a vulnerable adult is not neglected for the sole reason
161.4 that:

161.5 (1) the vulnerable adult or a person with authority to make health care decisions for the
161.6 vulnerable adult under sections 144.651, 144A.44, chapter 145B, 145C, or 252A, or sections
161.7 253B.03 or 524.5-101 to 524.5-502, refuses consent or withdraws consent, consistent with
161.8 that authority and within the boundary of reasonable medical practice, to any therapeutic
161.9 conduct, including any care, service, or procedure to diagnose, maintain, or treat the physical
161.10 or mental condition of the vulnerable adult, or, where permitted under law, to provide
161.11 nutrition and hydration parenterally or through intubation; this paragraph does not enlarge
161.12 or diminish rights otherwise held under law by:

161.13 (i) a vulnerable adult or a person acting on behalf of a vulnerable adult, including an
161.14 involved family member, to consent to or refuse consent for therapeutic conduct; or

161.15 (ii) a caregiver to offer or provide or refuse to offer or provide therapeutic conduct; ~~or~~

161.16 (2) the vulnerable adult, a person with authority to make health care decisions for the
161.17 vulnerable adult, or a caregiver in good faith selects and depends upon spiritual means or
161.18 prayer for treatment or care of disease or remedial care of the vulnerable adult in lieu of
161.19 medical care, provided that this is consistent with the prior practice or belief of the vulnerable
161.20 adult or with the expressed intentions of the vulnerable adult;

161.21 (3) the vulnerable adult, who is not impaired in judgment or capacity by mental or
161.22 emotional dysfunction or undue influence, engages in consensual sexual contact with:

161.23 (i) a person including a facility staff person when a consensual sexual personal
161.24 relationship existed prior to the caregiving relationship; or

161.25 (ii) a personal care attendant, regardless of whether the consensual sexual personal
161.26 relationship existed prior to the caregiving relationship; ~~or~~

161.27 (4) an individual makes an error in the provision of therapeutic conduct to a vulnerable
161.28 adult which does not result in injury or harm which reasonably requires medical or mental
161.29 health care; or

161.30 (5) an individual makes an error in the provision of therapeutic conduct to a vulnerable
161.31 adult that results in injury or harm, which reasonably requires the care of a physician, and:

162.1 (i) the necessary care is provided in a timely fashion as dictated by the condition of the
162.2 vulnerable adult;

162.3 (ii) if after receiving care, the health status of the vulnerable adult can be reasonably
162.4 expected, as determined by the attending physician, to be restored to the vulnerable adult's
162.5 preexisting condition;

162.6 (iii) the error is not part of a pattern of errors by the individual;

162.7 (iv) if in a facility, the error is immediately reported as required under section 626.557,
162.8 and recorded internally in the facility;

162.9 (v) if in a facility, the facility identifies and takes corrective action and implements
162.10 measures designed to reduce the risk of further occurrence of this error and similar errors;
162.11 and

162.12 (vi) if in a facility, the actions required under items (iv) and (v) are sufficiently
162.13 documented for review and evaluation by the facility and any applicable licensing,
162.14 certification, and ombudsman agency.

162.15 (e) Nothing in this definition requires a caregiver, if regulated, to provide services in
162.16 excess of those required by the caregiver's license, certification, registration, or other
162.17 regulation.

162.18 (f) If the findings of an investigation by a lead investigative agency result in a
162.19 determination of substantiated maltreatment for the sole reason that the actions required of
162.20 a facility under paragraph (d), clause (5), item (iv), (v), or (vi), were not taken, then the
162.21 facility is subject to a correction order. An individual will not be found to have neglected
162.22 or maltreated the vulnerable adult based solely on the facility's not having taken the actions
162.23 required under paragraph (d), clause (5), item (iv), (v), or (vi). This must not alter the lead
162.24 investigative agency's determination of mitigating factors under section 626.557, subdivision
162.25 9c, paragraph (f).

162.26 **Sec. 27. REPEALER.**

162.27 Minnesota Statutes 2024, section 626.557, subdivision 10, is repealed.

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

163.1

ARTICLE 8

163.2

CONTINUITY OF CARE

163.3

Section 1. [245D.097] HOUSING ACCOUNTS REQUIRED.

163.4

Subdivision 1. Housing accounts required. If payment passes between the license

163.5

holder or any controlling individual of a licensed program and a service recipient or an

163.6

entity acting on the service recipient's behalf for the purpose of obtaining or maintaining a

163.7

living unit in a multifamily housing building where the license holder delivers home and

163.8

community-based services licensed under this chapter and owns, leases, or has a direct or

163.9

indirect financial relationship with the property owner, the license holder must for each

163.10

service recipient:

163.11

(1) keep accurate accounts of all money the license holder receives from the service

163.12

recipient or an entity acting on the service recipient's behalf;

163.13

(2) deposit all money received in a specific service recipient account or subaccount

163.14

dedicated to receiving and paying each service recipient's housing costs directly to the

163.15

property owner, even if the property owner is the license holder;

163.16

(3) provide monthly and upon demand to the service recipient, or the entity acting on

163.17

the service recipient's behalf, and the service recipient's case manager a statement of the

163.18

amount of all money received from the service recipient or entity acting on the service

163.19

recipient's behalf, all money deposited in the service recipient's account, and all withdrawals

163.20

made from the service recipient's account; and

163.21

(4) provide upon demand the same information described in clause (3) to the

163.22

commissioner.

163.23

Subd. 2. Use of money in the service recipient's account. The money in the service

163.24

recipient's account must be used exclusively for expenses associated with the service recipient

163.25

obtaining or maintaining a living unit in a multifamily housing building.

163.26

Subd. 3. Application. This section continues to apply when a service recipient chooses

163.27

to not receive services from the license holder but continues to make payments to the license

163.28

holder for the purposes of obtaining or maintaining a living unit.

163.29

Subd. 4. Other laws. The license holder must comply with the requirements of section

163.30

245A.04, subdivision 13.

164.1 Sec. 2. Minnesota Statutes 2024, section 245D.10, subdivision 3, is amended to read:

164.2 Subd. 3. **Service suspension.** (a) The license holder must establish policies and
164.3 procedures for temporary service suspension that promote continuity of care and service
164.4 coordination with the person and the case manager and with other licensed caregivers, if
164.5 any, who also provide support to the person. The policy must include the requirements
164.6 specified in paragraphs (b) to (f).

164.7 (b) The license holder must limit temporary service suspension to situations in which:

164.8 (1) the person's conduct poses an imminent risk of physical harm to self or others and
164.9 either positive support strategies have been implemented to resolve the issues leading to
164.10 the temporary service suspension but have not been effective and additional positive support
164.11 strategies would not achieve and maintain safety, or less restrictive measures would not
164.12 resolve the issues leading to the suspension;

164.13 (2) the person has emergent medical issues that exceed the license holder's ability to
164.14 meet the person's needs; or

164.15 (3) the program has not been paid for services, except an interruption to the person's
164.16 public benefits that has lasted less than 60 days does not constitute nonpayment.

164.17 (c) Prior to giving notice of temporary service suspension, the license holder must
164.18 document actions taken to minimize or eliminate the need for service suspension. Action
164.19 taken by the license holder must include, at a minimum:

164.20 (1) consultation with the person's support team or expanded support team to identify
164.21 and resolve issues leading to issuance of the notice; and

164.22 (2) a request to the case manager for intervention services identified in section 245D.03,
164.23 subdivision 1, paragraph (c), clause (1), or other professional consultation or intervention
164.24 services to support the person in the program. This requirement does not apply to temporary
164.25 suspensions issued under paragraph (b), clause (3).

164.26 If, based on the best interests of the person, the circumstances at the time of the notice were
164.27 such that the license holder was unable to take the action specified in clauses (1) and (2),
164.28 the license holder must document the specific circumstances and the reason for being unable
164.29 to do so.

164.30 (d) The notice of temporary service suspension must meet the following requirements:

164.31 (1) the license holder must notify the person or the person's legal representative and case
164.32 manager in writing of the intended temporary service suspension. If the temporary service

165.1 suspension is from residential supports and services as defined in section 245D.03,
165.2 subdivision 1, paragraph (c), clause (3), or from integrated community supports as defined
165.3 in section 245D.03, subdivision 1, paragraph (c), clause (8), the license holder must also
165.4 notify the commissioner in writing;

165.5 (2) notice of temporary service suspension must be given on the first day of the service
165.6 suspension; and

165.7 (3) the notice must include the reason for the action, a summary of actions taken to
165.8 minimize or eliminate the need for temporary service suspension as required under ~~this~~
165.9 ~~paragraph~~ paragraph (c), and why these measures failed to prevent the suspension.

165.10 (e) During the temporary suspension period, the license holder must:

165.11 (1) provide information requested by the person or case manager;

165.12 (2) work with the support team or expanded support team to develop reasonable
165.13 alternatives to protect the person and others and to support continuity of care; and

165.14 (3) maintain information about the service suspension, including the written notice of
165.15 temporary service suspension, in the service recipient record.

165.16 (f) If, based on a review by the person's support team or expanded support team, that
165.17 team determines the person no longer poses an imminent risk of physical harm to self or
165.18 others, the person has a right to return to receiving services. If, at the time of the service
165.19 suspension or at any time during the suspension, the person is receiving treatment related
165.20 to the conduct that resulted in the service suspension, the support team or expanded support
165.21 team must consider the recommendation of the licensed health professional, mental health
165.22 professional, or other licensed professional involved in the person's care or treatment when
165.23 determining whether the person no longer poses an imminent risk of physical harm to self
165.24 or others and can return to the program. If the support team or expanded support team makes
165.25 a determination that is contrary to the recommendation of a licensed professional treating
165.26 the person, the license holder must document the specific reasons why a contrary decision
165.27 was made.

