

**SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION**

**S.F. No. 4726**

(SENATE AUTHORS: BOLDON)

DATE	D-PG	OFFICIAL STATUS
03/23/2026	6911	Introduction and first reading Referred to Human Services
03/25/2026	6958a	Comm report: To pass as amended and re-refer to Health and Human Services See SF476

1.1 A bill for an act

1.2 relating to human services; the behavioral health administration policy bill; making

1.3 changes to requirements for licensing and funding for mental health and substance

1.4 use disorder services; amending Minnesota Statutes 2024, sections 245F.02,

1.5 subdivision 17; 245F.15, subdivision 7; 245G.04, by adding a subdivision; 245G.11,

1.6 subdivision 8; 245I.04, by adding a subdivision; 245I.08, subdivision 4; 245I.10,

1.7 subdivision 6; 254B.052, subdivision 1, by adding a subdivision; 256B.0624,

1.8 subdivisions 6b, 7; 256B.0625, subdivision 47; 256B.0759, subdivision 3;

1.9 256B.0943, subdivision 6; 256B.0946, subdivision 4; 256B.0947, subdivision 5;

1.10 Minnesota Statutes 2025 Supplement, sections 245.469, subdivision 1; 245F.08,

1.11 subdivision 3; 245G.09, subdivision 3; 245G.11, subdivision 7; 245I.04, subdivision

1.12 17; 254A.03, subdivision 3; 254B.0501, subdivision 6; 254B.0505, subdivision

1.13 8, by adding a subdivision; 256B.0759, subdivision 4; 256B.0943, subdivision 1;

1.14 256B.0947, subdivision 3a; 256L.03, subdivision 5; repealing Minnesota Statutes

1.15 2024, section 256B.0759, subdivisions 2, 5; Minnesota Statutes 2025 Supplement,

1.16 section 254B.052, subdivision 6.

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

1.18 Section 1. Minnesota Statutes 2025 Supplement, section 245.469, subdivision 1, is amended  
1.19 to read:

1.20 Subdivision 1. **Availability of emergency services.** (a) County boards must provide or

1.21 contract for enough emergency services within the county to meet the needs of adults,

1.22 children, and families in the county who are experiencing an emotional crisis or mental

1.23 illness. Clients must not be charged for services provided. Emergency service providers

1.24 must not delay or deny the timely provision of emergency services to a client due to payor

1.25 source for services and must meet the qualifications under section 256B.0624, subdivision

1.26 4. Emergency services must include assessment, crisis intervention, and appropriate case

1.27 disposition. Emergency services must:

1.28 (1) promote the safety and emotional stability of each client;

- 2.1 (2) minimize further deterioration of each client;
- 2.2 (3) help each client to obtain ongoing care and treatment;
- 2.3 (4) prevent placement in settings that are more intensive, costly, or restrictive than
- 2.4 necessary and appropriate to meet client needs; and
- 2.5 (5) provide support, psychoeducation, and referrals to each client's family members,
- 2.6 service providers, and other third parties on behalf of the client in need of emergency
- 2.7 services.

2.8 (b) If a county provides engagement services under section 253B.041, the county's

2.9 emergency service providers must refer clients to engagement services when the client

2.10 meets the criteria for engagement services.

2.11 Sec. 2. Minnesota Statutes 2024, section 245F.02, subdivision 17, is amended to read:

2.12 Subd. 17. **Peer recovery support services.** "Peer recovery support services" means

2.13 services provided according to ~~section 245F.08, subdivision 3~~ section 254B.052.

2.14 Sec. 3. Minnesota Statutes 2025 Supplement, section 245F.08, subdivision 3, is amended

2.15 to read:

2.16 Subd. 3. **Peer recovery support services.** Peer recovery support services must meet the

2.17 requirements in section ~~245G.07, subdivision 2a, paragraph (b), clause (2)~~ 254B.052, and

2.18 must be provided by a person who is qualified according to the requirements in section

2.19 ~~245F.15, subdivision 7~~ 245I.04, subdivisions 18 and 19.

2.20 Sec. 4. Minnesota Statutes 2024, section 245F.15, subdivision 7, is amended to read:

2.21 Subd. 7. **Recovery peer qualifications.** Recovery peers must:

- 2.22 (1) meet the qualifications in section 245I.04, subdivision 18; and
- 2.23 (2) provide services according to the scope of practice established in section 245I.04,
- 2.24 subdivision 19, ~~under the supervision of an alcohol and drug counselor.~~

2.25 Sec. 5. Minnesota Statutes 2024, section 245G.04, is amended by adding a subdivision to

2.26 read:

2.27 Subd. 4. **Tobacco educational material.** A license holder must provide tobacco and

2.28 nicotine educational material to a client on the day of service initiation. The license holder

2.29 must use educational material approved by the commissioner that contains information on:

- 3.1 (1) risks associated with use of tobacco or nicotine products;
- 3.2 (2) types of tobacco or nicotine products, including differentiating between commercial
- 3.3 versus traditional or sacred tobacco;
- 3.4 (3) treatment options, including the use of medication for tobacco use disorder; and
- 3.5 (4) benefits of receiving treatment for tobacco or nicotine use while attending substance
- 3.6 use disorder treatment for another primary substance.

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

3.8 Sec. 6. Minnesota Statutes 2025 Supplement, section 245G.09, subdivision 3, is amended

3.9 to read:

3.10 Subd. 3. **Contents.** (a) Client records must contain the following:

3.11 (1) documentation that the client was given:

3.12 (i) information on client rights and responsibilities and grievance procedures on the day

3.13 of service initiation;

3.14 (ii) information on tuberculosis and HIV within 72 hours of service initiation;

3.15 (iii) an orientation to the program abuse prevention plan required under section 245A.65,

3.16 subdivision 2, paragraph (a), clause (4), within 24 hours of admission or, for clients who

3.17 would benefit from a later orientation, 72 hours; and

3.18 (iv) opioid educational material according to section 245G.04, subdivision 3, and tobacco

3.19 educational material according to section 245G.04, subdivision 4, on the day of service

3.20 initiation;

3.21 (2) an initial services plan completed according to section 245G.04;

3.22 (3) a comprehensive assessment completed according to section 245G.05;

3.23 (4) an individual abuse prevention plan according to sections 245A.65, subdivision 2,

3.24 and 626.557, subdivision 14, when applicable;

3.25 (5) an individual treatment plan according to section 245G.06, subdivisions 1 and 1a;

3.26 (6) documentation of treatment services, significant events, appointments, concerns, and

3.27 treatment plan reviews according to section 245G.06, subdivisions 2a, 2b, 3, and 3a; and

3.28 (7) a summary at the time of service termination according to section 245G.06,

3.29 subdivision 4.

4.1 (b) For a client that transfers to another of the license holder's licensed treatment locations,  
 4.2 the license holder is not required to complete new documents or orientation for the client,  
 4.3 except that the client must receive an orientation to the new location's grievance procedure,  
 4.4 program abuse prevention plan, and maltreatment of minor and vulnerable adults reporting  
 4.5 procedures.

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

4.7 Sec. 7. Minnesota Statutes 2025 Supplement, section 245G.11, subdivision 7, is amended  
 4.8 to read:

4.9 **Subd. 7. Treatment coordination provider qualifications.** (a) Treatment coordination  
 4.10 must be provided by qualified staff. An individual is qualified to provide treatment  
 4.11 coordination if the individual meets the qualifications of an alcohol and drug counselor  
 4.12 under subdivision 5 or if the individual:

4.13 (1) is skilled in the process of identifying and assessing a wide range of client needs;

4.14 (2) is knowledgeable about local community resources and how to use those resources  
 4.15 for the benefit of the client;

4.16 (3) has completed 15 hours of education or training on substance use disorder,  
 4.17 co-occurring conditions, and care coordination for individuals with substance use disorder  
 4.18 or co-occurring conditions that is consistent with national evidence-based standards;

4.19 (4) meets one of the following criteria:

4.20 ~~(i) has a bachelor's degree in one of the behavioral sciences or related fields;~~

4.21 ~~(ii)~~ (i) has a high school diploma or equivalent; or

4.22 ~~(iii)~~ (ii) is a mental health practitioner who meets the qualifications under section 245I.04,  
 4.23 subdivision 4; and

4.24 (5) either has at least 1,000 hours of supervised experience working with individuals  
 4.25 with substance use disorder or co-occurring conditions or receives treatment supervision at  
 4.26 least once per week until obtaining 1,000 hours of supervised experience working with  
 4.27 individuals with substance use disorder or co-occurring conditions.

