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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2516

03/02/2023 Authored by Hicks, Nadeau, Davids and Zeleznikar
The bill was read for the first time and referred to the Committee on Human Services Policy
03/06/2023 By motion, recalled and re-referred to the Committee on Human Services Finance

1.1 A bill for an act
1.2 relating to human services; modifying component values and payment rates for
1.3 personal care assistance services and community first services and supports;
1.4 amending Minnesota Statutes 2022, section 256B.851, subdivisions 5, 6.

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

1.6 Section 1. Minnesota Statutes 2022, section 256B.851, subdivision 5, is amended to read:

1.7 Subd. 5. Payment rates; component values. (a) The commissioner must use the
1.8 following component values:

- 1.9 (1) employee vacation, sick, and training factor, 8.71 percent;
1.10 (2) employer taxes and workers' compensation factor, 11.56 percent;
1.11 (3) employee benefits factor, 12.04 percent;
1.12 (4) client programming and supports factor, 2.30 percent;
1.13 (5) program plan support factor, 7.00 percent;
1.14 (6) general business and administrative expenses factor, 13.25 percent;
1.15 (7) program administration expenses factor, 2.90 percent; and
1.16 (8) absence and utilization factor, 3.90 percent.

1.17 (b) For purposes of implementation, the commissioner shall use the following
1.18 implementation components:

- 1.19 (1) ~~personal care assistance services and CFSS: 75.45 percent; beginning January 1,~~
1.20 2024: 88.19 percent; and

2.1 ~~(2) enhanced rate personal care assistance services and enhanced rate CFSS: 75.45~~
 2.2 ~~percent; and beginning January 1, 2025: 92.10 percent.~~

2.3 ~~(3) qualified professional services and CFSS worker training and development: 75.45~~
 2.4 ~~percent.~~

2.5 (c) Beginning January 1, 2025, the commissioner shall use the following worker retention
 2.6 components:

2.7 (1) for workers who have provided fewer than 1,001 cumulative hours in personal care
 2.8 assistance services or CFSS, the worker retention component is 1.0 percent;

2.9 (2) for workers who have provided between 1,001 and 2,000 cumulative hours in personal
 2.10 care assistance services or CFSS, the worker retention component is 1.0217 percent;

2.11 (3) for workers who have provided between 2,001 and 6,000 cumulative hours in personal
 2.12 care assistance services or CFSS, the worker retention component is 1.0436 percent;

2.13 (4) for workers who have provided between 6,001 and 10,000 cumulative hours in
 2.14 personal care assistance services or CFSS, the worker retention component is 1.0735 percent;
 2.15 and

2.16 (5) for workers who have provided more than 10,000 hours in personal care assistance
 2.17 services or CFSS, the worker retention component is 1.1081 percent.

2.18 (d) The commissioner shall define the appropriate worker retention component based
 2.19 on the total number of units billed for services rendered by the individual provider since
 2.20 July 1, 2017. The worker retention component must be determined by the commissioner
 2.21 for each individual provider and is not subject to appeal.

2.22 **EFFECTIVE DATE.** The amendments to paragraph (b) are effective January 1, 2024,
 2.23 or ninety days after federal approval, whichever is later. Paragraphs (c) and (d) are effective
 2.24 January 1, 2025, or ninety days after federal approval, whichever is later. The commissioner
 2.25 of human services shall notify the revisor of statutes when federal approval is obtained.

2.26 Sec. 2. Minnesota Statutes 2022, section 256B.851, subdivision 6, is amended to read:

2.27 Subd. 6. **Payment rates; rate determination.** (a) The commissioner must determine
 2.28 the rate for personal care assistance services, CFSS, extended personal care assistance
 2.29 services, extended CFSS, enhanced rate personal care assistance services, enhanced rate
 2.30 CFSS, qualified professional services, and CFSS worker training and development as
 2.31 follows:

3.1 (1) multiply the appropriate total wage component value calculated in subdivision 4 by
3.2 one plus the employee vacation, sick, and training factor in subdivision 5;

3.3 (2) for program plan support, multiply the result of clause (1) by one plus the program
3.4 plan support factor in subdivision 5;

3.5 (3) for employee-related expenses, add the employer taxes and workers' compensation
3.6 factor in subdivision 5 and the employee benefits factor in subdivision 5. The sum is
3.7 employee-related expenses. Multiply the product of clause (2) by one plus the value for
3.8 employee-related expenses;

3.9 (4) for client programming and supports, multiply the product of clause (3) by one plus
3.10 the client programming and supports factor in subdivision 5;

3.11 (5) for administrative expenses, add the general business and administrative expenses
3.12 factor in subdivision 5, the program administration expenses factor in subdivision 5, and
3.13 the absence and utilization factor in subdivision 5;

3.14 (6) divide the result of clause (4) by one minus the result of clause (5). The quotient is
3.15 the hourly rate;

3.16 (7) multiply the hourly rate by the appropriate implementation component under
3.17 subdivision 5. This is the adjusted hourly rate; ~~and~~

3.18 (8) divide the adjusted hourly rate by four. The quotient is the total adjusted payment
3.19 rate; and

3.20 (9) multiply the total adjusted payment rate by the appropriate staff retention component
3.21 under subdivision 5, paragraph (b). This is the final payment rate.

3.22 (b) The commissioner must publish the total ~~adjusted~~ final payment rates.

3.23 **EFFECTIVE DATE.** This section is effective January 1, 2025, or ninety days after
3.24 federal approval, whichever is later. The commissioner of human services shall notify the
3.25 revisor of statutes when federal approval is obtained.