165.28 Sec. 3. Minnesota Statutes 2025 Supplement, section 245D.10, subdivision 3a, is amended
165.29 to read:

165.30 Subd. 3a. **Service termination.** (a) The license holder must establish policies and
165.31 procedures for service termination that promote continuity of care and service coordination
165.32 with the person and the case manager and with other licensed caregivers, if any, who also

166.1 provide support to the person. The policy must include the requirements specified in
166.2 paragraphs (b) to (f).

166.3 (b) The license holder must permit each person to remain in the program or to continue
166.4 receiving services and must not terminate services unless:

166.5 (1) the termination is necessary for the person's welfare and the license holder cannot
166.6 meet the person's needs;

166.7 (2) the safety of the person, others in the program, or staff is endangered and positive
166.8 support strategies were attempted and have not achieved and effectively maintained safety
166.9 for the person or others;

166.10 (3) the health of the person, others in the program, or staff would otherwise be
166.11 endangered;

166.12 (4) the license holder has not been paid for services, except an interruption to a person's
166.13 public benefits that has lasted less than 60 days does not constitute nonpayment;

166.14 (5) the program or license holder ceases to operate;

166.15 (6) the person has been terminated by the lead agency from waiver eligibility; or

166.16 (7) for state-operated community-based services, the person no longer demonstrates
166.17 complex behavioral needs that cannot be met by private community-based providers
166.18 identified in section 246C.11, subdivision 4a, paragraph (a), clause (1).

166.19 (c) Prior to giving notice of service termination, the license holder must document actions
166.20 taken to minimize or eliminate the need for termination. Action taken by the license holder
166.21 must include, at a minimum:

166.22 (1) consultation with the person's support team or expanded support team to identify
166.23 and resolve issues leading to issuance of the termination notice;

166.24 (2) a request to the case manager for intervention services identified in section 245D.03,
166.25 subdivision 1, paragraph (c), clause (1), or other professional consultation or intervention
166.26 services to support the person in the program. This requirement does not apply to notices
166.27 of service termination issued under paragraph (b), clauses (4) and (7); and

166.28 (3) for state-operated community-based services terminating services under paragraph
166.29 (b), clause (7), the state-operated community-based services must engage in consultation
166.30 with the person's support team or expanded support team to:

167.1 (i) identify that the person no longer demonstrates complex behavioral needs that cannot
167.2 be met by private community-based providers identified in section 246C.11, subdivision
167.3 4a, paragraph (a), clause (1);

167.4 (ii) provide notice of intent to issue a termination of services to the lead agency when a
167.5 finding has been made that a person no longer demonstrates complex behavioral needs that
167.6 cannot be met by private community-based providers identified in section 246C.11,
167.7 subdivision 4a, paragraph (a), clause (1);

167.8 (iii) assist the lead agency and case manager in developing a person-centered transition
167.9 plan to a private community-based provider to ensure continuity of care; and

167.10 (iv) coordinate with the lead agency to ensure the private community-based service
167.11 provider is able to meet the person's needs and criteria established in a person's
167.12 person-centered transition plan.

167.13 If, based on the best interests of the person, the circumstances at the time of the notice were
167.14 such that the license holder was unable to take the action specified in clauses (1) and (2),
167.15 the license holder must document the specific circumstances and the reason for being unable
167.16 to do so.

167.17 (d) The notice of service termination must meet the following requirements:

167.18 (1) the license holder must notify the person or the person's legal representative and the
167.19 case manager in writing of the intended service termination. If the service termination is
167.20 from residential supports and services as defined in section 245D.03, subdivision 1, paragraph
167.21 (c), clause (3), or from integrated community supports as defined in section 245D.03,
167.22 subdivision 1, paragraph (c), clause (8), the license holder must also notify the commissioner
167.23 in writing; and

167.24 (2) the notice must include:

167.25 (i) the reason for the action;

167.26 (ii) except for a service termination under paragraph (b), clause (5), a summary of actions
167.27 taken to minimize or eliminate the need for service termination or temporary service
167.28 suspension as required under paragraph (c), and why these measures failed to prevent the
167.29 termination or suspension;

167.30 (iii) the person's right to appeal the termination of services under section 256.045,
167.31 subdivision 3, paragraph (a); and

168.1 (iv) the person's right to seek a temporary order staying the termination of services
168.2 according to the procedures in section 256.045, subdivision 4a or 6, paragraph (c).

168.3 (e) Notice of the proposed termination of service, including those situations that began
168.4 with a temporary service suspension, must be given at least 90 days prior to termination of
168.5 services under paragraph (b), clause (7), 60 days prior to termination when a license holder
168.6 is providing intensive supports and services identified in section 245D.03, subdivision 1,
168.7 paragraph (c), and 30 days prior to termination for all other services licensed under this
168.8 chapter. This notice may be given in conjunction with a notice of temporary service
168.9 suspension under subdivision 3.

168.10 (f) During the service termination notice period, the license holder must:

168.11 (1) work with the support team or expanded support team to develop reasonable
168.12 alternatives to protect the person and others and to support continuity of care;

168.13 (2) provide information requested by the person or case manager; and

168.14 (3) maintain information about the service termination, including the written notice of
168.15 intended service termination, in the service recipient record.

168.16 (g) For notices issued under paragraph (b), clause (7), the lead agency shall provide
168.17 notice to the commissioner and the Direct Care and Treatment executive board at least 30
168.18 days before the conclusion of the 90-day termination period, if an appropriate alternative
168.19 provider cannot be secured. Upon receipt of this notice, the commissioner and the executive
168.20 board shall reassess whether a private community-based service can meet the person's needs.
168.21 If the commissioner determines that a private provider can meet the person's needs, the
168.22 executive board shall, if necessary, extend notice of service termination until placement can
168.23 be made. If the commissioner determines that a private provider cannot meet the person's
168.24 needs, the executive board shall rescind the notice of service termination and re-engage
168.25 with the lead agency in service planning for the person.

168.26 (h) For state-operated community-based services, the license holder shall prioritize the
168.27 capacity created within the existing service site by the termination of services under paragraph
168.28 (b), clause (7), to serve persons described in section 246C.11, subdivision 4a, paragraph
168.29 (a), clause (1).

168.30 Sec. 4. Minnesota Statutes 2024, section 256B.492, subdivision 1, is amended to read:

168.31 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
168.32 the meanings given.

169.1 (b) "Community-living setting" means a single-family home or multifamily dwelling
169.2 unit where a service recipient or a service recipient's family owns or rents and maintains
169.3 control over the individual unit as demonstrated by a lease agreement. Community-living
169.4 setting does not include a home or dwelling unit that the ~~service~~ provider of the service
169.5 recipient's services owns, operates, or leases or in which the ~~service~~ provider of the service
169.6 recipient's services has a direct or indirect financial interest.

169.7 (c) "Controlling individual" has the meaning given in section 245A.02, subdivision 5a.

169.8 (d) "License holder" has the meaning given in section 245A.02, subdivision 9.

169.9 Sec. 5. Minnesota Statutes 2024, section 256B.492, subdivision 3, is amended to read:

169.10 Subd. 3. **Community-living settings.** (a) Individuals receiving services under a home
169.11 and community-based waiver under section 256B.092 or 256B.49 may receive services in
169.12 community-living settings. Community-living settings must meet the requirements of
169.13 subdivision 2, paragraph (a), clause (1).

169.14 (b) For the purposes of this section, direct financial interest exists if payment passes
169.15 between the license holder or any controlling individual of a licensed program and the
169.16 service recipient or an entity acting on the service recipient's behalf for the purpose of
169.17 obtaining or maintaining a dwelling. For the purposes of this section, indirect financial
169.18 interest exists if the license holder or any controlling individual of a licensed program has
169.19 an ownership or investment interest in the entity that owns, operates, leases, or otherwise
169.20 receives payment from the service recipient or an entity acting on the service recipient's
169.21 behalf for the purpose of obtaining or maintaining a dwelling. Neither a direct nor an indirect
169.22 financial interest exists if the service recipient is receiving services from a license holder
169.23 or a licensed program that is not the license holder or a licensed program that owns, operates,
169.24 leases, or has a direct or indirect financial interest in the setting in which the service
169.25 recipient's services are being delivered.