4.28 (b) A treatment coordinator must receive the following levels of supervision from an  
 4.29 alcohol and drug counselor or a mental health professional whose scope of practice includes  
 4.30 substance use disorder treatment and assessments:

5.1 (1) for a treatment coordinator that has not obtained 1,000 hours of supervised experience  
5.2 under paragraph (a), clause (5), at least one hour of supervision per week; or

5.3 (2) for a treatment coordinator that has obtained at least 1,000 hours of supervised  
5.4 experience under paragraph (a), clause (5), at least one hour of supervision per month.

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

5.6 Sec. 8. Minnesota Statutes 2024, section 245G.11, subdivision 8, is amended to read:

5.7 Subd. 8. **Recovery peer qualifications.** A recovery peer must:

5.8 (1) meet the qualifications in section 245I.04, subdivision 18; and

5.9 (2) provide services according to the scope of practice established in section 245I.04,  
5.10 subdivision 19, ~~under the supervision of an alcohol and drug counselor.~~

5.11 Sec. 9. Minnesota Statutes 2025 Supplement, section 245I.04, subdivision 17, is amended  
5.12 to read:

5.13 Subd. 17. **Mental health behavioral aide scope of practice.** While under the treatment  
5.14 supervision of a mental health professional, a mental health behavioral aide may practice  
5.15 psychosocial skills with a child client according to the child's treatment plan ~~and individual~~  
5.16 ~~behavior plan~~ that a mental health professional, clinical trainee, or behavioral health  
5.17 practitioner has previously taught to the child.

5.18 Sec. 10. Minnesota Statutes 2024, section 245I.04, is amended by adding a subdivision  
5.19 to read:

5.20 Subd. 20. **Limitation on affiliation across service lines.** (a) A mental health professional,  
5.21 as defined in subdivision 3, may not simultaneously serve in a clinical, supervisory, or  
5.22 designated role for more than ten distinct licensed provider organizations or service lines  
5.23 delivering Medicaid-funded services. A mental health professional may not provide clinical  
5.24 or administrative supervision to more than 20 direct care or clinical staff across all affiliated  
5.25 provider organizations and service lines unless an exception is granted by the commissioner  
5.26 under paragraph (c).

5.27 (b) The commissioner shall establish criteria and a standardized process for evaluating  
5.28 exception requests under paragraph (a).

5.29 (c) Upon written request, the commissioner may grant an exception if the requester  
5.30 demonstrates that:

6.1 (1) the mental health professional can effectively meet all clinical, supervisory, and  
6.2 administrative responsibilities across affiliated programs;

6.3 (2) the oversight of client care will not be compromised; and

6.4 (3) the proposed arrangement complies with all applicable supervision, documentation,  
6.5 and service delivery requirements.

6.6 (d) In determining whether to grant an exception under paragraph (c), the commissioner  
6.7 shall consider:

6.8 (1) the geographic distribution of services;

6.9 (2) the complexity and acuity of client needs;

6.10 (3) the mental health professional's other responsibilities, including direct service  
6.11 provision; and

6.12 (4) whether adequate supervision can be maintained in compliance with program  
6.13 standards.

6.14 (e) The commissioner shall rescind approval of the exception granted under paragraph  
6.15 (c) if the requester fails to comply with applicable program standards or with the terms of  
6.16 the exception.

6.17 (f) A mental health professional determined to be in violation of this subdivision may  
6.18 be subject to corrective action, licensing sanctions, or administrative penalties in accordance  
6.19 with chapter 245A and other applicable law.

6.20 Sec. 11. Minnesota Statutes 2024, section 245I.08, subdivision 4, is amended to read:

6.21 Subd. 4. **Progress notes.** A license holder must use a progress note to document each  
6.22 occurrence of a mental health service that a staff person provides to a client. A progress  
6.23 note must include the following:

6.24 (1) the type of service;

6.25 (2) the date of service;

6.26 (3) the start and stop time of the service unless the license holder is licensed as a  
6.27 residential program;

6.28 (4) the location of the service;

6.29 (5) the scope of the service, including: (i) the targeted goal and objective; (ii) the  
6.30 intervention that the staff person provided to the client and the methods that the staff person

7.1 used; (iii) the client's response to the intervention; and (iv) the staff person's plan to take  
 7.2 future actions, including changes in treatment that the staff person will implement if the  
 7.3 intervention was ineffective;

7.4 (6) the signature and credentials of the staff person who provided the service to the  
 7.5 client;

7.6 (7) the dated signature and credentials of the treatment supervisor;

7.7 ~~(7)~~ (8) the mental health provider travel documentation required by section 256B.0625,  
 7.8 if applicable; and

7.9 ~~(8)~~ (9) significant observations by the staff person, if applicable, including: (i) the client's  
 7.10 current risk factors; (ii) emergency interventions by staff persons; (iii) consultations with  
 7.11 or referrals to other professionals, family, or significant others; and (iv) changes in the  
 7.12 client's mental or physical symptoms.

7.13 Sec. 12. Minnesota Statutes 2024, section 245I.10, subdivision 6, is amended to read:

7.14 Subd. 6. **Standard diagnostic assessment; required elements.** (a) Only a mental health  
 7.15 professional or a clinical trainee may complete a standard diagnostic assessment of a client.  
 7.16 A standard diagnostic assessment of a client must include a face-to-face interview with a  
 7.17 client and a written evaluation of the client. The assessor must complete a client's standard  
 7.18 diagnostic assessment within the client's cultural context. An alcohol and drug counselor  
 7.19 may gather and document the information in paragraphs (b) and (c) when completing a  
 7.20 comprehensive assessment according to section 245G.05.

7.21 (b) When completing a standard diagnostic assessment of a client, the assessor must  
 7.22 gather and document information about the client's current life situation, including the  
 7.23 following information:

7.24 (1) the client's age;

7.25 (2) the client's current living situation, including the client's housing status and household  
 7.26 members;

7.27 (3) the status of the client's basic needs;

7.28 (4) the client's education level and employment status;

7.29 (5) the client's current medications;

7.30 (6) any immediate risks to the client's health and safety, including withdrawal symptoms,  
 7.31 medical conditions, and behavioral and emotional symptoms;

- 8.1 (7) the client's perceptions of the client's condition;
- 8.2 (8) the client's description of the client's symptoms, including the reason for the client's  
8.3 referral;
- 8.4 (9) the client's history of mental health and substance use disorder treatment, including  
8.5 treatment for tobacco or nicotine use;
- 8.6 (10) cultural influences on the client; and
- 8.7 (11) substance use history, if applicable, including:
- 8.8 (i) amounts and types of substances, including tobacco and nicotine products; frequency  
8.9 and duration; route of administration; periods of abstinence; and circumstances of relapse;  
8.10 and
- 8.11 (ii) the impact to functioning when under the influence of substances, including legal  
8.12 interventions.
- 8.13 (c) If the assessor cannot obtain the information that this paragraph requires without  
8.14 retraumatizing the client or harming the client's willingness to engage in treatment, the  
8.15 assessor must identify which topics will require further assessment during the course of the  
8.16 client's treatment. The assessor must gather and document information related to the following  
8.17 topics:
- 8.18 (1) the client's relationship with the client's family and other significant personal  
8.19 relationships, including the client's evaluation of the quality of each relationship;
- 8.20 (2) the client's strengths and resources, including the extent and quality of the client's  
8.21 social networks;
- 8.22 (3) important developmental incidents in the client's life;
- 8.23 (4) maltreatment, trauma, potential brain injuries, and abuse that the client has suffered;
- 8.24 (5) the client's history of or exposure to alcohol and drug usage and treatment; and
- 8.25 (6) the client's health history and the client's family health history, including the client's  
8.26 physical, chemical, and mental health history.
- 8.27 (d) When completing a standard diagnostic assessment of a client, an assessor must use  
8.28 a recognized diagnostic framework.
- 8.29 (1) When completing a standard diagnostic assessment of a client who is five years of  
8.30 age or younger, the assessor must use the current edition of the DC: 0-5 Diagnostic

9.1 Classification of Mental Health and Development Disorders of Infancy and Early Childhood  
9.2 published by Zero to Three.

