

1.1 Senator ..... moves to amend S.F. No. 4410 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1  
1.4 COMMUNITY SUPPORTS

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

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

1.9 (b) For each fiscal year, the commissioner shall determine if actual statewide expenditures  
1.10 by county boards are less than the fiscal year appropriation to provide semi-independent  
1.11 living services under this section. If actual statewide expenditures by county boards are less  
1.12 than the fiscal year appropriation to provide semi-independent living services under this  
1.13 section, the unexpended amount must be carried forward to the next fiscal year and allocated  
1.14 to grants in equal amounts to the eight organizations defined in section 268A.01, subdivision  
1.15 8, to expand services to support people with disabilities who are ineligible for medical  
1.16 assistance to live in their own homes and communities by providing accessibility  
1.17 modifications, independent living services, and public health program facilitation.

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

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

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

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

1.31 ~~(c) For fiscal year 1997, the base appropriation available under this section shall be~~  
1.32 ~~reduced by the amount of the state share of medical assistance reimbursement for services~~

2.1 ~~other than residential services provided under the home and community-based waiver~~  
 2.2 ~~program authorized in section 256B.092 from January 1, 1995, to December 31, 1995, for~~  
 2.3 ~~persons who have been transferred from the semi-independent living services program to~~  
 2.4 ~~the home and community-based waiver program. The base appropriation for the medical~~  
 2.5 ~~assistance state account shall be increased by the same amount.~~

2.6 (d) ~~For purposes of calculating the guaranteed floor under subdivision 4b and to establish~~  
 2.7 ~~the calendar year 1996 allocations, each county's original allocation for calendar year 1995~~  
 2.8 ~~shall be reduced by the amount transferred to the state medical assistance account under~~  
 2.9 ~~paragraph (b) during the six months ending on June 30, 1995. For purposes of calculating~~  
 2.10 ~~the guaranteed floor under subdivision 4b and to establish the calendar year 1997 allocations,~~  
 2.11 ~~each county's original allocation for calendar year 1996 shall be reduced by the amount~~  
 2.12 ~~transferred to the state medical assistance account under paragraph (b) during the six months~~  
 2.13 ~~ending on December 31, 1995.~~

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

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

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

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

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

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

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

2.32 (b) Lead agencies that suspect a residential setting is in significant financial distress may  
 2.33 refer the license holder to the commissioner for consideration by the commissioner for grant

3.1 funding under this section. Upon a referral from a lead agency under this section, the  
3.2 commissioner shall immediately solicit an application from the license holder, providing  
3.3 individualized technical assistance to the license holder regarding the application process.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4.29 (j) "Managing employee" has the same definition as Code of Federal Regulations, title  
4.30 42, section 455.

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

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

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

5.7 (n) "Personal care assistance care plan" means a written description of personal care  
5.8 assistance services developed by the personal care assistance provider according to the  
5.9 service plan.

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

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

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

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

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

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

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

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

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

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

6.5 (2) provider name and telephone numbers;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9.9 (4) comply with background study requirements;

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

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

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

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

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

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

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

9.25 (12) report suspected neglect and abuse to the common entry point according to section  
9.26 256B.0651;

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

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

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

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

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

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

10.10 Sec. 9. **[256B.4909] HOME AND COMMUNITY-BASED SERVICES;**  
10.11 **HOMEMAKER RATES.**

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

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

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

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

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

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

10.21 Subd. 2. **Definition.** For purposes of this section, "homemaker services" means  
10.22 homemaker services and assistance with personal care, homemaker services and cleaning,  
10.23 and homemaker services and home management under chapter 256S and similar services  
10.24 offered under home and community-based services waivers under sections 256B.092 and  
10.25 256B.49, alternative care under section 256B.0913, and essential community supports under  
10.26 section 256B.0922.

10.27 Subd. 3. **Rate methodology.** (a) Beginning January 1, 2023, the rate methodology for  
10.28 each homemaker service must be determined under sections 256S.211, subdivision 1, and  
10.29 256S.212 to 256S.215, as adjusted by paragraph (b).

10.30 (b) As applicable to this section, on November 1, 2024, based on the most recently  
10.31 available wage data by standard occupational classification (SOC) from the Bureau of Labor  
10.32 Statistics, the commissioner shall update for each homemaker service the base wage index

11.1 in section 256S.212, publish these updated values, and load them into the appropriate rate  
11.2 system.

11.3 Sec. 10. Minnesota Statutes 2020, section 256B.4911, is amended by adding a subdivision  
11.4 to read:

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

11.10 (1) alternative care program;

11.11 (2) brain injury waiver;

11.12 (3) community alternative care waiver;

11.13 (4) community access for disability inclusion waiver;

11.14 (5) developmental disabilities waiver;

11.15 (6) elderly waiver; and

11.16 (7) Minnesota senior health option.

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

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

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

11.27 (e) If a spouse is providing personal assistance services, the spouse may provide up to  
11.28 60 hours of personal assistance services in a seven-day period.

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

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

12.4 Sec. 11. Minnesota Statutes 2020, section 256B.4912, is amended by adding a subdivision  
12.5 to read:

12.6 Subd. 16. **Shared services.** (a) Medical assistance payments for shared services under  
12.7 the home and community-based services waivers authorized under sections 256B.0913,  
12.8 256B.092, and 256B.49 and chapter 256S are limited to this subdivision.

12.9 (b) For purposes of this subdivision, "shared services" means services provided at the  
12.10 same time by the same direct care worker for individuals who have entered into an agreement  
12.11 to share home and community-based services.

12.12 (c) Shared services may include the following services as outlined in the individuals'  
12.13 coordinated service and support plan and shared services agreement:

12.14 (1) chore services;

12.15 (2) extended home care services;

12.16 (3) homemaker services;

12.17 (4) individualized home supports;

12.18 (5) integrated community supports;

12.19 (6) night supervision services; and

12.20 (7) other supports as deemed appropriate based on the individuals' coordinated service  
12.21 and support plans and shared services agreement.

12.22 (d) Shared services may not include:

12.23 (1) services for more than three individuals provided by one worker at one time;

12.24 (2) use of more than one worker for the shared services; and

12.25 (3) a child care program licensed under chapter 245A or operated by a local school  
12.26 district or private school.

12.27 (e) The individuals or, as needed, the individuals' representatives must develop the plan  
12.28 for shared services when developing or amending the coordinated service and support plan  
12.29 and must follow the coordinated service and support plan process for approval of the plan  
12.30 by the lead agency. The plan for shared services in a coordinated service and support plan

13.1 must include the intention to utilize shared services based on individuals' needs and  
13.2 preferences.

13.3 (f) Individuals whose coordinated service and support plans include an intent to utilize  
13.4 shared services must jointly develop, with the support of the individuals' representatives as  
13.5 needed, a shared services agreement. This agreement must include:

13.6 (1) the names of the individuals receiving shared services;

13.7 (2) the individuals' representatives, if identified in their coordinated service and support  
13.8 plans, and their duties;

13.9 (3) the names of the case managers;

13.10 (4) the services provider;

13.11 (5) the shared services that must be provided;

13.12 (6) the schedule for shared services;

13.13 (7) the location where shared services must be provided;

13.14 (8) the training specific to each individual served;

13.15 (9) the training specific to providing shared services to the individuals identified in the  
13.16 agreement;

13.17 (10) instructions to follow all required documentation for time and services provided;

13.18 (11) a contingency plan for each individual served that determines how services will be  
13.19 provided and billed when a person who shares services is absent due to illness or other  
13.20 circumstances;

13.21 (12) signatures of all parties involved in the shared services; and

13.22 (13) an agreement by each individual who is sharing services on the number of shared  
13.23 hours for services provided.

13.24 (g) An individual or an individual's representative may withdraw from participating in  
13.25 a shared services agreement at any time.

13.26 (h) The lead agency for each individual must authorize the use of the shared services  
13.27 option based on the criteria that the shared service is appropriate to meet the needs, health,  
13.28 and safety of each individual for whom the lead agency provides case management or care  
13.29 coordination.

14.1 (i) This subdivision must not be construed to reduce the total authorized budget for an  
14.2 individual.

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

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

14.8 Subd. 5. **Base wage index; establishment and updates.** (a) The base wage index is  
14.9 established to determine staffing costs associated with providing services to individuals  
14.10 receiving home and community-based services. For purposes of calculating the base wage,  
14.11 Minnesota-specific wages taken from job descriptions and standard occupational  
14.12 classification (SOC) codes from the Bureau of Labor Statistics as defined in the Occupational  
14.13 Handbook must be used.

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

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

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

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

14.22 ~~(3)~~ (4) ~~on July 1, 2026~~ January 1, 2027, and every two years thereafter, based on wage  
14.23 data by SOC from the Bureau of Labor Statistics available ~~30~~ 24 months and one day prior  
14.24 to the scheduled update.

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

15.1 Sec. 13. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision  
15.2 to read:

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

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

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

15.11 Sec. 14. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision  
15.12 to read:

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

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

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

15.20 Sec. 15. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7, is amended  
15.21 to read:

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

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

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

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

16.1 (i) relate to a need identified in a participant's CFSS service delivery plan; and  
 16.2 (ii) increase independence or substitute for human assistance, to the extent that  
 16.3 expenditures would otherwise be made for human assistance for the participant's assessed  
 16.4 needs;

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

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

16.9 (6) services provided by a consultation services provider as defined under subdivision  
 16.10 17, that is under contract with the department and enrolled as a Minnesota health care  
 16.11 program provider;

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

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

16.18 ~~(i) provide any medical assistance home and community-based services in excess of 40~~  
 16.19 ~~hours per seven-day period regardless of the number of parents providing services,~~  
 16.20 ~~combination of parents and spouses providing services, or number of children who receive~~  
 16.21 ~~medical assistance services; and~~

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

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

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

16.28 Sec. 16. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7a, is amended  
 16.29 to read:

16.30 Subd. 7a. **Enhanced rate.** (a) ~~An enhanced rate of 107.5 percent of the rate paid for~~  
 16.31 ~~CFSS must be paid for services provided to persons who qualify for ten or more hours of~~  
 16.32 ~~CFSS per day when provided by a support worker who meets the requirements of subdivision~~

17.1 16, paragraph (e). The commissioner shall determine the enhanced rate by applying the  
17.2 following sliding scale:

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

17.5 (2) for persons who qualify for more than 18 hours of CFSS, the enhanced rate shall be  
17.6 125 percent of the rate paid for CFSS.

