

SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION

S.F. No. 2786

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DATE	D-PG	OFFICIAL STATUS
02/03/2022	4878	Introduction and first reading Referred to Aging and Long-Term Care Policy
02/10/2022	4976	Withdrawn and re-referred to Human Services Reform Finance and Policy
02/17/2022	5023a	Comm report: To pass as amended and re-refer to Finance
03/23/2022	5515a	Comm report: To pass as amended
	5564	Second reading See HF4065

1.1 A bill for an act

1.2 relating to health and human services; establishing grant programs for bonuses to

1.3 certain employees of long-term care providers; temporarily permitting retired

1.4 nurses to practice in certain long-term care settings; temporarily modifying training

1.5 requirements for direct care staff in certain long-term care settings; establishing a

1.6 temporary voluntary correction program for nursing homes; modifying payment

1.7 rates for certain home and community-based waiver services; appropriating money

1.8 for initial planning for establishment of a program for all-inclusive care for the

1.9 elderly; appropriating money.

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

1.11 Section 1. DIRECTION TO THE COMMISSIONER; INITIAL PACE

1.12 IMPLEMENTATION FINANCING.

1.13 The commissioner of human services must work with stakeholders to develop

1.14 recommendations for financing mechanisms to complete the actuarial work and cover the

1.15 administrative costs of a program of all-inclusive care for the elderly (PACE). The

1.16 commissioner must recommend a financing mechanism that could begin July 1, 2024. By

1.17 December 15, 2023, the commissioner shall inform the chairs and ranking minority members

1.18 of the legislative committees with jurisdiction over health care finance on the commissioner's

1.19 progress toward developing a recommended financing mechanism.

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

1.21 Sec. 2. LONG-TERM SERVICES AND SUPPORTS WORKFORCE GRANTS.

1.22 Subdivision 1. Grant program established. The commissioner shall establish a long-term

1.23 services and supports workforce grant program to assist eligible employers with recruiting

1.24 and retaining employees.

2.1 Subd. 2. Definitions. (a) For purposes of this section, the following terms have the  
2.2 meanings given.

2.3 (b) "Allowable education and training costs" means either:

2.4 (1) incurred costs related to tuition, direct educational expenses, training fees, uniforms,  
2.5 books, background study fees, and child care and transportation costs incurred as a direct  
2.6 result of participating in classroom instruction or training; or

2.7 (2) repayment of student loan debt directly incurred as a result of completing a qualifying  
2.8 course of study or training. Costs incurred pursuing an incomplete course of study or  
2.9 participating in classroom instruction or training that has not been completed are not  
2.10 allowable educational or training costs.

2.11 (c) "Commissioner" means the commissioner of human services.

2.12 (d) "Eligible employer" means an employer who is an enrolled medical assistance  
2.13 provider, meets the requirements of subdivision 5, and is either:

2.14 (1) a nursing home licensed under Minnesota Statutes, chapter 144A;

2.15 (2) a boarding care home licensed under Minnesota Statutes, sections 144.50 to 144.56;

2.16 (3) an assisted living facility licensed under Minnesota Statutes, chapter 144G;

2.17 (4) a hospice provider, including a licensed residential hospice provider, licensed under  
2.18 Minnesota Statutes, sections 144A.75 to 144A.755;

2.19 (5) a provider of home and community-based services licensed under Minnesota Statutes,  
2.20 chapter 245D;

2.21 (6) a home care provider licensed under Minnesota Statutes, sections 144A.43 to  
2.22 144A.482;

2.23 (7) a facility certified as an intermediate care facility for persons with developmental  
2.24 disabilities;

2.25 (8) a provider of home care services as defined under Minnesota Statutes, section  
2.26 256B.0651, subdivision 1, paragraph (d);

2.27 (9) an agency as defined under Minnesota Statutes, section 256B.0949, subdivision 2;

2.28 (10) an agency provider or financial management service provider under Minnesota  
2.29 Statutes, section 256B.85;

2.30 (11) an eligible financial management service provider serving people through  
2.31 consumer-directed community supports under Minnesota Statutes, sections 256B.092 and

3.1 256B.49, and chapter 256S, and consumer support grants under Minnesota Statutes, section  
3.2 256.476; or

3.3 (12) a provider of customized living services as defined in Minnesota Statutes, section  
3.4 256S.02, subdivision 12, under the elderly waiver, brain injury waiver, or community access  
3.5 for disability inclusion waiver.

3.6 (e) "Eligible employee" means an individual employed by an eligible employer who is  
3.7 eligible under Minnesota Statutes, chapter 245C, to have access to persons receiving services  
3.8 without continuous direct supervision, works on average at least 20 hours per week, earns  
3.9 \$30 per hour or less, and has not received a bonus or grant funded under this section from  
3.10 any other employer.

