

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 4410

(SENATE AUTHORS: ABELER)

DATE	D-PG	OFFICIAL STATUS
03/31/2022	5948	Introduction and first reading Referred to Human Services Reform Finance and Policy
04/07/2022	6762a	Comm report: To pass as amended and re-refer to Finance
04/21/2022		Comm report: To pass as amended Second reading

1.1 A bill for an act

1.2 relating to state government; modifying provisions governing community supports,

1.3 continuing care for older adults, health care, behavioral health, child welfare,

1.4 economic assistance, and background studies; establishing a Department of

1.5 Behavioral Health; establishing certain grants; appropriating money; amending

1.6 Minnesota Statutes 2020, sections 13.46, subdivision 7; 15A.0815, subdivision 2;

1.7 144.294, subdivision 2; 144G.45, subdivision 7; 245C.02, subdivision 17a, by

1.8 adding a subdivision; 245C.04, subdivision 4a, by adding subdivisions; 245C.10,

1.9 by adding subdivisions; 252.275, subdivisions 4c, 8; 256B.057, subdivision 9;

1.10 256B.0625, subdivision 17a; 256B.0659, subdivisions 1, 12, 19, 24; 256B.4911,

1.11 by adding a subdivision; 256B.4914, subdivisions 8, as amended, 9, as amended;

1.12 256B.5012, by adding subdivisions; 256B.85, by adding a subdivision; 256E.35,

1.13 subdivisions 1, 2, 4a, 6, 7; 256I.05, by adding a subdivision; 256K.45, subdivision

1.14 6, by adding subdivisions; 256P.02, by adding a subdivision; 256P.03, subdivision

1.15 2; 256R.02, subdivisions 16, 24, 26, 29, 34, by adding subdivisions; 256R.23,

1.16 subdivisions 2, 3; 256R.24, subdivision 1; 256R.25; 256S.16; 256S.201, subdivision

1.17 3; 256S.213, subdivision 1; 626.5571, subdivision 1; Minnesota Statutes 2021

1.18 Supplement, sections 15.01; 15.06, subdivision 1; 43A.08, subdivision 1a; 245C.03,

1.19 by adding subdivisions; 256B.0625, subdivision 17; 256B.0659, subdivision 17a;

1.20 256B.49, subdivision 28; 256B.4914, subdivision 5, as amended; 256B.85,

1.21 subdivisions 7, 7a; 256B.851, subdivision 5; 256P.02, subdivisions 1a, 2; 256S.205;

1.22 256S.21; 297E.02, subdivision 3; Laws 2014, chapter 312, article 27, section 75;

1.23 Laws 2021, First Special Session chapter 7, article 14, section 21, subdivision 4;

1.24 article 16, section 2, subdivisions 1, 24, 29; article 17, section 14; Laws 2021, First

1.25 Special Session chapter 8, article 6, section 1, subdivision 7; Laws 2022, chapter

1.26 33, section 1, subdivisions 3, 4, 5a, 5b, 5c, 5d, 5f, 10, 10a, 10c, 12, 14; by adding

1.27 a subdivision; Laws 2022, chapter 40, sections 6; 7; proposing coding for new law

1.28 in Minnesota Statutes, chapters 256; 256B; 626; proposing coding for new law as

1.29 Minnesota Statutes, chapter 256T; repealing Minnesota Statutes 2021 Supplement,

1.30 section 256S.2101; Laws 2022, chapter 33, section 1, subdivision 9.

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

2.2 **ARTICLE 1**

2.3 **COMMUNITY SUPPORTS**

2.4 Section 1. Minnesota Statutes 2020, section 252.275, subdivision 4c, is amended to read:

2.5 Subd. 4c. **Review of funds; reallocation.** (a) After each quarter, the commissioner shall
 2.6 review county program expenditures. The commissioner may reallocate unexpended money
 2.7 at any time among those counties which have earned their full allocation.

2.8 (b) For each fiscal year, the commissioner shall determine if actual statewide expenditures
 2.9 by county boards are less than the fiscal year appropriation to provide semi-independent
 2.10 living services under this section. If actual statewide expenditures by county boards are less
 2.11 than the fiscal year appropriation to provide semi-independent living services under this
 2.12 section, the unexpended amount must be carried forward to the next fiscal year and allocated
 2.13 to grants in equal amounts to the eight organizations defined in section 268A.01, subdivision
 2.14 8, to expand services to support people with disabilities who are ineligible for medical
 2.15 assistance to live in their own homes and communities by providing accessibility
 2.16 modifications, independent living services, and public health program facilitation.

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

2.18 Sec. 2. Minnesota Statutes 2020, section 252.275, subdivision 8, is amended to read:

2.19 Subd. 8. **Use of federal funds and transfer of funds to medical assistance.** (a) The
 2.20 commissioner shall make every reasonable effort to maximize the use of federal funds for
 2.21 semi-independent living services.

2.22 ~~(b) The commissioner shall reduce the payments to be made under this section to each~~
 2.23 ~~county from January 1, 1994, to June 30, 1996, by the amount of the state share of medical~~
 2.24 ~~assistance reimbursement for services other than residential services provided under the~~
 2.25 ~~home and community-based waiver program under section 256B.092 from January 1, 1994~~
 2.26 ~~to June 30, 1996, for clients for whom the county is financially responsible and who have~~
 2.27 ~~been transferred by the county from the semi-independent living services program to the~~
 2.28 ~~home and community-based waiver program. Unless otherwise specified, all reduced amounts~~
 2.29 ~~shall be transferred to the medical assistance state account.~~

2.30 ~~(c) For fiscal year 1997, the base appropriation available under this section shall be~~
 2.31 ~~reduced by the amount of the state share of medical assistance reimbursement for services~~
 2.32 ~~other than residential services provided under the home and community-based waiver~~

3.1 ~~program authorized in section 256B.092 from January 1, 1995, to December 31, 1995, for~~
 3.2 ~~persons who have been transferred from the semi-independent living services program to~~
 3.3 ~~the home and community-based waiver program. The base appropriation for the medical~~
 3.4 ~~assistance state account shall be increased by the same amount.~~

3.5 ~~(d) For purposes of calculating the guaranteed floor under subdivision 4b and to establish~~
 3.6 ~~the calendar year 1996 allocations, each county's original allocation for calendar year 1995~~
 3.7 ~~shall be reduced by the amount transferred to the state medical assistance account under~~
 3.8 ~~paragraph (b) during the six months ending on June 30, 1995. For purposes of calculating~~
 3.9 ~~the guaranteed floor under subdivision 4b and to establish the calendar year 1997 allocations,~~
 3.10 ~~each county's original allocation for calendar year 1996 shall be reduced by the amount~~
 3.11 ~~transferred to the state medical assistance account under paragraph (b) during the six months~~
 3.12 ~~ending on December 31, 1995.~~

3.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

3.14 Sec. 3. **[256.4795] RESIDENTIAL SETTING CLOSURE PREVENTION GRANTS.**

3.15 Subdivision 1. **Residential setting closure prevention grants established.** The
 3.16 commissioner of human services shall establish a grant program to reduce the risk of
 3.17 residential settings in financial distress from closing. The commissioner shall limit
 3.18 expenditures under this subdivision to the amount appropriated for this purpose.

3.19 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms in this subdivision
 3.20 have the meaning given them.

3.21 (b) "At risk of closure" means a residential setting is in significant financial distress and,
 3.22 in the judgment of the commissioner, but for additional funding from the commissioner,
 3.23 the setting will close.

3.24 (c) "Residential settings" means any of the following: a nursing facility; an assisted
 3.25 living facility with a majority of residents receiving services funded by medical assistance;
 3.26 an intermediate care facility for persons with developmental disabilities; or an adult foster
 3.27 care setting, a community residential setting, or an integrated community supports setting.

3.28 Subd. 3. **Eligibility.** (a) A license holder operating a residential setting in significant
 3.29 financial distress may apply to the commissioner for a grant under this section to relieve its
 3.30 immediate financial distress.

3.31 (b) Lead agencies that suspect a residential setting is in significant financial distress may
 3.32 refer the license holder to the commissioner for consideration by the commissioner for grant
 3.33 funding under this section. Upon a referral from a lead agency under this section, the

4.1 commissioner shall immediately solicit an application from the license holder, providing
 4.2 individualized technical assistance to the license holder regarding the application process.

4.3 (c) The commissioner must give priority for closure prevention grants to residential
 4.4 settings with the most significant risk of closing in violation of the applicable notice
 4.5 requirements prior to the termination of services.

4.6 Subd. 4. **Criteria and limitations.** (a) Within available appropriations for this purpose,
 4.7 the commissioner must award sufficient funding to a residential setting at risk of closure to
 4.8 ensure that the residential setting remains open long enough to comply with the applicable
 4.9 termination of services notification requirements.

4.10 (b) The commissioner may award additional funding to a residential setting at risk of
 4.11 closure if, in the judgment of the commissioner, the residential setting is likely to remain
 4.12 open and financially viable after receiving time-limited additional funding from the
 4.13 commissioner.

4.14 (c) Before receiving any additional funding under paragraph (b), grantees must work
 4.15 with the commissioner to develop a business plan and corrective action plan to reduce the
 4.16 risk of future financial distress. No residential setting may receive additional funding under
 4.17 paragraph (b) more than once.

4.18 Subd. 5. **Interagency coordination.** The commissioner must coordinate the grant
 4.19 activities under this section with any other impacted state agencies and lead agencies.

4.20 Subd. 6. **Administrative funding.** The commissioner may use up to 6.5 percent of the
 4.21 grant amounts awarded for the commissioner's costs related to administration of this program.

4.22 **EFFECTIVE DATE.** This section is effective July 1, 2022.

4.23 Sec. 4. Minnesota Statutes 2020, section 256B.0659, subdivision 1, is amended to read:

4.24 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in
 4.25 paragraphs (b) to (r) have the meanings given unless otherwise provided in text.

4.26 (b) "Activities of daily living" means grooming, dressing, bathing, transferring, mobility,
 4.27 positioning, eating, and toileting.

4.28 (c) "Behavior," effective January 1, 2010, means a category to determine the home care
 4.29 rating and is based on the criteria found in this section. "Level I behavior" means physical
 4.30 aggression ~~towards~~ toward self, others, or destruction of property that requires the immediate
 4.31 response of another person.

5.1 (d) "Complex health-related needs," effective January 1, 2010, means a category to
5.2 determine the home care rating and is based on the criteria found in this section.

5.3 (e) "Critical activities of daily living," effective January 1, 2010, means transferring,
5.4 mobility, eating, and toileting.

5.5 (f) "Dependency in activities of daily living" means a person requires assistance to begin
5.6 and complete one or more of the activities of daily living.

5.7 (g) "Extended personal care assistance service" means personal care assistance services
5.8 included in a service plan under one of the home and community-based services waivers
5.9 authorized under chapter 256S and sections 256B.092, subdivision 5, and 256B.49, which
5.10 exceed the amount, duration, and frequency of the state plan personal care assistance services
5.11 for participants who:

5.12 (1) need assistance provided periodically during a week, but less than daily will not be
5.13 able to remain in their homes without the assistance, and other replacement services are
5.14 more expensive or are not available when personal care assistance services are to be reduced;
5.15 or

5.16 (2) need additional personal care assistance services beyond the amount authorized by
5.17 the state plan personal care assistance assessment in order to ensure that their safety, health,
5.18 and welfare are provided for in their homes.

5.19 (h) "Health-related procedures and tasks" means procedures and tasks that can be
5.20 delegated or assigned by a licensed health care professional under state law to be performed
5.21 by a personal care assistant.

5.22 (i) "Instrumental activities of daily living" means activities to include meal planning and
5.23 preparation; basic assistance with paying bills; shopping for food, clothing, and other
5.24 essential items; performing household tasks integral to the personal care assistance services;
5.25 communication by telephone and other media; and traveling, including to medical
5.26 appointments and to participate in the community. For purposes of this paragraph, traveling
5.27 includes driving and accompanying the recipient in the recipient's chosen mode of
5.28 transportation and according to the recipient's personal care assistance care plan.

5.29 (j) "Managing employee" has the same definition as Code of Federal Regulations, title
5.30 42, section 455.

5.31 (k) "Qualified professional" means a professional providing supervision of personal care
5.32 assistance services and staff as defined in section 256B.0625, subdivision 19c.

6.1 (l) "Personal care assistance provider agency" means a medical assistance enrolled
6.2 provider that provides or assists with providing personal care assistance services and includes
6.3 a personal care assistance provider organization, personal care assistance choice agency,
6.4 class A licensed nursing agency, and Medicare-certified home health agency.

6.5 (m) "Personal care assistant" or "PCA" means an individual employed by a personal
6.6 care assistance agency who provides personal care assistance services.

6.7 (n) "Personal care assistance care plan" means a written description of personal care
6.8 assistance services developed by the personal care assistance provider according to the
6.9 service plan.

6.10 (o) "Responsible party" means an individual who is capable of providing the support
6.11 necessary to assist the recipient to live in the community.

6.12 (p) "Self-administered medication" means medication taken orally, by injection, nebulizer,
6.13 or insertion, or applied topically without the need for assistance.

6.14 (q) "Service plan" means a written summary of the assessment and description of the
6.15 services needed by the recipient.

6.16 (r) "Wages and benefits" means wages and salaries, the employer's share of FICA taxes,
6.17 Medicare taxes, state and federal unemployment taxes, workers' compensation, mileage
6.18 reimbursement, health and dental insurance, life insurance, disability insurance, long-term
6.19 care insurance, uniform allowance, and contributions to employee retirement accounts.

6.20 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.
6.21 The commissioner of human services shall inform the revisor of statutes when federal
6.22 approval is obtained.

6.23 Sec. 5. Minnesota Statutes 2020, section 256B.0659, subdivision 12, is amended to read:

6.24 Subd. 12. **Documentation of personal care assistance services provided.** (a) Personal
6.25 care assistance services for a recipient must be documented daily by each personal care
6.26 assistant, on a time sheet form approved by the commissioner. All documentation may be
6.27 web-based, electronic, or paper documentation. The completed form must be submitted on
6.28 a monthly basis to the provider and kept in the recipient's health record.

6.29 (b) The activity documentation must correspond to the personal care assistance care plan
6.30 and be reviewed by the qualified professional.

7.1 (c) The personal care assistant time sheet must be on a form approved by the
 7.2 commissioner documenting time the personal care assistant provides services in the home.
 7.3 The following criteria must be included in the time sheet:

7.4 (1) full name of personal care assistant and individual provider number;

7.5 (2) provider name and telephone numbers;

7.6 (3) full name of recipient and either the recipient's medical assistance identification
 7.7 number or date of birth;

7.8 (4) consecutive dates, including month, day, and year, and arrival and departure times
 7.9 with a.m. or p.m. notations;

7.10 (5) signatures of recipient or the responsible party;

7.11 (6) personal signature of the personal care assistant;

7.12 (7) any shared care provided, if applicable;

7.13 (8) a statement that it is a federal crime to provide false information on personal care
 7.14 service billings for medical assistance payments; ~~and~~

7.15 (9) dates and location of recipient stays in a hospital, care facility, or incarceration; and

7.16 (10) any time spent traveling, as described in subdivision 1, paragraph (i), including
 7.17 start and stop times with a.m. and p.m. designations, the origination site, and the destination
 7.18 site.

7.19 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.

7.20 The commissioner of human services shall inform the revisor of statutes when federal
 7.21 approval is obtained.

7.22 Sec. 6. Minnesota Statutes 2021 Supplement, section 256B.0659, subdivision 17a, is
 7.23 amended to read:

7.24 Subd. 17a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for
 7.25 personal care assistance services shall be paid for services provided to persons who qualify
 7.26 for ten or more hours of personal care assistance services per day when provided by a
 7.27 personal care assistant who meets the requirements of subdivision 11, paragraph (d). The
 7.28 commissioner shall determine the enhanced rate by applying the following sliding scale:

7.29 (1) for persons who qualify for ten to 18 hours of personal care services, the sliding
 7.30 enhanced rate scale shall begin at 107.5 percent of the rate paid for personal care assistance
 7.31 services and increase to 125 percent; and

8.1 (2) for persons who qualify for more than 18 hours of personal care services, the enhanced
8.2 rate shall be 125 percent of the rate paid for personal care assistance services.

8.3 (b) Any change in the eligibility criteria for the enhanced rate for personal care assistance
8.4 services as described in this subdivision and referenced in subdivision 11, paragraph (d),
8.5 does not constitute a change in a term or condition for individual providers as defined in
8.6 section 256B.0711, and is not subject to the state's obligation to meet and negotiate under
8.7 chapter 179A.

8.8 Sec. 7. Minnesota Statutes 2020, section 256B.0659, subdivision 19, is amended to read:

8.9 Subd. 19. **Personal care assistance choice option; qualifications; duties.** (a) Under
8.10 personal care assistance choice, the recipient or responsible party shall:

8.11 (1) recruit, hire, schedule, and terminate personal care assistants according to the terms
8.12 of the written agreement required under subdivision 20, paragraph (a);

8.13 (2) develop a personal care assistance care plan based on the assessed needs and
8.14 addressing the health and safety of the recipient with the assistance of a qualified professional
8.15 as needed;

8.16 (3) orient and train the personal care assistant with assistance as needed from the qualified
8.17 professional;

8.18 (4) ~~effective January 1, 2010,~~ supervise and evaluate the personal care assistant with the
8.19 qualified professional, who is required to visit the recipient at least every 180 days;

8.20 (5) monitor and verify in writing and report to the personal care assistance choice agency
8.21 the number of hours worked by the personal care assistant and the qualified professional;

8.22 (6) engage in an annual face-to-face reassessment to determine continuing eligibility
8.23 and service authorization; ~~and~~

8.24 (7) use the same personal care assistance choice provider agency if shared personal
8.25 assistance care is being used; and

8.26 (8) ensure that a personal care assistant driving the recipient under subdivision 1,
8.27 paragraph (i), has a valid driver's license and the vehicle used is registered and insured
8.28 according to Minnesota law.

8.29 (b) The personal care assistance choice provider agency shall:

8.30 (1) meet all personal care assistance provider agency standards;

9.1 (2) enter into a written agreement with the recipient, responsible party, and personal
9.2 care assistants;

9.3 (3) not be related as a parent, child, sibling, or spouse to the recipient or the personal
9.4 care assistant; and

9.5 (4) ensure arm's-length transactions without undue influence or coercion with the recipient
9.6 and personal care assistant.

9.7 (c) The duties of the personal care assistance choice provider agency are to:

9.8 (1) be the employer of the personal care assistant and the qualified professional for
9.9 employment law and related regulations including, but not limited to, purchasing and
9.10 maintaining workers' compensation, unemployment insurance, surety and fidelity bonds,
9.11 and liability insurance, and submit any or all necessary documentation including, but not
9.12 limited to, workers' compensation, unemployment insurance, and labor market data required
9.13 under section 256B.4912, subdivision 1a;

9.14 (2) bill the medical assistance program for personal care assistance services and qualified
9.15 professional services;

9.16 (3) request and complete background studies that comply with the requirements for
9.17 personal care assistants and qualified professionals;

9.18 (4) pay the personal care assistant and qualified professional based on actual hours of
9.19 services provided;

9.20 (5) withhold and pay all applicable federal and state taxes;

9.21 (6) verify and keep records of hours worked by the personal care assistant and qualified
9.22 professional;

9.23 (7) make the arrangements and pay taxes and other benefits, if any, and comply with
9.24 any legal requirements for a Minnesota employer;

9.25 (8) enroll in the medical assistance program as a personal care assistance choice agency;
9.26 and

9.27 (9) enter into a written agreement as specified in subdivision 20 before services are
9.28 provided.

9.29 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.
9.30 The commissioner of human services shall inform the revisor of statutes when federal
9.31 approval is obtained.

10.1 Sec. 8. Minnesota Statutes 2020, section 256B.0659, subdivision 24, is amended to read:

10.2 Subd. 24. **Personal care assistance provider agency; general duties.** A personal care
10.3 assistance provider agency shall:

10.4 (1) enroll as a Medicaid provider meeting all provider standards, including completion
10.5 of the required provider training;

10.6 (2) comply with general medical assistance coverage requirements;

10.7 (3) demonstrate compliance with law and policies of the personal care assistance program
10.8 to be determined by the commissioner;

10.9 (4) comply with background study requirements;

10.10 (5) verify and keep records of hours worked by the personal care assistant and qualified
10.11 professional;

10.12 (6) not engage in any agency-initiated direct contact or marketing in person, by phone,
10.13 or other electronic means to potential recipients, guardians, or family members;

10.14 (7) pay the personal care assistant and qualified professional based on actual hours of
10.15 services provided;

10.16 (8) withhold and pay all applicable federal and state taxes;

10.17 (9) document that the agency uses a minimum of 72.5 percent of the revenue generated
10.18 by the medical assistance rate for personal care assistance services for employee personal
10.19 care assistant wages and benefits. The revenue generated by the qualified professional and
10.20 the reasonable costs associated with the qualified professional shall not be used in making
10.21 this calculation;

10.22 (10) make the arrangements and pay unemployment insurance, taxes, workers'
10.23 compensation, liability insurance, and other benefits, if any;

10.24 (11) enter into a written agreement under subdivision 20 before services are provided;

10.25 (12) report suspected neglect and abuse to the common entry point according to section
10.26 256B.0651;

10.27 (13) provide the recipient with a copy of the home care bill of rights at start of service;

10.28 (14) request reassessments at least 60 days prior to the end of the current authorization
10.29 for personal care assistance services, on forms provided by the commissioner;

10.30 (15) comply with the labor market reporting requirements described in section 256B.4912,
10.31 subdivision 1a; ~~and~~

11.1 (16) document that the agency uses the additional revenue due to the enhanced rate under
11.2 subdivision 17a for the wages and benefits of the PCAs whose services meet the requirements
11.3 under subdivision 11, paragraph (d); and

11.4 (17) ensure that a personal care assistant driving a recipient under subdivision 1,
11.5 paragraph (i), has a valid driver's license and the vehicle used is registered and insured
11.6 according to Minnesota law.

11.7 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.
11.8 The commissioner of human services shall inform the revisor of statutes when federal
11.9 approval is obtained.

11.10 Sec. 9. Minnesota Statutes 2021 Supplement, section 256B.49, subdivision 28, is amended
11.11 to read:

11.12 Subd. 28. **Customized living moratorium for brain injury and community access**
11.13 **for disability inclusion waivers.** (a) Notwithstanding section 245A.03, subdivision 2,
11.14 paragraph (a), clause (23), to prevent new development of customized living settings that
11.15 otherwise meet the residential program definition under section 245A.02, subdivision 14,
11.16 the commissioner shall not enroll new customized living settings serving four or fewer
11.17 people in a single-family home to deliver customized living services as defined under the
11.18 brain injury or community access for disability inclusion waiver plans under this section.

11.19 (b) The commissioner may approve an exception to paragraph (a) when an existing
11.20 customized living setting changes ownership at the same address or when the same owner
11.21 relocates the residential program to a new customized living setting.

11.22 (c) Customized living settings operational on or before June 30, 2021, are considered
11.23 existing customized living settings.

11.24 (d) For any new customized living settings serving four or fewer people in a single-family
11.25 home to deliver customized living services as defined in paragraph (a) and that was not
11.26 operational on or before June 30, 2021, the authorizing lead agency is financially responsible
11.27 for all home and community-based service payments in the setting.

11.28 (e) For purposes of this subdivision, "operational" means customized living services are
11.29 authorized and delivered to a person in the customized living setting.

11.30 **EFFECTIVE DATE.** This section is effective July 1, 2022.

12.1 Sec. 10. **[256B.4909] HOME AND COMMUNITY-BASED SERVICES;**
 12.2 **HOMEMAKER RATES.**

12.3 Subdivision 1. **Application.** (a) Notwithstanding any law to the contrary, the payment
 12.4 methodologies for homemaker services defined in this section apply to those homemaker
 12.5 services offered under:

12.6 (1) home and community-based services waivers under sections 256B.092 and 256B.49;

12.7 (2) alternative care under section 256B.0913;

12.8 (3) essential community supports under section 256B.0922; and

12.9 (4) elderly waiver, elderly waiver customized living, and elderly waiver foster care under
 12.10 chapter 256S.

12.11 (b) This section does not change existing waiver policies and procedures.

12.12 Subd. 2. **Definition.** For purposes of this section, "homemaker services" means
 12.13 homemaker services and assistance with personal care, homemaker services and cleaning,
 12.14 and homemaker services and home management under chapter 256S and similar services
 12.15 offered under home and community-based services waivers under sections 256B.092 and
 12.16 256B.49, alternative care under section 256B.0913, and essential community supports under
 12.17 section 256B.0922.