9.3 (2) When completing a standard diagnostic assessment of a client who is six years of  
9.4 age or older, the assessor must use the current edition of the Diagnostic and Statistical  
9.5 Manual of Mental Disorders published by the American Psychiatric Association.

9.6 (3) When completing a standard diagnostic assessment of a client who is 18 years of  
9.7 age or older, an assessor must use either (i) the CAGE-AID Questionnaire or (ii) the criteria  
9.8 in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders  
9.9 published by the American Psychiatric Association to screen and assess the client for a  
9.10 substance use disorder, including tobacco use disorder.

9.11 (e) When completing a standard diagnostic assessment of a client, the assessor must  
9.12 include and document the following components of the assessment:

9.13 (1) the client's mental status examination;

9.14 (2) the client's baseline measurements; symptoms; behavior; skills; abilities; resources;  
9.15 vulnerabilities; safety needs, including client information that supports the assessor's findings  
9.16 after applying a recognized diagnostic framework from paragraph (d); and any differential  
9.17 diagnosis of the client; and

9.18 (3) an explanation of: (i) how the assessor diagnosed the client using the information  
9.19 from the client's interview, assessment, psychological testing, and collateral information  
9.20 about the client; (ii) the client's needs; (iii) the client's risk factors; (iv) the client's strengths;  
9.21 and (v) the client's responsivity factors.

9.22 (f) When completing a standard diagnostic assessment of a client, the assessor must  
9.23 consult the client and the client's family about which services that the client and the family  
9.24 prefer to treat the client. The assessor must make referrals for the client as to services required  
9.25 by law.

9.26 (g) Information from other providers and prior assessments may be used to complete  
9.27 the diagnostic assessment if the source of the information is documented in the diagnostic  
9.28 assessment.

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

10.1 Sec. 13. Minnesota Statutes 2025 Supplement, section 254A.03, subdivision 3, is amended  
10.2 to read:

10.3 Subd. 3. **Rules for substance use disorder care.** (a) An eligible vendor of comprehensive  
10.4 assessments under section 254B.0501 may determine the appropriate level of substance use  
10.5 disorder treatment for a recipient of public assistance. The process for determining an  
10.6 individual's financial eligibility for the behavioral health fund or determining an individual's  
10.7 enrollment in or eligibility for a publicly subsidized health plan is not affected by the  
10.8 individual's choice to access a comprehensive assessment for placement.

10.9 ~~(b) The commissioner shall develop and implement a utilization review process for~~  
10.10 ~~publicly funded treatment placements to monitor and review the clinical appropriateness~~  
10.11 ~~and timeliness of all publicly funded placements in treatment.~~

10.12 ~~(e)~~ (b) If a screen result is positive for alcohol or substance misuse, a brief screening for  
10.13 alcohol or substance use disorder that is provided to a recipient of public assistance within  
10.14 a primary care clinic, hospital, or other medical setting or school setting establishes medical  
10.15 necessity and approval for an initial set of substance use disorder services identified in  
10.16 section 254B.0505. The initial set of services approved for a recipient whose screen result  
10.17 is positive may include any combination of up to four hours of individual or group substance  
10.18 use disorder treatment, two hours of substance use disorder treatment coordination, or two  
10.19 hours of substance use disorder peer support services provided by a qualified individual  
10.20 according to chapter 245G. A recipient must obtain an assessment pursuant to paragraph  
10.21 (a) to be approved for additional treatment services. A comprehensive assessment pursuant  
10.22 to section 245G.05 is not required to receive the initial set of services allowed under this  
10.23 subdivision. A positive screen result establishes eligibility for the initial set of services  
10.24 allowed under this subdivision.

10.25 ~~(d)~~ (c) An individual may choose to obtain a comprehensive assessment as provided in  
10.26 section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled  
10.27 provider that is licensed to provide the level of service authorized pursuant to section  
10.28 254A.19, subdivision 3. If the individual is enrolled in a prepaid health plan, the individual  
10.29 must comply with any provider network requirements or limitations.

10.30 Sec. 14. Minnesota Statutes 2025 Supplement, section 254B.0501, subdivision 6, is  
10.31 amended to read:

10.32 Subd. 6. **Recovery community organizations.** (a) A recovery community organization  
10.33 that meets the requirements of clauses (1) to (15), complies with the training requirements  
10.34 in section 254B.052, subdivision 4, and meets certification requirements of the Minnesota

11.1 Alliance of Recovery Community Organizations or another Minnesota statewide recovery  
11.2 organization identified by the commissioner is an eligible vendor of peer recovery support  
11.3 services. If the commissioner does not identify another statewide recovery organization, or  
11.4 the Minnesota Alliance of Recovery Community Organizations or the statewide recovery  
11.5 organization identified by the commissioner is not reasonably positioned to certify vendors,  
11.6 the commissioner must determine the eligibility of a vendor of peer recovery support services.  
11.7 A Minnesota statewide recovery organization identified by the commissioner must update  
11.8 recovery community organization applicants for certification on the status of the application  
11.9 within 45 days of receipt. If the approved statewide recovery organization denies an  
11.10 application, it must provide a written explanation for the denial to the recovery community  
11.11 organization. Eligible vendors under this paragraph must:

11.12 (1) be nonprofit organizations under section 501(c)(3) of the Internal Revenue Code, be  
11.13 free from conflicting self-interests, and be autonomous in decision-making, program  
11.14 development, peer recovery support services provided, and advocacy efforts for the purpose  
11.15 of supporting the recovery community organization's mission;

11.16 (2) be led and governed by individuals in the recovery community, with more than 50  
11.17 percent of the board of directors or advisory board members self-identifying as people in  
11.18 personal recovery from substance use disorders;

11.19 (3) have a mission statement and conduct corresponding activities indicating that the  
11.20 organization's primary purpose is to support recovery from substance use disorder;

11.21 (4) demonstrate ongoing community engagement with the identified primary region and  
11.22 population served by the organization, including individuals in recovery and their families,  
11.23 friends, and recovery allies;

11.24 (5) be accountable to the recovery community through documented priority-setting and  
11.25 participatory decision-making processes that promote the engagement of, and consultation  
11.26 with, people in recovery and their families, friends, and recovery allies;

11.27 (6) provide nonclinical peer recovery support services, including but not limited to  
11.28 recovery support groups, recovery coaching, telephone recovery support, skill-building,  
11.29 and harm-reduction activities, and provide recovery public education and advocacy;

11.30 (7) have written policies that allow for and support opportunities for all paths toward  
11.31 recovery and refrain from excluding anyone based on their chosen recovery path, which  
11.32 may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based  
11.33 paths;

12.1 (8) maintain organizational practices to meet the needs of Black, Indigenous, and people  
12.2 of color communities, LGBTQ+ communities, and other underrepresented or marginalized  
12.3 communities. Organizational practices may include board and staff training, service offerings,  
12.4 advocacy efforts, and culturally informed outreach and services;