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

17.11 Sec. 17. Minnesota Statutes 2020, section 256B.85, is amended by adding a subdivision  
17.12 to read:

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

17.15 (b) If multiple parents are support workers providing CFSS services to their minor child  
17.16 or children, each parent may provide up to 40 hours of medical assistance home and  
17.17 community-based services in any seven-day period regardless of the number of children  
17.18 served. The total number of hours of medical assistance home and community-based services  
17.19 provided by all of the parents must not exceed 80 hours in a seven-day period regardless of  
17.20 the number of children served.

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

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

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

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

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

18.1 Sec. 18. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 5, is amended  
18.2 to read:

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

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

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

18.7 (3) employee benefits factor, 12.04 percent;

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

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

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

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

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

18.13 (b) For purposes of implementation, the commissioner shall use the following  
18.14 implementation components:

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

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

18.18 (3) qualified professional services and CFSS worker training and development: ~~75.45~~  
18.19 83.5 percent.

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

18.23 Sec. 19. Laws 2014, chapter 312, article 27, section 75, is amended to read:

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

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

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

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

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

19.7 (3) community alternative care waived services, including consumer-directed  
19.8 community supports, under Minnesota Statutes, section 256B.49;

19.9 (4) brain injury waived services, including consumer-directed community supports,  
19.10 under Minnesota Statutes, section 256B.49;

19.11 (5) home and community-based waived services for the elderly under Minnesota  
19.12 Statutes, section 256B.0915;

19.13 (6) nursing services and home health services under Minnesota Statutes, section  
19.14 256B.0625, subdivision 6a;

19.15 (7) personal care services and qualified professional supervision of personal care services  
19.16 under Minnesota Statutes, section 256B.0625, subdivisions 6a and 19a;

19.17 (8) private duty nursing services under Minnesota Statutes, section 256B.0625,  
19.18 subdivision 7;

19.19 (9) community first services and supports under Minnesota Statutes, section 256B.85;

19.20 (10) essential community supports under Minnesota Statutes, section 256B.0922;

19.21 ~~(11) day training and habilitation services for adults with developmental disabilities~~  
19.22 ~~under Minnesota Statutes, sections 252.41 to 252.46, including the additional cost to counties~~  
19.23 ~~of the rate adjustments on day training and habilitation services, provided as a social service;~~

19.24 ~~(12)~~ alternative care services under Minnesota Statutes, section 256B.0913;

19.25 ~~(13)~~ (12) living skills training programs for persons with intractable epilepsy who need  
19.26 assistance in the transition to independent living under Laws 1988, chapter 689;

19.27 ~~(14)~~ (13) semi-independent living services (SILS) under Minnesota Statutes, section  
19.28 252.275;

19.29 ~~(15)~~ (14) consumer support grants under Minnesota Statutes, section 256.476;

19.30 ~~(16)~~ (15) family support grants under Minnesota Statutes, section 252.32;

- 20.1 ~~(17)~~ (16) housing access grants under Minnesota Statutes, section 256B.0658;
- 20.2 ~~(18)~~ (17) self-advocacy grants under Laws 2009, chapter 101;
- 20.3 ~~(19)~~ (18) technology grants under Laws 2009, chapter 79;
- 20.4 ~~(20)~~ (19) aging grants under Minnesota Statutes, sections 256.975 to 256.977 and
- 20.5 256B.0917;
- 20.6 ~~(21)~~ (20) deaf and hard-of-hearing grants, including community support services for
- 20.7 deaf and hard-of-hearing adults with mental illness who use or wish to use sign language
- 20.8 as their primary means of communication under Minnesota Statutes, section 256.01,
- 20.9 subdivision 2;
- 20.10 ~~(22)~~ (21) deaf and hard-of-hearing grants under Minnesota Statutes, sections 256C.233,
- 20.11 256C.25, and 256C.261;
- 20.12 ~~(23)~~ (22) Disability Linkage Line grants under Minnesota Statutes, section 256.01,
- 20.13 subdivision 24;
- 20.14 ~~(24)~~ (23) transition initiative grants under Minnesota Statutes, section 256.478;
- 20.15 ~~(25)~~ (24) employment support grants under Minnesota Statutes, section 256B.021,
- 20.16 subdivision 6; and
- 20.17 ~~(26)~~ (25) grants provided to people who are eligible for the Housing Opportunities for
- 20.18 Persons with AIDS program under Minnesota Statutes, section 256B.492.
- 20.19 (c) A managed care plan or county-based purchasing plan receiving state payments for
- 20.20 the services grants and programs in paragraph (b) must include these increases in their
- 20.21 payments to providers. To implement the rate increase in paragraph (a), capitation rates
- 20.22 paid by the commissioner to managed care plans and county-based purchasing plans under
- 20.23 Minnesota Statutes, section 256B.69, shall reflect a five percent increase for the services
- 20.24 and programs specified in paragraph (b) for the period beginning July 1, 2014.
- 20.25 (d) Counties shall increase the budget for each recipient of consumer-directed community
- 20.26 supports by the amount in paragraph (a) on July 1, 2014.
- 20.27 (e) To receive the rate increase described in this section, providers under paragraphs (a)
- 20.28 and (b) must submit to the commissioner documentation that identifies a quality improvement
- 20.29 project that the provider will implement by June 30, 2015. Documentation must be provided
- 20.30 in a format specified by the commissioner. Projects must:
- 20.31 (1) improve the quality of life of home and community-based services recipients in a
- 20.32 meaningful way;

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

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

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

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

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

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

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

21.15 This requirement is subject to audit by the commissioner.

21.16 (h) Compensation-related costs include:

21.17 (1) wages and salaries;

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

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

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

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

21.30 (j) For a provider that has employees that are represented by an exclusive bargaining  
21.31 representative, the provider shall obtain a letter of acceptance of the distribution plan required

22.1 under paragraph (m), in regard to the members of the bargaining unit, signed by the exclusive  
22.2 bargaining agent. Upon receipt of the letter of acceptance, the provider shall be deemed to  
22.3 have met all the requirements of this section in regard to the members of the bargaining  
22.4 unit. Upon request, the provider shall produce the letter of acceptance for the commissioner.

22.5 (k) The commissioner shall amend state grant contracts that include direct  
22.6 personnel-related grant expenditures to include the allocation for the portion of the contract  
22.7 related to employee compensation. Grant contracts for compensation-related services must  
22.8 be amended to pass through these adjustments by September 1, 2014, and must be retroactive  
22.9 to July 1, 2014.

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

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

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

22.28 (o) For providers with rates established under Minnesota Statutes, section 256B.4914,  
22.29 and with a historical rate established under Minnesota Statutes, section 256B.4913,  
22.30 subdivision 4a, paragraph (b), that is greater than the rate established under Minnesota  
22.31 Statutes, section 256B.4914, the requirements in paragraph (g) must only apply to the portion  
22.32 of the rate increase that exceeds the difference between the rate established under Minnesota  
22.33 Statutes, section 256B.4914, and the banding value established under Minnesota Statutes,  
22.34 section 256B.4913, subdivision 4a, paragraph (b).

23.1 Sec. 20. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 1,  
23.2 is amended to read:

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

23.5 Appropriations by Fund

23.6		2022	2023
23.7			8,951,733,000
23.8	General	7,295,463,000	<u>8,950,922,000</u>
23.9	State Government		
23.10	Special Revenue	4,299,000	4,299,000
23.11	Health Care Access	769,889,000	564,448,000
23.12	Federal TANF	282,653,000	278,245,000
23.13	Lottery Prize	1,896,000	1,896,000
23.14	Opiate Epidemic		
23.15	Response	2,560,000	2,560,000

23.16 The amounts that may be spent for each  
23.17 purpose are specified in the following  
23.18 subdivisions.

23.19 Sec. 21. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 29,  
23.20 is amended to read:

23.21			<b>31,010,000</b>
23.22	<b>Subd. 29. Grant Programs; Disabilities Grants</b>	<b>31,398,000</b>	<b><u>30,199,000</u></b>

23.23 **(a) Training Stipends for Direct Support**  
23.24 **Services Providers.** \$1,000,000 in fiscal year  
23.25 2022 is from the general fund for stipends for  
23.26 individual providers of direct support services  
23.27 as defined in Minnesota Statutes, section  
23.28 256B.0711, subdivision 1. These stipends are  
23.29 available to individual providers who have  
23.30 completed designated voluntary trainings  
23.31 made available through the State-Provider  
23.32 Cooperation Committee formed by the State  
23.33 of Minnesota and the Service Employees  
23.34 International Union Healthcare Minnesota.  
23.35 Any unspent appropriation in fiscal year 2022  
23.36 is available in fiscal year 2023. This is a

24.1 onetime appropriation. This appropriation is  
24.2 available only if the labor agreement between  
24.3 the state of Minnesota and the Service  
24.4 Employees International Union Healthcare  
24.5 Minnesota under Minnesota Statutes, section  
24.6 179A.54, is approved under Minnesota  
24.7 Statutes, section 3.855.