12.18 Subd. 3. **Rate methodology.** (a) Beginning January 1, 2023, the rate methodology for
 12.19 each homemaker service must be determined under sections 256S.211, subdivision 1, and
 12.20 256S.212 to 256S.215, as adjusted by paragraph (b).

12.21 (b) As applicable to this section, on November 1, 2024, based on the most recently
 12.22 available wage data by standard occupational classification (SOC) from the Bureau of Labor
 12.23 Statistics, the commissioner shall update for each homemaker service the base wage index
 12.24 in section 256S.212, publish these updated values, and load them into the appropriate rate
 12.25 system.

12.26 Sec. 11. Minnesota Statutes 2020, section 256B.4911, is amended by adding a subdivision
 12.27 to read:

12.28 Subd. 6. **Services provided by parents and spouses.** (a) Upon federal approval, this
 12.29 subdivision limits medical assistance payments under the consumer-directed community
 12.30 supports option for personal assistance services provided by a parent to the parent's minor
 12.31 child or by a spouse. This subdivision applies to the consumer-directed community supports
 12.32 option available under all of the following:

13.1 (1) alternative care program;

13.2 (2) brain injury waiver;

13.3 (3) community alternative care waiver;

13.4 (4) community access for disability inclusion waiver;

13.5 (5) developmental disabilities waiver;

13.6 (6) elderly waiver; and

13.7 (7) Minnesota senior health option.

13.8 (b) For the purposes of this subdivision, "parent" means a parent, stepparent, or legal
 13.9 guardian of a minor.

13.10 (c) If multiple parents are providing personal assistance services to their minor child or
 13.11 children, each parent may provide up to 40 hours of personal assistance services in any
 13.12 seven-day period regardless of the number of children served. The total number of hours
 13.13 of personal assistance services provided by all of the parents must not exceed 80 hours in
 13.14 a seven-day period regardless of the number of children served.

13.15 (d) If only one parent is providing personal assistance services to a minor child or
 13.16 children, the parent may provide up to 60 hours of personal assistance services in a seven-day
 13.17 period regardless of the number of children served.

13.18 (e) If a spouse is providing personal assistance services, the spouse may provide up to
 13.19 60 hours of personal assistance services in a seven-day period.

13.20 (f) This subdivision must not be construed to permit an increase in the total authorized
 13.21 consumer-directed community supports budget for an individual.

13.22 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
 13.23 whichever is later. The commissioner of human services shall inform the revisor of statutes
 13.24 when federal approval is obtained.

13.25 Sec. 12. Minnesota Statutes 2021 Supplement, section 256B.4914, subdivision 5, as
 13.26 amended by Laws 2022, chapter 33, section 1, subdivision 5, is amended to read:

13.27 Subd. 5. **Base wage index; establishment and updates.** (a) The base wage index is
 13.28 established to determine staffing costs associated with providing services to individuals
 13.29 receiving home and community-based services. For purposes of calculating the base wage,
 13.30 Minnesota-specific wages taken from job descriptions and standard occupational

14.1 classification (SOC) codes from the Bureau of Labor Statistics as defined in the Occupational
14.2 Handbook must be used.

14.3 (b) The commissioner shall update the base wage index in subdivision 5a, publish these
14.4 updated values, and load them into the rate management system as follows:

14.5 (1) on January 1, 2022, based on wage data by SOC from the Bureau of Labor Statistics
14.6 available as of December 31, 2019;

14.7 (2) on January 1, 2023, based on wage data by SOC from the Bureau of Labor Statistics
14.8 available as of December 31, 2020;

14.9 (3) on ~~November 1, 2024~~ January 1, 2025, based on wage data by SOC from the Bureau
14.10 of Labor Statistics available as of December 31, ~~2021~~ 2022; and

14.11 ~~(3)~~ (4) on July 1, 2026 January 1, 2027, and every two years thereafter, based on wage
14.12 data by SOC from the Bureau of Labor Statistics available ~~30~~ 24 months and one day prior
14.13 to the scheduled update.

14.14 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
14.15 whichever is later. The commissioner of human services shall notify the revisor of statutes
14.16 when federal approval is obtained.

14.17 Sec. 13. Minnesota Statutes 2020, section 256B.4914, subdivision 8, as amended by Laws
14.18 2022, chapter 33, section 1, subdivision 8, is amended to read:

14.19 Subd. 8. **Unit-based services with programming; component values and calculation**
14.20 **of payment rates.** (a) For the purpose of this section, unit-based services with programming
14.21 include employment exploration services, employment development services, employment
14.22 support services, individualized home supports with family training, individualized home
14.23 supports with training, and positive support services provided to an individual outside of
14.24 any service plan for a day program or residential support service.

14.25 (b) Component values for unit-based services with programming are:

14.26 (1) competitive workforce factor: 4.7 percent;

14.27 (2) supervisory span of control ratio: 11 percent;

14.28 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

14.29 (4) employee-related cost ratio: 23.6 percent;

14.30 (5) program plan support ratio: 15.5 percent;

- 15.1 (6) client programming and support ratio: 4.7 percent, updated as specified in subdivision
15.2 5b;
- 15.3 (7) general administrative support ratio: 13.25 percent;
- 15.4 (8) program-related expense ratio: 6.1 percent; and
- 15.5 (9) absence and utilization factor ratio: 3.9 percent.
- 15.6 (c) A unit of service for unit-based services with programming is 15 minutes.
- 15.7 (d) Payments for unit-based services with programming must be calculated as follows,
15.8 unless the services are reimbursed separately as part of a residential support services or day
15.9 program payment rate:
- 15.10 (1) determine the number of units of service to meet a recipient's needs;
- 15.11 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
15.12 provided in subdivisions 5 and 5a;
- 15.13 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
15.14 product of one plus the competitive workforce factor;
- 15.15 (4) for a recipient requiring customization for deaf and hard-of-hearing language
15.16 accessibility under subdivision 12, add the customization rate provided in subdivision 12
15.17 to the result of clause (3);
- 15.18 (5) multiply the number of direct staffing hours by the appropriate staff wage;
- 15.19 (6) multiply the number of direct staffing hours by the product of the supervisory span
15.20 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);
- 15.21 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
15.22 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
15.23 rate;
- 15.24 (8) for program plan support, multiply the result of clause (7) by one plus the program
15.25 plan support ratio;
- 15.26 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
15.27 employee-related cost ratio;
- 15.28 (10) for client programming and supports, multiply the result of clause (9) by one plus
15.29 the client programming and support ratio;
- 15.30 (11) this is the subtotal rate;

16.1 (12) sum the standard general administrative support ratio, the program-related expense
16.2 ratio, and the absence and utilization factor ratio;

16.3 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
16.4 total payment amount;

16.5 (14) for services provided in a shared manner, divide the total payment in clause (13)
16.6 as follows:

16.7 (i) for employment exploration services, divide by the number of service recipients, not
16.8 to exceed five;

16.9 (ii) for employment support services, divide by the number of service recipients, not to
16.10 exceed six; and

16.11 (iii) for individualized home supports with training and individualized home supports
16.12 with family training, divide by the number of service recipients, not to exceed ~~two~~ three;
16.13 and

16.14 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
16.15 to adjust for regional differences in the cost of providing services.

16.16 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
16.17 whichever occurs later. The commissioner of human services shall notify the revisor of
16.18 statutes when federal approval is obtained.

16.19 Sec. 14. Minnesota Statutes 2020, section 256B.4914, subdivision 9, as amended by Laws
16.20 2022, chapter 33, section 1, subdivision 9, is amended to read:

16.21 Subd. 9. **Unit-based services without programming; component values and**
16.22 **calculation of payment rates.** (a) For the purposes of this section, unit-based services
16.23 without programming include individualized home supports without training and night
16.24 supervision provided to an individual outside of any service plan for a day program or
16.25 residential support service. Unit-based services without programming do not include respite.

16.26 (b) Component values for unit-based services without programming are:

16.27 (1) competitive workforce factor: 4.7 percent;

16.28 (2) supervisory span of control ratio: 11 percent;

16.29 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

16.30 (4) employee-related cost ratio: 23.6 percent;

16.31 (5) program plan support ratio: 7.0 percent;

- 17.1 (6) client programming and support ratio: 2.3 percent, updated as specified in subdivision
17.2 5b;
- 17.3 (7) general administrative support ratio: 13.25 percent;
- 17.4 (8) program-related expense ratio: 2.9 percent; and
- 17.5 (9) absence and utilization factor ratio: 3.9 percent.
- 17.6 (c) A unit of service for unit-based services without programming is 15 minutes.
- 17.7 (d) Payments for unit-based services without programming must be calculated as follows
17.8 unless the services are reimbursed separately as part of a residential support services or day
17.9 program payment rate:
- 17.10 (1) determine the number of units of service to meet a recipient's needs;
- 17.11 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
17.12 provided in subdivisions 5 to 5a;
- 17.13 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
17.14 product of one plus the competitive workforce factor;
- 17.15 (4) for a recipient requiring customization for deaf and hard-of-hearing language
17.16 accessibility under subdivision 12, add the customization rate provided in subdivision 12
17.17 to the result of clause (3);
- 17.18 (5) multiply the number of direct staffing hours by the appropriate staff wage;
- 17.19 (6) multiply the number of direct staffing hours by the product of the supervisory span
17.20 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);
- 17.21 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
17.22 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
17.23 rate;
- 17.24 (8) for program plan support, multiply the result of clause (7) by one plus the program
17.25 plan support ratio;
- 17.26 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
17.27 employee-related cost ratio;
- 17.28 (10) for client programming and supports, multiply the result of clause (9) by one plus
17.29 the client programming and support ratio;
- 17.30 (11) this is the subtotal rate;

18.1 (12) sum the standard general administrative support ratio, the program-related expense
18.2 ratio, and the absence and utilization factor ratio;

18.3 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
18.4 total payment amount;

18.5 (14) for individualized home supports without training provided in a shared manner,
18.6 divide the total payment amount in clause (13) by the number of service recipients, not to
18.7 exceed ~~two~~ three; and

18.8 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
18.9 to adjust for regional differences in the cost of providing services.

18.10 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
18.11 whichever occurs later. The commissioner of human services shall notify the revisor of
18.12 statutes when federal approval is obtained.

18.13 Sec. 15. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision
18.14 to read:

18.15 Subd. 19. **ICF/DD rate increase effective July 1, 2022.** (a) Effective July 1, 2022, the
18.16 daily rate for a class A intermediate care facility for persons with developmental disabilities
18.17 is increased by \$50.

18.18 (b) Effective July 1, 2022, the daily rate for a class B intermediate care facility for persons
18.19 with developmental disabilities is increased by \$50.

18.20 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
18.21 whichever is later. The commissioner of human services shall notify the revisor of statutes
18.22 when federal approval is obtained.

18.23 Sec. 16. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision
18.24 to read:

18.25 Subd. 20. **ICF/DD minimum daily rates.** (a) The minimum daily rate for a class A
18.26 intermediate care facility for persons with developmental disabilities is \$300.

18.27 (b) The minimum daily rate for a class B intermediate care facility for persons with
18.28 developmental disabilities is \$400.

18.29 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
18.30 whichever is later. The commissioner of human services shall notify the revisor of statutes
18.31 when federal approval is obtained.

19.1 Sec. 17. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7, is amended
 19.2 to read:

19.3 Subd. 7. **Community first services and supports; covered services.** Services and
 19.4 supports covered under CFSS include:

19.5 (1) assistance to accomplish activities of daily living (ADLs), instrumental activities of
 19.6 daily living (IADLs), and health-related procedures and tasks through hands-on assistance
 19.7 to accomplish the task or constant supervision and cueing to accomplish the task;

19.8 (2) assistance to acquire, maintain, or enhance the skills necessary for the participant to
 19.9 accomplish activities of daily living, instrumental activities of daily living, or health-related
 19.10 tasks;

19.11 (3) expenditures for items, services, supports, environmental modifications, or goods,
 19.12 including assistive technology. These expenditures must:

19.13 (i) relate to a need identified in a participant's CFSS service delivery plan; and

19.14 (ii) increase independence or substitute for human assistance, to the extent that
 19.15 expenditures would otherwise be made for human assistance for the participant's assessed
 19.16 needs;

19.17 (4) observation and redirection for behavior or symptoms where there is a need for
 19.18 assistance;

19.19 (5) back-up systems or mechanisms, such as the use of pagers or other electronic devices,
 19.20 to ensure continuity of the participant's services and supports;

19.21 (6) services provided by a consultation services provider as defined under subdivision
 19.22 17, that is under contract with the department and enrolled as a Minnesota health care
 19.23 program provider;

19.24 (7) services provided by an FMS provider as defined under subdivision 13a, that is an
 19.25 enrolled provider with the department;

19.26 (8) CFSS services provided by a support worker who is a parent, stepparent, or legal
 19.27 guardian of a participant under age 18, or who is the participant's spouse. ~~These support~~
 19.28 ~~workers shall not:~~ Covered services under this clause are subject to the limitations described
 19.29 in subdivision 7b; and

19.30 ~~(i) provide any medical assistance home and community-based services in excess of 40~~
 19.31 ~~hours per seven-day period regardless of the number of parents providing services;~~

20.1 ~~combination of parents and spouses providing services, or number of children who receive~~
 20.2 ~~medical assistance services; and~~

20.3 ~~(ii) have a wage that exceeds the current rate for a CFSS support worker including the~~
 20.4 ~~wage, benefits, and payroll taxes; and~~

20.5 (9) worker training and development services as described in subdivision 18a.

20.6 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
 20.7 whichever is later. The commissioner of human services shall notify the revisor of statutes
 20.8 when federal approval is obtained.

20.9 Sec. 18. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7a, is amended
 20.10 to read:

20.11 Subd. 7a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for
 20.12 CFSS must be paid for services provided to persons who qualify for ten or more hours of
 20.13 CFSS per day when provided by a support worker who meets the requirements of subdivision
 20.14 16, paragraph (e). The commissioner shall determine the enhanced rate by applying the
 20.15 following sliding scale:

20.16 (1) for persons who qualify for ten to 18 hours of CFSS, the sliding enhanced rate scale
 20.17 shall begin at 107.5 percent of the rate paid for CFSS and increase to 125 percent; and

20.18 (2) for persons who qualify for more than 18 hours of CFSS, the enhanced rate shall be
 20.19 125 percent of the rate paid for CFSS.

20.20 (b) Any change in the eligibility criteria for the enhanced rate for CFSS as described in
 20.21 this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a change
 20.22 in a term or condition for individual providers as defined in section 256B.0711, and is not
 20.23 subject to the state's obligation to meet and negotiate under chapter 179A.

20.24 Sec. 19. Minnesota Statutes 2020, section 256B.85, is amended by adding a subdivision
 20.25 to read:

20.26 **Subd. 7b. Services provided by parents and spouses.** (a) This subdivision applies to
 20.27 services and supports described in subdivision 7, clause (8).

20.28 (b) If multiple parents are support workers providing CFSS services to their minor child
 20.29 or children, each parent may provide up to 40 hours of medical assistance home and
 20.30 community-based services in any seven-day period regardless of the number of children
 20.31 served. The total number of hours of medical assistance home and community-based services

21.1 provided by all of the parents must not exceed 80 hours in a seven-day period regardless of
 21.2 the number of children served.

21.3 (c) If only one parent is a support worker providing CFSS services to the parent's minor
 21.4 child or children, the parent may provide up to 60 hours of medical assistance home and
 21.5 community-based services in a seven-day period regardless of the number of children served.

21.6 (d) If a spouse is a support worker providing CFSS services, the spouse may provide up
 21.7 to 60 hours of medical assistance home and community-based services in a seven-day period.

21.8 (e) Paragraphs (b) to (d) must not be construed to permit an increase in either the total
 21.9 authorized service budget for an individual or the total number of authorized service units.

21.10 (f) A parent or spouse must not receive a wage that exceeds the current rate for a CFSS
 21.11 support worker, including the wage, benefits, and payroll taxes.

21.12 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
 21.13 whichever is later. The commissioner of human services shall inform the revisor of statutes
 21.14 when federal approval is obtained.

21.15 Sec. 20. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 5, is amended
 21.16 to read:

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

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

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

21.21 (3) employee benefits factor, 12.04 percent;

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

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

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

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

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

21.27 (b) For purposes of implementation, the commissioner shall use the following
 21.28 implementation components:

21.29 (1) personal care assistance services and CFSS: ~~75.45~~ 83.5 percent;

22.1 (2) enhanced rate personal care assistance services and enhanced rate CFSS: ~~75.45~~ 83.5
22.2 percent; and

22.3 (3) qualified professional services and CFSS worker training and development: ~~75.45~~
22.4 83.5 percent.

22.5 **EFFECTIVE DATE.** This section is effective January 1, 2023, or 60 days following
22.6 federal approval, whichever is later. The commissioner of human services shall notify the
22.7 revisor of statutes when federal approval is obtained.

22.8 Sec. 21. Minnesota Statutes 2020, section 256I.05, is amended by adding a subdivision
22.9 to read:

22.10 **Subd. 1s. Supplemental rate; Douglas County.** Notwithstanding the provisions in this
22.11 section, a county agency shall negotiate a supplemental rate for up to 20 beds in addition
22.12 to the rate specified in subdivision 1, not to exceed the maximum rate allowed under
22.13 subdivision 1a, including any legislatively authorized inflationary adjustments, for a housing
22.14 support provider located in Douglas County that operates two facilities and provides room
22.15 and board and supplementary services to adult males recovering from substance use disorder,
22.16 mental illness, or housing instability.

22.17 **EFFECTIVE DATE.** This section is effective July 1, 2022.

22.18 Sec. 22. Laws 2014, chapter 312, article 27, section 75, is amended to read:

22.19 Sec. 75. **PROVIDER RATE AND GRANT INCREASES EFFECTIVE JULY 1, 2014.**

22.20 (a) The commissioner of human services shall increase reimbursement rates, grants,
22.21 allocations, individual limits, and rate limits, as applicable, by five percent for the rate period
22.22 beginning July 1, 2014, for services rendered on or after July 1, 2014. County or tribal
22.23 contracts for services, grants, and programs under paragraph (b) must be amended to pass
22.24 through these rate increases by September 1, 2014.

22.25 (b) The rate changes described in this section must be provided to:

22.26 (1) home and community-based waived services for persons with developmental
22.27 disabilities, including consumer-directed community supports, under Minnesota Statutes,
22.28 section 256B.092;

22.29 (2) waived services under community alternatives for disabled individuals, including
22.30 consumer-directed community supports, under Minnesota Statutes, section 256B.49;

- 23.1 (3) community alternative care waived services, including consumer-directed
 23.2 community supports, under Minnesota Statutes, section 256B.49;
- 23.3 (4) brain injury waived services, including consumer-directed community supports,
 23.4 under Minnesota Statutes, section 256B.49;
- 23.5 (5) home and community-based waived services for the elderly under Minnesota
 23.6 Statutes, section 256B.0915;
- 23.7 (6) nursing services and home health services under Minnesota Statutes, section
 23.8 256B.0625, subdivision 6a;
- 23.9 (7) personal care services and qualified professional supervision of personal care services
 23.10 under Minnesota Statutes, section 256B.0625, subdivisions 6a and 19a;
- 23.11 (8) private duty nursing services under Minnesota Statutes, section 256B.0625,
 23.12 subdivision 7;
- 23.13 (9) community first services and supports under Minnesota Statutes, section 256B.85;
- 23.14 (10) essential community supports under Minnesota Statutes, section 256B.0922;
- 23.15 ~~(11) day training and habilitation services for adults with developmental disabilities~~
 23.16 ~~under Minnesota Statutes, sections 252.41 to 252.46, including the additional cost to counties~~
 23.17 ~~of the rate adjustments on day training and habilitation services, provided as a social service;~~
- 23.18 ~~(12)~~ alternative care services under Minnesota Statutes, section 256B.0913;
- 23.19 ~~(13)~~ (12) living skills training programs for persons with intractable epilepsy who need
 23.20 assistance in the transition to independent living under Laws 1988, chapter 689;
- 23.21 ~~(14)~~ (13) semi-independent living services (SILS) under Minnesota Statutes, section
 23.22 252.275;
- 23.23 ~~(15)~~ (14) consumer support grants under Minnesota Statutes, section 256.476;
- 23.24 ~~(16)~~ (15) family support grants under Minnesota Statutes, section 252.32;
- 23.25 ~~(17)~~ (16) housing access grants under Minnesota Statutes, section 256B.0658;
- 23.26 ~~(18)~~ (17) self-advocacy grants under Laws 2009, chapter 101;
- 23.27 ~~(19)~~ (18) technology grants under Laws 2009, chapter 79;
- 23.28 ~~(20)~~ (19) aging grants under Minnesota Statutes, sections 256.975 to 256.977 and
 23.29 256B.0917;

24.1 ~~(21)~~ (20) deaf and hard-of-hearing grants, including community support services for
24.2 deaf and hard-of-hearing adults with mental illness who use or wish to use sign language
24.3 as their primary means of communication under Minnesota Statutes, section 256.01,
24.4 subdivision 2;

24.5 ~~(22)~~ (21) deaf and hard-of-hearing grants under Minnesota Statutes, sections 256C.233,
24.6 256C.25, and 256C.261;

24.7 ~~(23)~~ (22) Disability Linkage Line grants under Minnesota Statutes, section 256.01,
24.8 subdivision 24;

24.9 ~~(24)~~ (23) transition initiative grants under Minnesota Statutes, section 256.478;

24.10 ~~(25)~~ (24) employment support grants under Minnesota Statutes, section 256B.021,
24.11 subdivision 6; and

24.12 ~~(26)~~ (25) grants provided to people who are eligible for the Housing Opportunities for
24.13 Persons with AIDS program under Minnesota Statutes, section 256B.492.

24.14 (c) A managed care plan or county-based purchasing plan receiving state payments for
24.15 the services grants and programs in paragraph (b) must include these increases in their
24.16 payments to providers. To implement the rate increase in paragraph (a), capitation rates
24.17 paid by the commissioner to managed care plans and county-based purchasing plans under
24.18 Minnesota Statutes, section 256B.69, shall reflect a five percent increase for the services
24.19 and programs specified in paragraph (b) for the period beginning July 1, 2014.

24.20 (d) Counties shall increase the budget for each recipient of consumer-directed community
24.21 supports by the amount in paragraph (a) on July 1, 2014.

24.22 (e) To receive the rate increase described in this section, providers under paragraphs (a)
24.23 and (b) must submit to the commissioner documentation that identifies a quality improvement
24.24 project that the provider will implement by June 30, 2015. Documentation must be provided
24.25 in a format specified by the commissioner. Projects must:

24.26 (1) improve the quality of life of home and community-based services recipients in a
24.27 meaningful way;

24.28 (2) improve the quality of services in a measurable way; or

24.29 (3) deliver good quality service more efficiently while using the savings to enhance
24.30 services for the participants served.

24.31 Providers listed in paragraph (b), clauses (7), (9), (10), and ~~(13)~~ (12) to ~~(26)~~ (25), are not
24.32 subject to this requirement.

25.1 (f) For a provider that fails to submit documentation described in paragraph (e) by a date
25.2 or in a format specified by the commissioner, the commissioner shall reduce the provider's
25.3 rate by one percent effective January 1, 2015.

25.4 (g) Providers that receive a rate increase under paragraph (a) shall use 80 percent of the
25.5 additional revenue to increase compensation-related costs for employees directly employed
25.6 by the program on or after July 1, 2014, except:

25.7 (1) persons employed in the central office of a corporation or entity that has an ownership
25.8 interest in the provider or exercises control over the provider; and

25.9 (2) persons paid by the provider under a management contract.

25.10 This requirement is subject to audit by the commissioner.

25.11 (h) Compensation-related costs include:

25.12 (1) wages and salaries;

25.13 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
25.14 taxes, workers' compensation, and mileage reimbursement;

25.15 (3) the employer's share of health and dental insurance, life insurance, disability insurance,
25.16 long-term care insurance, uniform allowance, pensions, and contributions to employee
25.17 retirement accounts; and

25.18 (4) other benefits provided and workforce needs, including the recruiting and training
25.19 of employees as specified in the distribution plan required under paragraph (m).

25.20 (i) For public employees under a collective bargaining agreement, the increase for wages
25.21 and benefits is available and pay rates must be increased only to the extent that the increases
25.22 comply with laws governing public employees' collective bargaining. Money received by
25.23 a provider for pay increases for public employees under paragraph (g) must be used only
25.24 for pay increases implemented between July 1, 2014, and August 1, 2014.

25.25 (j) For a provider that has employees that are represented by an exclusive bargaining
25.26 representative, the provider shall obtain a letter of acceptance of the distribution plan required
25.27 under paragraph (m), in regard to the members of the bargaining unit, signed by the exclusive
25.28 bargaining agent. Upon receipt of the letter of acceptance, the provider shall be deemed to
25.29 have met all the requirements of this section in regard to the members of the bargaining
25.30 unit. Upon request, the provider shall produce the letter of acceptance for the commissioner.