12.5 (9) use recovery-friendly language in all media and written materials that is supportive  
12.6 of and promotes recovery across diverse geographical and cultural contexts and reduces  
12.7 stigma;

12.8 (10) establish and maintain a publicly available recovery community organization code  
12.9 of ethics and grievance policy and procedures;

12.10 (11) not classify or treat any recovery peer hired on or after July 1, 2024, as an  
12.11 independent contractor;

12.12 (12) not classify or treat any recovery peer as an independent contractor on or after  
12.13 January 1, 2025;

12.14 (13) provide an orientation for recovery peers that includes an overview of the consumer  
12.15 advocacy services provided by the Ombudsman for Mental Health and Developmental  
12.16 Disabilities and other relevant advocacy services;

12.17 (14) provide notice to peer recovery support services participants that includes the  
12.18 following statement: "If you have a complaint about the provider or the person providing  
12.19 your peer recovery support services, you may contact the Minnesota Alliance of Recovery  
12.20 Community Organizations. You may also contact the Office of Ombudsman for Mental  
12.21 Health and Developmental Disabilities." The statement must also include:

12.22 (i) the telephone number, website address, email address, and mailing address of the  
12.23 Minnesota Alliance of Recovery Community Organizations and the Office of Ombudsman  
12.24 for Mental Health and Developmental Disabilities;

12.25 (ii) the recovery community organization's name, address, email, telephone number, and  
12.26 name or title of the person at the recovery community organization to whom problems or  
12.27 complaints may be directed; and

12.28 (iii) a statement that the recovery community organization will not retaliate against a  
12.29 peer recovery support services participant because of a complaint; and

12.30 (15) comply with the requirements of section 245A.04, subdivision 15a.

12.31 (b) A recovery community organization approved by the commissioner before June 30,  
12.32 2023, must have begun the application process as required by an approved certifying or

13.1 accrediting entity and have begun the process to meet the requirements under paragraph (a)  
 13.2 by September 1, 2024, in order to be considered as an eligible vendor of peer recovery  
 13.3 support services.

13.4 (c) A recovery community organization that is aggrieved by a certification determination  
 13.5 and believes it meets the requirements under paragraph (a) may appeal the determination  
 13.6 under section 256.045, subdivision 3, paragraph (a), clause (14), for reconsideration as an  
 13.7 eligible vendor. If the human services judge determines that the recovery community  
 13.8 organization meets the requirements under paragraph (a), the recovery community  
 13.9 organization is an eligible vendor of peer recovery support services for up to two years from  
 13.10 the date of the determination. After two years, the recovery community organization must  
 13.11 apply for certification under paragraph (a) to continue to be an eligible vendor of peer  
 13.12 recovery support services.

13.13 (d) All recovery community organizations must be certified by an entity listed in  
 13.14 paragraph (a) by June 30, ~~2027~~ 2026.

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

13.16 Sec. 15. Minnesota Statutes 2025 Supplement, section 254B.0505, subdivision 8, is  
 13.17 amended to read:

13.18 Subd. 8. ~~Peer recovery support services~~ **Utilization review requirements.** Eligible  
 13.19 vendors of ~~peer recovery support services~~ in subdivision 1, clauses (1) to (10), must:

13.20 ~~(1) submit to a review by the commissioner of up to ten percent of all medical assistance~~  
 13.21 ~~and behavioral health fund claims to determine the medical necessity of peer recovery~~  
 13.22 ~~support services for entities billing for peer recovery support services individually and not~~  
 13.23 ~~receiving a daily rate; and,~~

13.24 ~~(2) limit an individual client to 14 hours per week for peer recovery support services~~  
 13.25 ~~from an individual provider of peer recovery support services.~~

13.26 Sec. 16. Minnesota Statutes 2025 Supplement, section 254B.0505, is amended by adding  
 13.27 a subdivision to read:

13.28 **Subd. 9. Monetary recovery.** Reimbursement for services authorized under this chapter  
 13.29 that are not provided in accordance with this chapter are subject to monetary recovery under  
 13.30 section 256B.064 as money improperly paid.

14.1 Sec. 17. Minnesota Statutes 2024, section 254B.052, subdivision 1, is amended to read:

14.2 Subdivision 1. **Peer recovery support services; service requirements.** (a) Peer recovery  
14.3 support services are face-to-face interactions between a recovery peer and a client, on a  
14.4 one-on-one basis, in which specific goals identified in an individual recovery plan, treatment  
14.5 plan, or stabilization plan are discussed and addressed. Peer recovery support services are  
14.6 provided to promote a client's recovery goals, self-sufficiency, self-advocacy, and  
14.7 development of natural supports and to support maintenance of a client's recovery.

14.8 (b) Peer recovery support services must be provided according to (1) an individual  
14.9 recovery plan if provided by a recovery community organization or county, a treatment plan  
14.10 if provided in either a substance use disorder treatment program under chapter 245G, or a  
14.11 Tribally licensed substance use disorder treatment program, or (2) a stabilization plan if  
14.12 provided by a withdrawal management program under chapter 245F.

14.13 (c) A client receiving peer recovery support services must participate in the services  
14.14 voluntarily. Any program that incorporates peer recovery support services must provide  
14.15 written notice to the client that peer recovery support services will be provided.

14.16 (d) Peer recovery support services may not be provided to a client residing with or  
14.17 employed by a recovery peer from whom ~~they receive~~ the client receives services.

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

14.19 Sec. 18. Minnesota Statutes 2024, section 254B.052, is amended by adding a subdivision  
14.20 to read:

14.21 Subd. 7. **Billing limits.** Eligible vendors of peer recovery support services must limit  
14.22 an individual client to 14 hours per week for peer recovery support services from an  
14.23 individual provider of peer recovery support services.

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

14.25 Sec. 19. Minnesota Statutes 2024, section 256B.0624, subdivision 6b, is amended to read:

14.26 Subd. 6b. **Crisis intervention services.** (a) If the crisis assessment determines mobile  
14.27 crisis intervention services are needed, the crisis intervention services must be provided  
14.28 promptly. As opportunity presents during the intervention, at least two members of the  
14.29 mobile crisis intervention team must confer directly or by telephone about the crisis  
14.30 assessment, crisis treatment plan, and actions taken and needed. At least one of the team  
14.31 members must be providing face-to-face crisis intervention services. If providing crisis

15.1 intervention services, a clinical trainee or mental health practitioner must seek treatment  
 15.2 supervision as required in subdivision 9.

15.3 (b) If a provider delivers crisis intervention services while the recipient is absent, the  
 15.4 provider must document the reason for delivering services while the recipient is absent.

15.5 (c) The mobile crisis intervention team must develop a crisis treatment plan according  
 15.6 to subdivision 11.

15.7 (d) The mobile crisis intervention team must document which crisis treatment plan goals  
 15.8 and objectives have been met and when no further crisis intervention services are required.

15.9 (e) If the recipient's mental health crisis is stabilized, but the recipient needs a referral  
 15.10 to other services, the team must provide referrals to these services. If the recipient has a  
 15.11 case manager, planning for other services must be coordinated with the case manager. If  
 15.12 the recipient is unable to follow up on the referral, the team must link the recipient to the  
 15.13 service and follow up to ensure the recipient is receiving the service.

15.14 ~~(f) If the recipient's mental health crisis is stabilized and the recipient does not have an~~  
 15.15 ~~advance directive, the case manager or crisis team shall offer to work with the recipient to~~  
 15.16 ~~develop one.~~

15.17 **EFFECTIVE DATE.** This section is effective upon federal approval.

