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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. **616**

01/31/2019 Authored by Loeffler, Halverson, Baker, Cantrell, Schomacker and others
The bill was read for the first time and referred to the Committee on Health and Human Services Policy
03/28/2019 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to human services; modifying provisions governing mental health; requiring
1.3 reports; appropriating money; amending Minnesota Statutes 2018, sections
1.4 245.4889, subdivision 1; 256.478; 256B.0915, subdivision 3b; 256B.092,
1.5 subdivision 13; 256B.49, subdivision 24.

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

1.7 Section 1. Minnesota Statutes 2018, section 245.4889, subdivision 1, is amended to read:

1.8 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
1.9 make grants from available appropriations to assist:

1.10 (1) counties;

1.11 (2) Indian tribes;

1.12 (3) children's collaboratives under section 124D.23 or 245.493; or

1.13 (4) mental health service providers.

1.14 (b) The following services are eligible for grants under this section:

1.15 (1) services to children with emotional disturbances as defined in section 245.4871,
1.16 subdivision 15, and their families;

1.17 (2) transition services under section 245.4875, subdivision 8, for young adults under
1.18 age 21 and their families;

1.19 (3) respite care services for children with severe emotional disturbances who are at risk
1.20 of out-of-home placement;

1.21 (4) children's mental health crisis services;

- 2.1 (5) mental health services for people from cultural and ethnic minorities;
- 2.2 (6) children's mental health screening and follow-up diagnostic assessment and treatment;
- 2.3 (7) services to promote and develop the capacity of providers to use evidence-based
2.4 practices in providing children's mental health services;
- 2.5 (8) school-linked mental health services, including transportation for children receiving
2.6 school-linked mental health services when school is not in session;
- 2.7 (9) building evidence-based mental health intervention capacity for children birth to age
2.8 five;
- 2.9 (10) suicide prevention and counseling services that use text messaging statewide;
- 2.10 (11) mental health first aid training;
- 2.11 (12) training for parents, collaborative partners, and mental health providers on the
2.12 impact of adverse childhood experiences and trauma and development of an interactive
2.13 website to share information and strategies to promote resilience and prevent trauma;
- 2.14 (13) transition age services to develop or expand mental health treatment and supports
2.15 for adolescents and young adults 26 years of age or younger;
- 2.16 (14) early childhood mental health consultation;
- 2.17 (15) evidence-based interventions for youth at risk of developing or experiencing a first
2.18 episode of psychosis, and a public awareness campaign on the signs and symptoms of
2.19 psychosis;
- 2.20 (16) psychiatric consultation for primary care practitioners; ~~and~~
- 2.21 (17) providers to begin operations and meet program requirements when establishing a
2.22 new children's mental health program. These may be start-up grants; and
- 2.23 (18) evidence-based interventions for youth at risk of developing or experiencing a first
2.24 episode of a mood disorder and a public awareness campaign on the signs and symptoms
2.25 of mood disorders.
- 2.26 (c) Services under paragraph (b) must be designed to help each child to function and
2.27 remain with the child's family in the community and delivered consistent with the child's
2.28 treatment plan. Transition services to eligible young adults under this paragraph must be
2.29 designed to foster independent living in the community.

3.1 Sec. 2. Minnesota Statutes 2018, section 256.478, is amended to read:

3.2 **256.478 HOME AND COMMUNITY-BASED SERVICES TRANSITIONS**
 3.3 **GRANTS TRANSITION TO COMMUNITY INITIATIVE.**

3.4 Subdivision 1. **Eligibility.** (a) An individual is eligible for the transition to community
 3.5 initiative if the individual meets the following criteria:

3.6 (1) without the additional resources available through the transitions to community
 3.7 initiative, the individual would otherwise remain at the Anoka-Metro Regional Treatment
 3.8 Center, a state-operated community behavioral health hospital, or the Minnesota Security
 3.9 Hospital;

3.10 (2) the individual's discharge would be significantly delayed without the additional
 3.11 resources available through the transitions to community initiative; and

3.12 (3) the individual met treatment objectives and no longer needs hospital-level care or a
 3.13 secure treatment setting.

3.14 (b) An individual who is in a community hospital and on the waiting list for the
 3.15 Anoka-Metro Regional Treatment Center, but for whom alternative community placement
 3.16 would be appropriate is eligible for the transition to community initiative upon the
 3.17 commissioner's approval.