25.31 (k) The commissioner shall amend state grant contracts that include direct
25.32 personnel-related grant expenditures to include the allocation for the portion of the contract

26.1 related to employee compensation. Grant contracts for compensation-related services must
 26.2 be amended to pass through these adjustments by September 1, 2014, and must be retroactive
 26.3 to July 1, 2014.

26.4 (l) The Board on Aging and its area agencies on aging shall amend their grants that
 26.5 include direct personnel-related grant expenditures to include the rate adjustment for the
 26.6 portion of the grant related to employee compensation. Grants for compensation-related
 26.7 services must be amended to pass through these adjustments by September 1, 2014, and
 26.8 must be retroactive to July 1, 2014.

26.9 (m) A provider that receives a rate adjustment under paragraph (a) that is subject to
 26.10 paragraph (g) shall prepare, and upon request submit to the commissioner, a distribution
 26.11 plan that specifies the amount of money the provider expects to receive that is subject to
 26.12 the requirements of paragraph (g), including how that money will be distributed to increase
 26.13 compensation for employees. The commissioner may recover funds from a provider that
 26.14 fails to comply with this requirement.

26.15 (n) By January 1, 2015, the provider shall post the distribution plan required under
 26.16 paragraph (m) for a period of at least six weeks in an area of the provider's operation to
 26.17 which all eligible employees have access and shall provide instructions for employees who
 26.18 do not believe they have received the wage and other compensation-related increases
 26.19 specified in the distribution plan. The instructions must include a mailing address, e-mail
 26.20 address, and telephone number that the employee may use to contact the commissioner or
 26.21 the commissioner's representative.

26.22 (o) For providers with rates established under Minnesota Statutes, section 256B.4914,
 26.23 and with a historical rate established under Minnesota Statutes, section 256B.4913,
 26.24 subdivision 4a, paragraph (b), that is greater than the rate established under Minnesota
 26.25 Statutes, section 256B.4914, the requirements in paragraph (g) must only apply to the portion
 26.26 of the rate increase that exceeds the difference between the rate established under Minnesota
 26.27 Statutes, section 256B.4914, and the banding value established under Minnesota Statutes,
 26.28 section 256B.4913, subdivision 4a, paragraph (b).

26.29 Sec. 23. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 1,
 26.30 is amended to read:

26.31			9,803,181,000
26.32	Subdivision 1. Total Appropriation	\$ 8,356,760,000	\$ <u>9,802,370,000</u>

26.33 Appropriations by Fund

26.34	2022	2023
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27.1			8,951,733,000
27.2	General	7,295,463,000	<u>8,950,922,000</u>
27.3	State Government		
27.4	Special Revenue	4,299,000	4,299,000
27.5	Health Care Access	769,889,000	564,448,000
27.6	Federal TANF	282,653,000	278,245,000
27.7	Lottery Prize	1,896,000	1,896,000
27.8	Opiate Epidemic		
27.9	Response	2,560,000	2,560,000

27.10 The amounts that may be spent for each
 27.11 purpose are specified in the following
 27.12 subdivisions.

27.13 Sec. 24. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 29,
 27.14 is amended to read:

27.15			31,010,000
27.16	Subd. 29. Grant Programs; Disabilities Grants	31,398,000	<u>30,199,000</u>

27.17 **(a) Training Stipends for Direct Support**
 27.18 **Services Providers.** \$1,000,000 in fiscal year
 27.19 2022 is from the general fund for stipends for
 27.20 individual providers of direct support services
 27.21 as defined in Minnesota Statutes, section
 27.22 256B.0711, subdivision 1. These stipends are
 27.23 available to individual providers who have
 27.24 completed designated voluntary trainings
 27.25 made available through the State-Provider
 27.26 Cooperation Committee formed by the State
 27.27 of Minnesota and the Service Employees
 27.28 International Union Healthcare Minnesota.
 27.29 Any unspent appropriation in fiscal year 2022
 27.30 is available in fiscal year 2023. This is a
 27.31 onetime appropriation. This appropriation is
 27.32 available only if the labor agreement between
 27.33 the state of Minnesota and the Service
 27.34 Employees International Union Healthcare
 27.35 Minnesota under Minnesota Statutes, section

28.1 179A.54, is approved under Minnesota
28.2 Statutes, section 3.855.

28.3 **(b) Parent-to-Parent Peer Support.** \$125,000
28.4 in fiscal year 2022 and \$125,000 in fiscal year
28.5 2023 are from the general fund for a grant to
28.6 an alliance member of Parent to Parent USA
28.7 to support the alliance member's
28.8 parent-to-parent peer support program for
28.9 families of children with a disability or special
28.10 health care need.

28.11 **(c) Self-Advocacy Grants.** (1) \$143,000 in
28.12 fiscal year 2022 and \$143,000 in fiscal year
28.13 2023 are from the general fund for a grant
28.14 under Minnesota Statutes, section 256.477,
28.15 subdivision 1.

28.16 (2) \$105,000 in fiscal year 2022 and \$105,000
28.17 in fiscal year 2023 are from the general fund
28.18 for subgrants under Minnesota Statutes,
28.19 section 256.477, subdivision 2.

28.20 **(d) Minnesota Inclusion Initiative Grants.**
28.21 \$150,000 in fiscal year 2022 and \$150,000 in
28.22 fiscal year 2023 are from the general fund for
28.23 grants under Minnesota Statutes, section
28.24 256.4772.

28.25 **(e) Grants to Expand Access to Child Care**
28.26 **for Children with Disabilities.** \$250,000 in
28.27 fiscal year 2022 and \$250,000 in fiscal year
28.28 2023 are from the general fund for grants to
28.29 expand access to child care for children with
28.30 disabilities. This is a onetime appropriation.

28.31 **(f) Parenting with a Disability Pilot Project.**
28.32 The general fund base includes \$1,000,000 in
28.33 fiscal year 2024 and \$0 in fiscal year 2025 to

29.1 implement the parenting with a disability pilot
29.2 project.

29.3 (g) **Base Level Adjustment.** The general fund
29.4 base is ~~\$29,260,000~~ \$28,449,000 in fiscal year
29.5 2024 and ~~\$22,260,000~~ \$21,449,000 in fiscal
29.6 year 2025.

29.7 Sec. 25. Laws 2021, First Special Session chapter 7, article 17, section 14, is amended to
29.8 read:

29.9 Sec. 14. **TASK FORCE ON ~~ELIMINATING~~ SUBMINIMUM WAGES.**

29.10 Subdivision 1. **Establishment; purpose.** The Task Force on ~~Eliminating~~ Subminimum
29.11 Wages is established to develop a plan and make recommendations to ~~phase out payment~~
29.12 ~~of subminimum wages to people with disabilities on or before August 1, 2025~~ promote
29.13 independence and increase opportunities for people with disabilities to earn competitive
29.14 wages.

29.15 Subd. 2. **Definitions.** For the purposes of this section, "subminimum wage" means wages
29.16 authorized under section 14(c) of the federal Fair Labor Standards Act, Minnesota Statutes,
29.17 section 177.28, subdivision 5, or Minnesota Rules, parts 5200.0030 and 5200.0040.

29.18 Subd. 3. **Membership.** (a) The task force consists of ~~16~~ 20 members, appointed as
29.19 follows:

29.20 (1) the commissioner of human services or a designee;

29.21 (2) the commissioner of labor and industry or a designee;

29.22 (3) the commissioner of education or a designee;

29.23 (4) the commissioner of employment and economic development or a designee;

29.24 (5) a representative of the Department of Employment and Economic Development's
29.25 Vocational Rehabilitation Services Division appointed by the commissioner of employment
29.26 and economic development;

29.27 (6) one member appointed by the Minnesota Disability Law Center;

29.28 (7) one member appointed by The Arc of Minnesota;

29.29 (8) ~~three~~ four members who are persons with disabilities appointed by the commissioner
29.30 of human services, at least one of whom ~~must be~~ is neurodiverse, ~~and~~ at least one of whom

30.1 ~~must have~~ has a significant physical disability, and at least one of whom at the time of the
30.2 appointment is being paid a subminimum wage;

30.3 (9) two representatives of employers authorized to pay subminimum wage and one
30.4 representative of an employer who successfully transitioned away from payment of
30.5 subminimum wages to people with disabilities, appointed by the commissioner of human
30.6 services;

30.7 (10) one member appointed by the Minnesota Organization for Habilitation and
30.8 Rehabilitation;

30.9 (11) one member appointed by ARRM; ~~and~~

30.10 (12) one member appointed by the State Rehabilitation Council; and

30.11 (13) three members who are parents or guardians of persons with disabilities appointed
30.12 by the commissioner of human services, at least one of whom is a parent or guardian of a
30.13 person who is neurodiverse, at least one of whom is a parent or guardian of a person with
30.14 a significant physical disability, and at least one of whom is a parent or guardian of a person
30.15 being paid a subminimum wage as of the date of the appointment.

30.16 (b) To the extent possible, membership on the task force under paragraph (a) shall reflect
30.17 geographic parity throughout the state and representation from Black, Indigenous, and
30.18 communities of color.

30.19 Subd. 4. **Appointment deadline; first meeting; chair.** Appointing authorities must
30.20 complete member selections by January 1, 2022. The commissioner of human services shall
30.21 convene the first meeting of the task force by February 15, 2022. The task force shall select
30.22 a chair from among its members at its first meeting.

30.23 Subd. 5. **Compensation.** Members shall be compensated and may be reimbursed for
30.24 expenses as provided in Minnesota Statutes, section 15.059, subdivision 3.

30.25 Subd. 6. **Duties; plan and recommendations.** The task force shall:

30.26 (1) develop a plan to ~~phase out the payment of subminimum wages to people with~~
30.27 ~~disabilities by August 1, 2025~~ promote independence and increase opportunities for people
30.28 with disabilities to earn competitive wages;

30.29 (2) consult with and advise the commissioner of human services on statewide plans for
30.30 ~~limiting~~ reducing reliance on subminimum wages in medical assistance home and
30.31 community-based services waivers under Minnesota Statutes, sections 256B.092 and
30.32 256B.49;

31.1 (3) engage with employees with disabilities paid subminimum wages and conduct
 31.2 community education on the payment of subminimum wages to people with disabilities in
 31.3 Minnesota;

31.4 (4) identify and collaborate with employees, employers, businesses, organizations,
 31.5 agencies, and stakeholders ~~impacted by the phase out of subminimum wage~~ on how to
 31.6 implement the plan and create sustainable work opportunities for employees with disabilities;

31.7 (5) propose a plan to establish and evaluate benchmarks for measuring annual progress
 31.8 toward ~~eliminating~~ reducing reliance on subminimum wages;

31.9 (6) propose a plan to monitor and track outcomes of employees with disabilities, including
 31.10 those who transition to competitive employment;

31.11 (7) identify initiatives, investment, training, and services designed to improve wages,
 31.12 reduce unemployment rates, and provide support and sustainable work opportunities for
 31.13 persons with disabilities;

31.14 (8) identify benefits to the state ~~in eliminating~~ of reducing reliance on subminimum
 31.15 ~~wage by August 1, 2025~~ wages;

31.16 (9) identify barriers to eliminating ~~subminimum wage by August 1, 2025~~ wages, including
 31.17 the cost of implementing and providing ongoing employment services, training, and support
 31.18 for employees with disabilities ~~and~~, the cost of paying minimum ~~wage~~ wages to employees
 31.19 with disabilities, and the potential impact on persons with disabilities who would be unable
 31.20 to find sustainable employment in the absence of a subminimum wage or who would not
 31.21 choose competitive employment;

31.22 (10) make recommendations to eliminate the barriers identified in clause (9); and

31.23 (11) identify and make recommendations for sustainable financial support, funding, and
 31.24 resources for ~~eliminating~~ reducing reliance on ~~subminimum wage by August 1, 2025~~ wages.

31.25 Subd. 7. **Duties; provider reinvention grants.** (a) The commissioner of human services
 31.26 shall establish a provider reinvention grant program to promote independence and increase
 31.27 opportunities for people with disabilities to earn competitive wages. The commissioner
 31.28 shall make the grants available to at least the following:

31.29 (1) providers of disability services under Minnesota Statutes, sections 256B.092 and
 31.30 256B.49, for developing and implementing a business plan to shift the providers' business
 31.31 models away from paying waiver participants subminimum wages;

32.1 (2) organizations to develop peer-to-peer mentoring for people with disabilities who
32.2 have successfully transitioned to earning competitive wages;

32.3 (3) organizations to facilitate provider-to-provider mentoring to promote shifting away
32.4 from paying employees with disabilities a subminimum wage; and

32.5 (4) organizations to conduct family outreach and education on working with people with
32.6 disabilities who are transitioning from subminimum wage employment to competitive
32.7 employment.

32.8 (b) The provider reinvention grant program must be competitive. The commissioner of
32.9 human services must develop criteria for evaluating responses to requests for proposals.
32.10 Criteria for evaluating grant applications must be finalized no later than November 1, 2021.
32.11 The commissioner of human services shall administer grants in compliance with Minnesota
32.12 Statutes, sections 16B.97 and 16B.98, and related policies set forth by the Department of
32.13 Administration's Office of Grants Management.

32.14 (c) Grantees must work with the commissioner to develop their business model and, as
32.15 a condition of receiving grant funds, grantees must fully phase out the use of subminimum
32.16 wage by April 1, 2024, unless the grantee receives a waiver from the commissioner of
32.17 human services for a demonstrated need.

32.18 (d) Of the total amount available for provider reinvention grants, the commissioner may
32.19 award up to 25 percent of the grant funds to providers who have already successfully shifted
32.20 their business model away from paying employees with disabilities subminimum wages to
32.21 provide provider-to-provider mentoring to providers receiving a provider reinvention grant.

32.22 Subd. 8. **Report.** By February 15, 2023, the task force shall submit to the chairs and
32.23 ranking minority members of the committees and divisions in the senate and house of
32.24 representatives with jurisdiction over employment and wages and over health and human
32.25 services a report with recommendations to ~~eliminate by August 1, 2025, the payment of~~
32.26 ~~subminimum wage~~ increase opportunities for people with disabilities to earn competitive
32.27 wages, and any changes to statutes, laws, or rules required to implement the recommendations
32.28 of the task force. The task force must include in the report a recommendation concerning
32.29 continuing the task force beyond its scheduled expiration.

32.30 Subd. 9. **Administrative support.** The commissioner of human services shall provide
32.31 meeting space and administrative services to the task force.

32.32 Subd. 10. **Expiration.** The task force shall conclude their duties and expire on March
32.33 31, 2024.

33.1 **EFFECTIVE DATE.** This section is effective the day following final enactment. The
 33.2 commissioner of human services must make the additional appointments required under
 33.3 this section within 30 days following final enactment.

33.4 Sec. 26. Laws 2022, chapter 33, section 1, subdivision 3, is amended to read:

33.5 Subd. 3. **Applicable services.** Applicable services are those authorized under the state's
 33.6 home and community-based services waivers under sections 256B.092 and 256B.49,
 33.7 including the following, as defined in the federally approved home and community-based
 33.8 services plan:

- 33.9 (1) 24-hour customized living;
- 33.10 (2) adult day services;
- 33.11 (3) adult day services bath;
- 33.12 (4) community residential services;
- 33.13 (5) customized living;
- 33.14 (6) day support services;
- 33.15 (7) employment development services;
- 33.16 (8) employment exploration services;
- 33.17 (9) employment support services;
- 33.18 (10) family residential services;
- 33.19 (11) individualized home supports;
- 33.20 (12) individualized home supports with family training;
- 33.21 (13) individualized home supports with training;
- 33.22 (14) integrated community supports;
- 33.23 (15) night supervision;
- 33.24 (16) positive support services;
- 33.25 (17) prevocational services;
- 33.26 (18) residential support services;
- 33.27 (19) ~~respite services;~~
- 33.28 ~~(20)~~ transportation services; and

34.1 ~~(21)~~ (20) other services as approved by the federal government in the state home and
34.2 community-based services waiver plan.

34.3 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
34.4 whichever is later. The commissioner of human services shall inform the revisor of statutes
34.5 when federal approval is obtained.

34.6 Sec. 27. Laws 2022, chapter 33, section 1, subdivision 4, is amended to read:

34.7 Subd. 4. **Data collection for rate determination.** (a) Rates for applicable home and
34.8 community-based waived services, including customized rates under subdivision 12, are
34.9 set by the rates management system.

34.10 (b) Data and information in the rates management system must be used to calculate an
34.11 individual's rate.

34.12 (c) Service providers, with information from the coordinated service and support plan
34.13 and oversight by lead agencies, shall provide values and information needed to calculate
34.14 an individual's rate in the rates management system. The determination of service levels
34.15 must be part of a discussion with members of the support team as defined in section 245D.02,
34.16 subdivision 34. This discussion must occur prior to the final establishment of each individual's
34.17 rate. The values and information include:

34.18 (1) shared staffing hours;

34.19 (2) individual staffing hours;

34.20 (3) direct registered nurse hours;

34.21 (4) direct licensed practical nurse hours;

34.22 (5) staffing ratios;

34.23 (6) information to document variable levels of service qualification for variable levels
34.24 of reimbursement in each framework;

34.25 (7) shared or individualized arrangements for unit-based services, including the staffing
34.26 ratio;

34.27 (8) number of trips and miles for transportation services; and

34.28 (9) service hours provided through monitoring technology.

34.29 (d) Updates to individual data must include:

34.30 (1) data for each individual that is updated annually when renewing service plans; and

35.1 (2) requests by individuals or lead agencies to update a rate whenever there is a change
35.2 in an individual's service needs, with accompanying documentation.

35.3 (e) Lead agencies shall review and approve all services reflecting each individual's needs,
35.4 and the values to calculate the final payment rate for services with variables under
35.5 subdivisions 6 to ~~9a~~ 9 for each individual. Lead agencies must notify the individual and the
35.6 service provider of the final agreed-upon values and rate, and provide information that is
35.7 identical to what was entered into the rates management system. If a value used was
35.8 mistakenly or erroneously entered and used to calculate a rate, a provider may petition lead
35.9 agencies to correct it. Lead agencies must respond to these requests. When responding to
35.10 the request, the lead agency must consider:

35.11 (1) meeting the health and welfare needs of the individual or individuals receiving
35.12 services by service site, identified in their coordinated service and support plan under section
35.13 245D.02, subdivision 4b, and any addendum under section 245D.02, subdivision 4c;

35.14 (2) meeting the requirements for staffing under subdivision 2, paragraphs (h), (n), and
35.15 (o); and meeting or exceeding the licensing standards for staffing required under section
35.16 245D.09, subdivision 1; and

35.17 (3) meeting the staffing ratio requirements under subdivision 2, paragraph (o), and
35.18 meeting or exceeding the licensing standards for staffing required under section 245D.31.

35.19 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
35.20 whichever is later. The commissioner of human services shall inform the revisor of statutes
35.21 when federal approval is obtained.

35.22 Sec. 28. Laws 2022, chapter 33, section 1, subdivision 5a, is amended to read:

35.23 Subd. 5a. **Base wage index; calculations.** The base wage index must be calculated as
35.24 follows:

35.25 (1) for supervisory staff, 100 percent of the median wage for community and social
35.26 services specialist (SOC code 21-1099), with the exception of the supervisor of positive
35.27 supports professional, positive supports analyst, and positive supports specialist, which is
35.28 100 percent of the median wage for clinical counseling and school psychologist (SOC code
35.29 19-3031);

35.30 (2) for registered nurse staff, 100 percent of the median wage for registered nurses (SOC
35.31 code 29-1141);

36.1 (3) for licensed practical nurse staff, 100 percent of the median wage for licensed practical
36.2 nurses (SOC code 29-2061);

36.3 (4) for residential asleep-overnight staff, the minimum wage in Minnesota for large
36.4 employers, with the exception of asleep-overnight staff for family residential services, which
36.5 is 36 percent of the minimum wage in Minnesota for large employers;

36.6 (5) for residential direct care staff, the sum of:

36.7 (i) 15 percent of the subtotal of 50 percent of the median wage for home health and
36.8 personal care aide (SOC code 31-1120); 30 percent of the median wage for nursing assistant
36.9 (SOC code 31-1131); and 20 percent of the median wage for social and human services
36.10 aide (SOC code 21-1093); and

36.11 (ii) 85 percent of the subtotal of 40 percent of the median wage for home health and
36.12 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant
36.13 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code
36.14 29-2053); and 20 percent of the median wage for social and human services aide (SOC code
36.15 21-1093);

36.16 (6) for adult day services staff, 70 percent of the median wage for nursing assistant (SOC
36.17 code 31-1131); and 30 percent of the median wage for home health and personal care aide
36.18 (SOC code 31-1120);

36.19 (7) for day support services staff and prevocational services staff, 20 percent of the
36.20 median wage for nursing assistant (SOC code 31-1131); 20 percent of the median wage for
36.21 psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social
36.22 and human services aide (SOC code 21-1093);

36.23 (8) for positive supports analyst staff, 100 percent of the median wage for substance
36.24 abuse, behavioral disorder, and mental health counselor (SOC code 21-1018);

36.25 (9) for positive supports professional staff, 100 percent of the median wage for clinical
36.26 counseling and school psychologist (SOC code 19-3031);

36.27 (10) for positive supports specialist staff, 100 percent of the median wage for psychiatric
36.28 technicians (SOC code 29-2053);

36.29 (11) for individualized home supports with family training staff, 20 percent of the median
36.30 wage for nursing aide (SOC code 31-1131); 30 percent of the median wage for community
36.31 social service specialist (SOC code 21-1099); 40 percent of the median wage for social and
36.32 human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric
36.33 technician (SOC code 29-2053);

37.1 (12) for individualized home supports with training services staff, 40 percent of the
 37.2 median wage for community social service specialist (SOC code 21-1099); 50 percent of
 37.3 the median wage for social and human services aide (SOC code 21-1093); and ten percent
 37.4 of the median wage for psychiatric technician (SOC code 29-2053);

37.5 (13) for employment support services staff, 50 percent of the median wage for
 37.6 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
 37.7 community and social services specialist (SOC code 21-1099);

37.8 (14) for employment exploration services staff, 50 percent of the median wage for
 37.9 ~~rehabilitation counselor (SOC code 21-1015)~~ education, guidance, school, and vocational
 37.10 counselors (SOC code 21-1012); and 50 percent of the median wage for community and
 37.11 social services specialist (SOC code 21-1099);

37.12 (15) for employment development services staff, 50 percent of the median wage for
 37.13 education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent
 37.14 of the median wage for community and social services specialist (SOC code 21-1099);

37.15 (16) for individualized home support without training staff, 50 percent of the median
 37.16 wage for home health and personal care aide (SOC code 31-1120); and 50 percent of the
 37.17 median wage for nursing assistant (SOC code 31-1131); and

37.18 (17) for night supervision staff, 40 percent of the median wage for home health and
 37.19 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant
 37.20 (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code
 37.21 29-2053); and 20 percent of the median wage for social and human services aide (SOC code
 37.22 21-1093); ~~and~~

37.23 ~~(18) for respite staff, 50 percent of the median wage for home health and personal care~~
 37.24 ~~aide (SOC code 31-1131); and 50 percent of the median wage for nursing assistant (SOC~~
 37.25 ~~code 31-1014).~~

37.26 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 37.27 whichever is later. The commissioner of human services shall inform the revisor of statutes
 37.28 when federal approval is obtained.

37.29 Sec. 29. Laws 2022, chapter 33, section 1, subdivision 5b, is amended to read:

37.30 Subd. 5b. **Standard component value adjustments.** The commissioner shall update
 37.31 the client and programming support, transportation, and program facility cost component
 37.32 values as required in subdivisions 6 to ~~9a~~ 9 for changes in the Consumer Price Index. The

38.1 commissioner shall adjust these values higher or lower, publish these updated values, and
38.2 load them into the rate management system as follows:

38.3 (1) on January 1, 2022, by the percentage change in the CPI-U from the date of the
38.4 previous update to the data available on December 31, 2019;

38.5 (2) on January 1, 2023, by the percentage change in the CPI-U from the date of previous
38.6 update to the data available on December 31, 2021;

38.7 (3) on ~~November 1, 2024~~ January 1, 2025, by the percentage change in the CPI-U from
38.8 the date of the previous update to the data available as of December 31, ~~2024~~ 2023; and

38.9 ~~(3)~~ (4) on July 1, 2026 January 1, 2027, and every two years thereafter, by the percentage
38.10 change in the CPI-U from the date of the previous update to the data available ~~30~~ 12 months
38.11 and one day prior to the scheduled update.

38.12 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
38.13 whichever is later. The commissioner of human services shall notify the revisor of statutes
38.14 when federal approval is obtained.