15.18 Sec. 20. Minnesota Statutes 2024, section 256B.0624, subdivision 7, is amended to read:

15.19 Subd. 7. **Crisis stabilization services.** (a) Crisis stabilization services must be provided  
 15.20 by qualified staff of a crisis stabilization services provider entity and must meet the following  
 15.21 standards:

15.22 (1) a crisis treatment plan must be developed that meets the criteria in subdivision 11;

15.23 (2) staff must be qualified as defined in subdivision 8;

15.24 (3) crisis stabilization services must be delivered according to the crisis treatment plan  
 15.25 and include face-to-face contact with the recipient by qualified staff for further assessment,  
 15.26 help with referrals, updating of the crisis treatment plan, skills training, and collaboration  
 15.27 with other service providers in the community; ~~and~~

15.28 (4) if a provider delivers crisis stabilization services while the recipient is absent, the  
 15.29 provider must document the reason for delivering services while the recipient is absent; ~~;~~  
 15.30 and

16.1 (5) if the recipient is an adult and the recipient's mental health crisis is stabilized and  
 16.2 the recipient does not have a health care directive as defined by section 145C.01, subdivision  
 16.3 5a, or psychiatric declaration as defined by section 253B.03, subdivision 6d, the case manager  
 16.4 or crisis team must offer to work with the recipient to develop a directive or declaration.

16.5 (b) If crisis stabilization services are provided in a supervised, licensed residential setting  
 16.6 that serves no more than four adult residents, and one or more individuals are present at the  
 16.7 setting to receive residential crisis stabilization, the residential staff must include, for at  
 16.8 least eight hours per day, at least one mental health professional, clinical trainee, certified  
 16.9 rehabilitation specialist, or mental health practitioner. The commissioner shall establish a  
 16.10 statewide per diem rate for crisis stabilization services provided under this paragraph to  
 16.11 medical assistance enrollees. The rate for a provider shall not exceed the rate charged by  
 16.12 that provider for the same service to other payers. Payment shall not be made to more than  
 16.13 one entity for each individual for services provided under this paragraph on a given day.  
 16.14 The commissioner shall set rates prospectively for the annual rate period. The commissioner  
 16.15 shall require providers to submit annual cost reports on a uniform cost reporting form and  
 16.16 shall use submitted cost reports to inform the rate-setting process. The commissioner shall  
 16.17 recalculate the statewide per diem every year.

16.18 **EFFECTIVE DATE.** This section is effective upon federal approval.

16.19 Sec. 21. Minnesota Statutes 2024, section 256B.0625, subdivision 47, is amended to read:

16.20 Subd. 47. **Treatment foster care services.** ~~Effective July 1, 2011, and subject to federal~~  
 16.21 ~~approval,~~ Medical assistance covers treatment foster care children's intensive behavioral  
 16.22 health services according to section 256B.0946.

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

16.24 Sec. 22. Minnesota Statutes 2024, section 256B.0759, subdivision 3, is amended to read:

16.25 Subd. 3. **Provider standards.** ~~(a) The commissioner must establish requirements for~~  
 16.26 ~~participating providers that are consistent with the federal requirements of the demonstration~~  
 16.27 ~~project.~~ The following programs that receive payment for substance use disorder treatment  
 16.28 services under section 256B.0625 must enroll as a Minnesota Health Care Programs provider,  
 16.29 meet the requirements established by the commissioner, and certify that the program meets  
 16.30 the applicable American Society of Addiction Medicine (ASAM) levels of care according  
 16.31 to section 254B.19:

17.1 (1) nonresidential substance use disorder treatment programs and residential treatment  
 17.2 programs licensed under chapter 245G as licensed substance use disorder treatment facilities;

17.3 (2) withdrawal management programs licensed under chapter 245F; and

17.4 (3) out-of-state residential substance use disorder treatment programs.

17.5 Programs that do not meet the requirements of this paragraph are ineligible for payment for  
 17.6 services provided under section 256B.0625.

17.7 ~~(b) A participating residential provider must obtain applicable licensure under chapter~~  
 17.8 ~~245F or 245G or other applicable standards for the services provided and must:~~

17.9 ~~(1) deliver services in accordance with standards published by the commissioner pursuant~~  
 17.10 ~~to paragraph (d);~~

17.11 ~~(2) maintain formal patient referral arrangements with providers delivering step-up or~~  
 17.12 ~~step-down levels of care in accordance with ASAM standards; and~~

17.13 ~~(3) offer substance use disorder treatment services with medications for opioid use~~  
 17.14 ~~disorder on site or facilitate access to substance use disorder treatment services with~~  
 17.15 ~~medications for opioid use disorder off site.~~

17.16 ~~(c) A participating outpatient provider must obtain applicable licensure under chapter~~  
 17.17 ~~245G or other applicable standards for the services provided and must:~~

17.18 ~~(1) deliver services in accordance with standards published by the commissioner pursuant~~  
 17.19 ~~to paragraph (d); and~~

17.20 ~~(2) maintain formal patient referral arrangements with providers delivering step-up or~~  
 17.21 ~~step-down levels of care in accordance with ASAM standards.~~

17.22 ~~(d) If the provider standards under chapter 245G or other applicable standards conflict~~  
 17.23 ~~or are duplicative, the commissioner may grant variances to the standards if the variances~~  
 17.24 ~~do not conflict with federal requirements. The commissioner must publish service~~  
 17.25 ~~components, service standards, and staffing requirements for participating providers that~~  
 17.26 ~~are consistent with ASAM standards and federal requirements by October 1, 2020.~~

17.27 (b) Programs licensed by the Department of Human Services as residential treatment  
 17.28 programs according to section 245G.21 that (1) receive payment under this chapter, (2) are  
 17.29 licensed as a hospital under sections 144.50 to 144.581, and (3) provide only ASAM level  
 17.30 3.7 medically monitored inpatient level of care are not required to certify the ASAM 3.7  
 17.31 level of care. If a program described in this paragraph provides any additional ASAM levels  
 17.32 of care, the program must certify those levels of care according to section 254B.19. Programs

18.1 meeting the criteria in this paragraph must submit evidence of providing the required level  
18.2 of care to the commissioner to be exempt from enrolling in the demonstration.

18.3 (c) Tribally licensed programs that otherwise meet the requirements of subdivision 3  
18.4 may elect to participate in the demonstration project. The Department of Human Services  
18.5 must consult with Tribal Nations to discuss participation in the substance use disorder  
18.6 demonstration project.

18.7 (d) Programs subject to this section must:

18.8 (1) deliver services in accordance with section 254B.19; and

18.9 (2) offer substance use disorder treatment services with medications for opioid use  
18.10 disorder on site or facilitate timely access to medications for opioid use disorder off site.

18.11 Sec. 23. Minnesota Statutes 2025 Supplement, section 256B.0759, subdivision 4, is  
18.12 amended to read:

18.13 Subd. 4. **Provider payment rates.** ~~(a) Payment rates for participating Providers must~~  
18.14 ~~be increased for services provided to medical assistance enrollees. To receive a rate increase,~~  
18.15 ~~participating providers must meet demonstration project requirements and provide evidence~~  
18.16 ~~of formal referral arrangements with providers delivering step-up or step-down levels of~~  
18.17 ~~care. Providers that have enrolled in the demonstration project but have not met the provider~~  
18.18 ~~standards under subdivision 3 as of July 1, 2022, are not eligible for a rate increase under~~  
18.19 ~~this subdivision until the date that the provider meets the provider standards in subdivision~~  
18.20 ~~3. Services provided from July 1, 2022, to the date that the provider meets the provider~~  
18.21 ~~standards under subdivision 3 shall be reimbursed at rates according to section 254B.0505,~~  
18.22 ~~subdivision 1. Rate increases paid under this subdivision to a provider for services provided~~  
18.23 ~~between July 1, 2021, and July 1, 2022, are not subject to recoupment when the provider~~  
18.24 ~~is taking meaningful steps to meet demonstration project requirements that are not otherwise~~  
18.25 ~~required by law, and the provider provides documentation to the commissioner, upon request,~~  
18.26 ~~of the steps being taken.~~

