

466.1

ARTICLE 29

466.2

STATE-OPERATED SERVICES; CHEMICAL AND MENTAL HEALTH

466.3 Section 1. Minnesota Statutes 2017 Supplement, section 245.4889, subdivision 1, is
466.4 amended to read:

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

466.7 (1) counties;

466.8 (2) Indian tribes;

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

466.10 (4) mental health service providers.

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

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

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

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

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

466.19 (5) mental health services for people from cultural and ethnic minorities;

466.20 (6) children's mental health screening and follow-up diagnostic assessment and treatment;

103.1

ARTICLE 3

103.2

CHEMICAL AND MENTAL HEALTH

103.3 Section 1. Minnesota Statutes 2016, section 13.851, is amended by adding a subdivision
103.4 to read:

103.5 Subd. 11. **Mental health screening.** The treatment of data collected by a sheriff or local
103.6 corrections agency related to individuals who may have a mental illness is governed by
103.7 section 641.15, subdivision 3a.

- 466.21 (7) services to promote and develop the capacity of providers to use evidence-based
466.22 practices in providing children's mental health services;
- 466.23 (8) school-linked mental health services, including transportation for children receiving
466.24 school-linked mental health services when school is not in session;
- 466.25 (9) building evidence-based mental health intervention capacity for children birth to age
466.26 five;
- 466.27 (10) suicide prevention and counseling services that use text messaging statewide;
- 466.28 (11) mental health first aid training;
- 467.1 (12) training for parents, collaborative partners, and mental health providers on the
467.2 impact of adverse childhood experiences and trauma and development of an interactive
467.3 Web site to share information and strategies to promote resilience and prevent trauma;
- 467.4 (13) transition age services to develop or expand mental health treatment and supports
467.5 for adolescents and young adults 26 years of age or younger;
- 467.6 (14) early childhood mental health consultation;
- 467.7 (15) evidence-based interventions for youth at risk of developing or experiencing a first
467.8 episode of psychosis, and a public awareness campaign on the signs and symptoms of
467.9 psychosis;
- 467.10 (16) psychiatric consultation for primary care practitioners; and
- 467.11 (17) providers to begin operations and meet program requirements when establishing a
467.12 new children's mental health program. These may be start-up grants.
- 467.13 (c) Services under paragraph (b) must be designed to help each child to function and
467.14 remain with the child's family in the community and delivered consistent with the child's
467.15 treatment plan. Transition services to eligible young adults under this paragraph must be
467.16 designed to foster independent living in the community.
- 467.17 (d) As a condition of receiving grant funds, a grantee must obtain all available third-party
467.18 reimbursement sources, if applicable.

467.19 Sec. 2. Minnesota Statutes 2016, section 245.4889, is amended by adding a subdivision
467.20 to read:

467.21 Subd. 1a. **School-linked mental health services grants.** (a) An eligible applicant for
467.22 school-linked mental health services grants under subdivision 1, paragraph (b), clause (8),
467.23 is an entity that is:

467.24 (1) certified under Minnesota Rules, parts 9520.0750 to 9520.0870;

467.25 (2) a community mental health center under section 256B.0625, subdivision 5;

467.26 (3) an Indian health service facility or facility owned and operated by a tribe or tribal
467.27 organization operating under United States Code, title 25, section 5321;

467.28 (4) a provider of children's therapeutic services and supports as defined in section
467.29 256B.0943; or

467.30 (5) enrolled in medical assistance as a mental health or substance use disorder provider
467.31 agency and employs at least two full-time equivalent mental health professionals as defined
468.1 in section 245.4871, subdivision 27, clauses (1) to (6), or two alcohol and drug counselors
468.2 licensed or exempt from licensure under chapter 148F who are qualified to provide clinical
468.3 services to children and families.

468.4 (b) Allowable grant expenses include transportation for children receiving school-linked
468.5 mental health services when school is not in session, and may be used to purchase equipment,
468.6 connection charges, on-site coordination, set-up fees, and site fees in order to deliver
468.7 school-linked mental health services defined in subdivision 1a, via telemedicine consistent
468.8 with section 256B.0625, subdivision 3b.

103.8 Sec. 2. Minnesota Statutes 2016, section 245A.04, subdivision 7, is amended to read:

103.9 Subd. 7. **Grant of license; license extension.** (a) If the commissioner determines that
103.10 the program complies with all applicable rules and laws, the commissioner shall issue a
103.11 license consistent with this section or, if applicable, a temporary change of ownership license
103.12 under section 245A.043. At minimum, the license shall state:

103.13 (1) the name of the license holder;

103.14 (2) the address of the program;

- 103.15 (3) the effective date and expiration date of the license;
- 103.16 (4) the type of license;
- 103.17 (5) the maximum number and ages of persons that may receive services from the program;
- 103.18 and
- 103.19 (6) any special conditions of licensure.
- 103.20 (b) The commissioner may issue ~~an initial~~ a license for a period not to exceed two years
- 103.21 if:
- 103.22 (1) the commissioner is unable to conduct the evaluation or observation required by
- 103.23 subdivision 4, paragraph (a), clauses (3) and (4), because the program is not yet operational;
- 103.24 (2) certain records and documents are not available because persons are not yet receiving
- 103.25 services from the program; and
- 103.26 (3) the applicant complies with applicable laws and rules in all other respects.
- 103.27 (c) A decision by the commissioner to issue a license does not guarantee that any person
- 103.28 or persons will be placed or cared for in the licensed program. ~~A license shall not be~~
- 103.29 ~~transferable to another individual, corporation, partnership, voluntary association, other~~
- 103.30 ~~organization, or controlling individual or to another location.~~
- 104.1 ~~(d) A license holder must notify the commissioner and obtain the commissioner's approval~~
- 104.2 ~~before making any changes that would alter the license information listed under paragraph~~
- 104.3 ~~(a).~~
- 104.4 ~~(e)~~ (d) Except as provided in paragraphs ~~(e)~~ (f) and ~~(h)~~ (g), the commissioner shall not
- 104.5 issue or reissue a license if the applicant, license holder, or controlling individual has:
- 104.6 (1) been disqualified and the disqualification was not set aside and no variance has been
- 104.7 granted;
- 104.8 (2) been denied a license within the past two years;
- 104.9 (3) had a license issued under this chapter revoked within the past five years;
- 104.10 (4) an outstanding debt related to a license fee, licensing fine, or settlement agreement
- 104.11 for which payment is delinquent; or

104.12 (5) failed to submit the information required of an applicant under subdivision 1,
104.13 paragraph (f) or (g), after being requested by the commissioner.