3.11 Subd. 3. **Allowable uses of funds.** Grantees must use funds awarded under this section  
3.12 for any combination of the following purposes:

3.13 (1) retention bonuses of \$1,000, inclusive of applicable payroll taxes, paid to eligible  
3.14 employees who are continuously employed by the same employer between February 28,  
3.15 2022, and August 31, 2022;

3.16 (2) signing bonuses of \$750, inclusive of applicable payroll taxes, paid to newly hired  
3.17 eligible employees hired on or after March 1, 2022, and who are continuously employed  
3.18 by the same employer for 30 days;

3.19 (3) retention bonuses of \$750, inclusive of applicable payroll taxes, paid to recipients  
3.20 of bonuses under clause (2) who remain continuously employed as eligible employees with  
3.21 the same eligible employer for six months; or

3.22 (4) education and training grants of up to \$1,500, inclusive of applicable taxes, paid to  
3.23 eligible employees to cover allowable education and training costs related to a recently  
3.24 completed course of study or training that is expected to lead to employment or career  
3.25 advancement with any eligible provider as defined in subdivision 2.

3.26 Subd. 4. **Grant request.** Within 30 days of final enactment of this section, the  
3.27 commissioner shall develop an expedited request process that includes a form allowing  
3.28 providers to meet the requirements of subdivision 5 in as timely and simple a manner as  
3.29 possible. Eligible employers may begin requesting grants 30 days following final enactment  
3.30 of this section. The commissioner shall allow the use of electronic submission of request  
3.31 forms and accept electronic signatures.

4.1 Subd. 5. **Attestation and agreement.** As a condition of obtaining funds under this  
 4.2 section, an eligible employer must attest and agree to the following on the grant request  
 4.3 form:

4.4 (1) the employer is an eligible provider;

4.5 (2) the total number of eligible employees for whom the employer is requesting grant  
 4.6 funding;

4.7 (3) the total amount the eligible employer is requesting;

4.8 (4) the employer will distribute the entire value of the grant award as required under this  
 4.9 section;

4.10 (5) the employer will create and maintain the records required under subdivision 6;

4.11 (6) the employer will create and post the distribution plan required under subdivision 8;  
 4.12 and

4.13 (7) the employer will segregate funds received under this section from other sources of  
 4.14 revenue and will not use the funds for any purpose other than the purposes permitted under  
 4.15 this section.

4.16 Subd. 6. **Record keeping requirements.** (a) As a condition of obtaining funds under  
 4.17 this section, an eligible employer must create and retain until December 31, 2028, records  
 4.18 containing sufficient evidence to determine:

4.19 (1) the number of eligible employees that received bonuses;

4.20 (2) that the individuals who received bonuses or grants from the grantee under this  
 4.21 section were eligible employees, including attestations by each individual that the individual  
 4.22 has not received from any other employer a bonus or grant funded under this section;

4.23 (3) that the bonuses were for allowable uses and allowable education and training costs;  
 4.24 and

4.25 (4) that the awarded funds were distributed as required under this section.

4.26 (b) Upon request of the commissioner or the commissioner's designee, a grantee must  
 4.27 immediately produce for inspection the records required under this subdivision.

4.28 Subd. 7. **Workforce grants.** (a) For the purpose of this section, the commissioner and  
 4.29 the commissioner of management and budget are not subject to Minnesota Statutes, sections  
 4.30 16B.97; 16B.98, subdivisions 5 to 7; and the express audit clause requirement in section  
 4.31 16B.98, subdivision 8.

5.1 (b) No later than 60 days following final enactment of this section, the commissioner  
5.2 shall begin issuing long-term services and supports workforce grants to eligible employers.  
5.3 Within the appropriation for this purpose, the commissioner shall award grants under this  
5.4 section on a rolling basis and in the order in which the grant requests are received.

5.5 (c) By accepting a grant under this subdivision, the grantee attests and agrees to the  
5.6 conditions specified in subdivision 5.

5.7 (d) By accepting a bonus or education and training grant from an employer, an individual  
5.8 attests that the individual is an eligible employee.

5.9 (e) The commissioner's determination of the grant amount determined under this  
5.10 subdivision is final and is not subject to appeal. This paragraph does not apply to recoupment  
5.11 by the commissioner under subdivision 10.

5.12 Subd. 8. **Distribution plan.** (a) An eligible employer must develop a plan to distribute  
5.13 the entire value of any grant amounts as bonuses and grants, inclusive of applicable payroll  
5.14 taxes, to eligible employees for whom the employer requested funds.

5.15 (b) Within 30 calendar days following receipt of a grant award under this section, the  
5.16 grantee must distribute the entire value of the grant amount according to the grantee's  
5.17 distribution plan.