18.27 ~~(b) The commissioner may temporarily suspend payments to the provider according to~~  
18.28 ~~section 256B.04, subdivision 21, paragraph (d), if the provider does not meet the requirements~~  
18.29 ~~in paragraph (a). Payments withheld from the provider must be made once the commissioner~~  
18.30 ~~determines that the requirements in paragraph (a) are met.~~

18.31 ~~(c) For outpatient individual and group substance use disorder services under section~~  
18.32 ~~254B.0505, subdivision 1, clause (1), and adolescent treatment programs that are licensed~~  
18.33 ~~as outpatient treatment programs according to sections 245G.01 to 245G.18, provided on~~

19.1 ~~or after January 1, 2021, payment rates must be increased by 20 percent over the rates in~~  
19.2 ~~effect on December 31, 2020.~~

19.3 ~~(d)~~ (b) Effective January 1, 2021, and contingent on annual federal approval, managed  
19.4 care plans and county-based purchasing plans must reimburse providers of the substance  
19.5 use disorder services meeting the ~~criteria described in paragraph (a) who~~ requirements of  
19.6 section 254B.19 that are employed by or under contract with the plan an amount that is at  
19.7 least equal to the fee-for-service base rate payment for the substance use disorder services  
19.8 described in paragraph ~~(e)~~ (a). The commissioner must monitor the effect of this requirement  
19.9 on the rate of access to substance use disorder services and residential substance use disorder  
19.10 rates. Capitation rates paid to managed care organizations and county-based purchasing  
19.11 plans must reflect the impact of this requirement. This paragraph expires if federal approval  
19.12 is not received at any time as required under this paragraph.

19.13 ~~(e)~~ (c) Effective July 1, 2021, contracts between managed care plans and county-based  
19.14 purchasing plans and providers to whom paragraph ~~(d)~~ (b) applies must allow recovery of  
19.15 payments from those providers if, for any contract year, federal approval for the provisions  
19.16 of paragraph ~~(d)~~ (b) is not received, and capitation rates are adjusted as a result. Payment  
19.17 recoveries must not exceed the amount equal to any decrease in rates that results from this  
19.18 provision.

19.19 ~~(f)~~ (d) For substance use disorder services with medications for opioid use disorder under  
19.20 section 254B.0505, subdivision 1, clause (7), provided on or after January 1, 2021, payment  
19.21 rates must be increased by 20 percent over the rates in effect on December 31, 2020. Upon  
19.22 implementation of new rates according to section 254B.121, the 20 percent increase will  
19.23 no longer apply.

19.24 Sec. 24. Minnesota Statutes 2025 Supplement, section 256B.0943, subdivision 1, is  
19.25 amended to read:

19.26 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
19.27 the meanings given ~~them~~.

19.28 (b) "Children's therapeutic services and supports" means the flexible package of mental  
19.29 health services for children who require varying therapeutic and rehabilitative levels of  
19.30 intervention to treat a diagnosed mental illness, as defined in section 245.462, subdivision  
19.31 20, or 245.4871, subdivision 15. The services are time-limited interventions that are delivered  
19.32 using various treatment modalities and combinations of services designed to reach treatment  
19.33 outcomes identified in the individual treatment plan.

20.1 (c) "Clinical trainee" means a staff person who is qualified according to section 245I.04,  
20.2 subdivision 6.

20.3 (d) "Crisis planning" has the meaning given in section 245.4871, subdivision 9a.

20.4 (e) "Culturally competent provider" means a provider who understands and can utilize  
20.5 to a client's benefit the client's culture when providing services to the client. A provider  
20.6 may be culturally competent because the provider is of the same cultural or ethnic group  
20.7 as the client or the provider has developed the knowledge and skills through training and  
20.8 experience to provide services to culturally diverse clients.

20.9 (f) "Day treatment program" for children means a site-based structured mental health  
20.10 program consisting of psychotherapy for three or more individuals and individual or group  
20.11 skills training provided by a team, under the treatment supervision of a mental health  
20.12 professional.

20.13 (g) "Direct service time" means the time that a mental health professional, clinical trainee,  
20.14 mental health practitioner, or mental health behavioral aide spends face-to-face with a client  
20.15 and the client's family or providing covered services through telehealth as defined under  
20.16 section 256B.0625, subdivision 3b. Direct service time includes time in which the provider  
20.17 obtains a client's history, develops a client's treatment plan, records individual treatment  
20.18 outcomes, or provides service components of children's therapeutic services and supports.  
20.19 Direct service time does not include time doing work before and after providing direct  
20.20 services, including scheduling or maintaining clinical records.

20.21 (h) "Direction of mental health behavioral aide" means the activities of a mental health  
20.22 professional, clinical trainee, or mental health practitioner in guiding the mental health  
20.23 behavioral aide in providing services to a client. The direction of a mental health behavioral  
20.24 aide must be based on the client's individual treatment plan and meet the requirements in  
20.25 subdivision 6, paragraph (b), clause (7).

20.26 (i) "Individual treatment plan" means the plan described in section 245I.10, subdivisions  
20.27 7 and 8.

20.28 (j) "Mental health behavioral aide services" means medically necessary one-on-one  
20.29 activities performed by a mental health behavioral aide qualified according to section  
20.30 245I.04, subdivision 16, to assist a child retain or generalize psychosocial skills as previously  
20.31 trained by a mental health professional, clinical trainee, or mental health practitioner and  
20.32 as described in the child's individual treatment plan ~~and individual behavior plan~~. Activities  
20.33 involve working directly with the child or child's family as provided in subdivision 9,  
20.34 paragraph (b), clause (4).

21.1 (k) "Mental health certified family peer specialist" means a staff person who is qualified  
21.2 according to section 245I.04, subdivision 12.

21.3 (l) "Mental health practitioner" means a staff person who is qualified according to section  
21.4 245I.04, subdivision 4.

21.5 (m) "Mental health professional" means a staff person who is qualified according to  
21.6 section 245I.04, subdivision 2.

21.7 (n) "Mental health service plan development" includes:

21.8 (1) development and revision of a child's individual treatment plan; and

21.9 (2) administering and reporting standardized outcome measurements approved by the  
21.10 commissioner, as periodically needed to evaluate the effectiveness of treatment.

21.11 (o) "Mental illness" has the meaning given in section 245.462, subdivision 20, paragraph  
21.12 (a), for persons at least 18 years of age but under 21 years of age, and has the meaning given  
21.13 in section 245.4871, subdivision 15, for children under 18 years of age.

21.14 (p) "Psychotherapy" means the treatment described in section 256B.0671, subdivision  
21.15 11.

21.16 (q) "Rehabilitative services" or "psychiatric rehabilitation services" means interventions  
21.17 to: (1) restore a child or adolescent to an age-appropriate developmental trajectory that had  
21.18 been disrupted by a psychiatric illness; or (2) enable the child to self-monitor, compensate  
21.19 for, cope with, counteract, or replace psychosocial skills deficits or maladaptive skills  
21.20 acquired over the course of a psychiatric illness. Psychiatric rehabilitation services for  
21.21 children combine coordinated psychotherapy to address internal psychological, emotional,  
21.22 and intellectual processing deficits, and skills training to restore personal and social  
21.23 functioning. Psychiatric rehabilitation services establish a progressive series of goals with  
21.24 each achievement building upon a prior achievement.

21.25 (r) "Skills training" means individual, family, or group training, delivered by or under  
21.26 the supervision of a mental health professional, designed to facilitate the acquisition of  
21.27 psychosocial skills that are medically necessary to rehabilitate the child to an age-appropriate  
21.28 developmental trajectory heretofore disrupted by a psychiatric illness or to enable the child  
21.29 to self-monitor, compensate for, cope with, counteract, or replace skills deficits or  
21.30 maladaptive skills acquired over the course of a psychiatric illness. Skills training is subject  
21.31 to the service delivery requirements under subdivision 9, paragraph (b), clause (2).