104.14 When a license issued under this chapter is revoked under clause (1) or (3), the license
104.15 holder and controlling individual may not hold any license under chapter 245A or 245D for
104.16 five years following the revocation, and other licenses held by the applicant, license holder,
104.17 or controlling individual shall also be revoked.

104.18 ~~(f)~~ (e) The commissioner shall not issue or reissue a license under this chapter if an
104.19 individual living in the household where the licensed services will be provided as specified
104.20 under section 245C.03, subdivision 1, has been disqualified and the disqualification has not
104.21 been set aside and no variance has been granted.

104.22 ~~(g)~~ (f) Pursuant to section 245A.07, subdivision 1, paragraph (b), when a license issued
104.23 under this chapter has been suspended or revoked and the suspension or revocation is under
104.24 appeal, the program may continue to operate pending a final order from the commissioner.
104.25 If the license under suspension or revocation will expire before a final order is issued, a
104.26 temporary provisional license may be issued provided any applicable license fee is paid
104.27 before the temporary provisional license is issued.

104.28 ~~(h)~~ (g) Notwithstanding paragraph ~~(g)~~ (f), when a revocation is based on the
104.29 disqualification of a controlling individual or license holder, and the controlling individual
104.30 or license holder is ordered under section 245C.17 to be immediately removed from direct
104.31 contact with persons receiving services or is ordered to be under continuous, direct
104.32 supervision when providing direct contact services, the program may continue to operate
104.33 only if the program complies with the order and submits documentation demonstrating
105.1 compliance with the order. If the disqualified individual fails to submit a timely request for
105.2 reconsideration, or if the disqualification is not set aside and no variance is granted, the
105.3 order to immediately remove the individual from direct contact or to be under continuous,
105.4 direct supervision remains in effect pending the outcome of a hearing and final order from
105.5 the commissioner.

105.6 ~~(i)~~ (h) For purposes of reimbursement for meals only, under the Child and Adult Care
105.7 Food Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A,
105.8 part 226, relocation within the same county by a licensed family day care provider, shall
105.9 be considered an extension of the license for a period of no more than 30 calendar days or
105.10 until the new license is issued, whichever occurs first, provided the county agency has
105.11 determined the family day care provider meets licensure requirements at the new location.

105.12 ~~(j)~~ (i) Unless otherwise specified by statute, all licenses issued under this chapter expire
105.13 at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must

- 105.14 apply for and be granted a new license to operate the program or the program must not be
105.15 operated after the expiration date.
- 105.16 ~~(k)~~ (j) The commissioner shall not issue or reissue a license under this chapter if it has
105.17 been determined that a tribal licensing authority has established jurisdiction to license the
105.18 program or service.
- 105.19 Sec. 3. Minnesota Statutes 2016, section 245A.04, is amended by adding a subdivision to
105.20 read:
- 105.21 Subd. 7a. **Notification required.** (a) A license holder must notify the commissioner and
105.22 obtain the commissioner's approval before making any change that would alter the license
105.23 information listed under subdivision 7, paragraph (a).
- 105.24 (b) At least 30 days before the effective date of a change, the license holder must notify
105.25 the commissioner in writing of any change:
- 105.26 (1) to the license holder's controlling individual as defined in section 245A.02, subdivision
105.27 5a;
- 105.28 (2) to license holder information on file with the secretary of state;
- 105.29 (3) in the location of the program or service licensed under this chapter; and
- 105.30 (4) in the federal or state tax identification number associated with the license holder.
- 105.31 (c) When a license holder notifies the commissioner of a change to the business structure
105.32 governing the licensed program or services but is not selling the business, the license holder
106.1 must provide amended articles of incorporation and other documentation of the change and
106.2 any other information requested by the commissioner.
- 106.3 **EFFECTIVE DATE.** This section is effective August 1, 2018.
- 106.4 Sec. 4. **[245A.043] LICENSE APPLICATION AFTER CHANGE OF OWNERSHIP.**
- 106.5 Subdivision 1. **Transfer prohibited.** A license issued under this chapter is only valid
106.6 for a premises and individual, organization, or government entity identified by the
106.7 commissioner on the license. A license is not transferable or assignable.

- 106.8 Subd. 2. **Change of ownership.** If the commissioner determines that there will be a
106.9 change of ownership, the commissioner shall require submission of a new license application.
106.10 A change of ownership occurs when:
- 106.11 (1) the license holder sells or transfers 100 percent of the property, stock, or assets;
- 106.12 (2) the license holder merges with another organization;
- 106.13 (3) the license holder consolidates with two or more organizations, resulting in the
106.14 creation of a new organization;
- 106.15 (4) there is a change in the federal tax identification number associated with the license
106.16 holder; or
- 106.17 (5) there is a turnover of each controlling individual associated with the license within
106.18 a 12-month period. A change to the license holder's controlling individuals, including a
106.19 change due to a transfer of stock, is not a change of ownership if at least one controlling
106.20 individual who was listed on the license for at least 12 consecutive months continues to be
106.21 a controlling individual after the reported change.
- 106.22 Subd. 3. **Change of ownership requirements.** (a) A license holder who intends to
106.23 change the ownership of the program or service under subdivision 2 to a party that intends
106.24 to assume operation without an interruption in service longer than 60 days after acquiring
106.25 the program or service must provide the commissioner with written notice of the proposed
106.26 sale or change, on a form provided by the commissioner, at least 60 days before the
106.27 anticipated date of the change in ownership. For purposes of this subdivision and subdivision
106.28 4, "party" means the party that intends to operate the service or program.
- 106.29 (b) The party must submit a license application under this chapter on a form and in the
106.30 manner prescribed by the commissioner at least 30 days before the change of ownership is
106.31 complete and must include documentation to support the upcoming change. The form and
106.32 manner of the application prescribed by the commissioner shall require only information
107.1 which is specifically required by statute or rule. The party must comply with background
107.2 study requirements under chapter 245C and shall pay the application fee required in section
107.3 245A.10. A party that intends to assume operation without an interruption in service longer
107.4 than 60 days after acquiring the program or service is exempt from the requirements of
107.5 Minnesota Rules, part 9530.6800.
- 107.6 (c) The commissioner may develop streamlined application procedures when the party
107.7 is an existing license holder under this chapter and is acquiring a program licensed under
107.8 this chapter or service in the same service class as one or more licensed programs or services
107.9 the party operates and those licenses are in substantial compliance according to the licensing