24.8 **(b) Parent-to-Parent Peer Support.** \$125,000  
24.9 in fiscal year 2022 and \$125,000 in fiscal year  
24.10 2023 are from the general fund for a grant to  
24.11 an alliance member of Parent to Parent USA  
24.12 to support the alliance member's  
24.13 parent-to-parent peer support program for  
24.14 families of children with a disability or special  
24.15 health care need.

24.16 **(c) Self-Advocacy Grants.** (1) \$143,000 in  
24.17 fiscal year 2022 and \$143,000 in fiscal year  
24.18 2023 are from the general fund for a grant  
24.19 under Minnesota Statutes, section 256.477,  
24.20 subdivision 1.

24.21 (2) \$105,000 in fiscal year 2022 and \$105,000  
24.22 in fiscal year 2023 are from the general fund  
24.23 for subgrants under Minnesota Statutes,  
24.24 section 256.477, subdivision 2.

24.25 **(d) Minnesota Inclusion Initiative Grants.**  
24.26 \$150,000 in fiscal year 2022 and \$150,000 in  
24.27 fiscal year 2023 are from the general fund for  
24.28 grants under Minnesota Statutes, section  
24.29 256.4772.

24.30 **(e) Grants to Expand Access to Child Care**  
24.31 **for Children with Disabilities.** \$250,000 in  
24.32 fiscal year 2022 and \$250,000 in fiscal year  
24.33 2023 are from the general fund for grants to

25.1 expand access to child care for children with  
25.2 disabilities. This is a onetime appropriation.

25.3 **(f) Parenting with a Disability Pilot Project.**

25.4 The general fund base includes \$1,000,000 in  
25.5 fiscal year 2024 and \$0 in fiscal year 2025 to  
25.6 implement the parenting with a disability pilot  
25.7 project.

25.8 **(g) Base Level Adjustment.** The general fund  
25.9 base is ~~\$29,260,000~~ \$28,449,000 in fiscal year  
25.10 2024 and ~~\$22,260,000~~ \$21,449,000 in fiscal  
25.11 year 2025.

25.12 Sec. 22. Laws 2021, First Special Session chapter 7, article 17, section 14, is amended to  
25.13 read:

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

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

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

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

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

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

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

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

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

- 26.1 (6) one member appointed by the Minnesota Disability Law Center;
- 26.2 (7) one member appointed by The Arc of Minnesota;
- 26.3 (8) ~~three~~ four members who are persons with disabilities appointed by the commissioner
- 26.4 of human services, at least one of whom ~~must be~~ is neurodiverse, ~~and~~ at least one of whom
- 26.5 ~~must have~~ has a significant physical disability, and at least one of whom at the time of the
- 26.6 appointment is being paid a subminimum wage;
- 26.7 (9) two representatives of employers authorized to pay subminimum wage and one
- 26.8 representative of an employer who successfully transitioned away from payment of
- 26.9 subminimum wages to people with disabilities, appointed by the commissioner of human
- 26.10 services;
- 26.11 (10) one member appointed by the Minnesota Organization for Habilitation and
- 26.12 Rehabilitation;
- 26.13 (11) one member appointed by ARRM; ~~and~~
- 26.14 (12) one member appointed by the State Rehabilitation Council; and
- 26.15 (13) three members who are parents or guardians of persons with disabilities appointed
- 26.16 by the commissioner of human services, at least one of whom is a parent or guardian of a
- 26.17 person who is neurodiverse, at least one of whom is a parent or guardian of a person with
- 26.18 a significant physical disability, and at least one of whom is a parent or guardian of a person
- 26.19 being paid a subminimum wage as of the date of the appointment.
- 26.20 (b) To the extent possible, membership on the task force under paragraph (a) shall reflect
- 26.21 geographic parity throughout the state and representation from Black, Indigenous, and
- 26.22 communities of color.
- 26.23 Subd. 4. **Appointment deadline; first meeting; chair.** Appointing authorities must
- 26.24 complete member selections by January 1, 2022. The commissioner of human services shall
- 26.25 convene the first meeting of the task force by February 15, 2022. The task force shall select
- 26.26 a chair from among its members at its first meeting.
- 26.27 Subd. 5. **Compensation.** Members shall be compensated and may be reimbursed for
- 26.28 expenses as provided in Minnesota Statutes, section 15.059, subdivision 3.
- 26.29 Subd. 6. **Duties; plan and recommendations.** The task force shall:
- 26.30 (1) develop a plan to ~~phase out the payment of subminimum wages to people with~~
- 26.31 ~~disabilities by August 1, 2025~~ promote independence and increase opportunities for people
- 26.32 with disabilities to earn competitive wages;

27.1 (2) consult with and advise the commissioner of human services on statewide plans for  
27.2 ~~limiting~~ reducing reliance on subminimum wages in medical assistance home and  
27.3 community-based services waivers under Minnesota Statutes, sections 256B.092 and  
27.4 256B.49;

27.5 (3) engage with employees with disabilities paid subminimum wages and conduct  
27.6 community education on the payment of subminimum wages to people with disabilities in  
27.7 Minnesota;

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

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

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

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

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

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

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

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

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

28.1 (1) providers of disability services under Minnesota Statutes, sections 256B.092 and  
28.2 256B.49, for developing and implementing a business plan to shift the providers' business  
28.3 models away from paying waiver participants subminimum wages;

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

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

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

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

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

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

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

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

29.3 Subd. 10. **Expiration.** The task force shall conclude their duties and expire on March  
29.4 31, 2024.

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

29.8 Sec. 23. Laws 2022, chapter 33, section 1, subdivision 3, is amended to read:

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

- 29.13 (1) 24-hour customized living;
- 29.14 (2) adult day services;
- 29.15 (3) adult day services bath;
- 29.16 (4) community residential services;
- 29.17 (5) customized living;
- 29.18 (6) day support services;
- 29.19 (7) employment development services;
- 29.20 (8) employment exploration services;
- 29.21 (9) employment support services;
- 29.22 (10) family residential services;
- 29.23 (11) individualized home supports;
- 29.24 (12) individualized home supports with family training;
- 29.25 (13) individualized home supports with training;
- 29.26 (14) integrated community supports;
- 29.27 (15) night supervision;
- 29.28 (16) positive support services;
- 29.29 (17) prevocational services;

30.1 (18) residential support services;

30.2 (19) ~~respite services~~;

30.3 ~~(20)~~ transportation services; and

30.4 ~~(21)~~ (20) other services as approved by the federal government in the state home and  
30.5 community-based services waiver plan.

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

30.9 Sec. 24. Laws 2022, chapter 33, section 1, subdivision 4, is amended to read:

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

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

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

30.21 (1) shared staffing hours;

30.22 (2) individual staffing hours;

30.23 (3) direct registered nurse hours;

30.24 (4) direct licensed practical nurse hours;

30.25 (5) staffing ratios;

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

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

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

31.1 (9) service hours provided through monitoring technology.

31.2 (d) Updates to individual data must include:

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

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

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

31.14 (1) meeting the health and welfare needs of the individual or individuals receiving  
31.15 services by service site, identified in their coordinated service and support plan under section  
31.16 245D.02, subdivision 4b, and any addendum under section 245D.02, subdivision 4c;

31.17 (2) meeting the requirements for staffing under subdivision 2, paragraphs (h), (n), and  
31.18 (o); and meeting or exceeding the licensing standards for staffing required under section  
31.19 245D.09, subdivision 1; and

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

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

31.25 Sec. 25. Laws 2022, chapter 33, section 1, subdivision 5a, is amended to read:

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

31.28 (1) for supervisory staff, 100 percent of the median wage for community and social  
31.29 services specialist (SOC code 21-1099), with the exception of the supervisor of positive  
31.30 supports professional, positive supports analyst, and positive supports specialist, which is  
31.31 100 percent of the median wage for clinical counseling and school psychologist (SOC code  
31.32 19-3031);

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

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

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

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

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

32.13 (ii) 85 percent of the subtotal of 40 percent of the median wage for home health and  
32.14 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant  
32.15 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code  
32.16 29-2053); and 20 percent of the median wage for social and human services aide (SOC code  
32.17 21-1093);

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

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

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

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

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

32.31 (11) for individualized home supports with family training staff, 20 percent of the median  
32.32 wage for nursing aide (SOC code 31-1131); 30 percent of the median wage for community

33.1 social service specialist (SOC code 21-1099); 40 percent of the median wage for social and  
 33.2 human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric  
 33.3 technician (SOC code 29-2053);

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

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

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

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

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

33.21 (17) for night supervision staff, 40 percent of the median wage for home health and  
 33.22 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant  
 33.23 (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code  
 33.24 29-2053); and 20 percent of the median wage for social and human services aide (SOC code  
 33.25 21-1093); ~~and~~

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

33.29 =

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

34.1 Sec. 26. Laws 2022, chapter 33, section 1, subdivision 5b, is amended to read:

34.2 Subd. 5b. **Standard component value adjustments.** The commissioner shall update  
34.3 the client and programming support, transportation, and program facility cost component  
34.4 values as required in subdivisions 6 to ~~9a~~ 9 for changes in the Consumer Price Index. The  
34.5 commissioner shall adjust these values higher or lower, publish these updated values, and  
34.6 load them into the rate management system as follows:

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

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

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

34.13 ~~(3)~~ (4) on July 1, 2026 January 1, 2027, and every two years thereafter, by the percentage  
34.14 change in the CPI-U from the date of the previous update to the data available ~~30~~ 12 months  
34.15 and one day prior to the scheduled update.