169.26 (c) To ensure a service recipient or the service recipient's family maintains control over
169.27 the home or dwelling unit, community-living settings are subject to the following
169.28 requirements:

169.29 (1) service recipients must not be required to receive services or share services;

169.30 (2) service recipients must not be required to have a disability or specific diagnosis to
169.31 live in the community-living setting;

169.32 (3) service recipients may hire service providers of their choice;

- 170.1 (4) service recipients may choose whether to share their household and with whom;
- 170.2 (5) the home or multifamily dwelling unit must include living, sleeping, bathing, and
170.3 cooking areas;
- 170.4 (6) service recipients must have lockable access and egress;
- 170.5 (7) service recipients must be free to receive visitors and leave the settings at times and
170.6 for durations of their own choosing;
- 170.7 (8) leases must comply with chapter 504B;
- 170.8 (9) landlords must not charge different rents to tenants who are receiving home and
170.9 community-based services; and
- 170.10 (10) access to the greater community must be easily facilitated based on the service
170.11 recipient's needs and preferences.
- 170.12 (d) Nothing in this section prohibits a service recipient from having another person or
170.13 entity not affiliated with the service provider cosign a lease. Nothing in this section prohibits
170.14 a service recipient, during any period in which a service provider has cosigned the service
170.15 recipient's lease, from modifying services with an existing cosigning service provider and,
170.16 subject to the approval of the landlord, maintaining a lease cosigned by the service provider.
170.17 Nothing in this section prohibits a service recipient, during any period in which a service
170.18 provider has cosigned the service recipient's lease, from terminating services with the
170.19 cosigning service provider, receiving services from a new service provider, or, subject to
170.20 the approval of the landlord, maintaining a lease cosigned by the new service provider.
- 170.21 (e) A lease cosigned by a service provider meets the requirements of paragraph (b) if
170.22 the service recipient and service provider develop and implement a transition plan which
170.23 must provide that, within two years of cosigning the initial lease, the service provider shall
170.24 transfer the lease to the service recipient and other cosigners, if any.
- 170.25 (f) In the event the landlord has not approved the transfer of the lease within two years
170.26 of the service provider cosigning the initial lease, the service provider must submit a
170.27 time-limited extension request to the commissioner of human services to continue the
170.28 cosigned lease arrangement. The extension request must include:
- 170.29 (1) the reason the landlord denied the transfer;
- 170.30 (2) the plan to overcome the denial to transfer the lease;
- 170.31 (3) the length of time needed to successfully transfer the lease, not to exceed an additional
170.32 two years;

171.1 (4) a description of how the transition plan was followed, what occurred that led to the
171.2 landlord denying the transfer, and what changes in circumstances or condition, if any, the
171.3 service recipient experienced; and

171.4 (5) a revised transition plan to transfer the cosigned lease between the service provider
171.5 and the service recipient to the service recipient.

171.6 (g) The commissioner must approve an extension under paragraph (f) within sufficient
171.7 time to ensure the continued occupancy by the service recipient.

171.8

ARTICLE 9

171.9

MISCELLANEOUS POLICY

171.10 Section 1. Minnesota Statutes 2025 Supplement, section 15.471, subdivision 6, is amended
171.11 to read:

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

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

171.19 (2) an unincorporated business, partnership, corporation, association, or organization
171.20 whose annual revenues did not exceed ~~\$7,000,000~~ \$13,500,000 at the time the civil action
171.21 was filed or the contested case proceeding was initiated.

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

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

171.29 Sec. 2. Minnesota Statutes 2024, section 97B.001, subdivision 4, is amended to read:

171.30 Subd. 4. **Entering posted land prohibited; signs.** (a) Except as provided in subdivision
171.31 6, a person may not:

172.1 (1) enter, for outdoor recreation purposes, any land that is posted under this subdivision
172.2 without first obtaining permission of the owner, occupant, or lessee; or

172.3 (2) knowingly enter, for outdoor recreation purposes, any land that is posted under this
172.4 subdivision without first obtaining permission of the owner, occupant, or lessee. A person
172.5 who violates this clause is subject to the penalty provided in section 97A.315, subdivision
172.6 1, paragraph (b).

172.7 (b) The owner, occupant, or lessee of private land, or an authorized manager of public
172.8 land may prohibit outdoor recreation on the land by posting signs once each year that:

172.9 (1) state "no trespassing" or similar terms;

172.10 (2) display letters at least two inches high;

172.11 (3) either:

172.12 (i) are signed by the owner, occupant, lessee, or authorized manager; or

172.13 (ii) include the legible name and telephone number of the owner, occupant, lessee, or
172.14 authorized manager; and

172.15 (4) either:

172.16 (i) are at intervals of 1,000 feet or less along the boundary of the area, or in a wooded
172.17 area where boundary lines are not clear, at intervals of 500 feet or less; or

172.18 (ii) mark the primary corners of each parcel of land and access roads and trails at the
172.19 point of entrance to each parcel of land except that corners only accessible through
172.20 agricultural land need not be posted.

172.21 (c) A person may not ~~erect a sign that prohibits outdoor recreation or trespassing act~~
172.22 under paragraph (b) or (d) where the person does not have a property right, title, or interest
172.23 to use the land.

172.24 (d) As an alternative to posting signage under paragraph (b), the owner, occupant, or
172.25 lessee of private land, or an authorized manager of public land, may prohibit outdoor
172.26 recreation on the land by:

172.27 (1) applying purple paint to trees along the perimeter of the area to which the person
172.28 wants to prohibit entrance. Paint applied under this paragraph must be applied:

172.29 (i) at least three feet off the ground;

172.30 (ii) to trees that are at least one inch wide; and

172.31 (iii) in a strip that is at least eight inches tall; and

173.1 (2) posting signs once each year that mark the primary corners of the area to which the
173.2 person wants to prohibit entrance.

173.3 Sec. 3. Minnesota Statutes 2024, section 256B.04, subdivision 24, is amended to read:

173.4 Subd. 24. **Medicaid waiver requests and state plan amendments; notice; public**
173.5 **comments.** (a) The commissioner shall notify the chairs and ranking minority members of
173.6 the legislative committees with jurisdiction over medical assistance at least 30 days before
173.7 submitting a new Medicaid waiver request to the federal government.

173.8 (b) Prior to submitting any Medicaid waiver request or Medicaid state plan amendment
173.9 to the federal government for approval, the commissioner shall publish the text of the waiver
173.10 request or state plan amendment, and a summary of and explanation of the need for the
173.11 request, on the agency's website and provide a 30-day public comment period. The
173.12 commissioner shall notify the public of the availability of this information through the
173.13 agency's electronic subscription service. The commissioner shall publish the text of all
173.14 public comments on the agency's website and consider public comments when preparing
173.15 the final waiver request or state plan amendment that is to be submitted to the federal
173.16 government for approval.

173.17 (c) The commissioner shall also publish on the agency's website notice of any federal
173.18 decision related to the state request for approval, within 30 days of the decision. This notice
173.19 must describe any modifications to the state request that have been agreed to by the
173.20 commissioner as a condition of receiving federal approval.

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

173.22 Sec. 4. Minnesota Statutes 2024, section 256B.04, is amended by adding a subdivision to
173.23 read:

173.24 Subd. 24a. **Medicaid waiver requests and state plan amendments; prohibited**
173.25 **actions.** Without prior legislative authorization under subdivision 24b, the commissioner
173.26 must not take the following actions:

173.27 (1) terminate a medical assistance program, waiver, or benefit; or

173.28 (2) request federal assistance with terminating a medical assistance program, waiver, or
173.29 benefit.

174.1 Sec. 5. Minnesota Statutes 2024, section 256B.04, is amended by adding a subdivision to
174.2 read:

174.3 Subd. 24b. **Medicaid waiver requests and state plan amendments; legislative**
174.4 **authorization.** (a) The commissioner must notify the chairs and ranking minority members
174.5 of the standing committees of the house of representatives and senate with jurisdiction over
174.6 medical assistance policy and finance at least 60 days prior to taking one of the actions
174.7 listed under subdivision 24a.

174.8 (b) Upon notification, the standing committees of the house of representatives and senate
174.9 with jurisdiction over medical assistance policy and finance must schedule a hearing on the
174.10 proposed action within 30 days of notification.

174.11 (c) If all of the standing committees of the house of representatives and senate with
174.12 jurisdiction over medical assistance policy and finance vote to advise the commissioner that
174.13 a proposed action should not be implemented as proposed, the commissioner must not
174.14 implement the proposed action until the legislature adjourns the annual legislative session
174.15 that began after the vote of the committees. A committee vote under this subdivision must
174.16 be by a majority of the committee.

174.17 Sec. 6. Minnesota Statutes 2024, section 256B.057, subdivision 9, is amended to read:

174.18 **Subd. 9. Employed persons with disabilities.** (a) Medical assistance may be paid for
174.19 a person who is employed and who:

174.20 (1) but for excess earnings or assets meets the definition of disabled under the
174.21 Supplemental Security Income program; and

174.22 (2) pays a premium and other obligations under paragraph (d).

174.23 (b) For purposes of eligibility, there is a \$65 earned income disregard. To be eligible
174.24 for medical assistance under this subdivision, a person must have more than \$65 of earned
174.25 income, be receiving an unemployment insurance benefit under chapter 268 that the person
174.26 began receiving while eligible under this subdivision, or be receiving family and medical
174.27 leave benefits under chapter 268B that the person began receiving while eligible under this
174.28 subdivision. A person who is self-employed must file and pay all applicable taxes. Any
174.29 spousal income shall be disregarded for purposes of eligibility and premium determinations.

174.30 (c) After the month of enrollment, a person enrolled in medical assistance under this
174.31 subdivision who would otherwise be ineligible and be disenrolled due to one of the following
174.32 circumstances may retain eligibility for up to four consecutive months after a month of job
174.33 loss if the person:

175.1 (1) is temporarily unable to work and without receipt of earned income due to a medical
175.2 condition, as verified by a physician, advanced practice registered nurse, or physician
175.3 assistant; or

175.4 (2) loses employment for reasons not attributable to the enrollee, and is without receipt
175.5 of earned income.

175.6 To receive a four-month extension of continued eligibility under this paragraph, enrollees
175.7 must verify the medical condition or provide notification of job loss, continue to meet all
175.8 other eligibility requirements, and continue to pay all calculated premium costs.

175.9 (d) All enrollees must pay a premium to be eligible for medical assistance under this
175.10 subdivision, except as provided under clause (5).