- 107.10 standards in this chapter and applicable rules. For purposes of this subdivision, "substantial
107.11 compliance" means within the past 12 months the commissioner did not: (i) issue a sanction
107.12 under section 245A.07 against a license held by the party or (ii) make a license held by the
107.13 party conditional according to section 245A.06.
- 107.14 (d) Except when a temporary change of ownership license is issued pursuant to
107.15 subdivision 4, the existing license holder is solely responsible for operating the program
107.16 according to applicable rules and statutes until a license under this chapter is issued to the
107.17 party.
- 107.18 (e) If a licensing inspection of the program or service was conducted within the previous
107.19 12 months and the existing license holder's license record demonstrates substantial
107.20 compliance with the applicable licensing requirements, the commissioner may waive the
107.21 party's inspection required by section 245A.04, subdivision 4. The party must submit to the
107.22 commissioner proof that the premises was inspected by a fire marshal or that the fire marshal
107.23 deemed that an inspection was not warranted and proof that the premises was inspected for
107.24 compliance with the building code or that no inspection was deemed warranted.
- 107.25 (f) If the party is seeking a license for a program or service that has an outstanding
107.26 correction order, the party must submit a letter with the license application identifying how
107.27 and within what length of time the party shall resolve the outstanding correction order and
107.28 come into full compliance with the licensing requirements.
- 107.29 (g) Any action taken under section 245A.06 or 245A.07 against the existing license
107.30 holder's license at the time the party is applying for a license, including when the existing
107.31 license holder is operating under a conditional license or is subject to a revocation, shall
107.32 remain in effect until the commissioner determines that the grounds for the action are
107.33 corrected or no longer exist.
- 108.1 (h) The commissioner shall evaluate the application of the party according to section
108.2 245A.04, subdivision 6. Pursuant to section 245A.04, subdivision 7, if the commissioner
108.3 determines that the party complies with applicable laws and rules, the commissioner may
108.4 issue a license or a temporary change of ownership license.
- 108.5 (i) The commissioner may deny an application as provided in section 245A.05. An
108.6 applicant whose application was denied by the commissioner may appeal the denial according
108.7 to section 245A.05.
- 108.8 (j) This subdivision does not apply to a licensed program or service located in a home
108.9 where the license holder resides.

108.10 Subd. 4. **Temporary change of ownership license.** (a) After receiving the party's
108.11 application and upon the written request of the existing license holder and the party, the
108.12 commissioner may issue a temporary change of ownership license to the party while the
108.13 commissioner evaluates the party's application. Until a decision is made to grant or deny a
108.14 license under this chapter, the existing license holder and the party shall both be responsible
108.15 for operating the program or service according to applicable laws and rules, and the sale or
108.16 transfer of the license holder's ownership interest in the licensed program or service does
108.17 not terminate the existing license.

108.18 (b) The commissioner may establish criteria to issue a temporary change of ownership
108.19 license, if a license holder's death, divorce, or other event affects the ownership of the
108.20 program, when an applicant seeks to assume operation of the program or service to ensure
108.21 continuity of the program or service while a license application is evaluated. This subdivision
108.22 applies to any program or service licensed under this chapter.

108.23 **EFFECTIVE DATE.** This section is effective August 1, 2018.

108.24 Sec. 5. Minnesota Statutes 2016, section 245C.22, subdivision 4, is amended to read:

108.25 Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification
108.26 if the commissioner finds that the individual has submitted sufficient information to
108.27 demonstrate that the individual does not pose a risk of harm to any person served by the
108.28 applicant, license holder, or other entities as provided in this chapter.

108.29 (b) In determining whether the individual has met the burden of proof by demonstrating
108.30 the individual does not pose a risk of harm, the commissioner shall consider:

108.31 (1) the nature, severity, and consequences of the event or events that led to the
108.32 disqualification;

109.1 (2) whether there is more than one disqualifying event;

109.2 (3) the age and vulnerability of the victim at the time of the event;

109.3 (4) the harm suffered by the victim;

109.4 (5) vulnerability of persons served by the program;

109.5 (6) the similarity between the victim and persons served by the program;

109.6 (7) the time elapsed without a repeat of the same or similar event;

- 109.7 (8) documentation of successful completion by the individual studied of training or
109.8 rehabilitation pertinent to the event; and
- 109.9 (9) any other information relevant to reconsideration.
- 109.10 (c) If the individual requested reconsideration on the basis that the information relied
109.11 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines
109.12 that the information relied upon to disqualify the individual is correct, the commissioner
109.13 must also determine if the individual poses a risk of harm to persons receiving services in
109.14 accordance with paragraph (b).
- 109.15 (d) For an individual in the chemical dependency field, the commissioner must set aside
109.16 the disqualification if the following criteria are met:
- 109.17 (1) the individual submits sufficient documentation to demonstrate that the individual
109.18 is a nonviolent controlled substance offender under section 244.0513, subdivision 2, clauses
109.19 (1), (2), and (6);
- 109.20 (2) the individual is disqualified exclusively for one or more offenses listed under section
109.21 152.021, subdivision 2 or 2a; 152.022, subdivision 2; 152.023, subdivision 2; 152.024; or
109.22 152.025;
- 109.23 (3) the individual provided documentation of successful completion of treatment, at least
109.24 one year prior to the date of the request for reconsideration, at a program licensed under
109.25 chapter 245G;
- 109.26 (4) the individual provided documentation demonstrating abstinence from controlled
109.27 substances, as defined in section 152.01, subdivision 4, for the period one year prior to the
109.28 date of the request for reconsideration; and
- 109.29 (5) the individual is seeking employment in the chemical dependency field.
- 110.1 Sec. 6. Minnesota Statutes 2017 Supplement, section 245C.22, subdivision 5, is amended
110.2 to read:
- 110.3 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under
110.4 this section, the disqualified individual remains disqualified, but may hold a license and
110.5 have direct contact with or access to persons receiving services. Except as provided in
110.6 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the
110.7 licensed program, applicant, or agency specified in the set aside notice under section 245C.23.
110.8 For personal care provider organizations, the commissioner's set-aside may further be limited
110.9 to a specific individual who is receiving services. For new background studies required

