256B.761 REIMBURSEMENT FOR MENTAL HEALTH SERVICES.

Subdivision 1. **Rates effective 2026.** (a) Effective for services rendered on or after January 1, 2026, or on or after the date of federal approval, whichever is later, the commissioner must establish and pay market-based payment rates for the following services:

(1) children's therapeutic services and supports under section 256B.0943;

(2) child and family psychoeducation services under section 256B.0671, subdivision 5;

(3) clinical care consultation services under section 256B.0671, subdivision 7;

(4) mental health certified family peer specialist services under section 256B.0616;

(5) adult day treatment services under section 256B.0671, subdivision 3;

(6) adult rehabilitative mental health services under section 256B.0623;

(7) adult mental health peer support specialist services under section 256B.0615;

(8) dialectical behavioral therapy under section 256B.0671, subdivision 6;

(9) explanation of findings under section 256B.0671, subdivision 4;

(10) mental health crisis response services under section 256B.0624;

(11) mental health provider travel time under section 256B.0625, subdivision 43;

(12) neuropsychological testing under section 256B.0671, subdivision 9;

(13) partial hospitalization services under section 256B.0671, subdivision 12; and

(14) psychotherapy services under section 256B.0671, subdivision 11, incorporating biofeedback.

(b) Rates established under paragraph (a) must:

(1) be based on the costs of the following factors:

(i) direct staff worker wages and benefits;

(ii) direct staff worker productivity;

(iii) program-related expenses; and

(iv) administrative costs; and

(2) must not be lower than:

(i) the payment rates recommended in the rate analysis required by Laws 2021, First Special Session chapter 7, article 17, section 18, and published by the Department of Human Services on January 22, 2024; or

(ii) the payment rates in effect on December 31, 2025.

Subd. 2. **Capitation payments.** Managed care and county-based purchasing plans must reimburse providers at an amount that is at least equal to the fee-for-service rate for services under this section. The commissioner must monitor the effect of this rate adjustment on enrollee access to behavioral health services.

If for any contract year federal approval is not received for this subdivision, the commissioner must adjust the capitation rates paid to managed care plans and county-based purchasing plans for that contract year to reflect the removal of this subdivision. Contracts between managed care plans and county-based purchasing plans and providers to whom this subdivision applies must allow recovery of payments from those providers if capitation rates are adjusted in accordance with this subdivision. Payment recoveries must not exceed the amount equal to any increase in rates that results from this subdivision.

Subd. 3. **Inflation adjustment.** The commissioner must adjust the reimbursement rate for services under this section annually according to the change from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined using the Centers for Medicare and Medicaid Services Medicare Economic Index as forecasted in the fourth quarter of the calendar year before the rate year.

Subd. 4. **Exceptions.** This section does not apply to federally qualified health centers, rural health centers, Indian health services, or certified community behavioral health clinics or to cost-based rates or rates that are negotiated with the county.

History: *1Sp2001 c 9 art 9 s 43; 2002 c 379 art 1 s 113; 1Sp2003 c 14 art 2 s 40; 2010 c 303 s 6; 2013 c 108 art 4 s 28; 1Sp2017 c 6 art 4 s 52; 2018 c 182 art 1 s 54; 2021 c 30 art 17 s 108; 2023 c 70 art 1 s 35; 2024 c 80 art 8 s 68; 2024 c 127 art 61 s 28; 1Sp2025 c 3 art 8 s 29; 1Sp2025 c 9 art 4 s 48; 2026 c 88 art 1 s 133*

NOTE: The amendment to this section by Laws 2023, chapter 70, article 1, section 35, is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained. Laws 2023, chapter 70, article 1, section 35, the effective date.

NOTE: The amendment to this section by Laws 2024, chapter 127, article 61, section 28, is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained. Laws 2024, chapter 127, article 61, section 28, the effective date.

NOTE: The amendment to this section by Laws 2025, First Special Session chapter 3, article 8, section 29, is effective on the later of the following: (1) federal approval of the medical assistance program changes in the amendments to this section; or (2) federal approval of all necessary federal waivers to implement the managed care organization assessment in Minnesota Statutes, section 256B.1976. The commissioner shall notify the revisor of statutes when federal approval is obtained. The amendment to this section by Laws 2025, First Special Session chapter 3, article 8, section 29, prevails over the amendment to this section in Laws 2025, First Special Session chapter 9, article 4, section 48. Laws 2025, First Special Session chapter 3, article 8, section 29, the effective date.