38.15 Sec. 30. Laws 2022, chapter 33, section 1, subdivision 5c, is amended to read:

38.16 Subd. 5c. **Removal of after-framework adjustments.** Any rate adjustments applied to
38.17 the service rates calculated under this section outside of the cost components and rate
38.18 methodology specified in this section shall be removed from rate calculations upon
38.19 implementation of the updates under subdivisions 5 ~~and~~, 5b, and 5f.

38.20 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
38.21 whichever is later. The commissioner of human services shall notify the revisor of statutes
38.22 when federal approval is obtained.

38.23 Sec. 31. Laws 2022, chapter 33, section 1, subdivision 5d, is amended to read:

38.24 Subd. 5d. **Unavailable data for updates and adjustments.** If Bureau of Labor Statistics
38.25 occupational codes or Consumer Price Index items specified in subdivisions 5 ~~or~~, 5b, or 5f
38.26 are unavailable in the future, the commissioner shall recommend to the legislature codes or
38.27 items to update and replace.

38.28 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
38.29 whichever is later. The commissioner of human services shall notify the revisor of statutes
38.30 when federal approval is obtained.

39.1 Sec. 32. Laws 2022, chapter 33, section 1, is amended by adding a subdivision to read:

39.2 Subd. 5f. **Competitive workforce factor adjustments.** (a) On January 1, 2023, and
39.3 every two years thereafter, the commissioner shall update the competitive workforce factor
39.4 to equal the differential between:

39.5 (1) the most recently available wage data by SOC code for the weighted average wage
39.6 for direct care staff for residential services and direct care staff for day services; and

39.7 (2) the most recently available wage data by SOC code of the weighted average wage
39.8 of comparable occupations.

39.9 (b) For each update of the competitive workforce factor, the update shall not decrease
39.10 the competitive workforce factor by more than 2.0. If the competitive workforce factor is
39.11 less than or equal to zero, then the competitive workforce factor is zero.

39.12 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
39.13 whichever is later. The commissioner of human services shall notify the revisor of statutes
39.14 when federal approval is obtained.

39.15 Sec. 33. Laws 2022, chapter 33, section 1, subdivision 10, is amended to read:

39.16 **Subd. 10. Evaluation of information and data.** (a) The commissioner shall, within
39.17 available resources, conduct research and gather data and information from existing state
39.18 systems or other outside sources on the following items:

39.19 (1) differences in the underlying cost to provide services and care across the state;

39.20 (2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and
39.21 units of transportation for all day services, which must be collected from providers using
39.22 the rate management worksheet and entered into the rates management system; and

39.23 (3) the distinct underlying costs for services provided by a license holder under sections
39.24 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided
39.25 by a license holder certified under section 245D.33.

39.26 (b) The commissioner, in consultation with stakeholders, shall review and evaluate the
39.27 following values already in subdivisions 6 to ~~9~~9, or issues that impact all services, including,
39.28 but not limited to:

39.29 (1) values for transportation rates;

39.30 (2) values for services where monitoring technology replaces staff time;

39.31 (3) values for indirect services;

- 40.1 (4) values for nursing;
- 40.2 (5) values for the facility use rate in day services, and the weightings used in the day
40.3 service ratios and adjustments to those weightings;
- 40.4 (6) values for workers' compensation as part of employee-related expenses;
- 40.5 (7) values for unemployment insurance as part of employee-related expenses;
- 40.6 (8) direct care workforce labor market measures;
- 40.7 (9) any changes in state or federal law with a direct impact on the underlying cost of
40.8 providing home and community-based services;
- 40.9 (10) outcome measures, determined by the commissioner, for home and community-based
40.10 services rates determined under this section; and
- 40.11 (11) different competitive workforce factors by service, as determined under subdivision
40.12 10b.

40.13 (c) The commissioner shall report to the chairs and the ranking minority members of
40.14 the legislative committees and divisions with jurisdiction over health and human services
40.15 policy and finance with the information and data gathered under paragraphs (a) and (b) on
40.16 January 15, 2021, with a full report, and a full report once every four years thereafter.

40.17 (d) Beginning July 1, 2022, the commissioner shall renew analysis and implement
40.18 changes to the regional adjustment factors once every six years. Prior to implementation,
40.19 the commissioner shall consult with stakeholders on the methodology to calculate the
40.20 adjustment.

40.21 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
40.22 whichever is later. The commissioner of human services shall inform the revisor of statutes
40.23 when federal approval is obtained.

40.24 Sec. 34. Laws 2022, chapter 33, section 1, subdivision 10a, is amended to read:

40.25 Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure
40.26 that wage values and component values in subdivisions 5 to ~~9a~~ 9 reflect the cost to provide
40.27 the service. As determined by the commissioner, in consultation with stakeholders identified
40.28 in subdivision 17, a provider enrolled to provide services with rates determined under this
40.29 section must submit requested cost data to the commissioner to support research on the cost
40.30 of providing services that have rates determined by the disability waiver rates system.
40.31 Requested cost data may include, but is not limited to:

- 41.1 (1) worker wage costs;
- 41.2 (2) benefits paid;
- 41.3 (3) supervisor wage costs;
- 41.4 (4) executive wage costs;
- 41.5 (5) vacation, sick, and training time paid;
- 41.6 (6) taxes, workers' compensation, and unemployment insurance costs paid;
- 41.7 (7) administrative costs paid;
- 41.8 (8) program costs paid;
- 41.9 (9) transportation costs paid;
- 41.10 (10) vacancy rates; and
- 41.11 (11) other data relating to costs required to provide services requested by the
- 41.12 commissioner.

41.13 (b) At least once in any five-year period, a provider must submit cost data for a fiscal

41.14 year that ended not more than 18 months prior to the submission date. The commissioner

41.15 shall provide each provider a 90-day notice prior to its submission due date. If a provider

41.16 fails to submit required reporting data, the commissioner shall provide notice to providers

41.17 that have not provided required data 30 days after the required submission date, and a second

41.18 notice for providers who have not provided required data 60 days after the required

41.19 submission date. The commissioner shall temporarily suspend payments to the provider if

41.20 cost data is not received 90 days after the required submission date. Withheld payments

41.21 shall be made once data is received by the commissioner.

41.22 (c) The commissioner shall conduct a random validation of data submitted under

41.23 paragraph (a) to ensure data accuracy.

41.24 (d) The commissioner shall analyze cost data submitted under paragraph (a) and, in

41.25 consultation with stakeholders identified in subdivision 17, may submit recommendations

41.26 on component values and inflationary factor adjustments to the chairs and ranking minority

41.27 members of the legislative committees with jurisdiction over human services once every

41.28 four years beginning January 1, 2021. The commissioner shall make recommendations in

41.29 conjunction with reports submitted to the legislature according to subdivision 10, paragraph

41.30 (c).

42.1 (e) The commissioner shall release cost data in an aggregate form, and cost data from
42.2 individual providers shall not be released except as provided for in current law.

42.3 (f) The commissioner, in consultation with stakeholders identified in subdivision 17,
42.4 shall develop and implement a process for providing training and technical assistance
42.5 necessary to support provider submission of cost documentation required under paragraph
42.6 (a).

42.7 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
42.8 whichever is later. The commissioner of human services shall inform the revisor of statutes
42.9 when federal approval is obtained.

42.10 Sec. 35. Laws 2022, chapter 33, section 1, subdivision 10c, is amended to read:

42.11 Subd. 10c. **Reporting and analysis of competitive workforce factor.** (a) Beginning
42.12 February 1, ~~2021~~ 2024, and every two years thereafter, the commissioner shall report to the
42.13 chairs and ranking minority members of the legislative committees and divisions with
42.14 jurisdiction over health and human services policy and finance an analysis of the competitive
42.15 workforce factor.

42.16 (b) The report must include ~~recommendations to update the competitive workforce factor~~
42.17 ~~using:~~

42.18 (1) the most recently available wage data by SOC code for the weighted average wage
42.19 for direct care staff for residential services and direct care staff for day services;

42.20 (2) the most recently available wage data by SOC code of the weighted average wage
42.21 of comparable occupations; and

42.22 (3) workforce data as required under subdivision 10b.

42.23 ~~(c) The commissioner shall not recommend an increase or decrease of the competitive~~
42.24 ~~workforce factor from the current value by more than two percentage points. If, after a~~
42.25 ~~biennial analysis for the next report, the competitive workforce factor is less than or equal~~
42.26 ~~to zero, the commissioner shall recommend a competitive workforce factor of zero.~~

42.27 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
42.28 whichever is later. The commissioner of human services shall notify the revisor of statutes
42.29 when federal approval is obtained.

43.1 Sec. 36. Laws 2022, chapter 33, section 1, subdivision 12, is amended to read:

43.2 Subd. 12. **Customization of rates for individuals.** (a) For persons determined to have
43.3 higher needs based on being deaf or hard-of-hearing, the direct-care costs must be increased
43.4 by an adjustment factor prior to calculating the rate under subdivisions 6 to ~~9~~9. The
43.5 customization rate with respect to deaf or hard-of-hearing persons shall be \$2.50 per hour
43.6 for waiver recipients who meet the respective criteria as determined by the commissioner.

43.7 (b) For the purposes of this section, "deaf and hard-of-hearing" means:

43.8 (1) the person has a developmental disability and:

43.9 (i) an assessment score which indicates a hearing impairment that is severe or that the
43.10 person has no useful hearing;

43.11 (ii) an expressive communications score that indicates the person uses single signs or
43.12 gestures, uses an augmentative communication aid, or does not have functional
43.13 communication, or the person's expressive communications is unknown; and

43.14 (iii) a communication score which indicates the person comprehends signs, gestures,
43.15 and modeling prompts or does not comprehend verbal, visual, or gestural communication,
43.16 or that the person's receptive communication score is unknown; or

43.17 (2) the person receives long-term care services and has an assessment score that indicates
43.18 the person hears only very loud sounds, the person has no useful hearing, or a determination
43.19 cannot be made; and the person receives long-term care services and has an assessment that
43.20 indicates the person communicates needs with sign language, symbol board, written
43.21 messages, gestures, or an interpreter; communicates with inappropriate content, makes
43.22 garbled sounds or displays echolalia, or does not communicate needs.

43.23 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
43.24 whichever is later. The commissioner of human services shall inform the revisor of statutes
43.25 when federal approval is obtained.

43.26 Sec. 37. Laws 2022, chapter 33, section 1, subdivision 14, is amended to read:

43.27 Subd. 14. **Exceptions.** (a) In a format prescribed by the commissioner, lead agencies
43.28 must identify individuals with exceptional needs that cannot be met under the disability
43.29 waiver rate system. The commissioner shall use that information to evaluate and, if necessary,
43.30 approve an alternative payment rate for those individuals. Whether granted, denied, or
43.31 modified, the commissioner shall respond to all exception requests in writing. The

44.1 commissioner shall include in the written response the basis for the action and provide
44.2 notification of the right to appeal under paragraph (h).

44.3 (b) Lead agencies must act on an exception request within 30 days and notify the initiator
44.4 of the request of their recommendation in writing. A lead agency shall submit all exception
44.5 requests along with its recommendation to the commissioner.

44.6 (c) An application for a rate exception may be submitted for the following criteria:

44.7 (1) an individual has service needs that cannot be met through additional units of service;

44.8 (2) an individual's rate determined under subdivisions 6 to ~~9a~~ 9 is so insufficient that it
44.9 has resulted in an individual receiving a notice of discharge from the individual's provider;
44.10 or

44.11 (3) an individual's service needs, including behavioral changes, require a level of service
44.12 which necessitates a change in provider or which requires the current provider to propose
44.13 service changes beyond those currently authorized.

44.14 (d) Exception requests must include the following information:

44.15 (1) the service needs required by each individual that are not accounted for in subdivisions
44.16 6 to ~~9a~~ 9;

44.17 (2) the service rate requested and the difference from the rate determined in subdivisions
44.18 6 to ~~9a~~ 9;

44.19 (3) a basis for the underlying costs used for the rate exception and any accompanying
44.20 documentation; and

44.21 (4) any contingencies for approval.

44.22 (e) Approved rate exceptions shall be managed within lead agency allocations under
44.23 sections 256B.092 and 256B.49.

44.24 (f) Individual disability waiver recipients, an interested party, or the license holder that
44.25 would receive the rate exception increase may request that a lead agency submit an exception
44.26 request. A lead agency that denies such a request shall notify the individual waiver recipient,
44.27 interested party, or license holder of its decision and the reasons for denying the request in
44.28 writing no later than 30 days after the request has been made and shall submit its denial to
44.29 the commissioner in accordance with paragraph (b). The reasons for the denial must be
44.30 based on the failure to meet the criteria in paragraph (c).

44.31 (g) The commissioner shall determine whether to approve or deny an exception request
44.32 no more than 30 days after receiving the request. If the commissioner denies the request,

45.1 the commissioner shall notify the lead agency and the individual disability waiver recipient,
45.2 the interested party, and the license holder in writing of the reasons for the denial.

45.3 (h) The individual disability waiver recipient may appeal any denial of an exception
45.4 request by either the lead agency or the commissioner, pursuant to sections 256.045 and
45.5 256.0451. When the denial of an exception request results in the proposed demission of a
45.6 waiver recipient from a residential or day habilitation program, the commissioner shall issue
45.7 a temporary stay of demission, when requested by the disability waiver recipient, consistent
45.8 with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c). The temporary
45.9 stay shall remain in effect until the lead agency can provide an informed choice of
45.10 appropriate, alternative services to the disability waiver.

45.11 (i) Providers may petition lead agencies to update values that were entered incorrectly
45.12 or erroneously into the rate management system, based on past service level discussions
45.13 and determination in subdivision 4, without applying for a rate exception.

45.14 (j) The starting date for the rate exception will be the later of the date of the recipient's
45.15 change in support or the date of the request to the lead agency for an exception.

45.16 (k) The commissioner shall track all exception requests received and their dispositions.
45.17 The commissioner shall issue quarterly public exceptions statistical reports, including the
45.18 number of exception requests received and the numbers granted, denied, withdrawn, and
45.19 pending. The report shall include the average amount of time required to process exceptions.

45.20 (l) Approved rate exceptions remain in effect in all cases until an individual's needs
45.21 change as defined in paragraph (c).

45.22 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
45.23 whichever is later. The commissioner of human services shall inform the revisor of statutes
45.24 when federal approval is obtained.

45.25 Sec. 38. Laws 2022, chapter 40, section 6, is amended to read:

45.26 **Sec. 6. COMMISSIONER OF HUMAN SERVICES; TEMPORARY STAFFING**
45.27 **POOL; ~~APPROPRIATION.~~**

45.28 (a) The commissioner of human services shall establish a temporary emergency staffing
45.29 pool for congregate settings and for providers of or recipients of home- and community-based
45.30 services experiencing staffing crises. Vendor contracts may include retention bonuses,
45.31 sign-on bonuses, and payment for hours on call. The commissioner may pay for necessary
45.32 training, travel, and lodging expenses of the temporary staff. Contracts for temporary staffing

46.1 executed under this section: (1) should minimize the recruitment away from providers'
46.2 current workforces; and (2) may not be executed with an individual until at least 30 days
46.3 since the individual was last employed in Minnesota by one of the types of facilities,
46.4 providers, or individuals listed in paragraph (g).

46.5 (b) Temporary staff, at the request of the commissioner, may be deployed to providers
46.6 of home- and community-based services, individual recipients of home- and
46.7 community-based services, and long-term care facilities and other congregate care residential
46.8 facilities and programs experiencing an emergency staffing crisis on or after the effective
46.9 date of this section. Temporary staff must be provided at no cost to the provider, individual
46.10 recipient, facility, or program receiving the temporary staff.

46.11 (c) Members of the temporary staffing pool under this section are not state employees.

46.12 (d) The commissioner must coordinate the activities under this section with any other
46.13 impacted state agencies, to appropriately prioritize locations to deploy contracted temporary
46.14 staff.

46.15 (e) The commissioner must give priority for deploying staff to providers, individual
46.16 recipients, facilities, and programs with the most significant staffing crises and where, but
46.17 for this assistance, residents or service recipients would be at significant risk of injury due
46.18 to the need to transfer to ~~another~~ a facility or a hospital for adequately staffed care.

46.19 (f) A provider, individual recipient, facility, or program may seek onetime assistance
46.20 per setting or individual service recipient from the temporary staffing pool only after the
46.21 provider, individual recipient, facility, or program has used all resources available to obtain
46.22 temporary staff but is unable to meet the provider's, individual's, facility's, or program's
46.23 temporary staffing needs. A provider, individual, facility, or program may apply for
46.24 temporary staff for up to 21 days. Applicants must submit a proposed plan for ensuring
46.25 resident safety at the end of that time period.

46.26 (g) Providers, individuals, facilities, and programs eligible to obtain temporary staff
46.27 from the temporary staffing pool include:

46.28 (1) nursing facilities;

46.29 (2) assisted living facilities;

46.30 (3) intermediate care facilities for persons with developmental disabilities;

46.31 (4) adult foster care ~~or~~ , community residential settings, or integrated community supports
46.32 settings;

- 47.1 (5) licensed substance use disorder treatment facilities;
- 47.2 (6) unlicensed county-based substance use disorder treatment facilities;
- 47.3 (7) licensed facilities for adults with mental illness;
- 47.4 (8) licensed detoxification programs;
- 47.5 (9) licensed withdrawal management programs;
- 47.6 (10) licensed children's residential facilities;
- 47.7 (11) licensed child foster residence settings;
- 47.8 (12) unlicensed, Tribal-certified facilities that perform functions similar to the licensed
- 47.9 facilities listed in this paragraph;
- 47.10 (13) boarding care homes;
- 47.11 (14) board and lodging establishments serving people with disabilities or disabling
- 47.12 conditions;
- 47.13 (15) board and lodging establishments with special services;
- 47.14 (16) supervised living facilities;
- 47.15 (17) supportive housing;
- 47.16 (18) sober homes;
- 47.17 (19) community-based halfway houses for people exiting the correctional system;
- 47.18 (20) shelters serving people experiencing homelessness;
- 47.19 (21) drop-in centers for people experiencing homelessness;
- 47.20 (22) homeless outreach services for unsheltered individuals;
- 47.21 (23) shelters for people experiencing domestic violence; ~~and~~
- 47.22 (24) temporary isolation spaces for people who test positive for COVID-19;
- 47.23 (25) individuals who use consumer-directed community supports;
- 47.24 (26) individuals who use the personal care assistance choice program;
- 47.25 (27) personal care assistance provider agencies;
- 47.26 (28) individuals who use the community first services and supports budget model;
- 47.27 (29) agency-providers of community first services and supports; and
- 47.28 (30) providers of individualized home supports.

48.1 (h) Notwithstanding Minnesota Statutes, chapter 16C, the commissioner may maintain,
48.2 extend, or renew contracts for temporary staffing entered into on or after September 1, 2020.
48.3 The commissioner may also enter into new contracts with eligible entities for temporary
48.4 staff deployed in the temporary staffing pool. The commissioner may use up to 6.5 percent
48.5 of this funding for the commissioner's costs related to administration of this program.

48.6 (i) The commissioner shall seek all allowable FEMA reimbursement for the costs of this
48.7 activity.

48.8 Sec. 39. Laws 2022, chapter 40, section 7, is amended to read:

48.9 **Sec. 7. APPROPRIATION; TEMPORARY STAFFING POOL.**

48.10 ~~\$1,029,000~~ \$5,145,000 in fiscal year 2022 is appropriated from the general fund to the
48.11 commissioner of human services for the temporary staffing pool described in this act. This
48.12 is a onetime appropriation and is available until June 30, ~~2022~~ 2023.

48.13 **Sec. 40. PERSONAL CARE ASSISTANCE ENHANCED RATE FOR PERSONS**
48.14 **WHO USE CONSUMER-DIRECTED COMMUNITY SUPPORTS.**

48.15 The commissioner of human services shall increase the annual budgets for participants
48.16 who use consumer-directed community supports under Minnesota Statutes, sections
48.17 256B.0913, subdivision 5, clause (17); 256B.092, subdivision 1b, paragraph (a), clause (4);
48.18 256B.49, subdivision 16, paragraph (c); and chapter 256S, by the percentage determined
48.19 under Minnesota Statutes, section 256B.85, subdivision 7a, for participants who are
48.20 determined by assessment to be eligible for ten or more hours of personal care assistance
48.21 services or community first services and supports per day when the participant uses direct
48.22 support services provided by a worker employed by the participant who has completed
48.23 training identified in Minnesota Statutes, section 256B.0659, subdivision 11, paragraph (d),
48.24 or 256B.85, subdivision 16, paragraph (e).

48.25 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
48.26 whichever occurs later. The commissioner of human services shall notify the revisor of
48.27 statutes when federal approval is obtained.

48.28 **Sec. 41. RATE INCREASE FOR CERTAIN HOME CARE SERVICES.**

48.29 (a) Effective January 1, 2023, or upon federal approval, whichever is later, the
48.30 commissioner of human services shall increase payment rates for home health aide visits
48.31 up to 14 percent from the rates in effect on December 31, 2022, not to exceed the calendar

49.1 year 2022 Medicare rate for this service. The commissioner must apply the annual rate
49.2 increases under Minnesota Statutes, section 256B.0653, subdivision 8, to the rates resulting
49.3 from the application of the rate increases under the prior sentence.

49.4 (b) Effective January 1, 2023, or upon federal approval, whichever is later, the
49.5 commissioner shall increase payment rates for respiratory therapy under Minnesota Rules,
49.6 part 9505.0295, subpart 2, item E, and for home health services and home care nursing
49.7 services under Minnesota Statutes, section 256B.0651, subdivision 2, clauses (1) to (3),
49.8 except home health aide visits, by equal percentages, unless an increase exceeds the calendar
49.9 year 2022 Medicare rate for a service. If an increase for one or more services would exceed
49.10 the Medicare rate for that service, the commissioner shall increase the other service rates
49.11 by a greater percentage. The value of the percentage increases under this paragraph must
49.12 be equivalent to a total three-year appropriation of \$90,000,000 in fiscal years 2023 to 2025
49.13 minus the value of the three-year appropriation in fiscal years 2023 to 2025 for the increase
49.14 under paragraph (a) and after applying the annual rate increases under Minnesota Statutes,
49.15 sections 256B.0653, subdivision 8, and 256B.0654, subdivision 5.

49.16 **Sec. 42. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
49.17 **APPLICATION OF ICF/DD RATE INCREASES.**

49.18 The commissioner of human services shall apply the rate increases under Minnesota
49.19 Statutes, section 256B.5012, subdivisions 19 and 20, as follows:

49.20 (1) apply Minnesota Statutes, section 256B.5012, subdivision 19; and

49.21 (2) apply any required rate increase as required under Minnesota Statutes, section
49.22 256B.5012, subdivision 20, to the results of clause (1).

49.23 **Sec. 43. DIRECTION TO THE COMMISSIONER; DISABILITY WAIVER SHARED**
49.24 **SERVICES RATES.**

49.25 The commissioner of human services shall provide a rate system for shared homemaker
49.26 services and shared chore services provided under Minnesota Statutes, sections 256B.092
49.27 and 256B.49. For two persons sharing services, the rate paid to a provider must not exceed
49.28 one and one-half times the rate paid for serving a single individual, and for three persons
49.29 sharing services, the rate paid to a provider must not exceed two times the rate paid for
49.30 serving a single individual. These rates apply only when all of the criteria for the shared
49.31 service have been met.

50.1 Sec. 44. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
50.2 **LIFE-SHARING SERVICES.**

50.3 **Subdivision 1. Recommendations required.** The commissioner of human services shall
50.4 develop recommendations for establishing life sharing as a covered medical assistance
50.5 waiver service.

50.6 **Subd. 2. Definition.** For the purposes of this section, "life sharing" means a
50.7 relationship-based living arrangement between an adult with a disability and an individual
50.8 or family in which they share their lives and experiences while the adult with a disability
50.9 receives support from the individual or family using person-centered practices.

50.10 **Subd. 3. Stakeholder engagement and consultation.** (a) The commissioner must
50.11 proactively solicit participation in the development of the life-sharing medical assistance
50.12 service through a robust stakeholder engagement process that results in the inclusion of a
50.13 racially, culturally, and geographically diverse group of interested stakeholders from each
50.14 of the following groups:

50.15 (1) providers currently providing or interested in providing life-sharing services;

50.16 (2) people with disabilities accessing or interested in accessing life-sharing services;

50.17 (3) disability advocacy organizations; and

50.18 (4) lead agencies.

50.19 (b) The commissioner must proactively seek input into and assistance with the
50.20 development of recommendations for establishing the life-sharing service from interested
50.21 stakeholders.

50.22 (c) The commissioner must provide a method for the commissioner and interested
50.23 stakeholders to cofacilitate public meetings. The first meeting must occur before January
50.24 31, 2023. The commissioner must host the cofacilitated meetings at least monthly through
50.25 December 31, 2023. All meetings must be accessible to all interested stakeholders, recorded,
50.26 and posted online within one week of the meeting date.