110.10 under section 245C.04, subdivision 1, paragraph (h), if an individual's disqualification was
110.11 previously set aside for the license holder's program and the new background study results
110.12 in no new information that indicates the individual may pose a risk of harm to persons
110.13 receiving services from the license holder, the previous set-aside shall remain in effect.

110.14 (b) If the commissioner has previously set aside an individual's disqualification for one
110.15 or more programs or agencies, and the individual is the subject of a subsequent background
110.16 study for a different program or agency, the commissioner shall determine whether the
110.17 disqualification is set aside for the program or agency that initiated the subsequent
110.18 background study. A notice of a set-aside under paragraph (c) shall be issued within 15
110.19 working days if all of the following criteria are met:

110.20 (1) the subsequent background study was initiated in connection with a program licensed
110.21 or regulated under the same provisions of law and rule for at least one program for which
110.22 the individual's disqualification was previously set aside by the commissioner;

110.23 (2) the individual is not disqualified for an offense specified in section 245C.15,
110.24 subdivision 1 ~~or 2~~;

110.25 (3) the individual is not disqualified for an offense specified in section 245C.15,
110.26 subdivision 2, unless the individual is employed in the chemical dependency field;

110.27 (4) the commissioner has received no new information to indicate that the individual
110.28 may pose a risk of harm to any person served by the program; and

110.29 ~~(4)~~ (5) the previous set-aside was not limited to a specific person receiving services.

110.30 (c) When a disqualification is set aside under paragraph (b), the notice of background
110.31 study results issued under section 245C.17, in addition to the requirements under section
110.32 245C.17, shall state that the disqualification is set aside for the program or agency that
110.33 initiated the subsequent background study. The notice must inform the individual that the
111.1 individual may request reconsideration of the disqualification under section 245C.21 on the
111.2 basis that the information used to disqualify the individual is incorrect.

111.3 Sec. 7. Minnesota Statutes 2017 Supplement, section 245G.03, subdivision 1, is amended
111.4 to read:

111.5 Subdivision 1. **License requirements.** (a) An applicant for a license to provide substance
111.6 use disorder treatment must comply with the general requirements in chapters 245A and
111.7 245C, sections 626.556 and 626.557, and Minnesota Rules, chapter 9544.

468.9 Sec. 3. **[246.0415] PLACEMENT OF CLIENTS WHO EXHIBIT ASSAULTIVE OR**
468.10 **VIOLENT BEHAVIOR.**

468.11 Clients who exhibit assaultive or violent behavior, have severe behavior issues, or are
468.12 involved with or are at risk of being involved with the criminal justice system must be placed
468.13 in or moved to a setting that meets the client's needs and ensures the safety of the public.
468.14 The commissioner shall balance the needs of the client to live in the most integrated setting
468.15 with public safety. The commissioner shall provide an appropriate placement for clients
468.16 who have a medium or high risk for committing violent acts, and clients must not be placed
468.17 in a residential setting that jeopardizes the safety of others until the commissioner determines
468.18 that the client is low risk for committing violent acts.

111.8 (b) The assessment of need process under Minnesota Rules, parts 9530.6800 and
111.9 9530.6810, is not applicable to programs licensed under this chapter. However, the
111.10 commissioner may deny issuance of a license to an applicant if the commissioner determines
111.11 that the services currently available in the local area are sufficient to meet local need and
111.12 the addition of new services would be detrimental to individuals seeking these services.

111.13 (c) The commissioner may grant variances to the requirements in this chapter that do
111.14 not affect the client's health or safety if the conditions in section 245A.04, subdivision 9,
111.15 are met.

111.16 Sec. 8. Minnesota Statutes 2017 Supplement, section 254A.03, subdivision 3, is amended
111.17 to read:

111.18 Subd. 3. **Rules for substance use disorder care.** (a) The commissioner of human
111.19 services shall establish by rule criteria to be used in determining the appropriate level of
111.20 chemical dependency care for each recipient of public assistance seeking treatment for
111.21 substance misuse or substance use disorder. Upon federal approval of a comprehensive
111.22 assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding
111.23 the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655, an eligible vendor of
111.24 comprehensive assessments under section 254B.05 may determine and approve the
111.25 appropriate level of substance use disorder treatment for a recipient of public assistance.
111.26 The process for determining an individual's financial eligibility for the consolidated chemical
111.27 dependency treatment fund or determining an individual's enrollment in or eligibility for a
111.28 publicly subsidized health plan is not affected by the individual's choice to access a
111.29 comprehensive assessment for placement.

111.30 (b) The commissioner shall develop and implement a utilization review process for
111.31 publicly funded treatment placements to monitor and review the clinical appropriateness
111.32 and timeliness of all publicly funded placements in treatment.

468.19 Sec. 4. Minnesota Statutes 2016, section 254B.02, subdivision 1, is amended to read:

468.20 Subdivision 1. **Chemical dependency treatment allocation.** The chemical dependency
468.21 treatment appropriation shall be placed in a special revenue account. ~~The commissioner~~
468.22 ~~shall annually transfer funds from the chemical dependency fund to pay for operation of~~
468.23 ~~the drug and alcohol abuse normative evaluation system and to pay for all costs incurred~~
468.24 ~~by adding two positions for licensing of chemical dependency treatment and rehabilitation~~
468.25 ~~programs located in hospitals for which funds are not otherwise appropriated. The remainder~~
468.26 ~~of the money in the special revenue account must be used according to the requirements in~~
468.27 ~~this chapter.~~

468.28 **EFFECTIVE DATE.** This section is effective July 1, 2018.