5.18 (c) Within 30 days of receiving a grant award under this section, the grantee must post  
5.19 both the distribution plan and the grant application submitted to the commissioner and leave  
5.20 both documents posted for a period of six months in an area of the facility or on a secure  
5.21 website to which all eligible employees have access. The grantee must provide instructions  
5.22 for employees who do not believe they have received the bonuses or grants specified in the  
5.23 distribution plan. The instructions must include a mailing address, e-mail address, and  
5.24 telephone number that an employee may use to contact the employer's management. If an  
5.25 employee is unable to resolve the problem with the employer's management, the employee  
5.26 may contact the commissioner or the commissioner's representative. The commissioner  
5.27 must provide grantees a mailing address, e-mail address, and telephone number for this  
5.28 purpose and the grantee must include them in the distribution plan.

5.29 (d) Upon request of the commissioner, the grantee must submit the distribution plan to  
5.30 the commissioner.

5.31 Subd. 9. **Effect of grants on reimbursement rates.** (a) Costs associated with the  
5.32 purposes described in this section that are funded under this section are not allowable costs

6.1 under Minnesota Statutes, chapter 256R. Grants provided under this section are not applicable  
6.2 credits under Minnesota Statutes, chapter 256R.

6.3 (b) Money received by a facility under this section must not be used to supplant funding  
6.4 available under Minnesota Statutes, section 144.1503, or to supplant the portion of a nursing  
6.5 facility's total payment rate attributable to scholarships under Minnesota Statutes, section  
6.6 256R.37.

6.7 Subd. 10. **Recoupment.** (a) The commissioner may perform an audit under this section  
6.8 up to six years after the grant is awarded to ensure the grantee used the funds solely for the  
6.9 purposes stated in subdivision 3, was truthful when making attestations under subdivision  
6.10 5, and complied with the conditions of receiving a grant under this section.

6.11 (b) If the commissioner determines that a grantee used awarded funds for purposes not  
6.12 authorized under this section, the commissioner shall treat any amount used for a purpose  
6.13 not authorized under this section as an overpayment. The commissioner shall recover any  
6.14 overpayment.

6.15 Subd. 11. **Treble damages.** Any grantee who willfully submits a grant application,  
6.16 invoice, cost report, or claim for reimbursement for grant funds which the grantee knows  
6.17 is a false representation and which results in the payment of public funds for which the  
6.18 grantee is ineligible shall, in addition to other provisions of Minnesota law, be subject to  
6.19 an action by the state of Minnesota or any of its subdivisions or agencies for civil damages.  
6.20 The damages awarded shall include three times the payments which result from the false  
6.21 representation, together with costs and disbursements, including reasonable attorney fees  
6.22 or their equivalent.

6.23 Subd. 12. **Fraud.** A person who obtains or tries to obtain, or aids or abets any person  
6.24 in obtaining funds available under this section for which the person is not eligible by a  
6.25 willfully false statement or representation, or by the intentional withholding or concealment  
6.26 of a material fact, or by impersonation, or other fraudulent device, violates Minnesota  
6.27 Statutes, section 256.98, and is subject to both the criminal and civil penalties in that section.

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

6.29 Sec. 3. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**  
6.30 **TEMPORARY DWRS PAYMENT ADJUSTMENT.**

6.31 Effective on the effective date of this section, the commissioner must implement a  
6.32 temporary claims adjustment of 13.3 percent for service rates paid under Minnesota Statutes,

7.1 section 256B.4914. This adjustment is in effect for services provided during the 90 days  
 7.2 following the effective date of this section.

7.3 **EFFECTIVE DATE.** This section is effective April 1, 2022, or upon federal approval,  
 7.4 whichever is later.

7.5 **Sec. 4. EXPEDITED REREGISTRATION FOR LAPSED NURSING LICENSES.**

7.6 (a) Notwithstanding Minnesota Statutes, section 148.231, a nurse who desires to resume  
 7.7 the practice of professional or practical nursing at a licensed nursing facility or licensed  
 7.8 assisted living facility but whose license to practice nursing has lapsed effective on or after  
 7.9 January 1, 2019, may submit an application to the Board of Nursing for reregistration. The  
 7.10 application must be submitted and received by the board between March 31, 2022, and  
 7.11 March 31, 2023, and must be accompanied with the reregistration fee specified in Minnesota  
 7.12 Statutes, section 148.243, subdivision 5. The applicant must include with the application  
 7.13 the name and location of the facility where the nurse is or will be employed.

7.14 (b) The board shall issue a current registration if upon a licensure history review, the  
 7.15 board determines that at the time the nurse's license lapsed:

7.16 (1) the nurse's license was in good standing; and

7.17 (2) the nurse was not the subject of any pending investigations or disciplinary actions  
 7.18 or was not disqualified to practice in any way.