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

34.19 Sec. 27. Laws 2022, chapter 33, section 1, subdivision 5c, is amended to read:

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

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

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

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

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

35.4 Sec. 29. Laws 2022, chapter 33, section 1, is amended by adding a subdivision to read:

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

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

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

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

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

35.18 Sec. 30. Laws 2022, chapter 33, section 1, subdivision 10, is amended to read:

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

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

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

35.26 (3) the distinct underlying costs for services provided by a license holder under sections  
35.27 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided  
35.28 by a license holder certified under section 245D.33.

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

- 36.1 (1) values for transportation rates;
- 36.2 (2) values for services where monitoring technology replaces staff time;
- 36.3 (3) values for indirect services;
- 36.4 (4) values for nursing;
- 36.5 (5) values for the facility use rate in day services, and the weightings used in the day
- 36.6 service ratios and adjustments to those weightings;
- 36.7 (6) values for workers' compensation as part of employee-related expenses;
- 36.8 (7) values for unemployment insurance as part of employee-related expenses;
- 36.9 (8) direct care workforce labor market measures;
- 36.10 (9) any changes in state or federal law with a direct impact on the underlying cost of
- 36.11 providing home and community-based services;
- 36.12 (10) outcome measures, determined by the commissioner, for home and community-based
- 36.13 services rates determined under this section; and
- 36.14 (11) different competitive workforce factors by service, as determined under subdivision
- 36.15 10b.

36.16 (c) The commissioner shall report to the chairs and the ranking minority members of

36.17 the legislative committees and divisions with jurisdiction over health and human services

36.18 policy and finance with the information and data gathered under paragraphs (a) and (b) on

36.19 January 15, 2021, with a full report, and a full report once every four years thereafter.

36.20 (d) Beginning July 1, 2022, the commissioner shall renew analysis and implement

36.21 changes to the regional adjustment factors once every six years. Prior to implementation,

36.22 the commissioner shall consult with stakeholders on the methodology to calculate the

36.23 adjustment.

36.24 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,

36.25 whichever is later. The commissioner of human services shall inform the revisor of statutes

36.26 when federal approval is obtained.

36.27 Sec. 31. Laws 2022, chapter 33, section 1, subdivision 10a, is amended to read:

36.28 Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure

36.29 that wage values and component values in subdivisions 5 to ~~9a~~ 9 reflect the cost to provide

36.30 the service. As determined by the commissioner, in consultation with stakeholders identified

36.31 in subdivision 17, a provider enrolled to provide services with rates determined under this

37.1 section must submit requested cost data to the commissioner to support research on the cost  
37.2 of providing services that have rates determined by the disability waiver rates system.

37.3 Requested cost data may include, but is not limited to:

37.4 (1) worker wage costs;

37.5 (2) benefits paid;

37.6 (3) supervisor wage costs;

37.7 (4) executive wage costs;

37.8 (5) vacation, sick, and training time paid;

37.9 (6) taxes, workers' compensation, and unemployment insurance costs paid;

37.10 (7) administrative costs paid;

37.11 (8) program costs paid;

37.12 (9) transportation costs paid;

37.13 (10) vacancy rates; and

37.14 (11) other data relating to costs required to provide services requested by the

37.15 commissioner.

37.16 (b) At least once in any five-year period, a provider must submit cost data for a fiscal  
37.17 year that ended not more than 18 months prior to the submission date. The commissioner  
37.18 shall provide each provider a 90-day notice prior to its submission due date. If a provider  
37.19 fails to submit required reporting data, the commissioner shall provide notice to providers  
37.20 that have not provided required data 30 days after the required submission date, and a second  
37.21 notice for providers who have not provided required data 60 days after the required  
37.22 submission date. The commissioner shall temporarily suspend payments to the provider if  
37.23 cost data is not received 90 days after the required submission date. Withheld payments  
37.24 shall be made once data is received by the commissioner.

37.25 (c) The commissioner shall conduct a random validation of data submitted under  
37.26 paragraph (a) to ensure data accuracy.

37.27 (d) The commissioner shall analyze cost data submitted under paragraph (a) and, in  
37.28 consultation with stakeholders identified in subdivision 17, may submit recommendations  
37.29 on component values and inflationary factor adjustments to the chairs and ranking minority  
37.30 members of the legislative committees with jurisdiction over human services once every  
37.31 four years beginning January 1, 2021. The commissioner shall make recommendations in

38.1 conjunction with reports submitted to the legislature according to subdivision 10, paragraph  
38.2 (c).

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

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

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

38.12 Sec. 32. Laws 2022, chapter 33, section 1, subdivision 10c, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39.26 Sec. 34. Laws 2022, chapter 33, section 1, subdivision 14, is amended to read:

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

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

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

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

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

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

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

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

40.15 (1) the service needs required by each individual that are not accounted for in subdivisions  
40.16 6 to ~~9a~~ 9;

40.17 (2) the service rate requested and the difference from the rate determined in subdivisions  
40.18 6 to ~~9a~~ 9;

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

40.21 (4) any contingencies for approval.

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

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

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

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

41.3 (h) The individual disability waiver recipient may appeal any denial of an exception  
41.4 request by either the lead agency or the commissioner, pursuant to sections 256.045 and  
41.5 256.0451. When the denial of an exception request results in the proposed demission of a  
41.6 waiver recipient from a residential or day habilitation program, the commissioner shall issue  
41.7 a temporary stay of demission, when requested by the disability waiver recipient, consistent  
41.8 with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c). The temporary  
41.9 stay shall remain in effect until the lead agency can provide an informed choice of  
41.10 appropriate, alternative services to the disability waiver.

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

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

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

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

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

41.25 Sec. 35. Laws 2022, chapter 40, section 6, is amended to read:

41.26 **Sec. 6. COMMISSIONER OF HUMAN SERVICES; TEMPORARY STAFFING**  
41.27 **POOL; ~~APPROPRIATION.~~**

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

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

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

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

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

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

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

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

42.28 (1) nursing facilities;

42.29 (2) assisted living facilities;

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

42.31 (4) adult foster care ~~or~~ , community residential settings, or integrated community supports  
42.32 settings;

- 43.1 (5) licensed substance use disorder treatment facilities;
- 43.2 (6) unlicensed county-based substance use disorder treatment facilities;
- 43.3 (7) licensed facilities for adults with mental illness;
- 43.4 (8) licensed detoxification programs;
- 43.5 (9) licensed withdrawal management programs;
- 43.6 (10) licensed children's residential facilities;
- 43.7 (11) licensed child foster residence settings;
- 43.8 (12) unlicensed, Tribal-certified facilities that perform functions similar to the licensed
- 43.9 facilities listed in this paragraph;
- 43.10 (13) boarding care homes;
- 43.11 (14) board and lodging establishments serving people with disabilities or disabling
- 43.12 conditions;
- 43.13 (15) board and lodging establishments with special services;
- 43.14 (16) supervised living facilities;
- 43.15 (17) supportive housing;
- 43.16 (18) sober homes;
- 43.17 (19) community-based halfway houses for people exiting the correctional system;
- 43.18 (20) shelters serving people experiencing homelessness;
- 43.19 (21) drop-in centers for people experiencing homelessness;
- 43.20 (22) homeless outreach services for unsheltered individuals;
- 43.21 (23) shelters for people experiencing domestic violence; ~~and~~
- 43.22 (24) temporary isolation spaces for people who test positive for COVID-19;
- 43.23 (25) individuals who use consumer-directed community supports;
- 43.24 (26) individuals who use the personal care assistance choice program;
- 43.25 (27) personal care assistance provider agencies;
- 43.26 (28) individuals who use the community first services and supports budget model;
- 43.27 (29) agency-providers of community first services and supports; and
- 43.28 (30) providers of individualized home supports.

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

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

44.8 Sec. 36. Laws 2022, chapter 40, section 7, is amended to read:

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

44.10 ~~\$1,029,000~~ \$5,145,000 in fiscal year 2022 is appropriated from the general fund to the  
44.11 commissioner of human services for the temporary staffing pool described in this act. This  
44.12 is a onetime appropriation and is available until June 30, ~~2022~~ 2023.

44.13 **Sec. 37. PERSONAL CARE ASSISTANCE ENHANCED RATE FOR PERSONS**  
44.14 **WHO USE CONSUMER-DIRECTED COMMUNITY SUPPORTS.**

44.15 The commissioner of human services shall increase the annual budgets for participants  
44.16 who use consumer-directed community supports under Minnesota Statutes, sections  
44.17 256B.0913, subdivision 5, clause (17); 256B.092, subdivision 1b, paragraph (a), clause (4);  
44.18 256B.49, subdivision 16, paragraph (c); and chapter 256S, by the percentage determined  
44.19 under Minnesota Statutes, section 256B.85, subdivision 7a, for participants who are  
44.20 determined by assessment to be eligible for ten or more hours of personal care assistance  
44.21 services or community first services and supports per day when the participant uses direct  
44.22 support services provided by a worker employed by the participant who has completed  
44.23 training identified in Minnesota Statutes, section 256B.0659, subdivision 11, paragraph (d),  
44.24 or 256B.85, subdivision 16, paragraph (e).

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

44.28 **Sec. 38. RATE INCREASE FOR CERTAIN HOME CARE SERVICES.**

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

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

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

45.16 **Sec. 39. DIRECTION TO THE COMMISSIONER; APPLICATION OF ICF/DD**  
45.17 **RATE INCREASES.**

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

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

45.21 (2) apply any required rate increase as required under Minnesota Statutes, section  
45.22 256B.5012, subdivision 20, to the results of clause (1).