3.18 Subd. 2. **Transition grants.** The commissioner shall make available ~~home and~~
 3.19 ~~community-based services~~ transition to community grants to ~~serve~~ assist individuals who
 3.20 ~~do not meet eligibility criteria for the medical assistance program under section 256B.056~~
 3.21 ~~or 256B.057, but who otherwise meet the criteria under section 256B.092, subdivision 13,~~
 3.22 ~~or 256B.49, subdivision 24~~ met the criteria under subdivision 1.

3.23 **EFFECTIVE DATE.** This section is effective July 1, 2019.

3.24 Sec. 3. Minnesota Statutes 2018, section 256B.0915, subdivision 3b, is amended to read:

3.25 Subd. 3b. **Cost limits for elderly waiver applicants who reside in a nursing facility**
 3.26 **or another eligible facility.** (a) For a person who is a nursing facility resident at the time
 3.27 of requesting a determination of eligibility for elderly waived services, a monthly
 3.28 conversion budget limit for the cost of elderly waived services may be requested. The
 3.29 monthly conversion budget limit for the cost of elderly waiver services shall be ~~the resident~~
 3.30 ~~class assigned under Minnesota Rules, parts 9549.0050 to 9549.0059, for that resident in~~
 3.31 ~~the nursing facility where the resident currently resides until July 1 of the state fiscal year~~
 3.32 ~~in which the resident assessment system as described in section 256B.438 for nursing home~~

4.1 ~~rate determination is implemented. Effective on July 1 of the state fiscal year in which the~~
4.2 ~~resident assessment system as described in section 256B.438 for nursing home rate~~
4.3 ~~determination is implemented, the monthly conversion budget limit for the cost of elderly~~
4.4 ~~waiver services shall be based on the per diem nursing facility rate as determined by the~~
4.5 resident assessment system as described in section ~~256B.438~~ 256R.17 for residents in the
4.6 nursing facility where the elderly waiver applicant currently resides. The monthly conversion
4.7 budget limit shall be calculated by multiplying the per diem by 365, divided by 12, and
4.8 reduced by the recipient's maintenance needs allowance as described in subdivision 1d. The
4.9 initially approved monthly conversion budget limit shall be adjusted annually as described
4.10 in subdivision 3a, paragraph (a). The limit under this ~~subdivision~~ paragraph only applies to
4.11 persons discharged from a nursing facility after a minimum 30-day stay and found eligible
4.12 for waived services on or after July 1, 1997. For conversions from the nursing home to
4.13 the elderly waiver with consumer directed community support services, the nursing facility
4.14 per diem used to calculate the monthly conversion budget limit must be reduced by a
4.15 percentage equal to the percentage difference between the consumer directed services budget
4.16 limit that would be assigned according to the federally approved waiver plan and the
4.17 corresponding community case mix cap, but not to exceed 50 percent.

4.18 (b) A person who meets elderly waiver eligibility criteria and the eligibility criteria under
4.19 section 256.478, subdivision 1, is eligible for a special monthly budget limit for the cost of
4.20 elderly waived services up to \$21,610 per month. The special monthly budget limit shall
4.21 be adjusted annually as described in subdivision 3a, paragraphs (a) and (e). For persons
4.22 using a special monthly budget limit under the elderly waiver with consumer-directed
4.23 community support services, the special monthly budget limit must be reduced as described
4.24 in paragraph (a).

4.25 (c) The commissioner may provide an additional payment for documented costs between
4.26 a threshold determined by the commissioner and the special monthly budget limit to a
4.27 managed care plan for elderly waiver services provided to a person who is:

4.28 (1) eligible for a special monthly budget limit under paragraph (b); and

4.29 (2) enrolled in a managed care plan that provides elderly waiver services under section
4.30 256B.69.

4.31 (d) For monthly conversion budget limits under paragraph (a) and special monthly budget
4.32 limits under paragraph (b), the service rate limits for adult foster care under subdivision 3d
4.33 and for customized living services under subdivision 3e may be exceeded if necessary for
4.34 the provider to meet identified needs and provide services as approved in the coordinated

5.1 service and support plan, providing that the total cost of all services does not exceed the
5.2 monthly conversion or special monthly budget limit. Service rates shall be established using
5.3 tools provided by the commissioner.