112.1 (c) A structured assessment for alcohol or substance use disorder that is provided to a
112.2 recipient of public assistance by a primary care clinic, hospital, or other medical setting
112.3 establishes medical necessity and approval for an initial set of substance use disorder services
112.4 identified in section 254B.05, subdivision 5, when the screen result is positive for alcohol
112.5 or substance misuse. The initial set of services approved for a recipient whose screen result
112.6 is positive shall include four hours of individual or group substance use disorder treatment,
112.7 two hours of substance use disorder care coordination, and two hours of substance use
112.8 disorder peer support services. A recipient must obtain an assessment pursuant to paragraph
112.9 (a) to be approved for additional treatment services.

112.10 **EFFECTIVE DATE.** This section is effective July 1, 2018, contingent on federal
112.11 approval. The commissioner of human services shall notify the revisor of statutes when
112.12 federal approval is obtained or denied.

112.13 Sec. 9. Minnesota Statutes 2016, section 254B.02, subdivision 1, is amended to read:

112.14 Subdivision 1. **Chemical dependency treatment allocation.** The chemical dependency
112.15 treatment appropriation shall be placed in a special revenue account. ~~The commissioner~~
112.16 ~~shall annually transfer funds from the chemical dependency fund to pay for operation of~~
112.17 ~~the drug and alcohol abuse normative evaluation system and to pay for all costs incurred~~
112.18 ~~by adding two positions for licensing of chemical dependency treatment and rehabilitation~~
112.19 ~~programs located in hospitals for which funds are not otherwise appropriated. The remainder~~
112.20 ~~of the money in the special revenue account must be used according to the requirements in~~
112.21 ~~this chapter.~~

112.22 Sec. 10. Minnesota Statutes 2017 Supplement, section 254B.03, subdivision 2, is amended
112.23 to read:

112.24 Subd. 2. **Chemical dependency fund payment.** (a) Payment from the chemical
112.25 dependency fund is limited to payments for services other than detoxification licensed under
112.26 Minnesota Rules, parts 9530.6510 to 9530.6590, that, if located outside of federally
112.27 recognized tribal lands, would be required to be licensed by the commissioner as a chemical
112.28 dependency treatment or rehabilitation program under sections 245A.01 to 245A.16, and
112.29 services other than detoxification provided in another state that would be required to be
112.30 licensed as a chemical dependency program if the program were in the state. Out of state
112.31 vendors must also provide the commissioner with assurances that the program complies
112.32 substantially with state licensing requirements and possesses all licenses and certifications
112.33 required by the host state to provide chemical dependency treatment. Vendors receiving
113.1 payments from the chemical dependency fund must not require co-payment from a recipient
113.2 of benefits for services provided under this subdivision. The vendor is prohibited from using

113.3 the client's public benefits to offset the cost of services paid under this section. The vendor
113.4 shall not require the client to use public benefits for room or board costs. This includes but
113.5 is not limited to cash assistance benefits under chapters 119B, 256D, and 256J, or SNAP
113.6 benefits. Retention of SNAP benefits is a right of a client receiving services through the
113.7 consolidated chemical dependency treatment fund or through state contracted managed care
113.8 entities. Payment from the chemical dependency fund shall be made for necessary room
113.9 and board costs provided by vendors certified according to section 254B.05, or in a
113.10 community hospital licensed by the commissioner of health according to sections 144.50
113.11 to 144.56 to a client who is:

113.12 (1) determined to meet the criteria for placement in a residential chemical dependency
113.13 treatment program according to rules adopted under section 254A.03, subdivision 3; and

113.14 (2) concurrently receiving a chemical dependency treatment service in a program licensed
113.15 by the commissioner and reimbursed by the chemical dependency fund.

113.16 (b) A county may, from its own resources, provide chemical dependency services for
113.17 which state payments are not made. A county may elect to use the same invoice procedures
113.18 and obtain the same state payment services as are used for chemical dependency services
113.19 for which state payments are made under this section if county payments are made to the
113.20 state in advance of state payments to vendors. When a county uses the state system for
113.21 payment, the commissioner shall make monthly billings to the county using the most recent
113.22 available information to determine the anticipated services for which payments will be made
113.23 in the coming month. Adjustment of any overestimate or underestimate based on actual
113.24 expenditures shall be made by the state agency by adjusting the estimate for any succeeding
113.25 month.

113.26 (c) The commissioner shall coordinate chemical dependency services and determine
113.27 whether there is a need for any proposed expansion of chemical dependency treatment
113.28 services. ~~The commissioner shall deny vendor certification to any provider that has not~~
113.29 ~~received prior approval from the commissioner for the creation of new programs or the~~
113.30 ~~expansion of existing program capacity. The commissioner shall consider the provider's~~
113.31 ~~capacity to obtain clients from outside the state based on plans, agreements, and previous~~
113.32 ~~utilization history, when determining the need for new treatment services~~ The commissioner
113.33 may deny vendor certification to a provider if the commissioner determines that the services
113.34 currently available in the local area are sufficient to meet local need and that the addition
113.35 of new services would be detrimental to individuals seeking these services.

468.29 Sec. 5. Minnesota Statutes 2016, section 254B.06, subdivision 1, is amended to read:

468.30 Subdivision 1. **State collections.** The commissioner is responsible for all collections
468.31 from persons determined to be partially responsible for the cost of care of an eligible person
468.32 receiving services under Laws 1986, chapter 394, sections 8 to 20. The commissioner may

469.1 initiate, or request the attorney general to initiate, necessary civil action to recover the unpaid
469.2 cost of care. The commissioner may collect all third-party payments for chemical dependency
469.3 services provided under Laws 1986, chapter 394, sections 8 to 20, including private insurance
469.4 and federal Medicaid and Medicare financial participation. ~~The commissioner shall deposit~~
469.5 ~~in a dedicated account a percentage of collections to pay for the cost of operating the chemical~~
469.6 ~~dependency consolidated treatment fund invoice processing and vendor payment system,~~
469.7 ~~billing, and collections.~~ The remaining receipts must be deposited in the chemical dependency
469.8 fund.

469.9 **EFFECTIVE DATE.** This section is effective July 1, 2018.