45.23 **Sec. 40. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**  
45.24 **LIFE-SHARING SERVICES.**

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

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

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

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

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

46.8 (3) disability advocacy organizations; and

46.9 (4) lead agencies.

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

46.13 (c) The commissioner must provide a method for the commissioner and interested  
46.14 stakeholders to cofacilitate public meetings. The first meeting must occur before January  
46.15 31, 2023. The commissioner must host the cofacilitated meetings at least monthly through  
46.16 December 31, 2023. All meetings must be accessible to all interested stakeholders, recorded,  
46.17 and posted online within one week of the meeting date.

46.18 Subd. 4. Required topics to be discussed during development of the  
46.19 recommendations. The commissioner and the interested stakeholders must discuss the  
46.20 following topics:

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

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

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

46.24 (4) potential barriers to providing or accessing life-sharing services;

46.25 (5) solutions to remove identified barriers to providing or accessing life-sharing services;

46.26 (6) potential medical assistance payment methodologies for life-sharing services;

46.27 (7) expanding awareness of the life-sharing model; and

46.28 (8) draft language for legislation necessary to define and implement life-sharing services.

46.29 Subd. 5. Report to the legislature. By December 31, 2023, the commissioner must  
46.30 provide to the chairs and ranking minority members of the house of representatives and  
46.31 senate committees and divisions with jurisdiction over direct care services a report

47.1 summarizing the discussions between the commissioner and the interested stakeholders and  
47.2 the commissioner's recommendations. The report must also include any draft legislation  
47.3 necessary to define and implement life-sharing services.

47.4 **Sec. 41. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**  
47.5 **SHARED SERVICES.**

47.6 No later than September 30, 2022, the commissioner of human services must:

47.7 (1) submit an amendment to the Centers for Medicare and Medicaid Services for the  
47.8 home and community-based services waivers authorized under Minnesota Statutes, sections  
47.9 256B.0913, 256B.092, and 256B.49 and chapter 256S, to allow for shared services under  
47.10 Minnesota Statutes, section 256B.4912, subdivision 16; and

47.11 (2) with stakeholder input, develop guidance for shared services. Guidance must include:

47.12 (i) recommendations for negotiating payment for one-to-two and one-to-three services;  
47.13 and

47.14 (ii) a template of the shared services agreement.

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

47.16 **Sec. 42. APPROPRIATION; LIFE-SHARING SERVICES.**

47.17 \$125,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
47.18 of human services for engaging stakeholders and developing recommendations regarding  
47.19 establishing a life-sharing service under the state's medical assistance disability waivers and  
47.20 elderly waiver and initial implementation of a life-sharing service upon enactment of  
47.21 authorizing legislation. The general fund base for this appropriation is \$1,500,000 in fiscal  
47.22 year 2024 and \$1,500,000 in fiscal year 2025.

47.23 **Sec. 43. APPROPRIATION; MINNESOTA ASSOCIATION FOR VOLUNTEER**  
47.24 **ADMINISTRATION.**

47.25 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
47.26 of human services for a grant to the Minnesota Association for Volunteer Administration  
47.27 to administer needs-based volunteerism subgrants targeting underresourced nonprofit  
47.28 organizations in greater Minnesota to support selected organizations' ongoing efforts to  
47.29 address and minimize disparities in access to human services through increased volunteerism.  
47.30 Successful subgrant applicants must demonstrate that the populations to be served by the  
47.31 subgrantee are considered underserved or suffer from or are at risk of homelessness, hunger,

48.1 poverty, lack of access to health care, or deficits in education. The Minnesota Association  
 48.2 for Volunteer Administration shall give priority to organizations that are serving the needs  
 48.3 of vulnerable populations. By December 15, 2024, the Minnesota Association for Volunteer  
 48.4 Administration shall report data on outcomes from the subgrants and recommendations for  
 48.5 improving and sustaining volunteer efforts statewide to the chairs and ranking minority  
 48.6 members of the legislative committees and divisions with jurisdiction over human services.  
 48.7 This is a onetime appropriation and is available until June 30, 2024.

48.8 Sec. 44. **APPROPRIATION; RESIDENTIAL SETTING CLOSURE PREVENTION**  
 48.9 **GRANTS.**

48.10 \$10,388,000 is appropriated from the general fund to the commissioner of human services  
 48.11 for the residential setting closure prevention grants under Minnesota Statutes, section  
 48.12 256.4795.

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

48.14 Sec. 45. **REPEALER.**

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

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

## 48.19 **ARTICLE 2**

### 48.20 **CONTINUING CARE FOR OLDER ADULTS**

48.21 Section 1. Minnesota Statutes 2020, section 256R.02, subdivision 16, is amended to read:

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

48.27 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
 48.28 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
 48.29 shall inform the revisor of statutes when federal approval is obtained.

49.1 Sec. 2. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to  
49.2 read:

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

49.7 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
49.8 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
49.9 shall inform the revisor of statutes when federal approval is obtained.

49.10 Sec. 3. Minnesota Statutes 2020, section 256R.02, subdivision 24, is amended to read:

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

49.15 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
49.16 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
49.17 shall inform the revisor of statutes when federal approval is obtained.

49.18 Sec. 4. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to  
49.19 read:

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

49.23 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
49.24 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
49.25 shall inform the revisor of statutes when federal approval is obtained.

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

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

50.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
50.2 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
50.3 shall inform the revisor of statutes when federal approval is obtained.

50.4 Sec. 6. Minnesota Statutes 2020, section 256R.02, subdivision 26, is amended to read:

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

50.9 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
50.10 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
50.11 shall inform the revisor of statutes when federal approval is obtained.

50.12 Sec. 7. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to  
50.13 read:

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

50.17 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
50.18 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
50.19 shall inform the revisor of statutes when federal approval is obtained.

50.20 Sec. 8. Minnesota Statutes 2020, section 256R.02, subdivision 29, is amended to read:

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

50.27 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
50.28 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
50.29 shall inform the revisor of statutes when federal approval is obtained.

51.1 Sec. 9. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to  
51.2 read:

51.3 Subd. 29a. **Maintenance and plant operations labor costs.** "Maintenance and plant  
51.4 operations labor costs" means the costs for the salaries and wages of the maintenance  
51.5 supervisor, engineers, heating-plant employees, and other maintenance employees, and  
51.6 associated fringe benefits and payroll taxes.

51.7 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
51.8 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
51.9 shall inform the revisor of statutes when federal approval is obtained.

51.10 Sec. 10. Minnesota Statutes 2020, section 256R.02, subdivision 34, is amended to read:

51.11 Subd. 34. **Other care-related costs.** "Other care-related costs" means the sum of activities  
51.12 costs, other direct care costs, raw food costs, dietary labor costs, housekeeping labor costs,  
51.13 laundry labor costs, maintenance and plant operations labor costs, therapy costs, and social  
51.14 services costs.

51.15 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
51.16 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
51.17 shall inform the revisor of statutes when federal approval is obtained.

51.18 Sec. 11. Minnesota Statutes 2020, section 256R.23, subdivision 2, is amended to read:

51.19 Subd. 2. **Calculation of direct care cost per standardized day.** Each facility's direct  
51.20 care cost per standardized day is the product of the facility's direct care costs and the known  
51.21 cost change factor, divided by the sum of the facility's standardized days. A facility's direct  
51.22 care cost per standardized day is the facility's cost per day for direct care services associated  
51.23 with a case mix index of 1.00.

51.24 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
51.25 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
51.26 shall inform the revisor of statutes when federal approval is obtained.

51.27 Sec. 12. Minnesota Statutes 2020, section 256R.23, subdivision 3, is amended to read:

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

52.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
52.2 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
52.3 shall inform the revisor of statutes when federal approval is obtained.

52.4 Sec. 13. Minnesota Statutes 2020, section 256R.24, subdivision 1, is amended to read:

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

52.8 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
52.9 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
52.10 shall inform the revisor of statutes when federal approval is obtained.

52.11 Sec. 14. Minnesota Statutes 2020, section 256R.25, is amended to read:

52.12 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

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

52.15 (b) For a facility licensed as a nursing home, the portion related to the provider surcharge  
52.16 under section 256.9657 is equal to \$8.86 per resident day. For a facility licensed as both a  
52.17 nursing home and a boarding care home, the portion related to the provider surcharge under  
52.18 section 256.9657 is equal to \$8.86 per resident day multiplied by the result of its number  
52.19 of nursing home beds divided by its total number of licensed beds.

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

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

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

52.25 (f) The portion related to planned closure rate adjustments is as determined under section  
52.26 256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.

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

52.29 (h) The portion related to single-bed room incentives is as determined under section  
52.30 256R.41.

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

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

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

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

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

53.16 (n) The portion related to special dietary needs is the amount determined under section  
53.17 256R.51.

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

53.20 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,  
53.21 2024, or upon federal approval, whichever occurs later. The commissioner of human services  
53.22 shall inform the revisor of statutes when federal approval is obtained.

53.23 Sec. 15. Minnesota Statutes 2020, section 256S.201, subdivision 3, is amended to read:

53.24 Subd. 3. **Customized living service rates.** The authorized rates for customized living  
53.25 services and 24-hour customized living services must be based on the amount of component  
53.26 services to be provided utilizing component rates established ~~by the commissioner~~ in section  
53.27 256S.215. Counties and tribes shall use tools issued by the commissioner to develop and  
53.28 document customized living service plans and rates.