175.11 (1) An enrollee must pay the greater of a \$35 premium or the premium calculated based
175.12 on the person's gross earned and unearned income and the applicable family size using a
175.13 sliding fee scale established by the commissioner, which begins at one percent of income
175.14 at 100 percent of the federal poverty guidelines and increases to 7.5 percent of income for
175.15 those with incomes at or above 300 percent of the federal poverty guidelines.

175.16 (2) Annual adjustments in the premium schedule based upon changes in the federal
175.17 poverty guidelines shall be effective for premiums due in July of each year.

175.18 (3) All enrollees who receive unearned income must pay one-half of one percent of
175.19 unearned income in addition to the premium amount, except as provided under clause (5).

175.20 (4) Increases in benefits under title II of the Social Security Act shall not be counted as
175.21 income for purposes of this subdivision until July 1 of each year.

175.22 (5) Effective July 1, 2009, American Indians are exempt from paying premiums as
175.23 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public
175.24 Law 111-5. For purposes of this clause, an American Indian is any person who meets the
175.25 definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

175.26 (e) A person's eligibility and premium shall be determined by the local county agency.
175.27 Premiums must be paid to the commissioner. All premiums are dedicated to the
175.28 commissioner.

175.29 (f) Any required premium shall be determined at application and redetermined at the
175.30 enrollee's 12-month income review or when a change in income or household size is reported.
175.31 Enrollees must report any change in income or household size within 30 days of when the
175.32 change occurs. A decreased premium resulting from a reported change in income or
175.33 household size shall be effective the first day of the next available billing month after the

176.1 change is reported. Except for changes occurring from annual cost-of-living increases, a
176.2 change resulting in an increased premium shall not affect the premium amount until the
176.3 next 12-month review.

176.4 (g) Premium payment is due upon notification from the commissioner of the premium
176.5 amount required. Premiums may be paid in installments at the discretion of the commissioner.

176.6 (h) Nonpayment of the premium shall result in denial or termination of medical assistance
176.7 unless the person demonstrates good cause for nonpayment. "Good cause" means an excuse
176.8 for the enrollee's failure to pay the required premium when due because the circumstances
176.9 were beyond the enrollee's control or not reasonably foreseeable. The commissioner shall
176.10 determine whether good cause exists based on the weight of the supporting evidence
176.11 submitted by the enrollee to demonstrate good cause. The commissioner must not determine
176.12 that good cause exists for a month for which the premium has already been paid. Except
176.13 when an installment agreement is accepted by the commissioner, all persons disenrolled
176.14 for nonpayment of a premium must pay any past due premiums as well as current premiums
176.15 due prior to being reenrolled. Nonpayment shall include payment with a returned, refused,
176.16 or dishonored instrument. The commissioner may require a guaranteed form of payment as
176.17 the only means to replace a returned, refused, or dishonored instrument.

176.18 (i) For enrollees whose income does not exceed 200 percent of the federal poverty
176.19 guidelines and who are also enrolled in Medicare, the commissioner shall reimburse the
176.20 enrollee for Medicare part B premiums under section 256B.0625, subdivision 15, paragraph
176.21 (a).

176.22 (j) The commissioner is authorized to determine that a premium amount was calculated
176.23 or billed in error, make corrections to financial records and billing systems, and refund
176.24 premiums collected in error.

176.25 Sec. 7. Minnesota Statutes 2024, section 256B.0625, subdivision 4, is amended to read:

176.26 Subd. 4. **Outpatient and physician-directed clinic services.** Medical assistance covers
176.27 outpatient hospital or physician-directed clinic services. ~~The~~ All services provided by
176.28 physician-directed clinic staff shall include at least two physicians and all services shall
176.29 must be provided under the direct supervision direction of a physician. Hospital outpatient
176.30 departments are subject to the same limitations and reimbursements as other enrolled vendors
176.31 for all services, except initial triage, emergency services, and services not provided or
176.32 immediately available in clinics, physicians' offices, or by other enrolled providers.
176.33 "Emergency services" means those medical services required for the immediate diagnosis
176.34 and treatment of medical conditions that, if not immediately diagnosed and treated, could

177.1 lead to serious physical or mental disability or death or are necessary to alleviate severe
177.2 pain. Neither the hospital, its employees, nor any physician or dentist, shall be liable in any
177.3 action arising out of a determination not to render emergency services or care if reasonable
177.4 care is exercised in determining the condition of the person, or in determining the
177.5 appropriateness of the facilities, or the qualifications and availability of personnel to render
177.6 these services consistent with this section.

177.7 **EFFECTIVE DATE.** This section is effective upon federal approval.

177.8 **Sec. 8. DIRECTION TO COMMISSIONER; RULEMAKING.**

177.9 The commissioner of human services must amend Minnesota Rules, part 9505.2165,
177.10 subpart 4, item C, to remove the citation to United States Code, title 42, section
177.11 1320a-7b(b)(3)(D), and insert a citation to United States Code, title 42, section 1320a-7b(b).
177.12 The commissioner may use the procedure under Minnesota Statutes, section 14.388,
177.13 subdivision 1, clause (3), for changes to Minnesota Rules pursuant to this section. Minnesota
177.14 Statutes, section 14.386, does not apply to rules adopted pursuant to this section except as
177.15 provided under Minnesota Statutes, section 14.388.

177.16 **Sec. 9. DIRECTION TO COMMISSIONER; UNREDACTED INITIAL OPTUM**
177.17 **REPORTS.**

177.18 (a) For purposes of this section, "initial Optum reports" means the reports produced by
177.19 Optum, Inc., under contract with the Department of Human Services and announced in the
177.20 news release from the department on February 6, 2026.

177.21 (b) Notwithstanding any law to the contrary, upon a joint request by the chairs and
177.22 ranking minority members of a legislative committee with jurisdiction over human services
177.23 policy and finance, the commissioner of human services must immediately release the initial
177.24 Optum reports to the members of that legislative committee in the reports' entirety without
177.25 redactions or edits, except for redactions requested by Optum to protect proprietary
177.26 information. Legislators or legislative staff who receive initial Optum reports under this
177.27 section must not disseminate or publicize any not public data, as defined in Minnesota
177.28 Statutes, section 13.02, subdivision 8a, that the reports contain.

177.29 **EFFECTIVE DATE.** This section is effective 14 days following final enactment.

177.30 **Sec. 10. OPTUM PROHIBITED FROM DISSEMINATING PRIVATE DATA.**

177.31 Optum, Inc., must not sell, share, or disseminate any private data on individuals, as
177.32 defined in Minnesota Statutes, section 13.02, subdivision 12, that Optum receives under or

- 178.1 incidental to Optum's contract or engagement with the Department of Human Services
- 178.2 pursuant to the governor's Executive Order No. 25-10.

APPENDIX
Article locations for UES0476-2

ARTICLE 1	DIRECT CARE AND TREATMENT POLICY	Page.Ln 2.20
ARTICLE 2	DIRECT CARE AND TREATMENT.....	Page.Ln 19.17
ARTICLE 3	DEPARTMENT OF HEALTH POLICY.....	Page.Ln 23.1
ARTICLE 4	AGING AND DISABILITY SERVICES POLICY.....	Page.Ln 46.3
ARTICLE 5	BEHAVIORAL HEALTH.....	Page.Ln 94.2
	DEPARTMENT OF HUMAN SERVICES HOUSING AND SUPPORT	
ARTICLE 6	SERVICES.....	Page.Ln 137.14
ARTICLE 7	MALTREATMENT OF VULNERABLE ADULTS.....	Page.Ln 138.16
ARTICLE 8	CONTINUITY OF CARE.....	Page.Ln 163.1
ARTICLE 9	MISCELLANEOUS POLICY.....	Page.Ln 171.8

245A.03 WHO MUST BE LICENSED.

Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, which does not include child foster residence settings with residential program certifications for compliance with the Family First Prevention Services Act under section 245A.25, subdivision 1, paragraph (a), or adult foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter for a physical location that will not be the primary residence of the license holder for the entire period of licensure. If a child foster residence setting that was previously exempt from the licensing moratorium under this paragraph has its Family First Prevention Services Act certification rescinded under section 245A.25, subdivision 9, or if a family adult foster care home license is issued during this moratorium, and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 245A.07. The commissioner shall not issue an initial license for a community residential setting licensed under chapter 245D. When approving an exception under this paragraph, the commissioner shall consider the resource need determination process in paragraph (h), the availability of foster care licensed beds in the geographic area in which the licensee seeks to operate, the results of a person's choices during their annual assessment and service plan review, and the recommendation of the local county board. The determination by the commissioner is final and not subject to appeal. Exceptions to the moratorium include:

(1) a license for a person in a foster care setting that is not the primary residence of the license holder and where at least 80 percent of the residents are 55 years of age or older;

(2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or community residential setting licenses replacing adult foster care licenses in existence on December 31, 2013, and determined to be needed by the commissioner under paragraph (b);

(3) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD, or regional treatment center; restructuring of state-operated services that limits the capacity of state-operated facilities; or allowing movement to the community for people who no longer require the level of care provided in state-operated facilities as provided under section 256B.092, subdivision 13, or 256B.49, subdivision 24;

(4) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital-level care; or

(5) new community residential setting licenses determined necessary by the commissioner for people affected by the closure of homes with a capacity of five or six beds currently licensed as supervised living facilities licensed under Minnesota Rules, chapter 4665, but not designated as intermediate care facilities. This exception is available until June 30, 2025.