114.1 Sec. 11. Minnesota Statutes 2017 Supplement, section 256.045, subdivision 3, is amended
114.2 to read:

114.3 Subd. 3. **State agency hearings.** (a) State agency hearings are available for the following:

114.4 (1) any person applying for, receiving or having received public assistance, medical
114.5 care, or a program of social services granted by the state agency or a county agency or the
114.6 federal Food Stamp Act whose application for assistance is denied, not acted upon with
114.7 reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed
114.8 to have been incorrectly paid;

114.9 (2) any patient or relative aggrieved by an order of the commissioner under section
114.10 252.27;

114.11 (3) a party aggrieved by a ruling of a prepaid health plan;

114.12 (4) except as provided under chapter 245C, any individual or facility determined by a
114.13 lead investigative agency to have maltreated a vulnerable adult under section 626.557 after
114.14 they have exercised their right to administrative reconsideration under section 626.557;

114.15 (5) any person whose claim for foster care payment according to a placement of the
114.16 child resulting from a child protection assessment under section 626.556 is denied or not
114.17 acted upon with reasonable promptness, regardless of funding source;

114.18 (6) any person to whom a right of appeal according to this section is given by other
114.19 provision of law;

114.20 (7) an applicant aggrieved by an adverse decision to an application for a hardship waiver
114.21 under section 256B.15;

114.22 (8) an applicant aggrieved by an adverse decision to an application or redetermination
114.23 for a Medicare Part D prescription drug subsidy under section 256B.04, subdivision 4a;

114.24 (9) except as provided under chapter 245A, an individual or facility determined to have
114.25 maltreated a minor under section 626.556, after the individual or facility has exercised the
114.26 right to administrative reconsideration under section 626.556;

114.27 (10) except as provided under chapter 245C, an individual disqualified under sections
114.28 245C.14 and 245C.15, following a reconsideration decision issued under section 245C.23,
114.29 on the basis of serious or recurring maltreatment; a preponderance of the evidence that the
114.30 individual has committed an act or acts that meet the definition of any of the crimes listed
114.31 in section 245C.15, subdivisions 1 to 4; or for failing to make reports required under section
114.32 626.556, subdivision 3, or 626.557, subdivision 3. Hearings regarding a maltreatment
115.1 determination under clause (4) or (9) and a disqualification under this clause in which the
115.2 basis for a disqualification is serious or recurring maltreatment, shall be consolidated into
115.3 a single fair hearing. In such cases, the scope of review by the human services judge shall
115.4 include both the maltreatment determination and the disqualification. The failure to exercise
115.5 the right to an administrative reconsideration shall not be a bar to a hearing under this section
115.6 if federal law provides an individual the right to a hearing to dispute a finding of
115.7 maltreatment;

115.8 (11) any person with an outstanding debt resulting from receipt of public assistance,
115.9 medical care, or the federal Food Stamp Act who is contesting a setoff claim by the
115.10 Department of Human Services or a county agency. The scope of the appeal is the validity
115.11 of the claimant agency's intention to request a setoff of a refund under chapter 270A against
115.12 the debt;

115.13 (12) a person issued a notice of service termination under section 245D.10, subdivision
115.14 3a, from residential supports and services as defined in section 245D.03, subdivision 1,
115.15 paragraph (c), clause (3), that is not otherwise subject to appeal under subdivision 4a;

115.16 (13) an individual disability waiver recipient based on a denial of a request for a rate
115.17 exception under section 256B.4914; ~~or~~

115.18 (14) a person issued a notice of service termination under section 245A.11, subdivision
115.19 11, that is not otherwise subject to appeal under subdivision 4a; or

115.20 (15) a county disputes cost of care under section 246.54 based on administrative or other
115.21 delay of a client's discharge from a state-operated facility after notification to a county that
115.22 the client no longer meets medical criteria for the state-operated facility, when the county
115.23 has developed a viable discharge plan.

115.24 (b) The hearing for an individual or facility under paragraph (a), clause (4), (9), or (10),
115.25 is the only administrative appeal to the final agency determination specifically, including
115.26 a challenge to the accuracy and completeness of data under section 13.04. Hearings requested
115.27 under paragraph (a), clause (4), apply only to incidents of maltreatment that occur on or
115.28 after October 1, 1995. Hearings requested by nursing assistants in nursing homes alleged
115.29 to have maltreated a resident prior to October 1, 1995, shall be held as a contested case
115.30 proceeding under the provisions of chapter 14. Hearings requested under paragraph (a),
115.31 clause (9), apply only to incidents of maltreatment that occur on or after July 1, 1997. A
115.32 hearing for an individual or facility under paragraph (a), clauses (4), (9), and (10), is only
115.33 available when there is no district court action pending. If such action is filed in district
115.34 court while an administrative review is pending that arises out of some or all of the events
116.1 or circumstances on which the appeal is based, the administrative review must be suspended
116.2 until the judicial actions are completed. If the district court proceedings are completed,
116.3 dismissed, or overturned, the matter may be considered in an administrative hearing.

116.4 (c) For purposes of this section, bargaining unit grievance procedures are not an
116.5 administrative appeal.

116.6 (d) The scope of hearings involving claims to foster care payments under paragraph (a),
116.7 clause (5), shall be limited to the issue of whether the county is legally responsible for a
116.8 child's placement under court order or voluntary placement agreement and, if so, the correct
116.9 amount of foster care payment to be made on the child's behalf and shall not include review
116.10 of the propriety of the county's child protection determination or child placement decision.

116.11 (e) The scope of hearings under paragraph (a), clauses (12) and (14), shall be limited to
116.12 whether the proposed termination of services is authorized under section 245D.10,
116.13 subdivision 3a, paragraph (b), or 245A.11, subdivision 11, and whether the requirements
116.14 of section 245D.10, subdivision 3a, paragraphs (c) to (e), or 245A.11, subdivision 2a,
116.15 paragraphs (d) to (f), were met. If the appeal includes a request for a temporary stay of
116.16 termination of services, the scope of the hearing shall also include whether the case
116.17 management provider has finalized arrangements for a residential facility, a program, or
116.18 services that will meet the assessed needs of the recipient by the effective date of the service
116.19 termination.