NOTE: This section was also amended by Laws 2025, First Special Session chapter 9, article 4, section 48, to read as follows:

"256B.761 REIMBURSEMENT FOR MENTAL HEALTH SERVICES.

(a) Effective for services rendered on or after July 1, 2001, payment for medication management provided to psychiatric patients, outpatient mental health services, day treatment services, home-based mental health services, and family community support services shall be paid at the lower of (1) submitted charges, or (2) 75.6 percent of the 50th percentile of 1999 charges.

(b) Effective July 1, 2001, the medical assistance rates for outpatient mental health services provided by an entity that operates: (1) a Medicare-certified comprehensive outpatient rehabilitation facility; and (2) a facility that was certified prior to January 1, 1993, with at least 33 percent of the clients receiving rehabilitation services in the most recent calendar year who are medical assistance recipients, will be increased

by 38 percent, when those services are provided within the comprehensive outpatient rehabilitation facility and provided to residents of nursing facilities owned by the entity.

(c) In addition to rate increases otherwise provided, the commissioner may restructure coverage policy and rates to improve access to adult rehabilitative mental health services under section 256B.0623 and related mental health support services under section 256B.021, subdivision 4, paragraph (f), clause (2). For state fiscal years 2015 and 2016, the projected state share of increased costs due to this paragraph is transferred from adult mental health grants under sections 245.4661 and 256K.10. The transfer for fiscal year 2016 is a permanent base adjustment for subsequent fiscal years. Payments made to managed care plans and county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the rate changes described in this paragraph.

(d) Any ratables effective before July 1, 2015, do not apply to early intensive developmental and behavioral intervention (EIDBI) benefits described in section 256B.0949.

(e) Effective for services rendered on or after January 1, 2024, payment rates for behavioral health services included in the rate analysis required by Laws 2021, First Special Session chapter 7, article 17, section 18, except for adult day treatment services under section 256B.0671, subdivision 3; early intensive developmental and behavioral intervention services under section 256B.0949; and substance use disorder services under chapter 254B, must be increased by three percent from the rates in effect on December 31, 2023. Effective for services rendered on or after January 1, 2025, payment rates for behavioral health services included in the rate analysis required by Laws 2021, First Special Session chapter 7, article 17, section 18, except early intensive developmental behavioral intervention services under section 256B.0949 and substance use disorder services under chapter 254B, must be annually adjusted according to the change from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined using the Centers for Medicare and Medicaid Services Medicare Economic Index as forecasted in the fourth quarter of the calendar year before the rate year. For payments made in accordance with this paragraph, if and to the extent that the commissioner identifies that the state has received federal financial participation for behavioral health services in excess of the amount allowed under United States Code, title 42, section 447.321, the state shall repay the excess amount to the Centers for Medicare and Medicaid Services with state money and maintain the full payment rate under this paragraph. This paragraph does not apply to federally qualified health centers, rural health centers, Indian health services, certified community behavioral health clinics, cost-based rates, and rates that are negotiated with the county. This paragraph expires upon legislative implementation of the new rate methodology resulting from the rate analysis required by Laws 2021, First Special Session chapter 7, article 17, section 18.

(f) Effective January 1, 2024, the commissioner shall increase capitation payments made to managed care plans and county-based purchasing plans to reflect the behavioral health service rate increase provided in paragraph (e). Managed care and county-based purchasing plans must use the capitation rate increase provided under this paragraph to increase payment rates to behavioral health services providers. The commissioner must monitor the effect of this rate increase on enrollee access to behavioral health services. If for any contract year federal approval is not received for this paragraph, the commissioner must adjust the capitation rates paid to managed care plans and county-based purchasing plans for that contract year to reflect the removal of this provision. Contracts between managed care plans and county-based purchasing plans and providers to whom this paragraph applies must allow recovery of payments from those providers if capitation rates are adjusted in accordance with this paragraph. Payment recoveries must not exceed the amount equal to any increase in rates that results from this provision."