(b) The commissioner shall determine the need for newly licensed foster care homes or community residential settings as defined under this subdivision. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

(c) When an adult resident served by the program moves out of a foster home that is not the primary residence of the license holder according to section 256B.49, subdivision 15, paragraph (f), or the adult community residential setting, the county shall immediately inform the Department of Human Services Licensing Division. The department may decrease the statewide licensed capacity for adult foster care settings.

(d) Residential settings that would otherwise be subject to the decreased license capacity established in paragraph (c) must be exempt if the license holder's beds are occupied by residents whose primary diagnosis is mental illness and the license holder is certified under the requirements in subdivision 6a or section 245D.33.

(e) A resource need determination process, managed at the state level, using the available data required by section 144A.351, and other data and information must be used to determine where the reduced capacity determined under section 256B.493 will be implemented. The commissioner shall consult with the stakeholders described in section 144A.351, and employ a variety of methods to improve the state's capacity to meet the informed decisions of those people who want to move out of corporate foster care or community residential settings, long-term service needs within budgetary

APPENDIX
Repealed Minnesota Statutes: UES0476-2

limits, including seeking proposals from service providers or lead agencies to change service type, capacity, or location to improve services, increase the independence of residents, and better meet needs identified by the long-term services and supports reports and statewide data and information.

(f) At the time of application and reapplication for licensure, the applicant and the license holder that are subject to the moratorium or an exclusion established in paragraph (a) are required to inform the commissioner whether the physical location where the foster care will be provided is or will be the primary residence of the license holder for the entire period of licensure. If the primary residence of the applicant or license holder changes, the applicant or license holder must notify the commissioner immediately. The commissioner shall print on the foster care license certificate whether or not the physical location is the primary residence of the license holder.

(g) License holders of foster care homes identified under paragraph (f) that are not the primary residence of the license holder and that also provide services in the foster care home that are covered by a federally approved home and community-based services waiver, as authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human services licensing division that the license holder provides or intends to provide these waiver-funded services.

(h) The commissioner may adjust capacity to address needs identified in section 144A.351. Under this authority, the commissioner may approve new licensed settings or delicense existing settings. Delicensing of settings will be accomplished through a process identified in section 256B.493.

(i) The commissioner must notify a license holder when its corporate foster care or community residential setting licensed beds are reduced under this section. The notice of reduction of licensed beds must be in writing and delivered to the license holder by certified mail or personal service. The notice must state why the licensed beds are reduced and must inform the license holder of its right to request reconsideration by the commissioner. The license holder's request for reconsideration must be in writing. If mailed, the request for reconsideration must be postmarked and sent to the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds. If a request for reconsideration is made by personal service, it must be received by the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

(j) The commissioner shall not issue an initial license for children's residential treatment services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter for a program that Centers for Medicare and Medicaid Services would consider an institution for mental diseases. Facilities that serve only private pay clients are exempt from the moratorium described in this paragraph. The commissioner has the authority to manage existing statewide capacity for children's residential treatment services subject to the moratorium under this paragraph and may issue an initial license for such facilities if the initial license would not increase the statewide capacity for children's residential treatment services subject to the moratorium under this paragraph.

254B.052 PEER RECOVERY SUPPORT SERVICES REQUIREMENTS.

Subd. 6. **Monetary recovery.** Peer recovery support services not provided in accordance with this section are subject to monetary recovery under section 256B.064 as money improperly paid.

256B.051 HOUSING STABILIZATION SERVICES.

Subdivision 1. **Purpose.** Housing stabilization services are established to provide housing stabilization services to an individual with a disability that limits the individual's ability to obtain or maintain stable housing. The services support an individual's transition to housing in the community and increase long-term stability in housing, to avoid future periods of being at risk of homelessness or institutionalization.

Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "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 housing stabilization services and that has the legal responsibility to ensure that its employees carry out the responsibilities defined in this section.

(c) "At-risk of homelessness" means (1) an individual that is faced with a set of circumstances likely to cause the individual to become homeless, or (2) an individual previously homeless, who will be discharged from a correctional, medical, mental health, or treatment center, who lacks sufficient resources to pay for housing and does not have a permanent place to live.

APPENDIX
Repealed Minnesota Statutes: UES0476-2

(d) "Commissioner" means the commissioner of human services.

(e) "Employee of an agency" or "employee" means any person who is employed by an agency temporarily, part time, or full time and who performs work for at least 80 hours in a year for that agency in Minnesota. Employee does not include an independent contractor.

(f) "Homeless" means an individual or family lacking a fixed, adequate nighttime residence.

(g) "Individual with a disability" means:

(1) an individual who is aged, blind, or disabled as determined by the criteria used by the title 11 program of the Social Security Act, United States Code, title 42, section 416, paragraph (i), item (1); or

(2) an individual who meets a category of eligibility under section 256D.05, subdivision 1, paragraph (a), clause (1), (4), (5) to (8), or (13).

(h) "Institution" means a setting as defined in section 256B.0621, subdivision 2, clause (3), and the Minnesota Security Hospital as defined in section 253.20.

Subd. 3. **Eligibility.** An individual with a disability is eligible for housing stabilization services if the individual:

(1) is 18 years of age or older;

(2) is enrolled in medical assistance;

(3) has income at or below 150 percent of the federal poverty level;

(4) has an assessment of functional need that determines a need for services due to limitations caused by the individual's disability;

(5) resides in or plans to transition to a community-based setting as defined in Code of Federal Regulations, title 42, section 441.301 (c); and

(6) has housing instability evidenced by:

(i) being homeless or at-risk of homelessness;

(ii) being in the process of transitioning from, or having transitioned in the past six months from, an institution or licensed or registered setting;

(iii) being eligible for waiver services under chapter 256S or section 256B.092 or 256B.49; or

(iv) having been identified by a long-term care consultation under section 256B.0911 as at risk of institutionalization.

Subd. 4. **Assessment requirements.** (a) An individual's assessment of functional need must be conducted by one of the following methods:

(1) an assessor according to the criteria established in section 256B.0911, subdivisions 17 to 21, 23, 24, and 29 to 31, using a format established by the commissioner;

(2) documented need for services as verified by a professional statement of need as defined in section 256I.03, subdivision 12; or

(3) according to the continuum of care coordinated assessment system established in Code of Federal Regulations, title 24, section 578.3, using a format established by the commissioner.

(b) An individual must be reassessed within one year of initial assessment, and annually thereafter.

Subd. 5. **Housing stabilization services.** (a) Housing stabilization services include housing transition services, housing and tenancy sustaining services, housing consultation services, and housing transition costs.

(b) Housing transition services are defined as:

(1) tenant screening and housing assessment;

(2) assistance with the housing search and application process;

(3) identifying resources to cover onetime moving expenses;

(4) ensuring a new living arrangement is safe and ready for move-in;

APPENDIX
Repealed Minnesota Statutes: UES0476-2

(5) assisting in arranging for and supporting details of a move; and

(6) developing a housing support crisis plan.

(c) Housing and tenancy sustaining services include:

(1) prevention and early identification of behaviors that may jeopardize continued stable housing;

(2) education and training on roles, rights, and responsibilities of the tenant and the property manager;

(3) coaching to develop and maintain key relationships with property managers and neighbors;

(4) advocacy and referral to community resources to prevent eviction when housing is at risk;

(5) assistance with housing recertification process;

(6) coordination with the tenant to regularly review, update, and modify the housing support and crisis plan; and

(7) continuing training on being a good tenant, lease compliance, and household management.

(d) Housing consultation services assist an individual with developing a person-centered plan when the individual is not eligible to receive person-centered planning through any other service.

(e) Housing transition costs are available to persons transitioning from a provider-controlled setting to the person's own home and include:

(1) security deposits; and

(2) essential furnishings and supplies.

Subd. 6. Agency qualifications and duties. An agency is eligible for reimbursement under this section only if the agency:

(1) is confirmed by the commissioner as an eligible provider after a pre-enrollment risk assessment under subdivision 6a;

(2) is enrolled as a medical assistance Minnesota health care program provider and meets all applicable provider standards and requirements;

(3) demonstrates compliance with federal and state laws and policies for housing stabilization services as determined by the commissioner;

(4) complies with background study requirements under chapter 245C and maintains documentation of background study requests and results;

(5) provides at the time of enrollment, reenrollment, and revalidation in a format determined by the commissioner, proof of surety bond coverage for each business location providing services. Upon new enrollment, or if the provider's medical assistance revenue in the previous calendar year is \$300,000 or less, the provider agency must purchase a surety bond of \$50,000. If the provider's medical assistance revenue in the previous year is over \$300,000, the provider agency must purchase a surety bond of \$100,000. The surety bond must be in a form approved by the commissioner, must be renewed annually, and must allow for recovery of costs and fees in pursuing a claim on the bond. Any action to obtain monetary recovery or sanctions from a surety bond must occur within six years from the date the debt is affirmed by a final agency decision. An agency decision is final when the right to appeal the debt has been exhausted or the time to appeal has expired under section 256B.064;

(6) directly provides housing stabilization services using employees of the agency and not by using a subcontractor or reporting agent;

(7) ensures all controlling individuals and employees of the agency complete annual vulnerable adult training; and

(8) completes compliance training as required under subdivision 6b.

Subd. 6a. Pre-enrollment risk assessment. (a) Prior to enrolling a housing stabilization services agency, the commissioner must complete a pre-enrollment risk assessment of the agency seeking to enroll to confirm the agency's eligibility and the agency's ability to meet the requirements of this section. In completing this assessment, the commissioner must consider:

(1) the potential agency's history of performing services similar to those required by this section;

APPENDIX
Repealed Minnesota Statutes: UES0476-2

(2) whether the services require the potential agency to perform duties at a significantly increased scale and, if so, whether the potential agency has the capability and organizational capacity to do so;

(3) the potential agency's financial information and internal controls; and

(4) the potential agency's compliance with other state and federal requirements, including but not limited to debarment and suspension status, and standing with the secretary of state, if applicable.