7.19 The board shall waive any other requirements for reregistration including any continuing  
 7.20 education requirements.

7.21 (c) The registration issued under this section shall remain valid until the nurse's next  
 7.22 registration period. If the nurse desires to continue to practice after that date, the nurse must  
 7.23 meet the reregistration requirements under Minnesota Statutes, section 148.231, including  
 7.24 any penalty fees required.

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

7.26 **Sec. 5. TEMPORARY ASSISTED LIVING STAFF TRAINING REQUIREMENTS.**

7.27 (a) Notwithstanding Minnesota Statutes, section 144G.60, subdivision 4, paragraphs (a)  
 7.28 and (b), a person who registers, completes, and passes the American Health Care  
 7.29 Association's eight-hour online temporary nurse aide training course may be employed by  
 7.30 a licensed assisted living facility to provide assisted living services or perform delegated  
 7.31 nursing tasks. Assisted living facilities must maintain documentation that a person employed

8.1 under the authority of this section to provide assisted living services or perform delegated  
8.2 nursing tasks completed the required training program.

8.3 (b) Whenever providing assisted living services, a person employed under the authority  
8.4 of this section must be directly supervised by another employee who meets the requirements  
8.5 of Minnesota Statutes, section 144G.60, subdivision 4, paragraph (a). If, during employment,  
8.6 the person meets the requirements of Minnesota Statutes, section 144G.60, subdivision 4,  
8.7 paragraph (a), the supervision described in this paragraph is no longer required.

8.8 (c) Whenever performing delegated nursing tasks, a person employed under the authority  
8.9 of this section must be directly supervised by another employee who meets the requirements  
8.10 of Minnesota Statutes, section 144G.60, subdivision 4, paragraph (b). If, during employment,  
8.11 the person meets the requirements of Minnesota Statutes, section 144G.60, subdivision 4,  
8.12 paragraph (b), the supervision described in this paragraph is no longer required.

8.13 (d) This section expires four months after the expiration of the blanket federal waiver  
8.14 of the nurse aides training and certification requirements under Code of Federal Regulations,  
8.15 title 42, section 483.35(d), by the Centers for Medicare and Medicaid Services as authorized  
8.16 by section 1135 of the Social Security Act.

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

8.18 **Sec. 6. DIRECTION TO COMMISSIONER OF HEALTH.**

8.19 (a) The commissioner of health shall develop a plan to implement a voluntary technical  
8.20 assistance program for nursing facilities licensed under Minnesota Statutes, chapter 144A,  
8.21 and assisted living facilities licensed under Minnesota Statutes, chapter 144G. The program  
8.22 shall operate separately from current regulatory activities of the department and offer  
8.23 participating facilities the ability to receive consultation related to compliance with federal  
8.24 or state licensure or certification standards.

8.25 (b) By December 15, 2022, the commissioner shall provide to the chairs and ranking  
8.26 minority members of the legislative committees with jurisdiction over health and human  
8.27 services recommendations and legislative language for resources needed to establish and  
8.28 implement the program.

8.29 (c) This section expires on December 15, 2023.

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



9.1 Sec. 7. **APPROPRIATION; INITIAL PACE IMPLEMENTATION FUNDING.**

9.2 \$390,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
9.3 of human services to complete the initial actuarial and administrative work necessary to  
9.4 recommend a financing mechanism for the operation of PACE under Minnesota Statutes,  
9.5 section 256B.69, subdivision 23, paragraph (e).

9.6 Sec. 8. **APPROPRIATION; LONG-TERM SERVICES AND SUPPORTS**  
9.7 **WORKFORCE GRANTS.**

9.8 \$269,265,000 in fiscal year 2022 is appropriated from the general fund to the  
9.9 commissioner of human services for grants to eligible employers for long-term services and  
9.10 supports workforce grants. Of this amount, \$259,063,000 is for grants and \$10,202,000 is  
9.11 for administration of the grants. The amount for administration is eligible to claim federal  
9.12 financial participation of \$3,265,000. This is a onetime appropriation and is available until  
9.13 June 30, 2025.

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

9.15 Sec. 9. **APPROPRIATION; DWRS AFTER-MODEL ADJUSTMENT.**

9.16 \$54,465,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
9.17 of human services for a temporary DWRS after-model adjustment and \$15,000 is  
9.18 appropriated from the general fund to the commissioner of human services for systems costs  
9.19 for the DWRS after-model adjustment. These are onetime appropriations.

9.20 Sec. 10. **APPROPRIATION; VOLUNTARY TECHNICAL ASSISTANCE**  
9.21 **PROGRAM FOR NURSING FACILITIES.**

9.22 \$47,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
9.23 of health to implement a voluntary technical assistance program for nursing facilities. This  
9.24 is a onetime appropriation.