

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

S.F. No. 3749

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DATE
02/27/2020

D-PG
5037 Introduction and first reading
Referred to Human Services Reform Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to human services; modifying the customized living quality improvement
1.3 grant program; amending Laws 2019, First Special Session chapter 9, article 4,
1.4 section 28; article 14, section 2, subdivision 27; proposing coding for new law in
1.5 Minnesota Statutes, chapter 256.

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

1.7 Section 1. **[256.479] CUSTOMIZED LIVING PROVIDER GRANTS.**

1.8 Subdivision 1. Establishment and authority. (a) From available appropriations, the
1.9 commissioner must establish a customized living provider grant program to assist licensed
1.10 comprehensive home care providers and licensed assisted living facilities that serve a high
1.11 percentage of clients or residents who receive home and community-based waiver services
1.12 under chapter 256S and section 256B.49.

1.13 (b) The commissioner shall solicit grant applications from eligible providers for individual
1.14 annual grants of \$1,000 per recipient of home and community-based waiver services under
1.15 chapter 256S and section 256B.49, not to exceed \$50,000.

1.16 Subd. 2. Eligible providers. (a) A licensed assisted living facility is eligible for a
1.17 customized living provider grant only if:

1.18 (1) the facility's capacity in the calendar year prior to the calendar year in which the
1.19 facility applies for a grant was 75 residents or greater; and

1.20 (2) residents who received home and community-based waiver services under chapter
1.21 256S and section 256B.49 comprised more than 75 percent of the facility's capacity in the
1.22 calendar year prior to the calendar year in which the facility applies for a grant.

2.1 (b) A licensed comprehensive home care provider is eligible for a customized living
2.2 provider grant only if:

2.3 (1) the provider's total client population in the calendar year prior to the calendar year
2.4 in which the provider applies for a grant averaged 75 clients or greater; and

2.5 (2) clients who received home and community-based waiver services under chapter
2.6 256S and section 256B.49 comprised more than 75 percent of the provider's total client
2.7 population in the calendar year prior to the calendar year in which the facility applies for a
2.8 grant.

2.9 (c) If a customized living provider is dually licensed as an assisted living facility and a
2.10 comprehensive home care provider, the provider may apply for two grants. The commissioner
2.11 may authorize the provider one grant to assist the provider in serving the residents of the
2.12 provider's licensed assisted living facility and an additional grant to assist the provider in
2.13 serving the provider's clients who do not reside in the provider's licensed facility. The
2.14 commissioner shall apply the eligibility requirements of this section independently to each
2.15 grant application.

2.16 Subd. 3. **Grant application.** To apply for a grant under this section, a provider must
2.17 submit a notarized attestation signed by the provider's chair of the board of directors,
2.18 executive director, chief executive officer, or other person designated by the provider's
2.19 board of directors stating the provider's number of clients or residents during the prior
2.20 calendar year and the percentage of those clients or residents who received home and
2.21 community-based waiver services under chapter 256S and section 256B.49 during the prior
2.22 calendar year.

2.23 Subd. 4. **Census audits and recovery of grant funds.** The commissioner of human
2.24 services, in cooperation with the commissioner of health, may audit a grant recipient's client
2.25 and resident census to determine the accuracy of the attestation submitted under subdivision
2.26 3. If the commissioner of human services determines that a grant recipient's application was
2.27 inaccurate, the commissioner shall treat the grant payment as an overpayment and seek to
2.28 recover the overpayment in the same manner by which the commissioner of human services
2.29 recovers medical assistance overpayments under sections 256B.064 and 256B.0641.

2.30 Subd. 5. **Contested case proceeding requests.** To challenge the commissioner's
2.31 determination under subdivision 4, a grant recipient may request a contested case proceeding
2.32 in the same manner as a vendor under section 256B.0643.

2.33 Subd. 6. **Awarding of grants.** The commissioner shall award grants to eligible applicants
2.34 in descending order of percentage of the applicant's total client or resident population who

3.1 received home and community-based waiver services under chapter 256S and section
 3.2 256B.49 during the calendar year prior to the calendar year in which the facility applies for
 3.3 a grant.

3.4 Sec. 2. Laws 2019, First Special Session chapter 9, article 4, section 28, is amended to
 3.5 read:

3.6 Sec. 28. **DIRECTION TO COMMISSIONER; ELDERLY WAIVER CUSTOMIZED**
 3.7 **LIVING SERVICE PROVIDERS.**

3.8 (a) The commissioner of human services shall develop incentive-based grants to be
 3.9 available during fiscal ~~years~~ year 2020 and 2021 only for elderly waiver customized living
 3.10 service providers for achieving outcomes specified in a contract. The commissioner may
 3.11 solicit proposals from providers and implement those that, on a competitive basis, best meet
 3.12 the state's policy objectives, giving preference to providers that serve at least 75 percent
 3.13 elderly waiver participants. The commissioner shall limit expenditures under this subdivision
 3.14 to the amount appropriated for this purpose.

3.15 (b) In establishing the specified outcomes and related criteria, the commissioner shall
 3.16 consider the following state policy objectives:

3.17 (1) provide more efficient, higher quality services;

3.18 (2) encourage home and community-based services providers to innovate;

3.19 (3) equip home and community-based services providers with organizational tools and
 3.20 expertise to improve their quality;

3.21 (4) incentivize home and community-based services providers to invest in better services;
 3.22 and

3.23 (5) disseminate successful performance improvement strategies statewide.

3.24 **EFFECTIVE DATE.** This section is effective July 1, 2020.

3.25 Sec. 3. Laws 2019, First Special Session chapter 9, article 14, section 2, subdivision 27,
 3.26 is amended to read:

3.27	Subd. 27. Grant Programs; Aging and Adult		
3.28	Services Grants	32,311,000	32,495,000

3.29 ~~**Incentive-Based Grants for Customized**~~
 3.30 ~~**Living Service Providers**~~ **Provider Grants.**

3.31 ~~(a) \$500,000 in fiscal year 2020 and \$500,000~~

4.1 ~~in fiscal year 2021 are~~ is for incentive-based
4.2 grants to elderly waiver customized living
4.3 service providers under article 4, section 28.

4.4 (b) \$500,000 in fiscal year 2021 is for
4.5 customized living service provider grants
4.6 under Minnesota Statutes, section 256.479.

4.7 **EFFECTIVE DATE.** This section is effective July 1, 2020.