(b) At any time when completing the pre-enrollment risk assessment, if the commissioner determines that the potential agency does not have a history of performing similar duties, the potential agency does not demonstrate the capability and capacity to perform the duties at the scale and pace required, or the results of the financial information review raise concern, then the commissioner may deem the potential agency ineligible and deny or rescind enrollment. A potential agency may appeal a decision regarding its eligibility in writing within 30 business days. The commissioner must notify each potential agency of the commissioner's final decision regarding its eligibility.

(c) This subdivision is effective July 1, 2025. Any housing stabilization services provider enrolled before July 1, 2025, that billed for services on or after January 1, 2024, must complete the pre-enrollment risk assessment on a schedule determined by the commissioner and no later than July 1, 2026, to remain eligible. Any provider enrolled before July 1, 2025, that has not billed for services on or after January 1, 2024, must complete the pre-enrollment risk assessment to remain eligible.

Subd. 6b. Requirements for provider enrollment. (a) Effective January 1, 2027, to enroll as a housing stabilization services provider agency, an agency must require all owners of the agency who are active in the day-to-day management and operations of the agency and managerial and supervisory employees to complete compliance training before applying for enrollment and every three years thereafter. Mandatory compliance training format and content must be determined by the commissioner and must include the following topics:

(1) state and federal program billing, documentation, and service delivery requirements;

(2) enrollment requirements;

(3) provider program integrity, including fraud prevention, detection, and penalties;

(4) fair labor standards;

(5) workplace safety requirements; and

(6) recent changes in service requirements.

(b) New owners active in day-to-day management and operations of the agency and new managerial and supervisory employees must complete compliance training under this subdivision to be employed by or conduct management and operations activities for the agency. If an individual moves to another housing stabilization services provider agency and serves in a similar ownership or employment capacity, the individual is not required to repeat the training required under this subdivision if the individual documents completion of the training within the past three years.

(c) Any housing stabilization services provider agency enrolled before January 1, 2027, must complete the compliance training by January 1, 2028, and every three years thereafter.

Subd. 7. Housing support supplemental service rates. Supplemental service rates for individuals in settings according to sections 144D.025, 256I.04, subdivision 3, paragraph (a), clause (3), and 256I.05, subdivision 1g, shall be reduced by one-half over a two-year period. This reduction only applies to supplemental service rates for individuals eligible for housing stabilization services under this section.

Subd. 8. Documentation requirements. (a) An agency must document delivery of all services. The agency must collect and maintain the required information either electronically or in paper form and must produce the documents containing the information upon request by the commissioner.

(b) Documentation of a delivered service must be in English and must be legible according to the standard of a reasonable person.

(c) If the service is reimbursed at an hourly or specified minute-based rate, each documentation of the provision of a service, unless otherwise specified, must include:

(1) the full name of the service recipient;

APPENDIX
Repealed Minnesota Statutes: UES0476-2

- (2) the date the documentation occurred;
- (3) the day, month, and year the service was provided;
- (4) the start and stop times with a.m. and p.m. designations, except for housing consultation services;
- (5) the service name or description of the service provided for each date of service;
- (6) the name, signature, and title, if any, of the employee of the agency that provided the service. If the service is provided by multiple employees, the agency may designate an employee responsible for verifying services and completing the documentation required by this paragraph;
- (7) the signature of the service recipient and a statement that the recipient's signature is verification of the accuracy of the service documentation; and
- (8) a statement that it is a federal crime to provide false information on housing stabilization services billings for medical assistance payments.

Subd. 9. **Service limits.** (a) Housing stabilization services must not exceed the limits in clauses (1) to (4):

- (1) housing transition services are limited to 100 hours annually per recipient and are not billable when a recipient is concurrently receiving housing and tenancy sustaining services;
- (2) housing and tenancy sustaining services are limited to 100 hours annually per recipient and are not billable when a recipient is concurrently receiving housing transition services;
- (3) housing consultation services are available once annually per recipient and must be provided in person. Additional sessions of housing consultation services may be authorized by the commissioner if the recipient becomes homeless, the recipient experiences a significant change in condition that impacts the recipient's housing, or the recipient requests an update or change to the recipient's plan; and
- (4) housing transition costs are limited to \$3,000 annually.

(b) Remote support cannot be used for more than a total of 20 percent of all housing transition services and housing and tenancy sustaining services provided to a recipient in a calendar month and is limited to audio-only and accessible video-based platforms. A recipient may refuse, stop, or suspend the use of remote support at any time.

Subd. 10. **Service limit exceptions.** If a recipient requires services exceeding the limits described in subdivision 9, a provider may request authorization for additional hours in a format prescribed by the commissioner. Requests must specify the number of additional hours being requested to meet the recipient's needs and include sufficient documentation to justify the increase to billable hours. Exceptions to service limits are not allowed on the sole basis of changing providers and are limited to recipients who:

- (1) become or are at risk of becoming homeless or institutionalized due to a significant change in condition;
- (2) have a history of long-term homelessness;
- (3) have a history of domestic violence; or
- (4) have a criminal background that is a barrier to obtaining housing.

256B.0759 SUBSTANCE USE DISORDER DEMONSTRATION PROJECT.

Subd. 2. **Provider participation.** (a) Programs licensed by the Department of Human Services as nonresidential substance use disorder treatment programs that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2025. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(b) Programs licensed by the Department of Human Services as residential treatment programs according to section 245G.21 that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

APPENDIX
Repealed Minnesota Statutes: UES0476-2

(c) Programs licensed by the Department of Human Services as residential treatment programs according to section 245G.21 that receive payment under this chapter, are licensed as a hospital under sections 144.50 to 144.581, and provide only ASAM 3.7 medically monitored inpatient level of care are not required to enroll as demonstration project providers. Programs meeting these criteria must submit evidence of providing the required level of care to the commissioner to be exempt from enrolling in the demonstration.

(d) Programs licensed by the Department of Human Services as withdrawal management programs according to chapter 245F that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(e) Out-of-state residential substance use disorder treatment programs that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(f) Tribally licensed programs may elect to participate in the demonstration project and meet the requirements of subdivision 3. The Department of Human Services must consult with Tribal Nations to discuss participation in the substance use disorder demonstration project.

(g) The commissioner shall allow providers enrolled in the demonstration project before July 1, 2021, to receive applicable rate enhancements authorized under subdivision 4 for all services provided on or after the date of enrollment, except that the commissioner shall allow a provider to receive applicable rate enhancements authorized under subdivision 4 for services provided on or after July 22, 2020, to fee-for-service enrollees, and on or after January 1, 2021, to managed care enrollees, if the provider meets all of the following requirements:

(1) the provider attests that during the time period for which the provider is seeking the rate enhancement, the provider took meaningful steps in their plan approved by the commissioner to meet the demonstration project requirements in subdivision 3; and

(2) the provider submits attestation and evidence, including all information requested by the commissioner, of meeting the requirements of subdivision 3 to the commissioner in a format required by the commissioner.

(h) The commissioner may recoup any rate enhancements paid under paragraph (g) to a provider that does not meet the requirements of subdivision 3 by July 1, 2021.

Subd. 5. **Federal approval.** The commissioner shall seek federal approval to implement the demonstration project under this section and to receive federal financial participation.

256B.5012 ICF/DD PAYMENT SYSTEM IMPLEMENTATION.

Subd. 4. **ICF/DD rate increases beginning July 1, 2001, and July 1, 2002.** (a) For the rate years beginning July 1, 2001, and July 1, 2002, the commissioner shall make available to each facility reimbursed under this section an adjustment to the total operating payment rate of 3.5 percent. Of this adjustment, two-thirds must be used as provided under paragraph (b) and one-third must be used for operating costs.

(b) The adjustment under this paragraph must be used to increase the wages and benefits and pay associated costs of all employees except administrative and central office employees, provided that this increase must be used only for wage and benefit increases implemented on or after the first day of the rate year and must not be used for increases implemented prior to that date.

(c) For each facility, the commissioner shall make available an adjustment using the percentage specified in paragraph (a) multiplied by the total payment rate, excluding the property-related payment rate, in effect on the preceding June 30. The total payment rate shall include the adjustment provided in section 256B.501, subdivision 12.

(d) A facility whose payment rates are governed by closure agreements, receivership agreements, or Minnesota Rules, part 9553.0075, is not eligible for an adjustment otherwise granted under this subdivision.

(e) A facility may apply for the payment rate adjustment provided under paragraph (b). The application must be made to the commissioner and contain a plan by which the facility will distribute the adjustment in paragraph (b) to employees of the facility. For facilities in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to

APPENDIX
Repealed Minnesota Statutes: UES0476-2

by the employer and the exclusive bargaining representative constitutes the plan. A negotiated agreement may constitute the plan only if the agreement is finalized after the date of enactment of all rate increases for the rate year. The commissioner shall review the plan to ensure that the payment rate adjustment per diem is used as provided in this subdivision. To be eligible, a facility must submit its plan by March 31, 2002, and March 31, 2003, respectively. If a facility's plan is effective for its employees after the first day of the applicable rate year that the funds are available, the payment rate adjustment per diem is effective the same date as its plan.