5.4 (e) The following costs must be included in determining the total monthly costs for the
5.5 waiver client:

5.6 (1) cost of all waived services, including specialized supplies and equipment and
5.7 environmental accessibility adaptations; and

5.8 (2) cost of skilled nursing, home health aide, and personal care services reimbursable
5.9 by medical assistance.

5.10 EFFECTIVE DATE. This section is effective upon federal approval. The commissioner
5.11 of human services shall notify the revisor of statutes once federal approval is obtained.

5.12 Sec. 4. Minnesota Statutes 2018, section 256B.092, subdivision 13, is amended to read:

5.13 Subd. 13. **Waiver allocations for transition populations.** (a) The commissioner shall
5.14 make available additional waiver allocations and additional necessary resources ~~to assure~~
5.15 ~~timely discharges from the Anoka-Metro Regional Treatment Center and the Minnesota~~
5.16 ~~Security Hospital in St. Peter~~ for individuals who meet the following eligibility criteria:
5.17 established under section 256.478, subdivision 1.

5.18 ~~(1) are otherwise eligible for the developmental disabilities waiver under this section;~~

5.19 ~~(2) who would otherwise remain at the Anoka-Metro Regional Treatment Center or the~~
5.20 ~~Minnesota Security Hospital;~~

5.21 ~~(3) whose discharge would be significantly delayed without the available waiver~~
5.22 ~~allocation; and~~

5.23 ~~(4) who have met treatment objectives and no longer meet hospital level of care.~~

5.24 (b) Additional waiver allocations under this subdivision must meet cost-effectiveness
5.25 requirements of the federal approved waiver plan.

5.26 (c) Any corporate foster care home developed under this subdivision must be considered
5.27 an exception under section 245A.03, subdivision 7, paragraph (a).

5.28 EFFECTIVE DATE. This section is effective July 1, 2019.

6.1 Sec. 5. Minnesota Statutes 2018, section 256B.49, subdivision 24, is amended to read:

6.2 Subd. 24. **Waiver allocations for transition populations.** (a) The commissioner shall
6.3 make available additional waiver allocations and additional necessary resources ~~to assure~~
6.4 ~~timely discharges from the Anoka Metro Regional Treatment Center and the Minnesota~~
6.5 ~~Security Hospital in St. Peter~~ for individuals who meet the following eligibility criteria:
6.6 established under section 256.478, subdivision 1.

6.7 ~~(1) are otherwise eligible for the brain injury, community access for disability inclusion,~~
6.8 ~~or community alternative care waivers under this section;~~

6.9 ~~(2) who would otherwise remain at the Anoka Metro Regional Treatment Center or the~~
6.10 ~~Minnesota Security Hospital;~~

6.11 ~~(3) whose discharge would be significantly delayed without the available waiver~~
6.12 ~~allocation; and~~

6.13 ~~(4) who have met treatment objectives and no longer meet hospital level of care.~~

6.14 (b) Additional waiver allocations under this subdivision must meet cost-effectiveness
6.15 requirements of the federal approved waiver plan.

6.16 (c) Any corporate foster care home developed under this subdivision must be considered
6.17 an exception under section 245A.03, subdivision 7, paragraph (a).

6.18 **EFFECTIVE DATE.** This section is effective July 1, 2019.

6.19 Sec. 6. **RATE-SETTING PROPOSAL; MENTAL HEALTH SERVICES.**

6.20 The commissioner of human services shall develop a comprehensive rate-setting proposal,
6.21 compliant with federal criteria, for mental health outpatient, physician, and professional
6.22 services that do not have a cost-based, federally mandated, or contracted rate. The proposal
6.23 must include recommendations for changes to: (1) the existing fee schedule that utilizes the
6.24 Resource-Based Relative Value System (RBRVS); and (2) alternate payment methodologies
6.25 for services that do not have relative values, in order to simplify the medical assistance
6.26 fee-for-service rate structure and improve consistency and transparency in payment. The
6.27 proposal must also include recommendations for adjusting payments to reflect variations
6.28 in patient population, in order to reduce incentives for health providers to avoid high-risk
6.29 patients or populations, including those with risk factors related to race, ethnicity, language,
6.30 country of origin, and sociodemographic factors. In developing the proposal, the
6.31 commissioner shall consult with key stakeholders, including but not limited to
6.32 community-based mental health, substance use disorder, and home health care providers.