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

54.1 Sec. 16. Minnesota Statutes 2021 Supplement, section 256S.205, is amended to read:

54.2 **256S.205 CUSTOMIZED LIVING SERVICES; DISPROPORTIONATE SHARE**  
 54.3 **RATE ADJUSTMENTS.**

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

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

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

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

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

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

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

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

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

54.30 Subd. 3. **Rate adjustment eligibility criteria.** Only facilities ~~with a census of at least~~  
 54.31 ~~80 percent elderly waiver participants~~ satisfying all of the following conditions on October

55.1 September 1 of the application year are eligible for designation as a disproportionate share  
55.2 facility:

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

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

55.5 Subd. 4. **Designation as a disproportionate share facility.** (a) By ~~November~~ October  
55.6 15 of each application year, the commissioner must designate as a disproportionate share  
55.7 facility a facility that complies with the application requirements of subdivision 2 and meets  
55.8 the eligibility criteria of subdivision 3.

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

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

55.17 (b) The commissioner must apply the rate floor to the services described in paragraph

55.18 (a) provided during the rate year.

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

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

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

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

56.1 Sec. 17. Minnesota Statutes 2021 Supplement, section 256S.21, is amended to read:

56.2 **256S.21 RATE SETTING; APPLICATION.**

56.3 The payment methodologies in sections ~~256S.2104~~ 256S.211 to 256S.215 apply to  
56.4 elderly waiver, elderly waiver customized living, and elderly waiver foster care under this  
56.5 chapter; alternative care under section 256B.0913; essential community supports under  
56.6 section 256B.0922; and community access for disability inclusion customized living and  
56.7 brain injury customized living under section 256B.49.

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

56.11 Sec. 18. Minnesota Statutes 2020, section 256S.213, subdivision 1, is amended to read:

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

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

56.19 Sec. 19. **NURSING FACILITY FUNDING.**

56.20 (a) Effective July 1, 2022, through December 31, 2024, the total payment rate for all  
56.21 facilities reimbursed under this section shall be increased by an amount per resident day as  
56.22 determined by the commissioner according to section 16.

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

56.27 (1) owners of the building and operation;

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

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

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

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

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

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

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

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

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

58.1      Sec. 20. **DIRECTION TO THE COMMISSIONER; NURSING FACILITY**  
58.2      **FUNDING.**

58.3           The commissioner of human services shall determine the total payment rate increase  
58.4      under section 15 by subtracting the value of the other costs in this act for fiscal years 2023  
58.5      to 2025 from \$225,000,000 and dividing the remainder by the number of forecasted resident  
58.6      days from July 1, 2022, to December 31, 2024.

58.7      Sec. 21. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**  
58.8      **PARTIAL YEAR IMPLEMENTATION OF DISPROPORTIONATE SHARE RATE**  
58.9      **ADJUSTMENTS.**

58.10       Subdivision 1. **Definitions.** For the purposes of this section, the definitions in Minnesota  
58.11      Statutes, section 256S.205, apply.

58.12       Subd. 2. **Partial year implementation.** (a) Notwithstanding the provisions of Minnesota  
58.13      Statutes, section 256S.205, subdivisions 2 to 5, regarding application dates, eligibility dates,  
58.14      designation dates, and payment adjustment dates, during the first partial year of  
58.15      implementation of the amendments in this act to Minnesota Statutes, section 256S.205, a  
58.16      facility may apply between July 1, 2022, and July 31, 2022, to be designated a  
58.17      disproportionate share facility on the basis of the conditions outlined in Minnesota Statutes,  
58.18      section 256S.205, subdivision 3, as of July 1, 2022. The commissioner shall designate  
58.19      disproportionate share facilities by August 15, 2022. Between October 1, 2022, and December  
58.20      31, 2022, the commissioner shall apply the rate floor under Minnesota Statutes, section  
58.21      256S.205, as amended in this act, to eligible customized living services provided in  
58.22      disproportionate share facilities between those dates.

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

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

58.30       (b) A disproportionate share facility receiving a rate adjustment under Minnesota Statutes  
58.31      2021 Supplement, section 256S.205, as of July 1, 2022, may apply for an adjustment under  
58.32      this section.

59.1 **EFFECTIVE DATE.** (a) Subdivisions 1 to 3 are effective July 1, 2022, or upon federal  
59.2 approval, whichever is later, and apply to services provided on or after October 1, 2022, or  
59.3 on or after the date upon which federal approval is obtained, whichever is later. The  
59.4 commissioner of human services shall notify the revisor of statutes when federal approval  
59.5 is obtained.

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

59.7 Sec. 22. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**  
59.8 **PARTIAL YEAR RATE ADJUSTMENTS.**

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

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

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

59.18 Sec. 23. **REPEALER.**

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

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

### 59.23 **ARTICLE 3**

### 59.24 **HEALTH CARE**

59.25 Section 1. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 17, is  
59.26 amended to read:

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

60.1 (b) Medical assistance covers medical transportation costs incurred solely for obtaining  
60.2 emergency medical care or transportation costs incurred by eligible persons in obtaining  
60.3 emergency or nonemergency medical care when paid directly to an ambulance company,  
60.4 nonemergency medical transportation company, or other recognized providers of  
60.5 transportation services. Medical transportation must be provided by:

60.6 (1) nonemergency medical transportation providers who meet the requirements of this  
60.7 subdivision;

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

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

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

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

60.13 (c) Medical assistance covers nonemergency medical transportation provided by  
60.14 nonemergency medical transportation providers enrolled in the Minnesota health care  
60.15 programs. All nonemergency medical transportation providers must comply with the  
60.16 operating standards for special transportation service as defined in sections 174.29 to 174.30  
60.17 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the  
60.18 commissioner and reported on the claim as the individual who provided the service. All  
60.19 nonemergency medical transportation providers shall bill for nonemergency medical  
60.20 transportation services in accordance with Minnesota health care programs criteria. Publicly  
60.21 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the  
60.22 requirements outlined in this paragraph.

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

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

60.26 (2) the provider has initiated background studies on the individuals specified in section  
60.27 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

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

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

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

- 61.1 (1) adhere to the policies defined by the commissioner in consultation with the  
61.2 Nonemergency Medical Transportation Advisory Committee;
- 61.3 (2) pay nonemergency medical transportation providers for services provided to  
61.4 Minnesota health care programs beneficiaries to obtain covered medical services;
- 61.5 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled  
61.6 trips, and number of trips by mode; and
- 61.7 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single  
61.8 administrative structure assessment tool that meets the technical requirements established  
61.9 by the commissioner, reconciles trip information with claims being submitted by providers,  
61.10 and ensures prompt payment for nonemergency medical transportation services.
- 61.11 (f) Until the commissioner implements the single administrative structure and delivery  
61.12 system under subdivision 18e, clients shall obtain their level-of-service certificate from the  
61.13 commissioner or an entity approved by the commissioner that does not dispatch rides for  
61.14 clients using modes of transportation under paragraph (i), clauses (4), (5), (6), and (7).
- 61.15 (g) The commissioner may use an order by the recipient's attending physician, advanced  
61.16 practice registered nurse, or a medical or mental health professional to certify that the  
61.17 recipient requires nonemergency medical transportation services. Nonemergency medical  
61.18 transportation providers shall perform driver-assisted services for eligible individuals, when  
61.19 appropriate. Driver-assisted service includes passenger pickup at and return to the individual's  
61.20 residence or place of business, assistance with admittance of the individual to the medical  
61.21 facility, and assistance in passenger securement or in securing of wheelchairs, child seats,  
61.22 or stretchers in the vehicle.
- 61.23 Nonemergency medical transportation providers must take clients to the health care  
61.24 provider using the most direct route, and must not exceed 30 miles for a trip to a primary  
61.25 care provider or 60 miles for a trip to a specialty care provider, unless the client receives  
61.26 authorization from the local agency.
- 61.27 Nonemergency medical transportation providers may not bill for separate base rates for  
61.28 the continuation of a trip beyond the original destination. Nonemergency medical  
61.29 transportation providers must maintain trip logs, which include pickup and drop-off times,  
61.30 signed by the medical provider or client, whichever is deemed most appropriate, attesting  
61.31 to mileage traveled to obtain covered medical services. Clients requesting client mileage  
61.32 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical  
61.33 services.

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

62.6 (i) The covered modes of transportation are:

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

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

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

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

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

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

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

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

62.33 (k) The commissioner shall:

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

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

63.4 (3) investigate all complaints and appeals.

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

63.9 (m) Payments for nonemergency medical transportation must be paid based on the client's  
63.10 assessed mode under paragraph (h), not the type of vehicle used to provide the service. The  
63.11 medical assistance reimbursement rates for nonemergency medical transportation services  
63.12 that are payable by or on behalf of the commissioner for nonemergency medical  
63.13 transportation services are:

63.14 (1) \$0.22 per mile for client reimbursement;

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

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

63.20 (4) \$13 for the base rate and \$1.30 per mile for assisted transport;

63.21 (5) \$18 for the base rate and \$1.55 per mile for lift-equipped/ramp transport;

63.22 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and

63.23 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for  
63.24 an additional attendant if deemed medically necessary.

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

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

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

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

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

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

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

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

64.19 Sec. 2. Minnesota Statutes 2020, section 256B.0625, subdivision 17a, is amended to read:

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

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

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

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

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

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

65.9 **Sec. 3. DIRECTION TO THE COMMISSIONER; NONEMERGENCY MEDICAL**  
65.10 **TRANSPORTATION RATES.**

65.11 The commissioner shall increase the base rates and the mileage rates for nonemergency  
65.12 medical transportation services under Minnesota Statutes, section 256B.0625, subdivision  
65.13 17, paragraph (m), clauses (3) to (5), by equal percentages that are equivalent to a total  
65.14 three-year appropriation of \$18,000,000 in fiscal years 2023 to 2025.