(f) A copy of the approved distribution plan must be made available to all employees by giving each employee a copy or by posting it in an area of the facility to which all employees have access. If an employee does not receive the wage and benefit adjustment described in the facility's approved plan and is unable to resolve the problem with the facility's management or through the employee's union representative, the employee may contact the commissioner at an address or telephone number provided by the commissioner and included in the approved plan.

Subd. 5. Rate increase effective June 1, 2003. For rate periods beginning on or after June 1, 2003, the commissioner shall increase the total operating payment rate for each facility reimbursed under this section by \$3 per day. The increase shall not be subject to any annual percentage increase.

Subd. 6. ICF/DD rate increases October 1, 2005, and October 1, 2006. (a) For the rate periods beginning October 1, 2005, and October 1, 2006, the commissioner shall make available to each facility reimbursed under this section an adjustment to the total operating payment rate of 2.2553 percent.

(b) 75 percent of the money resulting from the rate adjustment under paragraph (a) must be used to increase wages and benefits and pay associated costs for employees, except for administrative and central office employees. 75 percent of the money received by a facility as a result of the rate adjustment provided in paragraph (a) must be used only for wage, benefit, and staff increases implemented on or after the effective date of the rate increase each year, and must not be used for increases implemented prior to that date. The wage adjustment eligible employees may receive may vary based on merit, seniority, or other factors determined by the provider.

(c) For each facility, the commissioner shall make available an adjustment, based on occupied beds, using the percentage specified in paragraph (a) multiplied by the total payment rate, including variable rate but excluding the property-related payment rate, in effect on the preceding day. The total payment rate shall include the adjustment provided in section 256B.501, subdivision 12.

(d) A facility whose payment rates are governed by closure agreements or receivership agreements is not eligible for an adjustment otherwise granted under this subdivision.

(e) A facility may apply for the portion of the payment rate adjustment provided under paragraph (a) for employee wages and benefits and associated costs. The application must be made to the commissioner and contain a plan by which the facility will distribute the funds according to paragraph (b). For facilities in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative constitutes the plan. A negotiated agreement may constitute the plan only if the agreement is finalized after the date of enactment of all rate increases for the rate year. The commissioner shall review the plan to ensure that the payment rate adjustment per diem is used as provided in this subdivision. To be eligible, a facility must submit its plan by March 31, 2006, and December 31, 2006, respectively. If a facility's plan is effective for its employees after the first day of the applicable rate period that the funds are available, the payment rate adjustment per diem is effective the same date as its plan.

(f) A copy of the approved distribution plan must be made available to all employees by giving each employee a copy or by posting it in an area of the facility to which all employees have access. If an employee does not receive the wage and benefit adjustment described in the facility's approved plan and is unable to resolve the problem with the facility's management or through the employee's union representative, the employee may contact the commissioner at an address or telephone number provided by the commissioner and included in the approved plan.

Subd. 7. ICF/DD rate increases effective October 1, 2007, and October 1, 2008. (a) For the rate year beginning October 1, 2007, the commissioner shall make available to each facility reimbursed under this section operating payment rate adjustments equal to 2.0 percent of the operating payment rates in effect on September 30, 2007. For the rate year beginning October 1, 2008, the commissioner shall make available to each facility reimbursed under this section operating payment rate adjustments equal to 2.0 percent of the operating payment rates in effect on September 30, 2008. For each facility, the commissioner shall make available an adjustment, based on occupied

APPENDIX
Repealed Minnesota Statutes: UES0476-2

beds, using the percentage specified in this paragraph multiplied by the total payment rate, including the variable rate but excluding the property-related payment rate, in effect on the preceding day. The total payment rate shall include the adjustment provided in section 256B.501, subdivision 12. A facility whose payment rates are governed by closure agreements or receivership agreements is not eligible for an adjustment otherwise granted under this subdivision.

(b) Seventy-five percent of the money resulting from the rate adjustments under paragraph (a) must be used for increases in compensation-related costs for employees directly employed by the facility on or after the effective date of the rate adjustments, except:

(1) the administrator;

(2) persons employed in the central office of a corporation that has an ownership interest in the facility or exercises control over the facility; and

(3) persons paid by the facility under a management contract.

(c) Two-thirds of the money available under paragraph (b) must be used for wage increases for all employees directly employed by the facility on or after the effective date of the rate adjustments, except those listed in paragraph (b), clauses (1) to (3). The wage adjustment that employees receive under this paragraph must be paid as an equal hourly percentage wage increase for all eligible employees. All wage increases under this paragraph must be effective on the same date. Only costs associated with the portion of the equal hourly percentage wage increase that goes to all employees shall qualify under this paragraph. Costs associated with wage increases in excess of the amount of the equal hourly percentage wage increase provided to all employees shall be allowed only for meeting the requirements in paragraph (b). This paragraph shall not apply to employees covered by a collective bargaining agreement.

(d) The commissioner shall allow as compensation-related costs all costs for:

(1) wages and salaries;

(2) FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation;

(3) the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions; and

(4) other benefits provided, subject to the approval of the commissioner.

(e) The portion of the rate adjustments under paragraph (a) that is not subject to the requirements in paragraphs (b) and (c) shall be provided to facilities effective October 1 of each year.

(f) Facilities may apply for the portion of the rate adjustments under paragraph (a) that is subject to the requirements in paragraphs (b) and (c). The application must be submitted to the commissioner within six months of the effective date of the rate adjustments, and the facility must provide additional information required by the commissioner within nine months of the effective date of the rate adjustments. The commissioner must respond to all applications within three weeks of receipt. The commissioner may waive the deadlines in this paragraph under extraordinary circumstances, to be determined at the sole discretion of the commissioner. The application must contain:

(1) an estimate of the amounts of money that must be used as specified in paragraphs (b) and (c);

(2) a detailed distribution plan specifying the allowable compensation-related and wage increases the facility will implement to use the funds available in clause (1);

(3) a description of how the facility will notify eligible employees of the contents of the approved application, which must provide for giving each eligible employee a copy of the approved application, excluding the information required in clause (1), or posting a copy of the approved application, excluding the information required in clause (1), for a period of at least six weeks in an area of the facility to which all eligible employees have access; and

(4) instructions for employees who believe they have not received the compensation-related or wage increases specified in clause (2), as approved by the commissioner, and which must include a mailing address, email address, and the telephone number that may be used by the employee to contact the commissioner or the commissioner's representative.

APPENDIX
Repealed Minnesota Statutes: UES0476-2

(g) The commissioner shall ensure that cost increases in distribution plans under paragraph (f), clause (2), that may be included in approved applications, comply with requirements in clauses (1) to (4):

(1) costs to be incurred during the applicable rate year resulting from wage and salary increases effective after October 1, 2006, and prior to the first day of the facility's payroll period that includes October 1 of each year shall be allowed if they were not used in the prior year's application and they meet the requirements of paragraphs (b) and (c);

(2) a portion of the costs resulting from tenure-related wage or salary increases may be considered to be allowable wage increases, according to formulas that the commissioner shall provide, where employee retention is above the average statewide rate of retention of direct care employees;

(3) the annualized amount of increases in costs for the employer's share of health and dental insurance, life insurance, disability insurance, and workers' compensation shall be allowable compensation-related increases if they are effective on or after April 1 of the year in which the rate adjustments are effective and prior to April 1 of the following year; and

(4) for facilities in which employees are represented by an exclusive bargaining representative, the commissioner shall approve the application only upon receipt of a letter of acceptance of the distribution plan, as regards members of the bargaining unit, signed by the exclusive bargaining agent and dated after May 25, 2007. Upon receipt of the letter of acceptance, the commissioner shall deem all requirements of this section as having been met in regard to the members of the bargaining unit.

(h) The commissioner shall review applications received under paragraph (f) and shall provide the portion of the rate adjustments under paragraphs (b) and (c) if the requirements of this subdivision have been met. The rate adjustments shall be effective October 1 of each year. Notwithstanding paragraph (a), if the approved application distributes less money than is available, the amount of the rate adjustment shall be reduced so that the amount of money made available is equal to the amount to be distributed.

Subd. 8. ICF/DD rate decreases effective July 1, 2009. Effective July 1, 2009, the commissioner shall decrease each facility reimbursed under this section operating payment adjustments equal to 2.58 percent of the operating payment rates in effect on June 30, 2009. For each facility, the commissioner shall implement the rate reduction, based on occupied beds, using the percentage specified in this subdivision multiplied by the total payment rate, including the variable rate but excluding the property-related payment rate, in effect on the preceding date. The total rate reduction shall include the adjustment provided in subdivision 7.

Subd. 9. ICF/DD rate increase effective July 1, 2011; Clearwater County. Effective July 1, 2011, the commissioner shall increase the daily rate to \$138.23 at an intermediate care facility for the developmentally disabled located in Clearwater County and classified as a class A facility with 15 beds.

Subd. 10. ICF/DD rate decrease effective July 1, 2011; exception for Clearwater County. For each facility reimbursed under this section, except for a facility located in Clearwater County and classified as a class A facility with 15 beds, the commissioner shall decrease operating payment rates equal to 0.095 percent of the operating payment rates in effect on June 30, 2011. For each facility, the commissioner shall apply the rate reduction, based on occupied beds, using the percentage specified in this subdivision multiplied by the total payment rate, including the variable rate but excluding the property-related payment rate, in effect on the preceding date. The total rate reduction shall include the adjustment provided in section 256B.501, subdivision 12.