50.27 **Subd. 4. Required topics to be discussed during development of the**
50.28 **recommendations.** The commissioner and the interested stakeholders must discuss the
50.29 following topics:

50.30 (1) the distinction between life sharing and adult family foster care;

50.31 (2) successful life-sharing models used in other states;

50.32 (3) services and supports that could be included in a life-sharing service;

- 51.1 (4) potential barriers to providing or accessing life-sharing services;
 51.2 (5) solutions to remove identified barriers to providing or accessing life-sharing services;
 51.3 (6) potential medical assistance payment methodologies for life-sharing services;
 51.4 (7) expanding awareness of the life-sharing model; and
 51.5 (8) draft language for legislation necessary to define and implement life-sharing services.

51.6 Subd. 5. **Report to the legislature.** By December 31, 2023, the commissioner must
 51.7 provide to the chairs and ranking minority members of the house of representatives and
 51.8 senate committees and divisions with jurisdiction over direct care services a report
 51.9 summarizing the discussions between the commissioner and the interested stakeholders and
 51.10 the commissioner's recommendations. The report must also include any draft legislation
 51.11 necessary to define and implement life-sharing services.

51.12 Sec. 45. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; SHARED**
 51.13 **SERVICES.**

51.14 (a) By December 1, 2022, the commissioner of human services shall seek any necessary
 51.15 changes to home and community-based services waiver plans regarding sharing services in
 51.16 order to:

51.17 (1) permit shared services for more services, including chore, homemaker, and night
 51.18 supervision;

51.19 (2) permit shared services for some services for higher ratios, including individualized
 51.20 home supports without training, individualized home supports with training, and
 51.21 individualized home supports with family training for a ratio of one staff person to three
 51.22 recipients;

51.23 (3) ensure that individuals who are seeking to share services permitted under the waiver
 51.24 plans in an own-home setting are not required to live in a licensed setting in order to share
 51.25 services so long as all other requirements are met; and

51.26 (4) issue guidance for shared services, including:

51.27 (i) informed choice for all individuals sharing the services;

51.28 (ii) guidance for when multiple shared services by different providers occur in one home
 51.29 and how lead agencies and individuals shall determine that shared service is appropriate to
 51.30 meet the needs, health, and safety of each individual for whom the lead agency provides
 51.31 case management or care coordination; and

52.1 (iii) guidance clarifying that an individual's decision to share services does not reduce
 52.2 any determination of the individual's overall or assessed needs for services.

52.3 (b) The commissioner shall develop or provide guidance outlining:

52.4 (1) instructions for shared services support planning;

52.5 (2) person-centered approaches and informed choice in shared services support planning;

52.6 and

52.7 (3) required contents of shared services agreements.

52.8 (c) The commissioner shall seek and utilize stakeholder input for any proposed changes
 52.9 to waiver plans and any shared services guidance.

52.10 **Sec. 46. APPROPRIATION; LIFE-SHARING SERVICES.**

52.11 \$125,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 52.12 of human services for engaging stakeholders and developing recommendations regarding
 52.13 establishing a life-sharing service under the state's medical assistance disability waivers and
 52.14 elderly waiver and initial implementation of a life-sharing service upon enactment of
 52.15 authorizing legislation. The general fund base for this appropriation is \$1,500,000 in fiscal
 52.16 year 2024 and \$1,500,000 in fiscal year 2025.

52.17 **Sec. 47. APPROPRIATION; MINNESOTA ASSOCIATION FOR VOLUNTEER**
 52.18 **ADMINISTRATION.**

52.19 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 52.20 of human services for a grant to the Minnesota Association for Volunteer Administration
 52.21 to administer needs-based volunteerism subgrants targeting underresourced nonprofit
 52.22 organizations in greater Minnesota to support selected organizations' ongoing efforts to
 52.23 address and minimize disparities in access to human services through increased volunteerism.
 52.24 Successful subgrant applicants must demonstrate that the populations to be served by the
 52.25 subgrantee are considered underserved or suffer from or are at risk of homelessness, hunger,
 52.26 poverty, lack of access to health care, or deficits in education. The Minnesota Association
 52.27 for Volunteer Administration shall give priority to organizations that are serving the needs
 52.28 of vulnerable populations. By December 15, 2024, the Minnesota Association for Volunteer
 52.29 Administration shall report data on outcomes from the subgrants and recommendations for
 52.30 improving and sustaining volunteer efforts statewide to the chairs and ranking minority
 52.31 members of the legislative committees and divisions with jurisdiction over human services.

53.1 Sec. 48. **APPROPRIATION; RESIDENTIAL SETTING CLOSURE PREVENTION**
 53.2 **GRANTS.**

53.3 \$6,816,000 is appropriated from the general fund to the commissioner of human services
 53.4 for the residential setting closure prevention grants under Minnesota Statutes, section
 53.5 256.4795.

53.6 **EFFECTIVE DATE.** This section is effective July 1, 2022.

53.7 Sec. 49. **APPROPRIATION; SUPPLEMENTAL RATE TO DOUGLAS COUNTY**
 53.8 **FACILITY.**

53.9 \$116,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 53.10 of human services for the rate increase described in Minnesota Statutes, section 256I.05,
 53.11 subdivision 1s.

53.12 Sec. 50. **REPEALER.**

53.13 Laws 2022, chapter 33, section 1, subdivision 9a, is repealed.

53.14 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 53.15 whichever is later. The commissioner of human services shall inform the revisor of statutes
 53.16 when federal approval is obtained.

53.17 **ARTICLE 2**

53.18 **CONTINUING CARE FOR OLDER ADULTS**

53.19 Section 1. Minnesota Statutes 2020, section 144G.45, subdivision 7, is amended to read:

53.20 Subd. 7. **Variance or waiver.** (a) A facility may request that the commissioner grant a
 53.21 variance or waiver from the provisions of this section or section 144G.81, subdivision 5. A
 53.22 request for a waiver must be submitted to the commissioner in writing. Each request must
 53.23 contain:

53.24 (1) the specific requirement for which the variance or waiver is requested;

53.25 (2) the reasons for the request;

53.26 (3) the alternative measures that will be taken if a variance or waiver is granted;

53.27 (4) the length of time for which the variance or waiver is requested; and

53.28 (5) other relevant information deemed necessary by the commissioner to properly evaluate
 53.29 the request for the waiver.

54.1 (b) The decision to grant or deny a variance or waiver must be based on the
54.2 commissioner's evaluation of the following criteria:

54.3 (1) whether the waiver will adversely affect the health, treatment, comfort, safety, or
54.4 well-being of a resident;

54.5 (2) whether the alternative measures to be taken, if any, are equivalent to or superior to
54.6 those permitted under section 144G.81, subdivision 5; ~~and~~

54.7 (3) whether compliance with the requirements would impose an undue burden on the
54.8 facility; and

54.9 (4) notwithstanding clauses (1) to (3), when an existing building is proposed to be
54.10 repurposed to meet a critical community need for additional assisted living facility capacity,
54.11 whether the waiver will adequately protect the health and safety of the residents.

54.12 (c) The commissioner must notify the facility in writing of the decision. If a variance or
54.13 waiver is granted, the notification must specify the period of time for which the variance
54.14 or waiver is effective and the alternative measures or conditions, if any, to be met by the
54.15 facility.

54.16 (d) Alternative measures or conditions attached to a variance or waiver have the force
54.17 and effect of this chapter and are subject to the issuance of correction orders and fines in
54.18 accordance with sections 144G.30, subdivision 7, and 144G.31. The amount of fines for a
54.19 violation of this subdivision is that specified for the specific requirement for which the
54.20 variance or waiver was requested.

54.21 (e) A request for renewal of a variance or waiver must be submitted in writing at least
54.22 45 days before its expiration date. Renewal requests must contain the information specified
54.23 in paragraph (b). A variance or waiver must be renewed by the commissioner if the facility
54.24 continues to satisfy the criteria in paragraph (a) and demonstrates compliance with the
54.25 alternative measures or conditions imposed at the time the original variance or waiver was
54.26 granted.

54.27 (f) The commissioner must deny, revoke, or refuse to renew a variance or waiver if it
54.28 is determined that the criteria in paragraph (a) are not met. The facility must be notified in
54.29 writing of the reasons for the decision and informed of the right to appeal the decision.

54.30 (g) A facility may contest the denial, revocation, or refusal to renew a variance or waiver
54.31 by requesting a contested case hearing under chapter 14. The facility must submit, within
54.32 15 days of the receipt of the commissioner's decision, a written request for a hearing. The
54.33 request for hearing must set forth in detail the reasons why the facility contends the decision

55.1 of the commissioner should be reversed or modified. At the hearing, the facility has the
 55.2 burden of proving by a preponderance of the evidence that the facility satisfied the criteria
 55.3 specified in paragraph (b), except in a proceeding challenging the revocation of a variance
 55.4 or waiver.

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

55.6 Sec. 2. Minnesota Statutes 2020, section 256R.02, subdivision 16, is amended to read:

55.7 Subd. 16. **Dietary costs.** "Dietary costs" means the costs for ~~the salaries and wages of~~
 55.8 ~~the dietary supervisor, dietitians, chefs, cooks, dishwashers, and other employees assigned~~
 55.9 ~~to the kitchen and dining room, and associated fringe benefits and payroll taxes. Dietary~~
 55.10 ~~costs also includes~~ the salaries or fees of dietary consultants, dietary supplies, and food
 55.11 preparation and serving.

55.12 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 55.13 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 55.14 shall inform the revisor of statutes when federal approval is obtained.

55.15 Sec. 3. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
 55.16 read:

55.17 Subd. 16a. **Dietary labor costs.** "Dietary labor costs" means the costs for the salaries
 55.18 and wages of the dietary supervisor, dietitians, chefs, cooks, dishwashers, and other
 55.19 employees assigned to the kitchen and dining room, and associated fringe benefits and
 55.20 payroll taxes.

55.21 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 55.22 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 55.23 shall inform the revisor of statutes when federal approval is obtained.

55.24 Sec. 4. Minnesota Statutes 2020, section 256R.02, subdivision 24, is amended to read:

55.25 Subd. 24. **Housekeeping costs.** "Housekeeping costs" means ~~the costs for the salaries~~
 55.26 ~~and wages of the housekeeping supervisor, housekeepers, and other cleaning employees~~
 55.27 ~~and associated fringe benefits and payroll taxes. It also includes~~ the cost of housekeeping
 55.28 supplies, including, but not limited to, cleaning and lavatory supplies and contract services.

55.29 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 55.30 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 55.31 shall inform the revisor of statutes when federal approval is obtained.

56.1 Sec. 5. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
56.2 read:

56.3 Subd. 24a. **Housekeeping labor costs.** "Housekeeping labor costs" means the costs for
56.4 the salaries and wages of the housekeeping supervisor, housekeepers, and other cleaning
56.5 employees, and associated fringe benefits and payroll taxes.

56.6 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
56.7 2024, or upon federal approval, whichever occurs later. The commissioner of human services
56.8 shall inform the revisor of statutes when federal approval is obtained.

56.9 Sec. 6. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
56.10 read:

56.11 Subd. 25b. **Known cost change factor.** "Known cost change factor" means 1.00 plus
56.12 the forecasted percentage change in the CPI-U index from July 1 of the reporting period to
56.13 July 1 of the rate year as determined by the national economic consultant used by the
56.14 commissioner of management and budget.

56.15 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
56.16 2024, or upon federal approval, whichever occurs later. The commissioner of human services
56.17 shall inform the revisor of statutes when federal approval is obtained.

56.18 Sec. 7. Minnesota Statutes 2020, section 256R.02, subdivision 26, is amended to read:

56.19 ~~Subd. 26. **Laundry costs.** "Laundry costs" means the costs for the salaries and wages~~
56.20 ~~of the laundry supervisor and other laundry employees, associated fringe benefits, and~~
56.21 ~~payroll taxes. It also includes the costs of linen and bedding, the laundering of resident~~
56.22 ~~clothing, laundry supplies, and contract services.~~

56.23 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
56.24 2024, or upon federal approval, whichever occurs later. The commissioner of human services
56.25 shall inform the revisor of statutes when federal approval is obtained.

56.26 Sec. 8. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
56.27 read:

56.28 Subd. 26a. **Laundry labor costs.** "Laundry labor costs" means the costs for the salaries
56.29 and wages of the laundry supervisor and other laundry employees, and associated fringe
56.30 benefits and payroll taxes.

57.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 57.2 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 57.3 shall inform the revisor of statutes when federal approval is obtained.

57.4 Sec. 9. Minnesota Statutes 2020, section 256R.02, subdivision 29, is amended to read:

57.5 Subd. 29. **Maintenance and plant operations costs.** "Maintenance and plant operations
 57.6 costs" means ~~the costs for the salaries and wages of the maintenance supervisor, engineers,~~
 57.7 ~~heating-plant employees, and other maintenance employees and associated fringe benefits~~
 57.8 ~~and payroll taxes. It also includes~~ identifiable costs for maintenance and operation of the
 57.9 building and grounds, including, but not limited to, fuel, electricity, medical waste and
 57.10 garbage removal, water, sewer, supplies, tools, and repairs.

57.11 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 57.12 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 57.13 shall inform the revisor of statutes when federal approval is obtained.

57.14 Sec. 10. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision
 57.15 to read:

57.16 Subd. 29a. **Maintenance and plant operations labor costs.** "Maintenance and plant
 57.17 operations labor costs" means the costs for the salaries and wages of the maintenance
 57.18 supervisor, engineers, heating-plant employees, and other maintenance employees, and
 57.19 associated fringe benefits and payroll taxes.

57.20 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 57.21 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 57.22 shall inform the revisor of statutes when federal approval is obtained.

57.23 Sec. 11. Minnesota Statutes 2020, section 256R.02, subdivision 34, is amended to read:

57.24 Subd. 34. **Other care-related costs.** "Other care-related costs" means the sum of activities
 57.25 costs, other direct care costs, raw food costs, dietary labor costs, housekeeping labor costs,
 57.26 laundry labor costs, maintenance and plant operations labor costs, therapy costs, and social
 57.27 services costs.

57.28 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 57.29 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 57.30 shall inform the revisor of statutes when federal approval is obtained.

58.1 Sec. 12. Minnesota Statutes 2020, section 256R.23, subdivision 2, is amended to read:

58.2 Subd. 2. **Calculation of direct care cost per standardized day.** Each facility's direct
58.3 care cost per standardized day is the product of the facility's direct care costs and the known
58.4 cost change factor, divided by the sum of the facility's standardized days. A facility's direct
58.5 care cost per standardized day is the facility's cost per day for direct care services associated
58.6 with a case mix index of 1.00.

58.7 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
58.8 2024, or upon federal approval, whichever occurs later. The commissioner of human services
58.9 shall inform the revisor of statutes when federal approval is obtained.

58.10 Sec. 13. Minnesota Statutes 2020, section 256R.23, subdivision 3, is amended to read:

58.11 Subd. 3. **Calculation of other care-related cost per resident day.** Each facility's other
58.12 care-related cost per resident day is the product of its other care-related costs and the known
58.13 cost change factor, divided by the sum of the facility's resident days.

58.14 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
58.15 2024, or upon federal approval, whichever occurs later. The commissioner of human services
58.16 shall inform the revisor of statutes when federal approval is obtained.

58.17 Sec. 14. Minnesota Statutes 2020, section 256R.24, subdivision 1, is amended to read:

58.18 Subdivision 1. **Determination of other operating cost per day.** Each facility's other
58.19 operating cost per day is the product of its other operating costs and the known cost change
58.20 factor, divided by the sum of the facility's resident days.

58.21 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
58.22 2024, or upon federal approval, whichever occurs later. The commissioner of human services
58.23 shall inform the revisor of statutes when federal approval is obtained.

58.24 Sec. 15. Minnesota Statutes 2020, section 256R.25, is amended to read:

58.25 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

58.26 (a) The payment rate for external fixed costs is the sum of the amounts in paragraphs
58.27 (b) to (o).

58.28 (b) For a facility licensed as a nursing home, the portion related to the provider surcharge
58.29 under section 256.9657 is equal to \$8.86 per resident day. For a facility licensed as both a
58.30 nursing home and a boarding care home, the portion related to the provider surcharge under

59.1 section 256.9657 is equal to \$8.86 per resident day multiplied by the result of its number
59.2 of nursing home beds divided by its total number of licensed beds.

59.3 (c) The portion related to the licensure fee under section 144.122, paragraph (d), is the
59.4 amount of the fee divided by the sum of the facility's resident days.

59.5 (d) The portion related to development and education of resident and family advisory
59.6 councils under section 144A.33 is \$5 per resident day divided by 365.

59.7 (e) The portion related to scholarships is determined under section 256R.37.

59.8 (f) The portion related to planned closure rate adjustments is as determined under section
59.9 256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.

59.10 (g) The portion related to consolidation rate adjustments shall be as determined under
59.11 section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d.

59.12 (h) The portion related to single-bed room incentives is as determined under section
59.13 256R.41.

59.14 (i) The portions related to real estate taxes, special assessments, and payments made in
59.15 lieu of real estate taxes directly identified or allocated to the nursing facility are the allowable
59.16 amounts divided by the sum of the facility's resident days. Allowable costs under this
59.17 paragraph for payments made by a nonprofit nursing facility that are in lieu of real estate
59.18 taxes shall not exceed the amount which the nursing facility would have paid to a city or
59.19 township and county for fire, police, sanitation services, and road maintenance costs had
59.20 real estate taxes been levied on that property for those purposes.

59.21 (j) The portion related to employer health insurance costs is the product of the allowable
59.22 costs and the known cost change factor, divided by the sum of the facility's resident days.

59.23 (k) The portion related to the Public Employees Retirement Association is the allowable
59.24 costs divided by the sum of the facility's resident days.

59.25 (l) The portion related to quality improvement incentive payment rate adjustments is
59.26 the amount determined under section 256R.39.

59.27 (m) The portion related to performance-based incentive payments is the amount
59.28 determined under section 256R.38.

59.29 (n) The portion related to special dietary needs is the amount determined under section
59.30 256R.51.

59.31 (o) The portion related to the rate adjustments for border city facilities is the amount
59.32 determined under section 256R.481.

60.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
60.2 2024, or upon federal approval, whichever occurs later. The commissioner of human services
60.3 shall inform the revisor of statutes when federal approval is obtained.

60.4 Sec. 16. Minnesota Statutes 2020, section 256S.16, is amended to read:

60.5 **256S.16 AUTHORIZATION OF ELDERLY WAIVER SERVICES AND SERVICE**
60.6 **RATES.**

60.7 Subdivision 1. **Service rates; generally.** A lead agency must use the service rates and
60.8 service rate limits published by the commissioner to authorize services.

60.9 Subd. 2. **Shared services; rates.** The commissioner shall provide a rate system for
60.10 shared homemaker services and shared chore services, based on homemaker rates for a
60.11 single individual under section 256S.215, subdivisions 9 to 11, and the chore rate for a
60.12 single individual under section 256S.215, subdivision 7. For two persons sharing services,
60.13 the rate paid to a provider must not exceed one and one-half times the rate paid for serving
60.14 a single individual, and for three persons sharing services, the rate paid to a provider must
60.15 not exceed two times the rate paid for serving a single individual. These rates apply only
60.16 when all of the criteria for the shared service have been met.

60.17 Sec. 17. Minnesota Statutes 2020, section 256S.201, subdivision 3, is amended to read:

60.18 Subd. 3. **Customized living service rates.** The authorized rates for customized living
60.19 services and 24-hour customized living services must be based on the amount of component
60.20 services to be provided utilizing component rates established ~~by the commissioner~~ in section
60.21 256S.215. Counties and tribes shall use tools issued by the commissioner to develop and
60.22 document customized living service plans and rates.

60.23 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
60.24 whichever occurs later. The commissioner of human services shall inform the revisor of
60.25 statutes when federal approval is obtained.

60.26 Sec. 18. Minnesota Statutes 2021 Supplement, section 256S.205, is amended to read:

60.27 **256S.205 CUSTOMIZED LIVING SERVICES; DISPROPORTIONATE SHARE**
60.28 **RATE ADJUSTMENTS.**

60.29 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this
60.30 subdivision have the meanings given.

61.1 (b) "Application year" means a year in which a facility submits an application for
61.2 designation as a disproportionate share facility.

61.3 (c) ~~"Assisted living facility" or "facility" means an assisted living facility licensed under~~
61.4 ~~chapter 144G~~ "Customized living resident" means a resident of a facility who is receiving
61.5 either 24-hour customized living services or customized living services authorized under
61.6 the elderly waiver, the brain injury waiver, or the community access for disability inclusion
61.7 waiver.

61.8 (d) "Disproportionate share facility" means ~~an assisted living~~ a facility designated by
61.9 the commissioner under subdivision 4.

61.10 (e) "Facility" means either an assisted living facility licensed under chapter 144G or a
61.11 setting that is exempt from assisted living licensure under section 144G.08, subdivision 7,
61.12 clauses (10) to (13).

61.13 (f) "Rate year" means January 1 to December 31 of the year following an application
61.14 year.

61.15 Subd. 2. **Rate adjustment application.** ~~An assisted living~~ A facility may apply to the
61.16 commissioner for designation as a disproportionate share facility. Applications must be
61.17 submitted annually between ~~October~~ September 1 and ~~October 31~~ September 30. The
61.18 applying facility must apply in a manner determined by the commissioner. The applying
61.19 facility must document ~~as a percentage the census of elderly waiver participants~~ each of the
61.20 following on the application:

61.21 (1) the number of customized living residents in the facility on September 1 of the
61.22 application year, broken out by specific waiver program; and

61.23 (2) the total number of people residing in the facility on ~~October~~ September 1 of the
61.24 application year.

61.25 Subd. 3. **Rate adjustment eligibility criteria.** Only facilities ~~with a census of at least~~
61.26 ~~80 percent elderly waiver participants~~ satisfying all of the following conditions on ~~October~~
61.27 September 1 of the application year are eligible for designation as a disproportionate share
61.28 facility:

61.29 (1) at least 80 percent of the residents of the facility are customized living residents; and

61.30 (2) at least 50 percent of the customized living residents are elderly waiver participants.

61.31 Subd. 4. **Designation as a disproportionate share facility.** (a) ~~By November~~ October
61.32 15 of each application year, the commissioner must designate as a disproportionate share

62.1 facility a facility that complies with the application requirements of subdivision 2 and meets
62.2 the eligibility criteria of subdivision 3.

62.3 (b) An annual designation is effective for one rate year.

62.4 Subd. 5. **Rate adjustment; rate floor.** (a) Notwithstanding the 24-hour customized
62.5 living monthly service rate limits under section 256S.202, subdivision 2, and the component
62.6 service rates established under section 256S.201, subdivision 4, the commissioner must
62.7 establish a rate floor equal to ~~\$119~~ \$139 per resident per day for 24-hour customized living
62.8 services provided to an elderly waiver participant in a designated disproportionate share
62.9 facility ~~for the purpose of ensuring the minimal level of staffing required to meet the health~~
62.10 ~~and safety needs of elderly waiver participants.~~

62.11 (b) The commissioner must apply the rate floor to the services described in paragraph
62.12 (a) provided during the rate year.

62.13 ~~(b)~~ (c) The commissioner must adjust the rate floor at least annually in the manner
62.14 described under section 256S.18, subdivisions 5 and 6.

62.15 ~~(e)~~ (d) The commissioner shall not implement the rate floor under this section if the
62.16 customized living rates established under sections 256S.21 to 256S.215 will be implemented
62.17 at 100 percent on January 1 of the year following an application year.

62.18 Subd. 6. **Budget cap disregard.** The value of the rate adjustment under this section
62.19 must not be included in an elderly waiver client's monthly case mix budget cap.

62.20 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
62.21 whichever is later, and applies to services provided on or after October 1, 2022, or on or
62.22 after the date upon which federal approval is obtained, whichever is later. The commissioner
62.23 of human services shall notify the revisor of statutes when federal approval is obtained.

62.24 Sec. 19. Minnesota Statutes 2021 Supplement, section 256S.21, is amended to read:

62.25 **256S.21 RATE SETTING; APPLICATION.**

62.26 The payment methodologies in sections ~~256S.2101~~ 256S.211 to 256S.215 apply to
62.27 elderly waiver, elderly waiver customized living, and elderly waiver foster care under this
62.28 chapter; alternative care under section 256B.0913; essential community supports under
62.29 section 256B.0922; and community access for disability inclusion customized living and
62.30 brain injury customized living under section 256B.49.

63.1 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
63.2 whichever occurs later. The commissioner of human services shall inform the revisor of
63.3 statutes when federal approval is obtained.