## 65.15 **ARTICLE 4**

### 65.16 **BEHAVIORAL HEALTH**

65.17 Section 1. Minnesota Statutes 2021 Supplement, section 297E.02, subdivision 3, is amended  
65.18 to read:

65.19 **Subd. 3. Collection; disposition.** (a) Taxes imposed by this section are due and payable  
65.20 to the commissioner when the gambling tax return is required to be filed. Distributors must  
65.21 file their monthly sales figures with the commissioner on a form prescribed by the  
65.22 commissioner. Returns covering the taxes imposed under this section must be filed with  
65.23 the commissioner on or before the 20th day of the month following the close of the previous  
65.24 calendar month. The commissioner shall prescribe the content, format, and manner of returns  
65.25 or other documents pursuant to section 270C.30. The proceeds, along with the revenue  
65.26 received from all license fees and other fees under sections 349.11 to 349.191, 349.211,  
65.27 and 349.213, must be paid to the commissioner of management and budget for deposit in  
65.28 the general fund.

65.29 (b) The sales tax imposed by chapter 297A on the sale of pull-tabs and tipboards by the  
65.30 distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards by  
65.31 the organization is exempt from taxes imposed by chapter 297A and is exempt from all  
65.32 local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

66.1 (c) One-half of one percent of the revenue deposited in the general fund under paragraph  
66.2 (a), is appropriated to the commissioner of human services for the compulsive gambling  
66.3 treatment program established under section 245.98. Money appropriated under this paragraph  
66.4 must not replace existing state funding for these programs.

66.5 (d) One-half of one percent of the revenue deposited in the general fund under paragraph  
66.6 (a), is appropriated to the commissioner of human services ~~for a grant~~. By June 30 of each  
66.7 fiscal year, the commissioner of human services must transfer the amount deposited in the  
66.8 general fund under this paragraph to the special revenue fund. By October 15 of each fiscal  
66.9 year, the commissioner of human services must award a grant in an amount equal to the  
66.10 entire amount transferred to the special revenue fund under this paragraph for the prior fiscal  
66.11 year to the state affiliate recognized by the National Council on Problem Gambling to  
66.12 increase public awareness of problem gambling, education and training for individuals and  
66.13 organizations providing effective treatment services to problem gamblers and their families,  
66.14 and research relating to problem gambling. Money appropriated by this paragraph must  
66.15 supplement and must not replace existing state funding for these programs.

66.16 ~~(d)~~ (e) The commissioner of human services must provide to the state affiliate recognized  
66.17 by the National Council on Problem Gambling a monthly statement of the amounts deposited  
66.18 under ~~paragraph~~ paragraphs (c) and (d). Beginning January 1, 2022, the commissioner of  
66.19 human services must provide to the chairs and ranking minority members of the legislative  
66.20 committees with jurisdiction over treatment for problem gambling and to the state affiliate  
66.21 recognized by the National Council on Problem Gambling an annual reconciliation of the  
66.22 amounts deposited under paragraph (c). The annual reconciliation under this paragraph must  
66.23 include the amount allocated to the commissioner of human services for the compulsive  
66.24 gambling treatment program established under section 245.98, and the amount allocated to  
66.25 the state affiliate recognized by the National Council on Problem Gambling.

66.26 **Sec. 2. APPROPRIATION; ANOKA COUNTY SUBSTANCE USE DISORDER**  
66.27 **PROGRAM.**

66.28 \$125,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
66.29 of human services for a grant to an existing program in Anoka County that provides services  
66.30 to help women with dependent children and struggling with substance abuse to remain  
66.31 sober, regain custody of children, achieve permanent housing, keep stable employment, and  
66.32 avoid new criminal convictions. The general fund base for this appropriation is \$125,000  
66.33 in fiscal year 2024 and \$125,000 in fiscal year 2025.

67.1 Sec. 3. **APPROPRIATION; OLMSTEAD COUNTY RECOVERY COMMUNITY**  
 67.2 **ORGANIZATION.**

67.3 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
 67.4 of human services for a grant to a recovery community organization in Olmsted County,  
 67.5 located in the city of Rochester, that provides services in an 11-county region. The general  
 67.6 fund base for this appropriation is \$100,000 in fiscal year 2024 and \$100,000 in fiscal year  
 67.7 2025.

67.8 Sec. 4. **APPROPRIATION; ROCHESTER NONPROFIT RECOVERY**  
 67.9 **COMMUNITY ORGANIZATION.**

67.10 \$53,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
 67.11 of human services for a grant to a nonprofit recovery community organization located in  
 67.12 Rochester, Minnesota, that provides pretreatment housing, post-treatment recovery housing,  
 67.13 treatment coordination, and peer recovery support to individuals pursuing a life of recovery  
 67.14 from substance use disorders, and that also offers a recovery coaching academy to individuals  
 67.15 interested in becoming peer recovery specialists. The general fund base for this appropriation  
 67.16 is \$55,000 in fiscal year 2024 and \$55,000 in fiscal year 2025.

67.17 Sec. 5. **APPROPRIATION; WELLNESS IN THE WOODS.**

67.18 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
 67.19 of human services for a grant to Wellness in the Woods for daily peer support and special  
 67.20 sessions for individuals who are in substance use recovery, are transitioning out of  
 67.21 incarceration, or have experienced trauma. The general fund base for this appropriation is  
 67.22 \$100,000 in fiscal year 2024 and \$100,000 in fiscal year 2025.

67.23 **ARTICLE 5**  
 67.24 **CHILD WELFARE**

67.25 Section 1. Minnesota Statutes 2020, section 256K.45, subdivision 6, is amended to read:

67.26 Subd. 6. **Funding.** Funds appropriated for this section may be expended on programs  
 67.27 described under subdivisions 3 to 5 and 8, technical assistance, and capacity building to  
 67.28 meet the greatest need on a statewide basis. The commissioner will provide outreach,  
 67.29 technical assistance, and program development support to increase capacity to new and  
 67.30 existing service providers to better meet needs statewide, particularly in areas where services  
 67.31 for homeless youth have not been established, especially in greater Minnesota.

68.1 Sec. 2. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to  
68.2 read:

68.3 Subd. 7. **Awarding of grants.** (a) Grants awarded under this section shall not be used  
68.4 for any activity other than the authorized activities under this section, and the commissioner  
68.5 shall not create additional eligibility criteria or restrictions on the grant money.

68.6 (b) Grants shall be awarded under this section only after a review of the grant recipient's  
68.7 application materials, including past performance and utilization of grant money. The  
68.8 commissioner shall not reduce an existing grant award amount unless the commissioner  
68.9 first determines that the grant recipient has failed to meet performance measures or has used  
68.10 grant money improperly.

68.11 (c) For grants awarded pursuant to a two-year grant contract, the commissioner shall  
68.12 permit grant recipients to carry over any unexpended amount from the first contract year  
68.13 to the second contract year.

68.14 Sec. 3. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to  
68.15 read:

68.16 Subd. 8. **Provider repair or improvement grants.** (a) Providers that serve homeless  
68.17 youth under this section may apply for a grant of up to \$100,000 under this subdivision to  
68.18 make minor or mechanical repairs or improvements to a facility providing services to  
68.19 homeless youth or youth at risk of homelessness.

68.20 (b) Grant applications under this subdivision must include a description of the repairs  
68.21 or improvements and the estimated cost of the repairs or improvements.

68.22 (c) Grantees under this subdivision cannot receive grant funds under this subdivision  
68.23 for two consecutive years.

68.24 Sec. 4. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 24,  
68.25 is amended to read:

68.26 **Subd. 24. Grant Programs; Children and**  
68.27 **Economic Support Grants** 29,740,000 29,740,000

68.28 (a) **Minnesota Food Assistance Program.**  
68.29 Unexpended funds for the Minnesota food  
68.30 assistance program for fiscal year 2022 do not  
68.31 cancel but are available in fiscal year 2023.

69.1 **(b) Provider Repair or Improvement**  
69.2 **Grants. \$1,000,000 in fiscal year 2022 and**  
69.3 **\$1,000,000 in fiscal year 2023 are from the**  
69.4 **general fund for provider repair or**  
69.5 **improvement grants under Minnesota Statutes,**  
69.6 **section 256K.45, subdivision 8. The amounts**  
69.7 **in this paragraph are available until June 30,**  
69.8 **2025. This paragraph expires July 1, 2025.**

69.9 Sec. 5. Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7, is  
69.10 amended to read:

69.11 Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial  
69.12 report to the chairs and ranking minority members of the house of representatives and senate  
69.13 committees and divisions with jurisdiction over housing and preventing homelessness on  
69.14 its findings and recommendations.

69.15 (b) No later than ~~August 31~~ December 15, 2022, the task force shall submit a final report  
69.16 to the chairs and ranking minority members of the house of representatives and senate  
69.17 committees and divisions with jurisdiction over housing and preventing homelessness on  
69.18 its findings and recommendations.

69.19 Sec. 6. **APPROPRIATION; QUALITY PARENTING INITIATIVE.**

69.20 (a) \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
69.21 of human services for a grant to Quality Parenting Initiative Minnesota, to implement Quality  
69.22 Parenting Initiative principles and practices and support children and families experiencing  
69.23 foster care placements. The grantee shall use grant funds to provide training and technical  
69.24 assistance to county and Tribal agencies, community-based agencies, and other stakeholders,  
69.25 on the following activities:

69.26 (1) conducting initial foster care phone calls under Minnesota Statutes, section 260C.219,  
69.27 subdivision 6;

69.28 (2) supporting practices that create birth family to foster family partnerships; and

69.29 (3) informing child welfare practices by supporting youth leadership and the participation  
69.30 of individuals with experience in the foster care system.