116.20 (f) A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor
116.21 under contract with a county agency to provide social services is not a party and may not
116.22 request a hearing under this section, except if assisting a recipient as provided in subdivision
116.23 4.

116.24 (g) An applicant or recipient is not entitled to receive social services beyond the services
116.25 prescribed under chapter 256M or other social services the person is eligible for under state
116.26 law.

116.27 (h) The commissioner may summarily affirm the county or state agency's proposed
116.28 action without a hearing when the sole issue is an automatic change due to a change in state
116.29 or federal law.

116.30 (i) Unless federal or Minnesota law specifies a different time frame in which to file an
116.31 appeal, an individual or organization specified in this section may contest the specified
116.32 action, decision, or final disposition before the state agency by submitting a written request
116.33 for a hearing to the state agency within 30 days after receiving written notice of the action,
116.34 decision, or final disposition, or within 90 days of such written notice if the applicant,
117.1 recipient, patient, or relative shows good cause, as defined in section 256.0451, subdivision
117.2 13, why the request was not submitted within the 30-day time limit. The individual filing
117.3 the appeal has the burden of proving good cause by a preponderance of the evidence.

117.4 Sec. 12. Minnesota Statutes 2017 Supplement, section 256B.0625, subdivision 56a, is
117.5 amended to read:

117.6 Subd. 56a. **Post-arrest Officer-involved community-based service care coordination.**
117.7 (a) Medical assistance covers post-arrest officer-involved community-based service care
117.8 coordination for an individual who:

117.9 (1) has been identified as having screened positive for benefiting from treatment for a
117.10 mental illness or substance use disorder using a screening tool approved by the commissioner;

117.11 (2) does not require the security of a public detention facility and is not considered an
117.12 inmate of a public institution as defined in Code of Federal Regulations, title 42, section
117.13 435.1010;

117.14 (3) meets the eligibility requirements in section 256B.056; and

117.15 (4) has agreed to participate in post-arrest officer-involved community-based service
117.16 care coordination through a diversion contract in lieu of incarceration.

117.17 (b) Post-arrest Officer-involved community-based service care coordination means
117.18 navigating services to address a client's mental health, chemical health, social, economic,
117.19 and housing needs, or any other activity targeted at reducing the incidence of jail utilization
117.20 and connecting individuals with existing covered services available to them, including, but
117.21 not limited to, targeted case management, waiver case management, or care coordination.

117.22 (c) Post-arrest Officer-involved community-based service care coordination must be
117.23 provided by an individual who is an employee of a county or is under contract with a county,
117.24 or is an employee of or under contract with an Indian health service facility or facility owned
117.25 and operated by a tribe or a tribal organization operating under Public Law 93-638 as a 638

- 117.26 facility to provide post-arrest officer-involved community-based care coordination and is
117.27 qualified under one of the following criteria:
- 117.28 (1) a licensed mental health professional as defined in section 245.462, subdivision 18,
117.29 clauses (1) to (6);
- 117.30 (2) a mental health practitioner as defined in section 245.462, subdivision 17, working
117.31 under the clinical supervision of a mental health professional; or
- 118.1 (3) a certified peer specialist under section 256B.0615, working under the clinical
118.2 supervision of a mental health professional;
- 118.3 (4) an individual qualified as an alcohol and drug counselor under section 254G.11,
118.4 subdivision 5; or
- 118.5 (5) a recovery peer qualified under section 245G.11, subdivision 8, working under the
118.6 supervision of an individual qualified as an alcohol and drug counselor under section
118.7 245G.11, subdivision 5.
- 118.8 (d) Reimbursement is allowed for up to 60 days following the initial determination of
118.9 eligibility.
- 118.10 (e) Providers of post-arrest officer-involved community-based service care coordination
118.11 shall annually report to the commissioner on the number of individuals served, and number
118.12 of the community-based services that were accessed by recipients. The commissioner shall
118.13 ensure that services and payments provided under post-arrest officer-involved
118.14 community-based service care coordination do not duplicate services or payments provided
118.15 under section 256B.0625, subdivision 20, 256B.0753, 256B.0755, or 256B.0757.
- 118.16 (f) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of cost for
118.17 post-arrest community-based service coordination services shall be provided by the county
118.18 providing the services, from sources other than federal funds or funds used to match other
118.19 federal funds.
- 118.20 **EFFECTIVE DATE.** Paragraphs (a) to (e) are effective retroactively from March 1,
118.21 2018.
- 118.22 Sec. 13. Minnesota Statutes 2016, section 641.15, subdivision 3a, is amended to read:
- 118.23 Subd. 3a. **Intake procedure; approved mental health screening.** As part of its intake
118.24 procedure for new prisoners inmates, the sheriff or local corrections shall use a mental health
118.25 screening tool approved by the commissioner of corrections in consultation with the

118.26 commissioner of human services and local corrections staff to identify persons who may
118.27 have mental illness. Names of persons who have screened positive or may have a mental
118.28 illness may be shared with the local county social services agency. The jail may refer an
118.29 offender to county personnel of the welfare system, as defined in section 13.46, subdivision
118.30 1, paragraph (c), in order to arrange for services upon discharge and may share private data
118.31 as necessary to carry out the following:

118.32 (1) providing assistance in filling out an application for medical assistance or
118.33 MinnesotaCare;

119.1 (2) making a referral for case management as outlined under section 245.467, subdivision
119.2 4;

119.3 (3) providing assistance in obtaining a state photo identification;

119.4 (4) securing a timely appointment with a psychiatrist or other appropriate community
119.5 mental health provider;

119.6 (5) providing prescriptions for a 30-day supply of all necessary medications; or

119.7 (6) behavioral health service coordination.

119.8 Sec. 14. Laws 2017, First Special Session chapter 6, article 8, section 71, the effective
119.9 date, is amended to read:

119.10 **EFFECTIVE DATE.** This section is effective for services provided on July 1, 2017,
119.11 through April 30, 2019, and expires May 1, 2019 June 30, 2019, and expires July 1, 2019.