63.4 Sec. 20. Minnesota Statutes 2020, section 256S.213, subdivision 1, is amended to read:

63.5 Subdivision 1. **Payroll taxes and benefits factor.** The payroll taxes and benefits factor
63.6 is the sum of net payroll taxes and benefits, divided by the sum of all salaries for all nursing
63.7 facilities on the most recent and available cost report. The commissioner must update the
63.8 payroll tax and benefit factor each January 1.

63.9 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
63.10 whichever occurs later. The commissioner of human services shall inform the revisor of
63.11 statutes when federal approval is obtained.

63.12 Sec. 21. **NURSING FACILITY FUNDING.**

63.13 (a) Effective July 1, 2022, through December 31, 2024, the total payment rate for all
63.14 facilities reimbursed under this section shall be increased by an amount per resident day as
63.15 determined by the commissioner according to section 18.

63.16 (b) To be eligible to receive a payment under this section, a nursing facility must attest
63.17 to the commissioner of human services that the additional revenue will be used exclusively
63.18 to increase compensation-related costs for employees directly employed by the facility on
63.19 or after July 1, 2022, except:

63.20 (1) owners of the building and operation;

63.21 (2) persons employed in the central office of an entity that has any ownership interest
63.22 in the nursing facility or exercises control over the nursing facility; and

63.23 (3) persons paid by the nursing facility under a management or vendor contract.

63.24 (c) Contracted housekeeping, dietary, and laundry employees providing services on site
63.25 at the nursing facility are eligible for increases under this section as long as the agency that
63.26 employs them submits to the nursing facility proof of the costs of increases provided to
63.27 those employees that comply with paragraph (d).

63.28 (d) For purposes of this section, compensation-related costs include:

63.29 (1) permanent new increases to wages and salaries implemented after July 1, 2022, and
63.30 paid out to employees no later than December 31, 2024; and

64.1 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
64.2 taxes, PERA, workers' compensation, and pension and employee retirement accounts directly
64.3 associated with the wage and salary increases in clause (1), incurred and paid for no later
64.4 than December 31, 2024.

64.5 (e) No later than September 1, 2022, a facility that receives a rate increase under this
64.6 section must: (1) prepare a distribution plan that specifies the total amount of money the
64.7 facility expects to receive and how that money will be distributed to increase the allowable
64.8 wages and salaries in paragraphs (b) and (c); and (2) post the distribution plan and leave it
64.9 posted for a period of at least six months in an area of the facility to which all employees
64.10 have access. The posted distribution plan must include instructions for employees who
64.11 believe they have not received the compensation-related cost increases specified in paragraph
64.12 (d), and the plan must include the e-mail address and the telephone number that may be
64.13 used by the employee to contact the commissioner or the commissioner's representative. A
64.14 facility that receives a rate increase under this section must submit a copy of its distribution
64.15 plan to the commissioner by October 1, 2022.

64.16 (f) If the nursing facility expends less on new compensated-related costs than the amount
64.17 that was made available by this rate increase for that purpose, the amount of this rate
64.18 adjustment shall be reduced to equal the amount utilized by the facility for purposes
64.19 authorized under this section. If the facility fails to post the distribution plan in their facility
64.20 as required, fails to submit their distribution plan to the commissioner by the due date, or
64.21 uses these funds for unauthorized purposes, these rate increases must be treated as an
64.22 overpayment and subsequently recovered.

64.23 (g) The commissioner shall not treat payments received under this section as an applicable
64.24 credit for purposes of setting total payment rates under Minnesota Statutes, chapter 256R.

64.25 **Sec. 22. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
64.26 **NURSING FACILITY FUNDING.**

64.27 The commissioner of human services shall determine the total payment rate increase
64.28 under section 17 by subtracting the value of the other costs in this act for fiscal years 2023
64.29 to 2025 from \$225,000,000 and dividing the remainder by the number of forecasted resident
64.30 days from July 1, 2022, to December 31, 2024.

65.1 Sec. 23. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
65.2 **PARTIAL YEAR IMPLEMENTATION OF DISPROPORTIONATE SHARE RATE**
65.3 **ADJUSTMENTS.**

65.4 Subdivision 1. Definitions. For the purposes of this section, the definitions in Minnesota
65.5 Statutes, section 256S.205, apply.

65.6 Subd. 2. Partial year implementation. (a) Notwithstanding the provisions of Minnesota
65.7 Statutes, section 256S.205, subdivisions 2 to 5, regarding application dates, eligibility dates,
65.8 designation dates, and payment adjustment dates, during the first partial year of
65.9 implementation of the amendments in this act to Minnesota Statutes, section 256S.205, a
65.10 facility may apply between July 1, 2022, and July 31, 2022, to be designated a
65.11 disproportionate share facility on the basis of the conditions outlined in Minnesota Statutes,
65.12 section 256S.205, subdivision 3, as of July 1, 2022. The commissioner shall designate
65.13 disproportionate share facilities by August 15, 2022. Between October 1, 2022, and December
65.14 31, 2022, the commissioner shall apply the rate floor under Minnesota Statutes, section
65.15 256S.205, as amended in this act, to eligible customized living services provided in
65.16 disproportionate share facilities between those dates.

65.17 Subd. 3. Rate year 2023. Beginning September 1, 2022, the timelines and dates described
65.18 in Minnesota Statutes, section 256S.205, subdivisions 2 to 4, apply for the purposes of rate
65.19 year 2023.

65.20 Subd. 4. Treatment of prior rate adjustments. (a) The commissioner shall apply rate
65.21 adjustments required under Minnesota Statutes 2021 Supplement, section 256S.205, until
65.22 September 30, 2022. Beginning October 1, 2022, the commissioner shall remove all rate
65.23 adjustments required under Minnesota Statutes 2021 Supplement, section 256S.205.

65.24 (b) A disproportionate share facility receiving a rate adjustment under Minnesota Statutes
65.25 2021 Supplement, section 256S.205, as of July 1, 2022, may apply for an adjustment under
65.26 this section.

65.27 EFFECTIVE DATE. (a) Subdivisions 1 to 3 are effective July 1, 2022, or upon federal
65.28 approval, whichever is later, and apply to services provided on or after October 1, 2022, or
65.29 on or after the date upon which federal approval is obtained, whichever is later. The
65.30 commissioner of human services shall notify the revisor of statutes when federal approval
65.31 is obtained.

65.32 (b) Subdivision 4 is effective July 1, 2022.

66.1 Sec. 24. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
 66.2 **PARTIAL YEAR RATE ADJUSTMENTS.**

66.3 (a) On July 1, 2022, the commissioner shall update the base wage indices in Minnesota
 66.4 Statutes, section 256S.212, based on the most recently available Minneapolis-St.
 66.5 Paul-Bloomington, MN-WI MetroSA average wage data from the Bureau of Labor Statistics.

66.6 (b) On July 1, 2022, the commissioner shall update the payroll tax and benefit factor in
 66.7 Minnesota Statutes, section 256S.213, subdivision 1, based on the most recently available
 66.8 nursing facility cost report data.

66.9 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
 66.10 whichever occurs later. The commissioner of human services shall inform the revisor of
 66.11 statutes when federal approval is obtained.

66.12 Sec. 25. **REPEALER.**

66.13 Minnesota Statutes 2021 Supplement, section 256S.2101, is repealed.

66.14 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
 66.15 whichever occurs later. The commissioner of human services shall inform the revisor of
 66.16 statutes when federal approval is obtained.

66.17 **ARTICLE 3**

66.18 **HEALTH CARE**

66.19 Section 1. Minnesota Statutes 2020, section 256B.057, subdivision 9, is amended to read:

66.20 Subd. 9. **Employed persons with disabilities.** (a) Medical assistance may be paid for
 66.21 a person who is employed and who:

66.22 (1) but for excess earnings or assets, meets the definition of disabled under the
 66.23 Supplemental Security Income program;

66.24 (2) meets the asset limits in paragraph (d); and

66.25 (3) pays a premium and other obligations under paragraph (e).

66.26 (b) For purposes of eligibility, there is a \$65 earned income disregard. To be eligible
 66.27 for medical assistance under this subdivision, a person must have more than \$65 of earned
 66.28 income. Earned income must have Medicare, Social Security, and applicable state and
 66.29 federal taxes withheld. The person must document earned income tax withholding. Any
 66.30 spousal income or assets shall be disregarded for purposes of eligibility and premium
 66.31 determinations.

67.1 (c) After the month of enrollment, a person enrolled in medical assistance under this
67.2 subdivision who:

67.3 (1) is temporarily unable to work and without receipt of earned income due to a medical
67.4 condition, as verified by a physician, advanced practice registered nurse, or physician
67.5 assistant; or

67.6 (2) loses employment for reasons not attributable to the enrollee, and is without receipt
67.7 of earned income may retain eligibility for up to four consecutive months after the month
67.8 of job loss. To receive a four-month extension, enrollees must verify the medical condition
67.9 or provide notification of job loss. All other eligibility requirements must be met and the
67.10 enrollee must pay all calculated premium costs for continued eligibility.

67.11 (d) For purposes of determining eligibility under this subdivision, a person's assets must
67.12 not exceed \$20,000, excluding:

67.13 (1) all assets excluded under section 256B.056;

67.14 (2) retirement accounts, including individual accounts, 401(k) plans, 403(b) plans, Keogh
67.15 plans, and pension plans;

67.16 (3) medical expense accounts set up through the person's employer; and

67.17 (4) spousal assets, including spouse's share of jointly held assets.

67.18 (e) All enrollees must pay a premium to be eligible for medical assistance under this
67.19 subdivision, except as provided under clause (5).

67.20 (1) An enrollee must pay ~~the greater of a \$35 premium or the premium calculated based~~
67.21 ~~on~~ by applying the following sliding premium fee scale to the person's gross earned and
67.22 ~~unearned income and the applicable family size using a sliding fee scale established by the~~
67.23 ~~commissioner, which begins at one percent of income at 100 percent of the federal poverty~~
67.24 ~~guidelines and increases to 7.5 percent of income for those with incomes at or above 300~~
67.25 ~~percent of the federal poverty guidelines.:~~

67.26 (i) for households with income less than 200 percent of federal poverty guidelines, the
67.27 premium shall be zero percent of income;

67.28 (ii) for households with income from 200 to 250 percent of federal poverty guidelines,
67.29 the sliding premium fee scale shall begin at zero percent of income and increase to 2.5
67.30 percent;

67.31 (iii) for households with income from 250 to 300 percent of federal poverty guidelines,
67.32 the sliding premium fee scale shall begin at 2.5 percent of income and increase to 4.5 percent;

68.1 (iv) for households with income from 300 to 400 percent of federal poverty guidelines,
68.2 the sliding premium fee scale shall begin at 4.5 percent of income and increase to six percent;

68.3 (v) for households with income from 400 to 500 percent of federal poverty guidelines,
68.4 the sliding premium fee scale shall begin at six percent of income and increase to 7.5 percent;

68.5 and

68.6 (vi) for households with income greater than 500 percent of federal poverty guidelines,
68.7 the premium shall be 7.5 percent of income.

68.8 (2) Annual adjustments in the premium schedule based upon changes in the federal
68.9 poverty guidelines shall be effective for premiums due in July of each year.

68.10 (3) All enrollees who receive unearned income must pay one-half of one percent of
68.11 unearned income in addition to the premium amount, except as provided under clause (5).

68.12 (4) Increases in benefits under title II of the Social Security Act shall not be counted as
68.13 income for purposes of this subdivision until July 1 of each year.

68.14 (5) Effective July 1, 2009, American Indians are exempt from paying premiums as
68.15 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public
68.16 Law 111-5. For purposes of this clause, an American Indian is any person who meets the
68.17 definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

68.18 (f) A person's eligibility and premium shall be determined by the local county agency.
68.19 Premiums must be paid to the commissioner. All premiums are dedicated to the
68.20 commissioner.

68.21 (g) Any required premium shall be determined at application and redetermined at the
68.22 enrollee's six-month income review or when a change in income or household size is reported.
68.23 Enrollees must report any change in income or household size within ten days of when the
68.24 change occurs. A decreased premium resulting from a reported change in income or
68.25 household size shall be effective the first day of the next available billing month after the
68.26 change is reported. Except for changes occurring from annual cost-of-living increases, a
68.27 change resulting in an increased premium shall not affect the premium amount until the
68.28 next six-month review.

68.29 (h) Premium payment is due upon notification from the commissioner of the premium
68.30 amount required. Premiums may be paid in installments at the discretion of the commissioner.

68.31 (i) Nonpayment of the premium shall result in denial or termination of medical assistance
68.32 unless the person demonstrates good cause for nonpayment. "Good cause" means an excuse
68.33 for the enrollee's failure to pay the required premium when due because the circumstances

69.1 were beyond the enrollee's control or not reasonably foreseeable. The commissioner shall
 69.2 determine whether good cause exists based on the weight of the supporting evidence
 69.3 submitted by the enrollee to demonstrate good cause. Except when an installment agreement
 69.4 is accepted by the commissioner, all persons disenrolled for nonpayment of a premium must
 69.5 pay any past due premiums as well as current premiums due prior to being reenrolled.
 69.6 Nonpayment shall include payment with a returned, refused, or dishonored instrument. The
 69.7 commissioner may require a guaranteed form of payment as the only means to replace a
 69.8 returned, refused, or dishonored instrument.

69.9 (j) For enrollees whose income does not exceed 200 percent of the federal poverty
 69.10 guidelines and who are also enrolled in Medicare, the commissioner shall reimburse the
 69.11 enrollee for Medicare Part B premiums under section 256B.0625, subdivision 15, paragraph
 69.12 (a).

69.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

69.14 Sec. 2. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 17, is
 69.15 amended to read:

69.16 Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service"
 69.17 means motor vehicle transportation provided by a public or private person that serves
 69.18 Minnesota health care program beneficiaries who do not require emergency ambulance
 69.19 service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

69.20 (b) Medical assistance covers medical transportation costs incurred solely for obtaining
 69.21 emergency medical care or transportation costs incurred by eligible persons in obtaining
 69.22 emergency or nonemergency medical care when paid directly to an ambulance company,
 69.23 nonemergency medical transportation company, or other recognized providers of
 69.24 transportation services. Medical transportation must be provided by:

69.25 (1) nonemergency medical transportation providers who meet the requirements of this
 69.26 subdivision;

69.27 (2) ambulances, as defined in section 144E.001, subdivision 2;

69.28 (3) taxicabs that meet the requirements of this subdivision;

69.29 (4) public transit, as defined in section 174.22, subdivision 7; or

69.30 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472,
 69.31 subdivision 1, paragraph (h).

70.1 (c) Medical assistance covers nonemergency medical transportation provided by
70.2 nonemergency medical transportation providers enrolled in the Minnesota health care
70.3 programs. All nonemergency medical transportation providers must comply with the
70.4 operating standards for special transportation service as defined in sections 174.29 to 174.30
70.5 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the
70.6 commissioner and reported on the claim as the individual who provided the service. All
70.7 nonemergency medical transportation providers shall bill for nonemergency medical
70.8 transportation services in accordance with Minnesota health care programs criteria. Publicly
70.9 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the
70.10 requirements outlined in this paragraph.

70.11 (d) An organization may be terminated, denied, or suspended from enrollment if:

70.12 (1) the provider has not initiated background studies on the individuals specified in
70.13 section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

70.14 (2) the provider has initiated background studies on the individuals specified in section
70.15 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

70.16 (i) the commissioner has sent the provider a notice that the individual has been
70.17 disqualified under section 245C.14; and

70.18 (ii) the individual has not received a disqualification set-aside specific to the special
70.19 transportation services provider under sections 245C.22 and 245C.23.

70.20 (e) The administrative agency of nonemergency medical transportation must:

70.21 (1) adhere to the policies defined by the commissioner in consultation with the
70.22 Nonemergency Medical Transportation Advisory Committee;

70.23 (2) pay nonemergency medical transportation providers for services provided to
70.24 Minnesota health care programs beneficiaries to obtain covered medical services;

70.25 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled
70.26 trips, and number of trips by mode; and

70.27 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single
70.28 administrative structure assessment tool that meets the technical requirements established
70.29 by the commissioner, reconciles trip information with claims being submitted by providers,
70.30 and ensures prompt payment for nonemergency medical transportation services.

70.31 (f) Until the commissioner implements the single administrative structure and delivery
70.32 system under subdivision 18e, clients shall obtain their level-of-service certificate from the

71.1 commissioner or an entity approved by the commissioner that does not dispatch rides for
71.2 clients using modes of transportation under paragraph (i), clauses (4), (5), (6), and (7).

71.3 (g) The commissioner may use an order by the recipient's attending physician, advanced
71.4 practice registered nurse, or a medical or mental health professional to certify that the
71.5 recipient requires nonemergency medical transportation services. Nonemergency medical
71.6 transportation providers shall perform driver-assisted services for eligible individuals, when
71.7 appropriate. Driver-assisted service includes passenger pickup at and return to the individual's
71.8 residence or place of business, assistance with admittance of the individual to the medical
71.9 facility, and assistance in passenger securement or in securing of wheelchairs, child seats,
71.10 or stretchers in the vehicle.

71.11 Nonemergency medical transportation providers must take clients to the health care
71.12 provider using the most direct route, and must not exceed 30 miles for a trip to a primary
71.13 care provider or 60 miles for a trip to a specialty care provider, unless the client receives
71.14 authorization from the local agency.

71.15 Nonemergency medical transportation providers may not bill for separate base rates for
71.16 the continuation of a trip beyond the original destination. Nonemergency medical
71.17 transportation providers must maintain trip logs, which include pickup and drop-off times,
71.18 signed by the medical provider or client, whichever is deemed most appropriate, attesting
71.19 to mileage traveled to obtain covered medical services. Clients requesting client mileage
71.20 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical
71.21 services.

71.22 (h) The administrative agency shall use the level of service process established by the
71.23 commissioner in consultation with the Nonemergency Medical Transportation Advisory
71.24 Committee to determine the client's most appropriate mode of transportation. If public transit
71.25 or a certified transportation provider is not available to provide the appropriate service mode
71.26 for the client, the client may receive a onetime service upgrade.

71.27 (i) The covered modes of transportation are:

71.28 (1) client reimbursement, which includes client mileage reimbursement provided to
71.29 clients who have their own transportation, or to family or an acquaintance who provides
71.30 transportation to the client;

71.31 (2) volunteer transport, which includes transportation by volunteers using their own
71.32 vehicle;

72.1 (3) unassisted transport, which includes transportation provided to a client by a taxicab
72.2 or public transit. If a taxicab or public transit is not available, the client can receive
72.3 transportation from another nonemergency medical transportation provider;

72.4 (4) assisted transport, which includes transport provided to clients who require assistance
72.5 by a nonemergency medical transportation provider;

72.6 (5) lift-equipped/ramp transport, which includes transport provided to a client who is
72.7 dependent on a device and requires a nonemergency medical transportation provider with
72.8 a vehicle containing a lift or ramp;

72.9 (6) protected transport, which includes transport provided to a client who has received
72.10 a prescreening that has deemed other forms of transportation inappropriate and who requires
72.11 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety
72.12 locks, a video recorder, and a transparent thermoplastic partition between the passenger and
72.13 the vehicle driver; and (ii) who is certified as a protected transport provider; and

72.14 (7) stretcher transport, which includes transport for a client in a prone or supine position
72.15 and requires a nonemergency medical transportation provider with a vehicle that can transport
72.16 a client in a prone or supine position.

72.17 (j) The local agency shall be the single administrative agency and shall administer and
72.18 reimburse for modes defined in paragraph (i) according to paragraphs (m) and (n) when the
72.19 commissioner has developed, made available, and funded the web-based single administrative
72.20 structure, assessment tool, and level of need assessment under subdivision 18e. The local
72.21 agency's financial obligation is limited to funds provided by the state or federal government.

72.22 (k) The commissioner shall:

72.23 (1) in consultation with the Nonemergency Medical Transportation Advisory Committee,
72.24 verify that the mode and use of nonemergency medical transportation is appropriate;

72.25 (2) verify that the client is going to an approved medical appointment; and

72.26 (3) investigate all complaints and appeals.

72.27 (l) The administrative agency shall pay for the services provided in this subdivision and
72.28 seek reimbursement from the commissioner, if appropriate. As vendors of medical care,
72.29 local agencies are subject to the provisions in section 256B.041, the sanctions and monetary
72.30 recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.

72.31 (m) Payments for nonemergency medical transportation must be paid based on the client's
72.32 assessed mode under paragraph (h), not the type of vehicle used to provide the service. The

73.1 medical assistance reimbursement rates for nonemergency medical transportation services
73.2 that are payable by or on behalf of the commissioner for nonemergency medical
73.3 transportation services are:

73.4 (1) \$0.22 per mile for client reimbursement;

73.5 (2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer
73.6 transport;

73.7 (3) equivalent to the standard fare for unassisted transport when provided by public
73.8 transit, and \$11 for the base rate and \$1.30 per mile when provided by a nonemergency
73.9 medical transportation provider;

73.10 (4) \$13 for the base rate and \$1.30 per mile for assisted transport;

73.11 (5) \$18 for the base rate and \$1.55 per mile for lift-equipped/ramp transport;

73.12 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and

73.13 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for
73.14 an additional attendant if deemed medically necessary.

73.15 (n) The base rate for nonemergency medical transportation services in areas defined
73.16 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in
73.17 paragraph (m), clauses (1) to (7). The mileage rate for nonemergency medical transportation
73.18 services in areas defined under RUCA to be rural or super rural areas is:

73.19 (1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage
73.20 rate in paragraph (m), clauses (1) to (7); and

73.21 (2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage
73.22 rate in paragraph (m), clauses (1) to (7).

73.23 (o) For purposes of reimbursement rates for nonemergency medical transportation
73.24 services under paragraphs (m) and (n), the zip code of the recipient's place of residence
73.25 shall determine whether the urban, rural, or super rural reimbursement rate applies.

73.26 (p) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means
73.27 a census-tract based classification system under which a geographical area is determined
73.28 to be urban, rural, or super rural.

73.29 (q) The commissioner, when determining reimbursement rates for nonemergency medical
73.30 transportation under paragraphs (m) and (n), shall exempt all modes of transportation listed
73.31 under paragraph (i) from Minnesota Rules, part 9505.0445, item R, subitem (2).

74.1 (r) Effective for the first day of each calendar quarter, the commissioner shall adjust the
74.2 rate, up or down, paid per mile in paragraph (m) by one percent for every increase or decrease
74.3 of ten cents for the price of gasoline. The increase or decrease shall be calculated using a
74.4 base gasoline price of \$3.00. The percentage increase or decrease shall be calculated using
74.5 the average of the most recently available price of all grades of gasoline for Minnesota as
74.6 posted publicly by the United States Energy Information Administration.

74.7 **EFFECTIVE DATE.** This section is effective July 1, 2022.

74.8 Sec. 3. Minnesota Statutes 2020, section 256B.0625, subdivision 17a, is amended to read:

74.9 Subd. 17a. **Payment for ambulance services.** (a) Medical assistance covers ambulance
74.10 services. Providers shall bill ambulance services according to Medicare criteria.
74.11 Nonemergency ambulance services shall not be paid as emergencies. Effective for services
74.12 rendered on or after July 1, 2001, medical assistance payments for ambulance services shall
74.13 be paid at the Medicare reimbursement rate or at the medical assistance payment rate in
74.14 effect on July 1, 2000, whichever is greater.

74.15 (b) Effective for services provided on or after July 1, 2016, medical assistance payment
74.16 rates for ambulance services identified in this paragraph are increased by five percent.
74.17 Capitation payments made to managed care plans and county-based purchasing plans for
74.18 ambulance services provided on or after January 1, 2017, shall be increased to reflect this
74.19 rate increase. The increased rate described in this paragraph applies to ambulance service
74.20 providers whose base of operations as defined in section 144E.10 is located:

74.21 (1) outside the metropolitan counties listed in section 473.121, subdivision 4, and outside
74.22 the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

74.23 (2) within a municipality with a population of less than 1,000.

74.24 (c) Effective for the first day of each calendar quarter, the commissioner shall adjust the
74.25 rate, up or down, paid per mile in paragraphs (a) and (b) by one percent for every increase
74.26 or decrease of ten cents for the price of gasoline. The increase or decrease shall be calculated
74.27 using a base gasoline price of \$3.00. The percentage increase or decrease shall be calculated
74.28 using the average of the most recently available price of all grades of gasoline for Minnesota
74.29 as posted publicly by the United States Energy Information Administration.

74.30 **EFFECTIVE DATE.** This section is effective July 1, 2022.

75.1 Sec. 4. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
 75.2 **NONEMERGENCY MEDICAL TRANSPORTATION RATES.**

75.3 The commissioner shall increase the base rates and the mileage rates for nonemergency
 75.4 medical transportation services under Minnesota Statutes, section 256B.0625, subdivision
 75.5 17, paragraph (m), clauses (3) to (5), by equal percentages that are equivalent to a total
 75.6 three-year appropriation of \$18,000,000 in fiscal years 2023 to 2025.

