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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2721

01/31/2022 Authored by Lippert
The bill was read for the first time and referred to the Committee on Human Services Finance and Policy

1.1 A bill for an act
1.2 relating to human services; modifying community first services and supports
1.3 payment rates; amending Minnesota Statutes 2021 Supplement, section 256B.851,
1.4 subdivisions 3, 4, 5.

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

1.6 Section 1. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 3, is
1.7 amended to read:

1.8 Subd. 3. Payment rates; base wage index. (a) When initially establishing the base wage
1.9 component values, the commissioner must use the Minnesota-specific median wage for the
1.10 standard occupational classification (SOC) codes published by the Bureau of Labor Statistics
1.11 in the edition of the Occupational Handbook available January 1, 2021. The commissioner
1.12 must calculate the base wage component values as follows for:

1.13 (1) personal care assistance services, CFSS, extended personal care assistance services,
1.14 and extended CFSS. The base wage component value equals the median wage for personal
1.15 care aide (SOC code 31-1120);

1.16 (2) enhanced rate personal care assistance services and enhanced rate CFSS. The base
1.17 wage component value equals the product of median wage for personal care aide (SOC
1.18 code 31-1120) and the value of the enhanced rate under section 256B.0659, subdivision
1.19 17a; and

1.20 (3) qualified professional services and CFSS worker training and development. The base
1.21 wage component value equals the sum of 70 percent of the median wage for registered nurse
1.22 (SOC code 29-1141), 15 percent of the median wage for health care social worker (SOC

2.1 code 21-1099), and 15 percent of the median wage for social and human service assistant
2.2 (SOC code 21-1093).

2.3 (b) Beginning January 1, 2025, and every two years thereafter, the base wage component
2.4 values shall be updated based on the most recently available wage data by SOC code from
2.5 the Bureau of Labor Statistics.

2.6 (c) The commissioner must publish on the department's website the updated base wage
2.7 component values.

2.8 Sec. 2. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 4, is amended
2.9 to read:

2.10 **Subd. 4. Payment rates; total wage index.** (a) The commissioner must multiply the
2.11 base wage component values in subdivision 3 by one plus the appropriate competitive
2.12 workforce factor. The product is the total wage component value.

2.13 (b) For personal care assistance services, CFSS, extended personal care assistance
2.14 services, extended CFSS, enhanced rate personal care assistance services, and enhanced
2.15 rate CFSS, the initial competitive workforce factor is 4.7 percent.

2.16 (c) For qualified professional services and CFSS worker training and development, the
2.17 competitive workforce factor is zero percent.

2.18 (d) Beginning August 1, 2024, and every two years thereafter, the competitive workforce
2.19 factors in this subdivision must be updated using the most recently available data. Beginning
2.20 August 1, 2026, the base wage index updates required in subdivision 3, paragraph (b), must
2.21 be completed before the adjustments to the competitive workforce factors. If, after a biennial
2.22 adjustment, the competitive workforce factor is less than or equal to zero, the competitive
2.23 workforce factor is zero.

2.24 Sec. 3. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 5, is amended
2.25 to read:

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

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

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

2.30 (3) employee benefits factor, 12.04 percent;

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

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

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

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

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

3.5 (b) For purposes of implementation, the commissioner shall use the following
3.6 implementation components:

3.7 (1) personal care assistance services and CFSS: 75.45 percent;

3.8 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 75.45
3.9 percent; and

3.10 (3) qualified professional services and CFSS worker training and development: 75.45
3.11 percent.

3.12 (c) Beginning January 1, 2026, and every two years thereafter, the implementation
3.13 components under paragraph (b) shall be increased by two percentage points until the value
3.14 of each implementation component is 100 percent.

3.15 (d) Beginning January 1, 2025, and every two years thereafter, the component value in
3.16 paragraph (a), clause (4), shall be updated for changes in the Consumer Price Index by the
3.17 difference between the most recent update and the data available six months and one day
3.18 before the scheduled update.