119.12 Sec. 15. Laws 2017, First Special Session chapter 6, article 8, section 72, the effective
119.13 date, is amended to read:

119.14 **EFFECTIVE DATE.** This section is effective for services provided on July 1, 2017,
119.15 through April 30, 2019, and expires May 1, 2019 June 30, 2019, and expires July 1, 2019.

119.16 Sec. 16. Laws 2017, First Special Session chapter 6, article 8, section 74, is amended to
119.17 read:

119.18 Sec. 74. **CHILDREN'S MENTAL HEALTH REPORT AND**
119.19 **RECOMMENDATIONS.**

119.20 The commissioner of human services shall conduct a comprehensive analysis of
119.21 Minnesota's continuum of intensive mental health services and shall develop
119.22 recommendations for a sustainable and community-driven continuum of care for children

- 119.23 with serious mental health needs, including children currently being served in residential
119.24 treatment. The commissioner's analysis shall include, but not be limited to:
- 119.25 (1) data related to access, utilization, efficacy, and outcomes for Minnesota's current
119.26 system of residential mental health treatment for a child with a severe emotional disturbance;
- 119.27 (2) potential expansion of the state's psychiatric residential treatment facility (PRTF)
119.28 capacity, including increasing the number of PRTF beds and conversion of existing children's
119.29 mental health residential treatment programs into PRTFs;
- 120.1 (3) the capacity need for PRTF and other group settings within the state if adequate
120.2 community-based alternatives are accessible, equitable, and effective statewide;
- 120.3 (4) recommendations for expanding alternative community-based service models to
120.4 meet the needs of a child with a serious mental health disorder who would otherwise require
120.5 residential treatment and potential service models that could be utilized, including data
120.6 related to access, utilization, efficacy, and outcomes;
- 120.7 (5) models of care used in other states; and
- 120.8 (6) analysis and specific recommendations for the design and implementation of new
120.9 service models, including analysis to inform rate setting as necessary.
- 120.10 The analysis shall be supported and informed by extensive stakeholder engagement.
120.11 Stakeholders include individuals who receive services, family members of individuals who
120.12 receive services, providers, counties, health plans, advocates, and others. Stakeholder
120.13 engagement shall include interviews with key stakeholders, intentional outreach to individuals
120.14 who receive services and the individual's family members, and regional listening sessions.
- 120.15 The commissioner shall provide a report with specific recommendations and timelines
120.16 for implementation to the legislative committees with jurisdiction over children's mental
120.17 health policy and finance by ~~November 15, 2018~~ January 15, 2019.

469.10 Sec. 6. **PERSON-CENTERED TELEPRESENCE PLATFORM EXPANSION WORK**
469.11 **GROUP.**

469.12 Subdivision 1. **Membership.** (a) The commissioner of human services shall convene a
469.13 work group for the purpose of exploring opportunities to collaborate and expand strategies
469.14 for person-centered innovation using Internet telepresence in delivering health and human
469.15 services, as well as related educational and correctional services. The commissioner, in
469.16 consultation with the commissioner of health, shall appoint the following members:

- 469.17 (1) three members representing county services in the areas of human services, health,
469.18 and corrections or law enforcement. These members must represent counties outside the
469.19 metropolitan area defined in Minnesota Statutes, section 473.121;
- 469.20 (2) one member representing public health;
- 469.21 (3) one member recommended by the Minnesota American Indian Mental Health
469.22 Advisory Council;
- 469.23 (4) one member recommended by the Minnesota Medical Association who is a primary
469.24 care provider practicing in outstate Minnesota;
- 469.25 (5) one member recommended by NAMI of Minnesota;
- 469.26 (6) two members recommended by the Minnesota School Boards Association;
- 469.27 (7) one member recommended by the Minnesota Hospital Association representing rural
469.28 hospital emergency departments;
- 469.29 (8) one member representing community mental health centers;
- 469.30 (9) one member representing adolescent treatment centers;
- 469.31 (10) one member representing child advocacy centers; and
- 470.1 (11) one member recommended by the chief justice of the Supreme Court representing
470.2 the judicial system.
- 470.3 (b) In addition to the members identified in paragraph (a), the work group shall include:
- 470.4 (1) the commissioner of MN.IT services or a designee;
- 470.5 (2) the commissioner of corrections or a designee;
- 470.6 (3) the commissioner of health or a designee; and
- 470.7 (4) the commissioner of education or a designee.
- 470.8 Subd. 2. **First meeting; chair.** The commissioner shall serve as the chair, and make
470.9 appointments and convene the first meeting of the work group by September 1, 2018.

470.10 Subd. 3. **Duties.** The work group shall:

470.11 (1) explore opportunities for improving behavioral health and other health care service
470.12 delivery through the use of a common interoperable person-centered telepresence platform
470.13 that provides connectivity and technical support to potential users;

470.14 (2) review and coordinate state and local innovation initiatives and investments designed
470.15 to leverage telepresence connectivity and collaboration;

470.16 (3) identify standards and capabilities for a single interoperable telepresence platform;

470.17 (4) identify barriers to providing a telepresence technology, including limited availability
470.18 of bandwidth, limitations in providing certain services via telepresence, and broadband
470.19 infrastructure needs;

470.20 (5) identify and make recommendations for governance to assure person-centered
470.21 responsiveness;

470.22 (6) identify how the business model itself can be innovated to provide an incentive for
470.23 ongoing innovation in Minnesota's health and human service ecosystems;

470.24 (7) evaluate and make recommendations for a potential vendor that could provide a
470.25 single telepresence platform in terms of delivering the identified standards and capabilities;

470.26 (8) identify sustainable financial support for a single telepresence platform, including
470.27 infrastructure costs and start-up costs for potential users; and

470.28 (9) identify the benefits to the state, political subdivisions, and tribal governments, and
470.29 the constituents they serve in using a common person-centered telepresence platform for
470.30 delivering behavioral health services.

471.1 Subd. 4. **Report.** The commissioner shall report to the chairs and ranking minority
471.2 members of the committees in the senate and the house of representatives with primary
471.3 jurisdiction over health and state information technology by January 15, 2019, with
471.4 recommendations related to expanding the state's telepresence platform and any legislation
471.5 required to implement the recommendations.

471.6 Subd. 5. **Expiration.** The work group expires January 16, 2019.