7.1 The commissioner shall present the proposal to the chairs and ranking minority members
7.2 of the legislative committees with jurisdiction over health and human services policy and
7.3 finance by February 15, 2020.

7.4 **Sec. 7. DIRECTION TO THE COMMISSIONER; FLEXIBLE ASSERTIVE**
7.5 **COMMUNITY MODEL AND INTENSIVE NONRESIDENTIAL REHABILITATIVE**
7.6 **MENTAL HEALTH SERVICE STANDARDS.**

7.7 The commissioner of human services, in consultation with stakeholders, shall develop
7.8 recommendations for service standards and a payment methodology to implement the
7.9 flexible assertive community treatment model in Minnesota. The commissioner shall also
7.10 make recommendations for changes to the service standards and eligibility restriction on
7.11 age for intensive nonresidential rehabilitative mental health services under Minnesota
7.12 Statutes, section 256B.0957, to improve the consistency of the service and ensure the service
7.13 effectively meets the needs of youth and adults in Minnesota. The commissioner shall report
7.14 a summary of recommendations, including any necessary statutory changes, to the chairs
7.15 and ranking minority members of the legislative committees with jurisdiction over mental
7.16 health services by February 1, 2020.

7.17 **Sec. 8. APPROPRIATION; ASSERTIVE COMMUNITY TREATMENT TEAM.**

7.18 \$..... in fiscal year 2020 and \$..... in fiscal year 2021 are appropriated from the general
7.19 fund to the commissioner of human services for adult mental health grants under Minnesota
7.20 Statutes, section 256B.0622, subdivision 12, to expand assertive community treatment and
7.21 forensic assertive community treatment services. This appropriation is added to the base.

7.22 **Sec. 9. APPROPRIATION; FIRST PSYCHOTIC EPISODE.**

7.23 (a) \$..... in fiscal year 2020 and \$..... in fiscal year 2021 are appropriated from the
7.24 general fund to the commissioner of human services for grants under Minnesota Statutes,
7.25 section 245.4889, subdivision 1, paragraph (b), clause (15). This amount is added to the
7.26 base.

7.27 (b) Money must be used to:

7.28 (1) provide intensive treatment and supports to adolescents and adults experiencing or
7.29 at risk of a first psychotic episode. Intensive treatment and support includes medication
7.30 management, psychoeducation for the individual and family, case management, employment
7.31 supports, education supports, cognitive behavioral approaches, social skills training, peer

8.1 support, crisis planning, and stress management. Projects must use all available funding
8.2 streams;

8.3 (2) conduct outreach, training, and guidance to mental health and health care
8.4 professionals, including postsecondary health clinics, on early psychosis symptoms, screening
8.5 tools, and best practices; and

8.6 (3) ensure access to first psychotic episode psychosis services under this section, including
8.7 ensuring access for individuals who live in rural areas.

8.8 (c) Money may also be used to pay for housing or travel or to address other barriers to
8.9 individuals and their families participating in first psychotic episode services.

8.10 Sec. 10. **APPROPRIATION; FIRST EPISODE MOOD DISORDER PROGRAM.**

8.11 (a) \$..... in fiscal year 2020 and \$..... in fiscal year 2021 are appropriated from the
8.12 general fund to the commissioner of human services to fund grants under Minnesota Statutes,
8.13 section 245.4889, subdivision 1, paragraph (b), clause (18). This amount is added to the
8.14 base.

8.15 (b) Money must be used to:

8.16 (1) provide intensive treatment and supports to adolescents and adults experiencing or
8.17 at risk of a first episode of a mood disorder. Intensive treatment and support includes
8.18 medication management, psychoeducation for the individual and family, case management,
8.19 employment supports, education supports, cognitive behavioral approaches, social skills
8.20 training, peer support, crisis planning, and stress management. Projects must use all available
8.21 funding streams;

8.22 (2) conduct outreach, training, and guidance to mental health and health care
8.23 professionals, including postsecondary health clinics, on early symptoms of mood disorders,
8.24 screening tools, and best practices; and

8.25 (3) ensure access to first psychotic episode mood disorder services under this section,
8.26 including ensuring access for individuals who live in rural areas.

8.27 (c) Money may also be used to pay for housing or travel or to address other barriers to
8.28 individuals and their families participating in first episode mood disorder services.