69.31 (b) The base for this appropriation is \$100,000 in fiscal year 2024 and \$100,000 in fiscal  
69.32 year 2025.

## ARTICLE 6

## ECONOMIC ASSISTANCE

70.1

70.2

70.3 Section 1. Minnesota Statutes 2020, section 256E.35, subdivision 1, is amended to read:

70.4 Subdivision 1. **Establishment.** The Minnesota family assets for independence initiative  
70.5 is established to provide incentives for low-income families to accrue assets for education,  
70.6 housing, vehicles, emergencies, and economic development purposes.

70.7 Sec. 2. Minnesota Statutes 2020, section 256E.35, subdivision 2, is amended to read:

70.8 Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

70.9 (b) "Eligible educational institution" means the following:

70.10 (1) an institution of higher education described in section 101 or 102 of the Higher  
70.11 Education Act of 1965; or

70.12 (2) an area vocational education school, as defined in subparagraph (C) or (D) of United  
70.13 States Code, title 20, chapter 44, section 2302 (3) (the Carl D. Perkins Vocational and  
70.14 Applied Technology Education Act), which is located within any state, as defined in United  
70.15 States Code, title 20, chapter 44, section 2302 (30). This clause is applicable only to the  
70.16 extent section 2302 is in effect on August 1, 2008.

70.17 (c) "Family asset account" means a savings account opened by a household participating  
70.18 in the Minnesota family assets for independence initiative.

70.19 (d) "Fiduciary organization" means:

70.20 (1) a community action agency that has obtained recognition under section 256E.31;

70.21 (2) a federal community development credit union ~~servicing the seven-county metropolitan~~  
70.22 ~~area; or~~

70.23 (3) a women-oriented economic development agency ~~servicing the seven-county~~  
70.24 ~~metropolitan area;~~

70.25 (4) a federally recognized Tribal nation; or

70.26 (5) a nonprofit organization, as defined under section 501(c)(3) of the Internal Revenue  
70.27 Code.

70.28 (e) "Financial coach" means a person who:

71.1 (1) has completed an intensive financial literacy training workshop that includes  
71.2 curriculum on budgeting to increase savings, debt reduction and asset building, building a  
71.3 good credit rating, and consumer protection;

71.4 (2) participates in ongoing statewide family assets for independence in Minnesota (FAIM)  
71.5 network training meetings under FAIM program supervision; and

71.6 (3) provides financial coaching to program participants under subdivision 4a.

71.7 (f) "Financial institution" means a bank, bank and trust, savings bank, savings association,  
71.8 or credit union, the deposits of which are insured by the Federal Deposit Insurance  
71.9 Corporation or the National Credit Union Administration.

71.10 (g) "Household" means all individuals who share use of a dwelling unit as primary  
71.11 quarters for living and eating separate from other individuals.

71.12 (h) "Permissible use" means:

71.13 (1) postsecondary educational expenses at an eligible educational institution as defined  
71.14 in paragraph (b), including books, supplies, and equipment required for courses of instruction;

71.15 (2) acquisition costs of acquiring, constructing, or reconstructing a residence, including  
71.16 any usual or reasonable settlement, financing, or other closing costs;

71.17 (3) business capitalization expenses for expenditures on capital, plant, equipment, working  
71.18 capital, and inventory expenses of a legitimate business pursuant to a business plan approved  
71.19 by the fiduciary organization;

71.20 (4) acquisition costs of a principal residence within the meaning of section 1034 of the  
71.21 Internal Revenue Code of 1986 which do not exceed 100 percent of the average area purchase  
71.22 price applicable to the residence determined according to section 143(e)(2) and (3) of the  
71.23 Internal Revenue Code of 1986; ~~and~~

71.24 (5) acquisition costs of a personal vehicle only if approved by the fiduciary organization;

71.25 (6) contribution to an emergency savings account; and

71.26 (7) contribution to a Minnesota 529 savings plan.

71.27 Sec. 3. Minnesota Statutes 2020, section 256E.35, subdivision 4a, is amended to read:

71.28 Subd. 4a. **Financial coaching.** A financial coach shall provide the following to program  
71.29 participants:

71.30 (1) financial education relating to budgeting, debt reduction, asset-specific training,  
71.31 credit building, and financial stability activities;

72.1 (2) asset-specific training related to buying a home or vehicle, acquiring postsecondary  
72.2 education, ~~or starting or expanding a small business,~~ saving for emergencies, or saving for  
72.3 a child's education; and

72.4 (3) financial stability education and training to improve and sustain financial security.

72.5 Sec. 4. Minnesota Statutes 2020, section 256E.35, subdivision 6, is amended to read:

72.6 Subd. 6. **Withdrawal; matching; permissible uses.** (a) To receive a match, a  
72.7 participating household must transfer funds withdrawn from a family asset account to its  
72.8 matching fund custodial account held by the fiscal agent, according to the family asset  
72.9 agreement. The fiscal agent must determine if the match request is for a permissible use  
72.10 consistent with the household's family asset agreement.

72.11 (b) The fiscal agent must ensure the household's custodial account contains the applicable  
72.12 matching funds to match the balance in the household's account, including interest, on at  
72.13 least a quarterly basis and at the time of an approved withdrawal. Matches must be a  
72.14 contribution of \$3 from state grant or TANF funds for every \$1 of funds withdrawn from  
72.15 the family asset account not to exceed a \$6,000 lifetime limit.

72.16 (c) Notwithstanding paragraph (b), if funds are appropriated for the Federal Assets for  
72.17 Independence Act of 1998, and a participating fiduciary organization is awarded a grant  
72.18 under that act, participating households with that fiduciary organization must be provided  
72.19 matches as follows:

72.20 (1) from state grant and TANF funds, a matching contribution of \$1.50 for every \$1 of  
72.21 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit;  
72.22 and

72.23 (2) from nonstate funds, a matching contribution of not less than \$1.50 for every \$1 of  
72.24 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit.

72.25 (d) Upon receipt of transferred custodial account funds, the fiscal agent must make a  
72.26 direct payment to the vendor of the goods or services for the permissible use.

72.27 Sec. 5. Minnesota Statutes 2020, section 256E.35, subdivision 7, is amended to read:

72.28 Subd. 7. **Program reporting.** The fiscal agent on behalf of each fiduciary organization  
72.29 participating in a family assets for independence initiative must report quarterly to the  
72.30 commissioner of human services identifying the participants with accounts, the number of  
72.31 accounts, the amount of savings and matches for each participant's account, the uses of the  
72.32 account, and the number of businesses, homes, vehicles, and educational services paid for

73.1 with money from the account, and the amount of contributions to Minnesota 529 savings  
 73.2 plans and emergency savings accounts, as well as other information that may be required  
 73.3 for the commissioner to administer the program and meet federal TANF reporting  
 73.4 requirements.

73.5 Sec. 6. Minnesota Statutes 2020, section 256P.02, is amended by adding a subdivision to  
 73.6 read:

73.7 Subd. 4. **Account exception.** Family asset accounts under section 256E.35 and individual  
 73.8 development accounts authorized under the Assets for Independence Act, Title IV of the  
 73.9 Community Opportunities, Accountability, and Training and Educational Services Human  
 73.10 Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when  
 73.11 determining the equity value of personal property.

73.12 Sec. 7. Minnesota Statutes 2020, section 256P.03, subdivision 2, is amended to read:

73.13 Subd. 2. **Earned income disregard.** The agency shall disregard the first \$65 of earned  
 73.14 income plus ~~one-half~~ 60 percent of the remaining earned income per month.

73.15 Sec. 8. **APPROPRIATION; FAMILY ASSETS FOR INDEPENDENCE PROGRAM.**

73.16 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
 73.17 of human services for the purposes of the family assets for independence program in  
 73.18 Minnesota Statutes, section 256E.35. The general fund base for this appropriation is \$100,000  
 73.19 in fiscal year 2024 and \$100,000 in fiscal year 2025.

## 73.20 ARTICLE 7

### 73.21 MISCELLANEOUS

73.22 Section 1. **[256.4791] COMMUNITY ORGANIZATIONS GRANT PROGRAM.**

73.23 Subdivision 1. **Establishment.** The commissioner of human services shall establish the  
 73.24 community organizations grant program to address violence prevention and provide street  
 73.25 outreach services.

73.26 Subd. 2. **Applications.** Organizations seeking grants under this section shall apply to  
 73.27 the commissioner. The grant applicant must include a description of the project that the  
 73.28 applicant is proposing, the amount of money that the applicant is seeking, and a proposed  
 73.29 budget describing how the applicant will spend the grant money.

74.1 Subd. 3. **Eligible applicants.** To be eligible for a grant under this section, applicants  
74.2 must address violence prevention, connect with youth and community members, and provide  
74.3 street outreach services. Applicants must also be focused on prevention, intervention, and  
74.4 restorative practices within the community, which may include:

74.5 (1) providing trauma-responsive care; and

74.6 (2) access to individual and group therapy services or community healing.

74.7 Subd. 4. **Use of grant money.** Grant recipients must use the funds to address violence  
74.8 prevention, connect with youth and community members, and provide street outreach  
74.9 services.

74.10 Subd. 5. **Reporting.** Grant recipients must provide an annual report to the commissioner  
74.11 in a manner specified by the commissioner on the activities and outcomes of the project  
74.12 funded by the grant program.

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

74.14 Sec. 2. **APPROPRIATION; COMMUNITY ORGANIZATIONS GRANT PROGRAM.**

74.15 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
74.16 of human services for the community organizations grants under Minnesota Statutes, section  
74.17 256.4791. The general fund base for this appropriation is \$100,000 in fiscal year 2024 and  
74.18 \$100,000 in fiscal year 2025."

74.19 Amend the title accordingly