75.7 **ARTICLE 4**

75.8 **BEHAVIORAL HEALTH**

75.9 Section 1. Minnesota Statutes 2020, section 13.46, subdivision 7, is amended to read:

75.10 Subd. 7. **Mental health data.** (a) Mental health data are private data on individuals and
 75.11 shall not be disclosed, except:

75.12 (1) pursuant to section 13.05, as determined by the responsible authority for the
 75.13 community mental health center, mental health division, or provider;

75.14 (2) pursuant to court order;

75.15 (3) pursuant to a statute specifically authorizing access to or disclosure of mental health
 75.16 data or as otherwise provided by this subdivision;

75.17 (4) to personnel of the welfare system working in the same program or providing services
 75.18 to the same individual or family to the extent necessary to coordinate services, provided
 75.19 that a health record may be disclosed only as provided under section 144.293;

75.20 (5) to a health care provider governed by sections 144.291 to 144.298, to the extent
 75.21 necessary to coordinate services; or

75.22 (6) with the consent of the client or patient.

75.23 (b) An agency of the welfare system may not require an individual to consent to the
 75.24 release of mental health data as a condition for receiving services or for reimbursing a
 75.25 community mental health center, mental health division of a county, or provider under
 75.26 contract to deliver mental health services.

75.27 (c) Notwithstanding section 245.69, subdivision 2, paragraph (f), or any other law to the
 75.28 contrary, ~~the responsible authority~~ for a community mental health center, mental health
 75.29 division of a county, or a mental health provider must disclose mental health data to a law
 75.30 enforcement agency if the law enforcement agency provides the name of a client or patient
 75.31 and communicates that the:

76.1 (1) client or patient is currently involved in ~~an emergency interaction with~~ a mental
76.2 health crisis as defined in section 256B.0624, subdivision 2, paragraph (j), to which the law
76.3 enforcement agency has responded; and

76.4 (2) data is necessary to protect the health or safety of the client or patient or of another
76.5 person.

76.6 The scope of disclosure under this paragraph is limited to the minimum necessary for
76.7 law enforcement to safely respond to the emergency mental health crisis. Disclosure under
76.8 this paragraph may include, ~~but is not limited to,~~ the name and telephone number of the
76.9 psychiatrist, psychologist, therapist, mental health professional, practitioner, or case manager
76.10 of the client or patient, if known; and strategies to address the mental health crisis. A law
76.11 enforcement agency that obtains mental health data under this paragraph shall maintain a
76.12 record of the requestor, the provider of the ~~information~~ data, and the client or patient name.
76.13 Mental health data obtained by a law enforcement agency under this paragraph are private
76.14 data on individuals and must not be used by the law enforcement agency for any other
76.15 purpose. A law enforcement agency that obtains mental health data under this paragraph
76.16 shall inform the subject of the data that mental health data was obtained.

76.17 (d) In the event of a request under paragraph (a), clause (6), a community mental health
76.18 center, county mental health division, or provider must release mental health data to Criminal
76.19 Mental Health Court personnel in advance of receiving a copy of a consent if the Criminal
76.20 Mental Health Court personnel communicate that the:

76.21 (1) client or patient is a defendant in a criminal case pending in the district court;

76.22 (2) data being requested is limited to information that is necessary to assess whether the
76.23 defendant is eligible for participation in the Criminal Mental Health Court; and

76.24 (3) client or patient has consented to the release of the mental health data and a copy of
76.25 the consent will be provided to the community mental health center, county mental health
76.26 division, or provider within 72 hours of the release of the data.

76.27 For purposes of this paragraph, "Criminal Mental Health Court" refers to a specialty
76.28 criminal calendar of the Hennepin County District Court for defendants with mental illness
76.29 and brain injury where a primary goal of the calendar is to assess the treatment needs of the
76.30 defendants and to incorporate those treatment needs into voluntary case disposition plans.
76.31 The data released pursuant to this paragraph may be used for the sole purpose of determining
76.32 whether the person is eligible for participation in mental health court. This paragraph does
76.33 not in any way limit or otherwise extend the rights of the court to obtain the release of mental
76.34 health data pursuant to court order or any other means allowed by law.

77.1 Sec. 2. Minnesota Statutes 2021 Supplement, section 15.01, is amended to read:

77.2 **15.01 DEPARTMENTS OF THE STATE.**

77.3 The following agencies are designated as the departments of the state government: the
77.4 Department of Administration; the Department of Agriculture; the Department of Behavioral
77.5 Health; the Department of Commerce; the Department of Corrections; the Department of
77.6 Education; the Department of Employment and Economic Development; the Department
77.7 of Health; the Department of Human Rights; the Department of Information Technology
77.8 Services; the Department of Iron Range Resources and Rehabilitation; the Department of
77.9 Labor and Industry; the Department of Management and Budget; the Department of Military
77.10 Affairs; the Department of Natural Resources; the Department of Public Safety; the
77.11 Department of Human Services; the Department of Revenue; the Department of
77.12 Transportation; the Department of Veterans Affairs; and their successor departments.

77.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

77.14 Sec. 3. Minnesota Statutes 2021 Supplement, section 15.06, subdivision 1, is amended to
77.15 read:

77.16 Subdivision 1. **Applicability.** This section applies to the following departments or
77.17 agencies: the Departments of Administration, Agriculture, Behavioral Health, Commerce,
77.18 Corrections, Education, Employment and Economic Development, Health, Human Rights,
77.19 Labor and Industry, Management and Budget, Natural Resources, Public Safety, Human
77.20 Services, Revenue, Transportation, and Veterans Affairs; the Housing Finance and Pollution
77.21 Control Agencies; the Office of Commissioner of Iron Range Resources and Rehabilitation;
77.22 the Department of Information Technology Services; the Bureau of Mediation Services;
77.23 and their successor departments and agencies. The heads of the foregoing departments or
77.24 agencies are "commissioners."

77.25 **EFFECTIVE DATE.** This section is effective July 1, 2022.

77.26 Sec. 4. Minnesota Statutes 2020, section 15A.0815, subdivision 2, is amended to read:

77.27 Subd. 2. **Group I salary limits.** The salary for a position listed in this subdivision shall
77.28 not exceed 133 percent of the salary of the governor. This limit must be adjusted annually
77.29 on January 1. The new limit must equal the limit for the prior year increased by the percentage
77.30 increase, if any, in the Consumer Price Index for all urban consumers from October of the
77.31 second prior year to October of the immediately prior year. The commissioner of management

78.1 and budget must publish the limit on the department's website. This subdivision applies to
78.2 the following positions:

78.3 Commissioner of administration;

78.4 Commissioner of agriculture;

78.5 Commissioner of behavioral health;

78.6 Commissioner of education;

78.7 Commissioner of commerce;

78.8 Commissioner of corrections;

78.9 Commissioner of health;

78.10 Commissioner, Minnesota Office of Higher Education;

78.11 Commissioner, Housing Finance Agency;

78.12 Commissioner of human rights;

78.13 Commissioner of human services;

78.14 Commissioner of labor and industry;

78.15 Commissioner of management and budget;

78.16 Commissioner of natural resources;

78.17 Commissioner, Pollution Control Agency;

78.18 Commissioner of public safety;

78.19 Commissioner of revenue;

78.20 Commissioner of employment and economic development;

78.21 Commissioner of transportation; and

78.22 Commissioner of veterans affairs.

78.23 **EFFECTIVE DATE.** This section is effective July 1, 2022.

78.24 Sec. 5. Minnesota Statutes 2021 Supplement, section 43A.08, subdivision 1a, is amended
78.25 to read:

78.26 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following
78.27 agencies may designate additional unclassified positions according to this subdivision: the
78.28 Departments of Administration; Agriculture; Behavioral Health; Commerce; Corrections;

79.1 Education; Employment and Economic Development; Explore Minnesota Tourism;
 79.2 Management and Budget; Health; Human Rights; Labor and Industry; Natural Resources;
 79.3 Public Safety; Human Services; Revenue; Transportation; and Veterans Affairs; the Housing
 79.4 Finance and Pollution Control Agencies; the State Lottery; the State Board of Investment;
 79.5 the Office of Administrative Hearings; the Department of Information Technology Services;
 79.6 the Offices of the Attorney General, Secretary of State, and State Auditor; the Minnesota
 79.7 State Colleges and Universities; the Minnesota Office of Higher Education; the Perpich
 79.8 Center for Arts Education; and the Minnesota Zoological Board.

79.9 A position designated by an appointing authority according to this subdivision must
 79.10 meet the following standards and criteria:

79.11 (1) the designation of the position would not be contrary to other law relating specifically
 79.12 to that agency;

79.13 (2) the person occupying the position would report directly to the agency head or deputy
 79.14 agency head and would be designated as part of the agency head's management team;

79.15 (3) the duties of the position would involve significant discretion and substantial
 79.16 involvement in the development, interpretation, and implementation of agency policy;

79.17 (4) the duties of the position would not require primarily personnel, accounting, or other
 79.18 technical expertise where continuity in the position would be important;

79.19 (5) there would be a need for the person occupying the position to be accountable to,
 79.20 loyal to, and compatible with, the governor and the agency head, the employing statutory
 79.21 board or commission, or the employing constitutional officer;

79.22 (6) the position would be at the level of division or bureau director or assistant to the
 79.23 agency head; and

79.24 (7) the commissioner has approved the designation as being consistent with the standards
 79.25 and criteria in this subdivision.

79.26 **EFFECTIVE DATE.** This section is effective July 1, 2022.

79.27 Sec. 6. Minnesota Statutes 2020, section 144.294, subdivision 2, is amended to read:

79.28 Subd. 2. **Disclosure to law enforcement agency.** Notwithstanding section 144.293,
 79.29 subdivisions 2 and 4, a provider must disclose health records relating to a patient's mental
 79.30 health to a law enforcement agency if the law enforcement agency provides the name of
 79.31 the patient and communicates that the:

80.1 (1) patient is currently involved in ~~an emergency interaction with~~ a mental health crisis
80.2 as defined in section 256B.0624, subdivision 2, paragraph (j), to which the law enforcement
80.3 agency has responded; and

80.4 (2) disclosure of the records is necessary to protect the health or safety of the patient or
80.5 of another person.

80.6 The scope of disclosure under this subdivision is limited to the minimum necessary for
80.7 law enforcement to safely respond to the emergency mental health crisis. The disclosure
80.8 may include the name and telephone number of the psychiatrist, psychologist, therapist,
80.9 mental health professional, practitioner, or case manager of the patient, if known; and
80.10 strategies to address the mental health crisis. A law enforcement agency that obtains health
80.11 records under this subdivision shall maintain a record of the requestor, the provider of the
80.12 information, and the patient's name. Health records obtained by a law enforcement agency
80.13 under this subdivision are private data on individuals as defined in section 13.02, subdivision
80.14 12, and must not be used by law enforcement for any other purpose. A law enforcement
80.15 agency that obtains health records under this subdivision shall inform the patient that health
80.16 records were obtained.

80.17 **Sec. 7. [256T.01] DEPARTMENT OF BEHAVIORAL HEALTH.**

80.18 The Department of Behavioral Health is created. The governor shall appoint the
80.19 commissioner of behavioral health under section 15.06. The commissioner shall administer:

80.20 (1) the behavioral health services under medical assistance program under chapters 256
80.21 and 256B;

80.22 (2) the behavioral health services under MinnesotaCare program under chapter 256L;

80.23 (3) mental health and chemical dependency services under chapters 245, 245G, 253C,
80.24 254A, and 254B; and

80.25 (4) behavioral health quality, behavioral health analysis, behavioral health economics,
80.26 and related data collection initiatives under chapters 62J, 62U, and 144.

80.27 **EFFECTIVE DATE.** This section is effective July 1, 2022.

80.28 **Sec. 8. [256T.02] TRANSFER OF DUTIES.**

80.29 (a) Section 15.039 applies to the transfer under this chapter.

80.30 (b) The commissioner of administration, with the approval of the governor, may issue
80.31 reorganization orders under section 16B.37 as necessary to carry out the transfer of duties

81.1 required by this chapter. The provision of section 16B.37, subdivision 1, stating that transfers
81.2 under section 16B.37 may be made only to an agency that has been in existence for at least
81.3 one year does not apply to transfers to an agency created by this chapter.

81.4 (c) The initial salary for the commissioner of behavioral health is the same as the salary
81.5 for the commissioner of health. The salary may be changed in the manner specified in section
81.6 15A.0815.

81.7 (d) For an employee affected by the transfer of duties required by this chapter, the
81.8 seniority accrued by the employee at the employee's former agency transfers to the employee's
81.9 new agency.

81.10 (e) The commissioner of management and budget must ensure that the aggregate cost
81.11 for the commissioner of behavioral health is not more than the aggregate cost during the
81.12 transition of creating the Department of Behavioral Health as it currently exists under the
81.13 Department of Human Services and the Department of Health immediately before the
81.14 effective date of this chapter, excluding any appropriation made during the 2022 legislative
81.15 session.

81.16 **EFFECTIVE DATE.** This section is effective July 1, 2022.

81.17 Sec. 9. Minnesota Statutes 2021 Supplement, section 297E.02, subdivision 3, is amended
81.18 to read:

81.19 Subd. 3. **Collection; disposition.** (a) Taxes imposed by this section are due and payable
81.20 to the commissioner when the gambling tax return is required to be filed. Distributors must
81.21 file their monthly sales figures with the commissioner on a form prescribed by the
81.22 commissioner. Returns covering the taxes imposed under this section must be filed with
81.23 the commissioner on or before the 20th day of the month following the close of the previous
81.24 calendar month. The commissioner shall prescribe the content, format, and manner of returns
81.25 or other documents pursuant to section 270C.30. The proceeds, along with the revenue
81.26 received from all license fees and other fees under sections 349.11 to 349.191, 349.211,
81.27 and 349.213, must be paid to the commissioner of management and budget for deposit in
81.28 the general fund.

81.29 (b) The sales tax imposed by chapter 297A on the sale of pull-tabs and tipboards by the
81.30 distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards by
81.31 the organization is exempt from taxes imposed by chapter 297A and is exempt from all
81.32 local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

82.1 (c) One-half of one percent of the revenue deposited in the general fund under paragraph
 82.2 (a), is appropriated to the commissioner of human services for the compulsive gambling
 82.3 treatment program established under section 245.98. Money appropriated under this paragraph
 82.4 must not replace existing state funding for these programs.

82.5 (d) One-half of one percent of the revenue deposited in the general fund under paragraph
 82.6 (a), is appropriated to the commissioner of human services ~~for a grant.~~ By June 30 of each
 82.7 fiscal year, the commissioner of human services must transfer the amount deposited in the
 82.8 general fund under this paragraph to the special revenue fund. By October 15 of each fiscal
 82.9 year, the commissioner of human services must award a grant in an amount equal to the
 82.10 entire amount transferred to the special revenue fund under this paragraph for the prior fiscal
 82.11 year to the state affiliate recognized by the National Council on Problem Gambling to
 82.12 increase public awareness of problem gambling, education and training for individuals and
 82.13 organizations providing effective treatment services to problem gamblers and their families,
 82.14 and research relating to problem gambling. Money appropriated by this paragraph must
 82.15 supplement and must not replace existing state funding for these programs.

82.16 ~~(d)~~ (e) The commissioner of human services must provide to the state affiliate recognized
 82.17 by the National Council on Problem Gambling a monthly statement of the amounts deposited
 82.18 under ~~paragraph~~ paragraphs (c) and (d). Beginning January 1, 2022, the commissioner of
 82.19 human services must provide to the chairs and ranking minority members of the legislative
 82.20 committees with jurisdiction over treatment for problem gambling and to the state affiliate
 82.21 recognized by the National Council on Problem Gambling an annual reconciliation of the
 82.22 amounts deposited under paragraph (c). The annual reconciliation under this paragraph must
 82.23 include the amount allocated to the commissioner of human services for the compulsive
 82.24 gambling treatment program established under section 245.98, and the amount allocated to
 82.25 the state affiliate recognized by the National Council on Problem Gambling.

82.26 Sec. 10. Minnesota Statutes 2020, section 626.5571, subdivision 1, is amended to read:

82.27 Subdivision 1. **Establishment of team.** A county may establish a multidisciplinary adult
 82.28 protection team comprised of the director of the local welfare agency or designees, the
 82.29 county attorney or designees, the county sheriff or designees, and representatives of health
 82.30 care. In addition, representatives of mental health or other appropriate human service
 82.31 agencies, community corrections agencies, representatives from local tribal governments,
 82.32 local law enforcement agencies or designees thereof, and adult advocate groups may be
 82.33 added to the adult protection team.

83.1 Sec. 11. **[626.8477] MENTAL HEALTH AND HEALTH RECORDS; WRITTEN**
83.2 **POLICY REQUIRED.**

83.3 The chief officer of every state and local law enforcement agency that seeks or uses
83.4 mental health data under section 13.46, subdivision 7, paragraph (c), or health records under
83.5 section 144.294, subdivision 2, must establish and enforce a written policy governing its
83.6 use. At a minimum, the written policy must incorporate the requirements of sections 13.46,
83.7 subdivision, 7, paragraph (c), and 144.294, subdivision 2, and access procedures, retention
83.8 policies, and data security safeguards that, at a minimum, meet the requirements of chapter
83.9 13 and any other applicable law.

83.10 Sec. 12. **APPROPRIATION; ANOKA COUNTY SUBSTANCE USE DISORDER**
83.11 **PROGRAM.**

83.12 \$125,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
83.13 of human services for a grant to an existing program in Anoka County that provides services
83.14 to help women with dependent children and struggling with substance abuse to remain
83.15 sober, regain custody of children, achieve permanent housing, keep stable employment, and
83.16 avoid new criminal convictions. The general fund base for this appropriation is \$125,000
83.17 in fiscal year 2024 and \$125,000 in fiscal year 2025.

83.18 Sec. 13. **APPROPRIATION; OLMSTEAD COUNTY RECOVERY COMMUNITY**
83.19 **ORGANIZATION.**

83.20 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
83.21 of human services for a grant to a recovery community organization in Olmsted County,
83.22 located in the city of Rochester, that provides services in an 11-county region. The general
83.23 fund base for this appropriation is \$100,000 in fiscal year 2024 and \$100,000 in fiscal year
83.24 2025.

83.25 Sec. 14. **APPROPRIATION; ROCHESTER NONPROFIT RECOVERY**
83.26 **COMMUNITY ORGANIZATION.**

83.27 \$53,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
83.28 of human services for a grant to a nonprofit recovery community organization located in
83.29 Rochester, Minnesota, that provides pretreatment housing, post-treatment recovery housing,
83.30 treatment coordination, and peer recovery support to individuals pursuing a life of recovery
83.31 from substance use disorders, and that also offers a recovery coaching academy to individuals

84.1 interested in becoming peer recovery specialists. The general fund base for this appropriation
 84.2 is \$55,000 in fiscal year 2024 and \$55,000 in fiscal year 2025.

84.3 **Sec. 15. APPROPRIATION; WELLNESS IN THE WOODS.**

84.4 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 84.5 of human services for a grant to Wellness in the Woods for daily peer support and special
 84.6 sessions for individuals who are in substance use recovery, are transitioning out of
 84.7 incarceration, or have experienced trauma. The general fund base for this appropriation is
 84.8 \$100,000 in fiscal year 2024 and \$100,000 in fiscal year 2025.

84.9 **Sec. 16. APPROPRIATION; ADULT DAY TREATMENT SERVICES.**

84.10 \$261,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 84.11 of human services for adult day treatment services covered under Minnesota Statutes, chapter
 84.12 256B, to increase the reimbursement rate for adult day treatment under Minnesota Rules,
 84.13 part 9505.0372, subpart 8, by 50 percent over the reimbursement rate in effect as of December
 84.14 31, 2022. The general fund base for this appropriation is \$658,000 in fiscal year 2024 and
 84.15 \$692,000 in fiscal year 2025.

84.16 **EFFECTIVE DATE.** This section is effective January 1, 2023, or 60 days following
 84.17 federal approval, whichever is later. The commissioner of human services shall notify the
 84.18 revisor of statutes when federal approval is obtained.

84.19 **Sec. 17. REVISOR INSTRUCTION.**

84.20 The revisor of statutes, in consultation with staff from the House Research Department;
 84.21 House Fiscal Analysis; the Office of Senate Counsel, Research, and Fiscal Analysis; and
 84.22 the respective departments shall prepare legislation for introduction in the 2023 legislative
 84.23 session proposing the statutory changes needed to implement the transfers of duties required
 84.24 by this act.

84.25 **EFFECTIVE DATE.** This section is effective July 1, 2022.

84.26 **ARTICLE 5**
 84.27 **CHILD WELFARE**

84.28 **Section 1.** Minnesota Statutes 2020, section 256K.45, subdivision 6, is amended to read:

84.29 **Subd. 6. Funding.** Funds appropriated for this section may be expended on programs
 84.30 described under subdivisions 3 to 5 and 8, technical assistance, and capacity building to

85.1 meet the greatest need on a statewide basis. The commissioner will provide outreach,
 85.2 technical assistance, and program development support to increase capacity to new and
 85.3 existing service providers to better meet needs statewide, particularly in areas where services
 85.4 for homeless youth have not been established, especially in greater Minnesota.

85.5 Sec. 2. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to
 85.6 read:

85.7 Subd. 7. **Awarding of grants.** (a) Grants awarded under this section shall not be used
 85.8 for any activity other than the authorized activities under this section, and the commissioner
 85.9 shall not create additional eligibility criteria or restrictions on the grant money.

85.10 (b) Grants shall be awarded under this section only after a review of the grant recipient's
 85.11 application materials, including past performance and utilization of grant money. The
 85.12 commissioner shall not reduce an existing grant award amount unless the commissioner
 85.13 first determines that the grant recipient has failed to meet performance measures or has used
 85.14 grant money improperly.

85.15 (c) For grants awarded pursuant to a two-year grant contract, the commissioner shall
 85.16 permit grant recipients to carry over any unexpended amount from the first contract year
 85.17 to the second contract year.

85.18 Sec. 3. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to
 85.19 read:

85.20 Subd. 8. **Provider repair or improvement grants.** (a) Providers that serve homeless
 85.21 youth under this section may apply for a grant of up to \$100,000 under this subdivision to
 85.22 make minor or mechanical repairs or improvements to a facility providing services to
 85.23 homeless youth or youth at risk of homelessness.

85.24 (b) Grant applications under this subdivision must include a description of the repairs
 85.25 or improvements and the estimated cost of the repairs or improvements.

85.26 (c) Grantees under this subdivision cannot receive grant funds under this subdivision
 85.27 for two consecutive years.

85.28 Sec. 4. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 24,
 85.29 is amended to read:

85.30 **Subd. 24. Grant Programs; Children and**
 85.31 **Economic Support Grants** 29,740,000 29,740,000

86.1 **(a) Minnesota Food Assistance Program.**
 86.2 Unexpended funds for the Minnesota food
 86.3 assistance program for fiscal year 2022 do not
 86.4 cancel but are available in fiscal year 2023.

86.5 **(b) Provider Repair or Improvement**
 86.6 **Grants. \$1,000,000 in fiscal year 2022 and**
 86.7 **\$1,000,000 in fiscal year 2023 are from the**
 86.8 **general fund for provider repair or**
 86.9 **improvement grants under Minnesota Statutes,**
 86.10 **section 256K.45, subdivision 8. The amounts**
 86.11 **in this paragraph are available until June 30,**
 86.12 **2025. This paragraph expires July 1, 2025.**

86.13 Sec. 5. Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7, is
 86.14 amended to read:

86.15 Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial
 86.16 report to the chairs and ranking minority members of the house of representatives and senate
 86.17 committees and divisions with jurisdiction over housing and preventing homelessness on
 86.18 its findings and recommendations.

86.19 (b) No later than ~~August 31~~ December 15, 2022, the task force shall submit a final report
 86.20 to the chairs and ranking minority members of the house of representatives and senate
 86.21 committees and divisions with jurisdiction over housing and preventing homelessness on
 86.22 its findings and recommendations.

86.23 Sec. 6. **APPROPRIATION; QUALITY PARENTING INITIATIVE.**

86.24 **(a) \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner**
 86.25 **of human services for a grant to Quality Parenting Initiative Minnesota, to implement Quality**
 86.26 **Parenting Initiative principles and practices and support children and families experiencing**
 86.27 **foster care placements. The grantee shall use grant funds to provide training and technical**
 86.28 **assistance to county and Tribal agencies, community-based agencies, and other stakeholders,**
 86.29 **on the following activities:**

86.30 **(1) conducting initial foster care phone calls under Minnesota Statutes, section 260C.219,**
 86.31 **subdivision 6;**

86.32 **(2) supporting practices that create birth family to foster family partnerships; and**

87.1 (3) informing child welfare practices by supporting youth leadership and the participation
 87.2 of individuals with experience in the foster care system.