Subd. 11. ICF/DD rate decrease effective July 1, 2011. For each facility reimbursed under this section, the commissioner shall decrease operating payments equal to 1.5 percent of the operating payment rates in effect on June 30, 2011. For each facility, the commissioner shall apply the rate reduction, based on occupied beds, using the percentage specified in this subdivision multiplied by the total payment rate, including the variable rate but excluding the property-related payment rate, in effect on the preceding date. The total rate reduction shall include the adjustment provided in section 256B.501, subdivision 12.

Subd. 12. ICF/DD rate increase effective July 1, 2013. For each facility reimbursed under this section, the commissioner shall increase operating payments equal to one-half percent of the operating payment rates in effect on June 30, 2013. For each facility, the commissioner shall apply the rate increase, based on occupied beds, using the percentage specified in this subdivision multiplied by the total payment rate, including the variable rate but excluding the property-related payment

APPENDIX
Repealed Minnesota Statutes: UES0476-2

rate, in effect on the preceding date. The total rate increase shall include the adjustment provided in section 256B.501, subdivision 12.

Subd. 14. **Rate increase effective June 1, 2013.** For rate periods beginning on or after June 1, 2013, the commissioner shall increase the total operating payment rate for each facility reimbursed under this section by \$7.81 per day. The increase shall not be subject to any annual percentage increase.

Subd. 15. **ICF/DD rate increases effective April 1, 2014.** (a) Notwithstanding subdivision 12, for each facility reimbursed under this section, for the rate period beginning April 1, 2014, the commissioner shall increase operating payments equal to one percent of the operating payment rates in effect on March 31, 2014.

(b) For each facility, the commissioner shall apply the rate increase based on occupied beds, using the percentage specified in this subdivision multiplied by the total payment rate, including the variable rate, but excluding the property-related payment rate in effect on the preceding date. The total rate increase shall include the adjustment provided in section 256B.501, subdivision 12.

Subd. 16. **ICF/DD rate increases effective July 1, 2014.** (a) For the rate period beginning July 1, 2014, the commissioner shall increase operating payments for each facility reimbursed under this section equal to five percent of the operating payment rates in effect on June 30, 2014.

(b) For each facility, the commissioner shall apply the rate increase based on occupied beds, using the percentage specified in this subdivision multiplied by the total payment rate, including the variable rate but excluding the property-related payment rate in effect on June 30, 2014. The total rate increase shall include the adjustment provided in section 256B.501, subdivision 12.

(c) To receive the rate increase under paragraph (a), each facility reimbursed under this section must submit to the commissioner documentation that identifies a quality improvement project that the facility will implement by June 30, 2015. Documentation must be provided in a format specified by the commissioner. Projects must:

- (1) improve the quality of life of intermediate care facility residents in a meaningful way;
- (2) improve the quality of services in a measurable way; or
- (3) deliver good quality service more efficiently while using the savings to enhance services for the participants served.

(d) For a facility that fails to submit the documentation described in paragraph (c) by a date or in a format specified by the commissioner, the commissioner shall reduce the facility's rate by one percent effective January 1, 2015.

(e) Facilities that receive a rate increase under this subdivision shall use 80 percent of the additional revenue to increase compensation-related costs for employees directly employed by the facility on or after July 1, 2014, except:

- (1) persons employed in the central office of a corporation or entity that has an ownership interest in the facility or exercises control over the facility; and
- (2) persons paid by the facility under a management contract.

This requirement is subject to audit by the commissioner.

(f) Compensation-related costs include:

- (1) wages and salaries;
- (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation, and mileage reimbursement;
- (3) the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, pensions, and contributions to employee retirement accounts; and
- (4) other benefits provided and workforce needs, including the recruiting and training of employees as specified in the distribution plan required under paragraph (i).

(g) For public employees under a collective bargaining agreement, the increase for wages and benefits is available and pay rates must be increased only to the extent that the increases comply with laws governing public employees' collective bargaining. Money received by a facility under

paragraph (e) for pay increases for public employees must be used only for pay increases implemented between July 1, 2014, and August 1, 2014.

(h) For a facility that has employees that are represented by an exclusive bargaining representative, the provider shall obtain a letter of acceptance of the distribution plan required under paragraph (i), in regard to the members of the bargaining unit, signed by the exclusive bargaining agent. Upon receipt of the letter of acceptance, the facility shall be deemed to have met all the requirements of this subdivision in regard to the members of the bargaining unit. Upon request, the facility shall produce the letter of acceptance for the commissioner.

(i) A facility that receives a rate adjustment under paragraph (a) that is subject to paragraph (e) shall prepare, and upon request submit to the commissioner, a distribution plan that specifies the amount of money the facility expects to receive that is subject to the requirements of paragraph (e), including how that money will be distributed to increase compensation for employees. The commissioner may recover funds from a facility that fails to comply with this requirement.

(j) By January 1, 2015, the facility shall post the distribution plan required under paragraph (i) for a period of at least six weeks in an area of the facility's operation to which all eligible employees have access and shall provide instructions for employees who do not believe they have received the wage and other compensation-related increases specified in the distribution plan. The instructions must include a mailing address, email address, and telephone number that an employee may use to contact the commissioner or the commissioner's representative.

626.557 REPORTING OF MALTREATMENT OF VULNERABLE ADULTS.

Subd. 10. **Duties of county social service agency.** (a) When the common entry point refers a report to the county social service agency as the lead investigative agency or makes a referral to the county social service agency for emergency adult protective services, or when another lead investigative agency requests assistance from the county social service agency for adult protective services, the county social service agency shall immediately assess and offer emergency and continuing protective social services for purposes of preventing further maltreatment and for safeguarding the welfare of the maltreated vulnerable adult. The county shall use standardized tools and the data system made available by the commissioner. The information entered by the county into the standardized tool must be accessible to the Department of Human Services. In cases of suspected sexual abuse, the county social service agency shall immediately arrange for and make available to the vulnerable adult appropriate medical examination and treatment. When necessary in order to protect the vulnerable adult from further harm, the county social service agency shall seek authority to remove the vulnerable adult from the situation in which the maltreatment occurred. The county social service agency may also investigate to determine whether the conditions which resulted in the reported maltreatment place other vulnerable adults in jeopardy of being maltreated and offer protective social services that are called for by its determination.

(b) Within five business days of receipt of a report screened in by the county social service agency for investigation, the county social service agency shall determine whether, in addition to an assessment and services for the vulnerable adult, to also conduct an investigation for final disposition of the individual or facility alleged to have maltreated the vulnerable adult.

(c) The county social service agency must investigate for a final disposition the individual or facility alleged to have maltreated a vulnerable adult for each report accepted as lead investigative agency involving an allegation of abuse, caregiver neglect that resulted in harm to the vulnerable adult, financial exploitation that may be criminal, or an allegation against a caregiver under chapter 256B.

(d) An investigating county social service agency must make a final disposition for any allegation when the county social service agency determines that a final disposition may safeguard a vulnerable adult or may prevent further maltreatment.

(e) If the county social service agency learns of an allegation listed in paragraph (c) after the determination in paragraph (a), the county social service agency must change the initial determination and conduct an investigation for final disposition of the individual or facility alleged to have maltreated the vulnerable adult.

(f) County social service agencies may enter facilities and inspect and copy records as part of an investigation. The county social service agency has access to not public data, as defined in section 13.02, and medical records under sections 144.291 to 144.298, that are maintained by facilities to the extent necessary to conduct its investigation. The inquiry is not limited to the written records of the facility, but may include every other available source of information.

APPENDIX
Repealed Minnesota Statutes: UES0476-2

(g) When necessary in order to protect a vulnerable adult from serious harm, the county social service agency shall immediately intervene on behalf of that adult to help the family, vulnerable adult, or other interested person by seeking any of the following:

(1) a restraining order or a court order for removal of the perpetrator from the residence of the vulnerable adult pursuant to section 518B.01;

(2) the appointment of a guardian or conservator pursuant to sections 524.5-101 to 524.5-502, or guardianship or conservatorship pursuant to chapter 252A;

(3) replacement of a guardian or conservator suspected of maltreatment and appointment of a suitable person as guardian or conservator, pursuant to sections 524.5-101 to 524.5-502; or

(4) a referral to the prosecuting attorney for possible criminal prosecution of the perpetrator under chapter 609.

The expenses of legal intervention must be paid by the county in the case of indigent persons, under section 524.5-502 and chapter 563.

In proceedings under sections 524.5-101 to 524.5-502, if a suitable relative or other person is not available to petition for guardianship or conservatorship, a county employee shall present the petition with representation by the county attorney. The county shall contract with or arrange for a suitable person or organization to provide ongoing guardianship services. If the county presents evidence to the court exercising probate jurisdiction that it has made a diligent effort and no other suitable person can be found, a county employee may serve as guardian or conservator. The county shall not retaliate against the employee for any action taken on behalf of the person subject to guardianship or conservatorship, even if the action is adverse to the county's interest. Any person retaliated against in violation of this subdivision shall have a cause of action against the county and shall be entitled to reasonable attorney fees and costs of the action if the action is upheld by the court.

Laws 2025, First Special Session chapter 3, article 18, section 3

Sec. 3. **DIRECTION TO COMMISSIONER; INDIAN HEALTH SERVICE ENCOUNTER RATE.**

The commissioner of human services must submit a state plan amendment to the Centers for Medicare and Medicaid Services authorizing housing services as a new service category eligible for reimbursement at the outpatient per-day rate approved by the Indian Health Service. This reimbursement is limited to services provided by facilities of the Indian Health Service and facilities owned or operated by a Tribe or Tribal organization. For the purposes of this section, "housing services" means housing stabilization services as described in Minnesota Statutes, section 256B.051, subdivision 5, paragraphs (a) to (d).