21.32 (s) "Standard diagnostic assessment" means the assessment described in section 245I.10,  
21.33 subdivision 6.

22.1 (t) "Treatment supervision" means the supervision described in section 245I.06.

22.2 Sec. 25. Minnesota Statutes 2024, section 256B.0943, subdivision 6, is amended to read:

22.3 Subd. 6. **Provider entity clinical infrastructure requirements.** (a) To be an eligible  
22.4 provider entity under this section, a provider entity must have a clinical infrastructure that  
22.5 utilizes diagnostic assessment, individual treatment plans, service delivery, and individual  
22.6 treatment plan review that are culturally competent, child-centered, and family-driven to  
22.7 achieve maximum benefit for the client. The provider entity must review, and update as  
22.8 necessary, the clinical policies and procedures every ~~three~~ two years, must distribute the  
22.9 policies and procedures to staff initially and upon each subsequent update, and must train  
22.10 staff accordingly.

22.11 (b) The clinical infrastructure written policies and procedures must include policies and  
22.12 procedures for meeting the requirements in this subdivision:

22.13 (1) providing or obtaining a client's standard diagnostic assessment, including a standard  
22.14 diagnostic assessment. When required components of the standard diagnostic assessment  
22.15 are not provided in an outside or independent assessment or cannot be attained immediately,  
22.16 the provider entity must determine the missing information within 30 days and amend the  
22.17 child's standard diagnostic assessment or incorporate the information into the child's  
22.18 individual treatment plan;

22.19 (2) developing an individual treatment plan;

22.20 (3) providing treatment supervision plans for staff according to section 245I.06. Treatment  
22.21 supervision does not include the authority to make or terminate court-ordered placements  
22.22 of the child. A treatment supervisor must be available for urgent consultation as required  
22.23 by the individual client's needs or the situation;

22.24 (4) requiring a mental health professional to determine the level of supervision for a  
22.25 behavioral health aide and to document and sign the supervision determination in the  
22.26 behavioral health aide's supervision plan;

22.27 (5) ensuring the immediate accessibility of a mental health professional, clinical trainee,  
22.28 or mental health practitioner to the behavioral aide during service delivery;

22.29 (6) providing service delivery that implements the individual treatment plan and meets  
22.30 the requirements under subdivision 9; and

22.31 (7) individual treatment plan review. The review must determine the extent to which  
22.32 the services have met each of the goals and objectives in the treatment plan. The review

23.1 must assess the client's progress and ensure that services and treatment goals continue to  
23.2 be necessary and appropriate to the client and the client's family or foster family.

23.3 Sec. 26. Minnesota Statutes 2024, section 256B.0946, subdivision 4, is amended to read:

23.4 Subd. 4. **Service delivery payment requirements.** (a) To be eligible for payment under  
23.5 this section, a provider must develop and practice written policies and procedures for  
23.6 children's intensive behavioral health services, consistent with subdivision 1, paragraph (b),  
23.7 and comply with the following requirements in paragraphs (b) to (n).

23.8 (b) Each previous and current mental health, school, and physical health treatment  
23.9 provider must be contacted to request documentation of treatment and assessments that the  
23.10 eligible client has received. This information must be reviewed and incorporated into the  
23.11 standard diagnostic assessment and team consultation and treatment planning review process.

23.12 (c) Each client receiving treatment must be assessed for a trauma history, and the client's  
23.13 treatment plan must document how the results of the assessment will be incorporated into  
23.14 treatment.

23.15 (d) The level of care assessment as defined in section 245I.02, subdivision 19, and  
23.16 functional assessment as defined in section 245I.02, subdivision 17, must be updated at  
23.17 least every 180 days or prior to discharge from the service, whichever comes first.

23.18 (e) Each client receiving treatment services must have an individual treatment plan that  
23.19 is reviewed, evaluated, and approved every 180 days using the team consultation and  
23.20 treatment planning process.

23.21 (f) Clinical care consultation must be provided in accordance with the client's individual  
23.22 treatment plan.

23.23 (g) Each client must have a crisis plan within ten days of initiating services and must  
23.24 have access to clinical phone support 24 hours per day, seven days per week, during the  
23.25 course of treatment. The crisis plan must demonstrate coordination with the local or regional  
23.26 mobile crisis intervention team.

23.27 (h) Services must be delivered and documented at least three days per week, equaling  
23.28 at least six hours of treatment per week. If the mental health professional, client, and family  
23.29 agree, service units may be temporarily reduced for a period of no more than 60 days in  
23.30 order to meet the needs of the client and family, or as part of transition or on a discharge  
23.31 plan to another service or level of care. The reasons for service reduction must be identified;  
23.32 and documented, and included in the treatment plan or case file. Billing and payment are  
23.33 prohibited for days on which no services are delivered and documented.

24.1 (i) Location of service delivery must be in the client's home, day care setting, school, or  
 24.2 other community-based setting that is specified on the client's individualized treatment plan.

24.3 (j) Treatment must be developmentally and culturally appropriate for the client.

24.4 (k) Services must be delivered in continual collaboration and consultation with the  
 24.5 client's medical providers and, in particular, with prescribers of psychotropic medications,  
 24.6 including those prescribed on an off-label basis. Members of the service team must be aware  
 24.7 of the medication regimen and potential side effects.

24.8 (l) Parents, siblings, foster parents, legal guardians, and members of the child's  
 24.9 permanency plan must be involved in treatment and service delivery unless otherwise noted  
 24.10 in the treatment plan.

24.11 (m) Transition planning for the child must be conducted starting with the first treatment  
 24.12 plan and must be addressed throughout treatment to support the child's permanency plan  
 24.13 and postdischarge mental health service needs.

24.14 (n) In order for a provider to receive the daily per-client encounter rate, at least one of  
 24.15 the services listed in subdivision 1, paragraph (b), clauses (1) to (3), must be provided. The  
 24.16 services listed in subdivision 1, paragraph (b), clauses (4) and (5), may be included as part  
 24.17 of the daily per-client encounter rate.

24.18 Sec. 27. Minnesota Statutes 2025 Supplement, section 256B.0947, subdivision 3a, is  
 24.19 amended to read:

24.20 Subd. 3a. **Required service components.** (a) Intensive nonresidential rehabilitative  
 24.21 mental health services, supports, and ancillary activities that are covered by a single daily  
 24.22 rate per client must include the following, as needed by the individual client:

24.23 (1) individual, family, and group psychotherapy;

24.24 (2) individual, family, and group skills training, as defined in section 256B.0943,  
 24.25 subdivision 1, paragraph (r);

24.26 (3) crisis planning as defined in section 245.4871, subdivision 9a;

24.27 (4) medication management provided by a ~~physician, an advanced practice registered~~  
 24.28 ~~nurse with certification in psychiatric and mental health care, or a physician assistant~~ qualified  
 24.29 provider;

24.30 (5) mental health case management as provided in section 256B.0625, subdivision 20;

24.31 (6) medication education services as defined in this section;

25.1 (7) care coordination by a client-specific lead worker assigned by and responsible to the  
25.2 treatment team;

25.3 (8) psychoeducation of and consultation and coordination with the client's biological,  
25.4 adoptive, or foster family and, in the case of a youth living independently, the client's  
25.5 immediate nonfamilial support network;

25.6 (9) clinical consultation to a client's employer or school or to other service agencies or  
25.7 to the courts to assist in managing the mental illness or co-occurring disorder and to develop  
25.8 client support systems;

25.9 (10) coordination with, or performance of, crisis intervention and stabilization services  
25.10 as defined in section 256B.0624;

25.11 (11) transition services;

25.12 (12) co-occurring substance use disorder treatment as defined in section 245I.02,  
25.13 subdivision 11; and

25.14 (13) housing access support that assists clients to find, obtain, retain, and move to safe  
25.15 and adequate housing. Housing access support does not provide monetary assistance for  
25.16 rent, damage deposits, or application fees.