87.3 (b) The base for this appropriation is \$100,000 in fiscal year 2024 and \$100,000 in fiscal
 87.4 year 2025.

87.5 **ARTICLE 6**

87.6 **ECONOMIC ASSISTANCE**

87.7 Section 1. Minnesota Statutes 2020, section 256E.35, subdivision 1, is amended to read:

87.8 Subdivision 1. **Establishment.** The Minnesota family assets for independence initiative
 87.9 is established to provide incentives for low-income families to accrue assets for education,
 87.10 housing, vehicles, emergencies, and economic development purposes.

87.11 Sec. 2. Minnesota Statutes 2020, section 256E.35, subdivision 2, is amended to read:

87.12 Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

87.13 (b) "Eligible educational institution" means the following:

87.14 (1) an institution of higher education described in section 101 or 102 of the Higher
 87.15 Education Act of 1965; or

87.16 (2) an area vocational education school, as defined in subparagraph (C) or (D) of United
 87.17 States Code, title 20, chapter 44, section 2302 (3) (the Carl D. Perkins Vocational and
 87.18 Applied Technology Education Act), which is located within any state, as defined in United
 87.19 States Code, title 20, chapter 44, section 2302 (30). This clause is applicable only to the
 87.20 extent section 2302 is in effect on August 1, 2008.

87.21 (c) "Family asset account" means a savings account opened by a household participating
 87.22 in the Minnesota family assets for independence initiative.

87.23 (d) "Fiduciary organization" means:

87.24 (1) a community action agency that has obtained recognition under section 256E.31;

87.25 (2) a federal community development credit union ~~serving the seven-county metropolitan~~
 87.26 ~~area; or~~

87.27 (3) a women-oriented economic development agency ~~serving the seven-county~~
 87.28 ~~metropolitan area;~~

87.29 (4) a federally recognized Tribal nation; or

88.1 (5) a nonprofit organization, as defined under section 501(c)(3) of the Internal Revenue
88.2 Code.

88.3 (e) "Financial coach" means a person who:

88.4 (1) has completed an intensive financial literacy training workshop that includes
88.5 curriculum on budgeting to increase savings, debt reduction and asset building, building a
88.6 good credit rating, and consumer protection;

88.7 (2) participates in ongoing statewide family assets for independence in Minnesota (FAIM)
88.8 network training meetings under FAIM program supervision; and

88.9 (3) provides financial coaching to program participants under subdivision 4a.

88.10 (f) "Financial institution" means a bank, bank and trust, savings bank, savings association,
88.11 or credit union, the deposits of which are insured by the Federal Deposit Insurance
88.12 Corporation or the National Credit Union Administration.

88.13 (g) "Household" means all individuals who share use of a dwelling unit as primary
88.14 quarters for living and eating separate from other individuals.

88.15 (h) "Permissible use" means:

88.16 (1) postsecondary educational expenses at an eligible educational institution as defined
88.17 in paragraph (b), including books, supplies, and equipment required for courses of instruction;

88.18 (2) acquisition costs of acquiring, constructing, or reconstructing a residence, including
88.19 any usual or reasonable settlement, financing, or other closing costs;

88.20 (3) business capitalization expenses for expenditures on capital, plant, equipment, working
88.21 capital, and inventory expenses of a legitimate business pursuant to a business plan approved
88.22 by the fiduciary organization;

88.23 (4) acquisition costs of a principal residence within the meaning of section 1034 of the
88.24 Internal Revenue Code of 1986 which do not exceed 100 percent of the average area purchase
88.25 price applicable to the residence determined according to section 143(e)(2) and (3) of the
88.26 Internal Revenue Code of 1986; ~~and~~

88.27 (5) acquisition costs of a personal vehicle only if approved by the fiduciary organization;

88.28 (6) contribution to an emergency savings account; and

88.29 (7) contribution to a Minnesota 529 savings plan.

89.1 Sec. 3. Minnesota Statutes 2020, section 256E.35, subdivision 4a, is amended to read:

89.2 Subd. 4a. **Financial coaching.** A financial coach shall provide the following to program
89.3 participants:

89.4 (1) financial education relating to budgeting, debt reduction, asset-specific training,
89.5 credit building, and financial stability activities;

89.6 (2) asset-specific training related to buying a home or vehicle, acquiring postsecondary
89.7 education, ~~or starting or expanding a small business,~~ saving for emergencies, or saving for
89.8 a child's education; and

89.9 (3) financial stability education and training to improve and sustain financial security.

89.10 Sec. 4. Minnesota Statutes 2020, section 256E.35, subdivision 6, is amended to read:

89.11 Subd. 6. **Withdrawal; matching; permissible uses.** (a) To receive a match, a
89.12 participating household must transfer funds withdrawn from a family asset account to its
89.13 matching fund custodial account held by the fiscal agent, according to the family asset
89.14 agreement. The fiscal agent must determine if the match request is for a permissible use
89.15 consistent with the household's family asset agreement.

89.16 (b) The fiscal agent must ensure the household's custodial account contains the applicable
89.17 matching funds to match the balance in the household's account, including interest, on at
89.18 least a quarterly basis and at the time of an approved withdrawal. Matches must be a
89.19 contribution of \$3 from state grant or TANF funds for every \$1 of funds withdrawn from
89.20 the family asset account not to exceed a \$6,000 lifetime limit.

89.21 (c) Notwithstanding paragraph (b), if funds are appropriated for the Federal Assets for
89.22 Independence Act of 1998, and a participating fiduciary organization is awarded a grant
89.23 under that act, participating households with that fiduciary organization must be provided
89.24 matches as follows:

89.25 (1) from state grant and TANF funds, a matching contribution of \$1.50 for every \$1 of
89.26 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit;
89.27 and

89.28 (2) from nonstate funds, a matching contribution of not less than \$1.50 for every \$1 of
89.29 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit.

89.30 (d) Upon receipt of transferred custodial account funds, the fiscal agent must make a
89.31 direct payment to the vendor of the goods or services for the permissible use.

90.1 Sec. 5. Minnesota Statutes 2020, section 256E.35, subdivision 7, is amended to read:

90.2 Subd. 7. **Program reporting.** The fiscal agent on behalf of each fiduciary organization
90.3 participating in a family assets for independence initiative must report quarterly to the
90.4 commissioner of human services identifying the participants with accounts, the number of
90.5 accounts, the amount of savings and matches for each participant's account, the uses of the
90.6 account, and the number of businesses, homes, vehicles, and educational services paid for
90.7 with money from the account, and the amount of contributions to Minnesota 529 savings
90.8 plans and emergency savings accounts, as well as other information that may be required
90.9 for the commissioner to administer the program and meet federal TANF reporting
90.10 requirements.

90.11 Sec. 6. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 1a, is amended
90.12 to read:

90.13 Subd. 1a. **Exemption.** Participants who qualify for child care assistance programs under
90.14 chapter 119B are exempt from this section, except that the personal property identified in
90.15 subdivision 2 is counted toward the asset limit of the child care assistance program under
90.16 chapter 119B. Vehicles under subdivision 3 and accounts under subdivision 4 are not counted
90.17 toward the asset limit of the child care assistance program under chapter 119B.

90.18 Sec. 7. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 2, is amended
90.19 to read:

90.20 Subd. 2. **Personal property limitations.** The equity value of an assistance unit's personal
90.21 property listed in clauses (1) to (5) must not exceed \$10,000 for applicants and participants.
90.22 For purposes of this subdivision, personal property is limited to:

90.23 (1) cash;

90.24 (2) bank accounts not excluded under subdivision 4;

90.25 (3) liquid stocks and bonds that can be readily accessed without a financial penalty;

90.26 (4) vehicles not excluded under subdivision 3; and

90.27 (5) the full value of business accounts used to pay expenses not related to the business.

90.28 Sec. 8. Minnesota Statutes 2020, section 256P.02, is amended by adding a subdivision to
90.29 read:

90.30 Subd. 4. **Account exception.** Family asset accounts under section 256E.35 and individual
90.31 development accounts authorized under the Assets for Independence Act, Title IV of the

91.1 Community Opportunities, Accountability, and Training and Educational Services Human
91.2 Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when
91.3 determining the equity value of personal property.

91.4 Sec. 9. Minnesota Statutes 2020, section 256P.03, subdivision 2, is amended to read:

91.5 Subd. 2. **Earned income disregard.** The agency shall disregard the first \$65 of earned
91.6 income plus ~~one-half~~ 60 percent of the remaining earned income per month.

91.7 Sec. 10. Laws 2021, First Special Session chapter 7, article 14, section 21, subdivision 4,
91.8 is amended to read:

91.9 Subd. 4. **Grant awards.** (a) The commissioner shall award transition grants to all eligible
91.10 programs on a noncompetitive basis through August 31, 2021.

91.11 (b) The commissioner shall award base grant amounts to all eligible programs on a
91.12 noncompetitive basis beginning September 1, 2021, through June 30, 2023. The base grant
91.13 amounts shall be:

91.14 (1) based on the full-time equivalent number of staff who regularly care for children in
91.15 the program, including any employees, sole proprietors, or independent contractors. Effective
91.16 July 1, 2022, one full-time equivalent is defined as an individual caring for children 32
91.17 hours per week. An individual may count as more or less than one full-time equivalent, but
91.18 no more than two. No program shall receive less funding than they are projected to receive
91.19 based on Table 4 in the Technical Assistance for Defining FTE Stabilization Base Grants
91.20 document dated March 29, 2022;

91.21 (2) reduced between July 1, 2022, and June 30, 2023, with amounts for the final month
91.22 being no more than 50 percent of the amounts awarded in September 2021; and

91.23 (3) enhanced in amounts determined by the commissioner for any providers receiving
91.24 payments through the child care assistance program under sections 119B.03 and 119B.05
91.25 or early learning scholarships under section 124D.165.

91.26 (c) The commissioner may provide grant amounts in addition to any base grants received
91.27 to eligible programs in extreme financial hardship until all money set aside for that purpose
91.28 is awarded.

91.29 (d) The commissioner may pay any grants awarded to eligible programs under this
91.30 section in the form and manner established by the commissioner, except that such payments
91.31 must occur on a monthly basis.

92.1 Sec. 11. **APPROPRIATION; FAMILY ASSETS FOR INDEPENDENCE PROGRAM.**
 92.2 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 92.3 of human services for the purposes of the family assets for independence program in
 92.4 Minnesota Statutes, section 256E.35. The general fund base for this appropriation is \$100,000
 92.5 in fiscal year 2024 and \$100,000 in fiscal year 2025.

92.6 ARTICLE 7

92.7 MISCELLANEOUS

92.8 Section 1. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
 92.9 to read:

92.10 Subd. 11f. **Health care worker platform.** "Health care worker platform" means any
 92.11 person, firm, corporation, partnership, or association that maintains a system or technology
 92.12 that provides a media or internet platform for a health care worker to be listed and identified
 92.13 as available for hire as an independent contractor by health care facilities seeking health
 92.14 care workers.

92.15 Sec. 2. Minnesota Statutes 2020, section 245C.02, subdivision 17a, is amended to read:

92.16 Subd. 17a. **Roster.** (a) "Roster" means the electronic method used to identify the entity
 92.17 or entities required to conduct background studies under this chapter with which a background
 92.18 subject is affiliated. There are three types of rosters: active roster, inactive roster, and master
 92.19 roster.

92.20 (b) "Active roster" means the list of individuals specific to an entity who have been
 92.21 determined eligible under this chapter to provide services for the entity and who the entity
 92.22 has identified as affiliated. An individual shall remain on the entity's active roster and is
 92.23 considered affiliated until the commissioner determines the individual is ineligible or the
 92.24 entity removes the individual from the entity's active roster.

92.25 (c) "Inactive roster" means the list maintained by the commissioner of individuals who
 92.26 are eligible under this chapter to provide services and are not on an active roster. Individuals
 92.27 shall remain on the inactive roster for no more than 180 consecutive days, unless:

92.28 (1) the individual submits a written request to the commissioner requesting to remain
 92.29 on the inactive roster for a longer period of time;

92.30 (2) the individual self-initiated a background study, in which case the individual shall
 92.31 remain on the inactive roster for one year; or -

93.1 (3) a health care worker platform initiated a background study on behalf of an individual,
93.2 in which case the individual shall remain on the inactive roster for one year.

93.3 Upon the commissioner's receipt of information that may cause an individual on the inactive
93.4 roster to be disqualified under this chapter, the commissioner shall remove the individual
93.5 from the inactive roster, and if the individual again seeks a position requiring a background
93.6 study, the individual shall be required to complete a new background study.

93.7 (d) "Master roster" means the list maintained by the commissioner of all individuals
93.8 who, as a result of a background study under this chapter, and regardless of affiliation with
93.9 an entity, are determined by the commissioner to be eligible to provide services for one or
93.10 more entities. The master roster includes all background study subjects on rosters under
93.11 paragraphs (b) and (c).

93.12 Sec. 3. Minnesota Statutes 2021 Supplement, section 245C.03, is amended by adding a
93.13 subdivision to read:

93.14 Subd. 16. **Self-initiated background studies.** The commissioner shall conduct
93.15 background studies according to this chapter when initiated by an individual who is not on
93.16 the master roster. A subject under this subdivision who is not disqualified must be placed
93.17 on the inactive roster.

93.18 Sec. 4. Minnesota Statutes 2021 Supplement, section 245C.03, is amended by adding a
93.19 subdivision to read:

93.20 Subd. 17. **Health care worker platform.** The commissioner shall conduct background
93.21 studies according to this chapter when initiated by a health care worker platform on behalf
93.22 of an individual who is not on the master roster. A subject under this subdivision who is
93.23 not disqualified must be placed on the inactive roster.

93.24 Sec. 5. Minnesota Statutes 2020, section 245C.04, subdivision 4a, is amended to read:

93.25 Subd. 4a. **Agency background studies; electronic criminal case information updates;**
93.26 **rosters; and criteria for eliminating repeat background studies.** (a) The commissioner
93.27 shall develop and implement an electronic process as a part of NETStudy 2.0 for the regular
93.28 transfer of new criminal case information that is added to the Minnesota court information
93.29 system. The commissioner's system must include for review only information that relates
93.30 to individuals who are on the master roster.

93.31 (b) The commissioner shall develop and implement an online system as a part of
93.32 NETStudy 2.0 for agencies that initiate background studies under this chapter to access and

94.1 maintain records of background studies initiated by that agency. The system must show all
94.2 active background study subjects affiliated with that agency and the status of each individual's
94.3 background study. Each agency that initiates background studies must use this system to
94.4 notify the commissioner of discontinued affiliation for purposes of the processes required
94.5 under paragraph (a).

94.6 (c) After an entity initiating a background study has paid the applicable fee for the study
94.7 and has provided the individual with the privacy notice required under section 245C.05,
94.8 subdivision 2c, NETStudy 2.0 shall immediately inform the entity whether the individual
94.9 requires a background study or whether the individual is immediately eligible to provide
94.10 services based on a previous background study. If the individual is immediately eligible,
94.11 the entity initiating the background study shall be able to view the information previously
94.12 supplied by the individual who is the subject of a background study as required under section
94.13 245C.05, subdivision 1, including the individual's photograph taken at the time the
94.14 individual's fingerprints were recorded. The commissioner shall not provide any entity
94.15 initiating a subsequent background study with information regarding the other entities that
94.16 initiated background studies on the subject.

94.17 (d) Verification that an individual is eligible to provide services based on a previous
94.18 background study is dependent on the individual voluntarily providing the individual's
94.19 Social Security number to the commissioner at the time each background study is initiated.
94.20 When an individual does not provide the individual's Social Security number for the
94.21 background study, that study is not transferable and a repeat background study on that
94.22 individual is required if the individual seeks a position requiring a background study under
94.23 this chapter with another entity.

94.24 (e) Notwithstanding paragraphs (b) and (c), the commissioner must not provide a health
94.25 care worker platform that initiates a background study on an individual's behalf under section
94.26 245C.03, subdivision 17, with access to any information regarding the subject other than
94.27 whether the individual is immediately eligible to provide services.

94.28 Sec. 6. Minnesota Statutes 2020, section 245C.04, is amended by adding a subdivision to
94.29 read:

94.30 Subd. 12. **Individuals.** An individual who initiates a background study under section
94.31 245C.03, subdivision 16, must initiate the studies annually through NETStudy 2.0.

95.1 Sec. 7. Minnesota Statutes 2020, section 245C.04, is amended by adding a subdivision to
95.2 read:

95.3 Subd. 13. **Health care worker platform.** A health care worker platform that initiates
95.4 a background study on an individual's behalf under section 245C.03, subdivision 17, must
95.5 initiate the studies annually through NETstudy 2.0.

95.6 Sec. 8. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision to
95.7 read:

95.8 Subd. 22. **Individuals.** The commissioner shall recover the cost of the background
95.9 studies initiated by individuals under section 245C.03, subdivision 16, through a fee of no
95.10 more than \$42 per study charged to the individual. The fees collected under this subdivision
95.11 are appropriated to the commissioner for the purpose of conducting background studies.

95.12 Sec. 9. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision to
95.13 read:

95.14 Subd. 23. **Health care worker platform.** The commissioner shall recover the cost of
95.15 the background studies initiated by health care worker platforms under section 245C.03,
95.16 subdivision 17, through a fee of no more than \$42 per study charged to the individual. The
95.17 fees collected under this subdivision are appropriated to the commissioner for the purpose
95.18 of conducting background studies.

95.19 Sec. 10. [256.4791] **COMMUNITY ORGANIZATIONS GRANT PROGRAM.**

95.20 Subdivision 1. **Establishment.** The commissioner of human services shall establish the
95.21 community organizations grant program to address violence prevention and provide street
95.22 outreach services.

95.23 Subd. 2. **Applications.** Organizations seeking grants under this section shall apply to
95.24 the commissioner. The grant applicant must include a description of the project that the
95.25 applicant is proposing, the amount of money that the applicant is seeking, and a proposed
95.26 budget describing how the applicant will spend the grant money.

95.27 Subd. 3. **Eligible applicants.** To be eligible for a grant under this section, applicants
95.28 must address violence prevention, connect with youth and community members, and provide
95.29 street outreach services. Applicants must also be focused on prevention, intervention, and
95.30 restorative practices within the community, which may include:

95.31 (1) providing trauma-responsive care; and

96.1 (2) access to individual and group therapy services or community healing.

96.2 Subd. 4. Use of grant money. Grant recipients must use the funds to address violence
 96.3 prevention, connect with youth and community members, and provide street outreach
 96.4 services.

96.5 Subd. 5. Reporting. Grant recipients must provide an annual report to the commissioner
 96.6 in a manner specified by the commissioner on the activities and outcomes of the project
 96.7 funded by the grant program.

96.8 **Sec. 11. EMPLOYMENT FOR PERSONS EXPERIENCING HOMELESSNESS**
 96.9 **OR SUBSTANCE USE DISORDER.**

96.10 (a) Nonprofit organizations, licensed providers, and other entities that receive funding
 96.11 from the commissioner of human services to address homelessness or provide services to
 96.12 individuals experiencing homelessness must incorporate into their program the facilitation
 96.13 of full- or part-time employment and provide or make available employment services for
 96.14 each client to the extent appropriate for each client.

96.15 (b) Nonprofit organizations, licensed providers, and other entities that receive funding
 96.16 from the commissioner of human services to provide substance use disorder services or
 96.17 treatment must incorporate into their program the facilitation of full- or part-time employment
 96.18 and provide or make available employment services for each client to the extent appropriate
 96.19 for each client.

96.20 **Sec. 12. APPROPRIATION; COMMUNITY ORGANIZATIONS GRANT**
 96.21 **PROGRAM.**

96.22 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 96.23 of human services for the community organizations grants under Minnesota Statutes, section
 96.24 256.4791. The general fund base for this appropriation is \$100,000 in fiscal year 2024 and
 96.25 \$100,000 in fiscal year 2025.

256S.2101 RATE SETTING; PHASE-IN.

Subdivision 1. **Phase-in for disability waiver customized living rates.** All rates and rate components for community access for disability inclusion customized living and brain injury customized living under section 256B.4914 shall be the sum of ten percent of the rates calculated under sections 256S.211 to 256S.215 and 90 percent of the rates calculated using the rate methodology in effect as of June 30, 2017.

Subd. 2. **Phase-in for elderly waiver rates.** Except for home-delivered meals as described in section 256S.215, subdivision 15, all rates and rate components for elderly waiver, elderly waiver customized living, and elderly waiver foster care under this chapter; alternative care under section 256B.0913; and essential community supports under section 256B.0922 shall be the sum of 18.8 percent of the rates calculated under sections 256S.211 to 256S.215, and 81.2 percent of the rates calculated using the rate methodology in effect as of June 30, 2017. The rate for home-delivered meals shall be the sum of the service rate in effect as of January 1, 2019, and the increases described in section 256S.215, subdivision 15.

Laws 2022, chapter 33, section 1, subdivision 9

Section 1. Minnesota Statutes 2020, section 256B.4914, as amended by Laws 2021, First Special Session chapter 7, article 13, sections 42 and 43, is amended to read:

256B.4914 HOME AND COMMUNITY-BASED SERVICES WAIVERS; RATE SETTING.

Subd. 9. **Payments for Unit-based services without programming; component values and calculation of payment rates.** ~~Payments for~~ (a) For the purposes of this section, unit-based services without programming, ~~including~~ include individualized home supports, without training and night supervision, personal support, respite, and companion care provided to an individual outside of any service plan for a day program or residential support service plan. Unit-based services without programming do not include respite.

(b) Component values for unit-based services without programming are:

(1) competitive workforce factor: 4.7 percent;

(2) supervisory span of control ratio: 11 percent;

(3) employee vacation, sick, and training allowance ratio: 8.71 percent;

(4) employee-related cost ratio: 23.6 percent;

(5) program plan support ratio: 7.0 percent;

(6) client programming and support ratio: 2.3 percent, updated as specified in subdivision 5b;

(7) general administrative support ratio: 13.25 percent;

(8) program-related expense ratio: 2.9 percent; and

(9) absence and utilization factor ratio: 3.9 percent.

(c) A unit of service for unit-based services without programming is 15 minutes.

(d) Payments for unit-based services without programming must be calculated as follows unless the services are ~~authorized reimbursed separately under subdivision 6 or 7 as part of a residential support services or day program payment rate:~~

~~(1) for all services except respite, determine the number of units of service to meet a recipient's needs;~~

~~(2) personnel determine the appropriate hourly staff wage rates must be based on the 2009 Bureau of Labor Statistics Minnesota-specific rate or rates derived by the commissioner as provided in ~~subdivision 5~~ subdivisions 5 to 5a;~~

~~(3) except for subdivision 5, paragraph (a), clauses (4) and (21) to (23) 5a, clauses (1) to (4), multiply the result of clause (2) by the product of one plus the competitive workforce factor ~~in~~ ~~subdivision 5, paragraph (g), clause (1);~~~~

~~(4) for a recipient requiring customization for deaf and hard-of-hearing language accessibility under subdivision 12, add the customization rate provided in subdivision 12 to the result of clause (3);~~

~~(5) multiply the number of direct ~~staff~~ staffing hours by the appropriate staff wage;~~

~~(6) multiply the number of direct ~~staff~~ staffing hours by the product of the ~~supervision~~ supervisory span of control ratio ~~in subdivision 5, paragraph (g), clause (2), and the appropriate supervision~~ supervisory staff wage in subdivision 5, ~~paragraph (a), clause (21) 5a, clause (1);~~~~

~~(7) combine the results of clauses (5) and (6), and multiply the result by one plus the employee vacation, sick, and training allowance ratio ~~in subdivision 5, paragraph (g), clause (3).~~ This is defined as the direct staffing rate;~~

~~(8) for program plan support, multiply the result of clause (7) by one plus the program plan support ratio ~~in subdivision 5, paragraph (g), clause (5);~~~~

~~(9) for employee-related expenses, multiply the result of clause (8) by one plus the employee-related cost ratio ~~in subdivision 5, paragraph (g), clause (4);~~~~

~~(10) for client programming and supports, multiply the result of clause (9) by one plus the client programming and support ratio ~~in subdivision 5, paragraph (g), clause (6);~~~~

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(11) this is the subtotal rate;

(12) sum the standard general ~~and~~ administrative ~~rate~~ support ratio, the program-related expense ratio, and the absence and utilization factor ratio;

(13) divide the result of clause (11) by one minus the result of clause (12). This is the total payment amount;

(14) for individualized home supports without training provided in a shared manner, divide the total payment amount in clause (13) by the number of service recipients, not to exceed two; and

(15) adjust the result of clause (14) by a factor to be determined by the commissioner to adjust for regional differences in the cost of providing services.