25.17 (b) The provider shall ensure and document the following by means of performing the  
25.18 required function or by contracting with a qualified person or entity: client access to crisis  
25.19 intervention services, as defined in section 256B.0624, and available 24 hours per day and  
25.20 seven days per week.

25.21 **EFFECTIVE DATE.** This section is effective July 1, 2027, or upon federal approval,  
25.22 whichever is later.

25.23 Sec. 28. Minnesota Statutes 2024, section 256B.0947, subdivision 5, is amended to read:

25.24 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services  
25.25 must meet the standards in this section and chapter 245I as required in section 245I.011,  
25.26 subdivision 5.

25.27 (b) The treatment team must have specialized training in providing services to the specific  
25.28 age group of youth that the team serves. An individual treatment team must serve youth  
25.29 who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14  
25.30 years of age or older and under 21 years of age.

26.1 (c) The treatment team for intensive nonresidential rehabilitative mental health services  
26.2 comprises both permanently employed core team members and client-specific team members  
26.3 as follows:

26.4 (1) Based on professional qualifications and client needs, clinically qualified core team  
26.5 members are assigned on a rotating basis as the client's lead worker to coordinate a client's  
26.6 care. The core team must comprise at least four full-time equivalent direct care staff and  
26.7 must minimally include:

26.8 (i) a mental health professional who serves as team leader to provide administrative  
26.9 direction and treatment supervision to the team;

26.10 (ii) ~~an advanced-practice registered nurse with certification in psychiatric or mental~~  
26.11 ~~health care or a board-certified child and adolescent psychiatrist, either of which must be~~  
26.12 ~~credentialed to prescribe medications~~ a psychiatric care provider credentialed to prescribe  
26.13 medications who is either an advanced practice registered nurse with advanced education  
26.14 and training in psychiatric and mental health care or a board-certified psychiatrist. The  
26.15 psychiatric care provider must have demonstrated clinical experience and qualifications for  
26.16 working with children and adolescents with serious mental illness and co-occurring mental  
26.17 illness and substance use disorder;

26.18 (iii) a mental health certified peer specialist who is qualified according to section 245I.04,  
26.19 subdivision 10, and is also a former children's mental health consumer; and

26.20 (iv) a co-occurring disorder specialist who meets the requirements under section  
26.21 256B.0622, subdivision 7a, paragraph (a), clause (4), who will provide or facilitate the  
26.22 provision of co-occurring disorder treatment to clients.

26.23 (2) The core team may also include any of the following:

26.24 (i) additional mental health professionals;

26.25 (ii) a vocational specialist;

26.26 (iii) an educational specialist with knowledge and experience working with youth  
26.27 regarding special education requirements and goals, special education plans, and coordination  
26.28 of educational activities with health care activities;

26.29 (iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

26.30 (v) a clinical trainee qualified according to section 245I.04, subdivision 6;

26.31 (vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

27.1 (vii) a case management service provider, as defined in section 245.4871, subdivision  
27.2 4;

27.3 (viii) a housing access specialist; and

27.4 (ix) a family peer specialist as defined in subdivision 2, paragraph (j).

27.5 (3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc  
27.6 members not employed by the team who consult on a specific client and who must accept  
27.7 overall clinical direction from the treatment team for the duration of the client's placement  
27.8 with the treatment team and must be paid by the provider agency at the rate for a typical  
27.9 session by that provider with that client or at a rate negotiated with the client-specific  
27.10 member. Client-specific treatment team members may include:

27.11 (i) the mental health professional treating the client prior to placement with the treatment  
27.12 team;

27.13 (ii) the client's current substance use counselor, if applicable;

27.14 (iii) a lead member of the client's individualized education program team or school-based  
27.15 mental health provider, if applicable;

27.16 (iv) a representative from the client's health care home or primary care clinic, as needed  
27.17 to ensure integration of medical and behavioral health care;

27.18 (v) the client's probation officer or other juvenile justice representative, if applicable;  
27.19 and

27.20 (vi) the client's current vocational or employment counselor, if applicable.

27.21 (d) The treatment supervisor shall be an active member of the treatment team and shall  
27.22 function as a practicing clinician at least on a part-time basis. The treatment team shall meet  
27.23 with the treatment supervisor at least weekly to discuss recipients' progress and make rapid  
27.24 adjustments to meet recipients' needs. The team meeting must include client-specific case  
27.25 reviews and general treatment discussions among team members. Client-specific case  
27.26 reviews and planning must be documented in the individual client's treatment record.

27.27 (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment  
27.28 team position.

27.29 (f) The treatment team shall serve no more than 80 clients at any one time. Should local  
27.30 demand exceed the team's capacity, an additional team must be established rather than  
27.31 exceed this limit.

28.1 (g) Nonclinical staff shall have prompt access in person or by telephone to a mental  
28.2 health practitioner, clinical trainee, or mental health professional. The provider shall have  
28.3 the capacity to promptly and appropriately respond to emergent needs and make any  
28.4 necessary staffing adjustments to ensure the health and safety of clients.

28.5 (h) The intensive nonresidential rehabilitative mental health services provider shall  
28.6 participate in evaluation of the assertive community treatment for youth (Youth ACT) model  
28.7 as conducted by the commissioner, including the collection and reporting of data and the  
28.8 reporting of performance measures as specified by contract with the commissioner.

28.9 (i) A regional treatment team may serve multiple counties.

28.10 **EFFECTIVE DATE.** This section is effective July 1, 2027, or upon federal approval,  
28.11 whichever is later.

28.12 Sec. 29. Minnesota Statutes 2025 Supplement, section 256L.03, subdivision 5, is amended  
28.13 to read:

28.14 Subd. 5. **Cost-sharing.** (a) Co-payments, coinsurance, and deductibles do not apply to  
28.15 children under the age of 21 and to American Indians as defined in Code of Federal  
28.16 Regulations, title 42, section 600.5.

28.17 (b) The commissioner must adjust co-payments, coinsurance, and deductibles for covered  
28.18 services in a manner sufficient to maintain the actuarial value of the benefit to 94 percent.  
28.19 The cost-sharing changes described in this paragraph do not apply to eligible recipients or  
28.20 services exempt from cost-sharing under state law. The cost-sharing changes described in  
28.21 this paragraph shall not be implemented prior to January 1, 2016.

28.22 (c) The cost-sharing changes authorized under paragraph (b) must satisfy the requirements  
28.23 for cost-sharing under the Basic Health Program as set forth in Code of Federal Regulations,  
28.24 title 42, sections 600.510 and 600.520.

28.25 (d) Cost-sharing for prescription drugs and related medical supplies to treat chronic  
28.26 disease must comply with the requirements of section 62Q.481.

28.27 (e) Co-payments, coinsurance, and deductibles do not apply to additional diagnostic  
28.28 services or testing that a health care provider determines an enrollee requires after a  
28.29 mammogram, as specified under section 62A.30, subdivision 5.

28.30 (f) Cost-sharing must not apply to drugs used for tobacco and nicotine cessation or to  
28.31 tobacco and nicotine cessation services covered under section 256B.0625, subdivision 68.

29.1 (g) Co-payments, coinsurance, and deductibles do not apply to pre-exposure prophylaxis  
29.2 (PrEP) and postexposure prophylaxis (PEP) medications when used for the prevention or  
29.3 treatment of the human immunodeficiency virus (HIV).

29.4 (h) Co-payments, coinsurance, and deductibles do not apply to mobile crisis intervention,  
29.5 crisis stabilization provided in a community setting, or crisis assessment as defined in section  
29.6 256B.0624, subdivision 2.

29.7 Sec. 30. **REPEALER.**

29.8 (a) Minnesota Statutes 2024, section 256B.0759, subdivisions 2 and 5, are repealed.

29.9 (b) Minnesota Statutes 2025 Supplement, section 254B.052, subdivision 6, is repealed.

**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.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.

(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.