

1.1 Senator ..... moves to amend S.F. No. 3054 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 **"ARTICLE 1**

1.4 **AGING AND OLDER ADULT SERVICES**

1.5 Section 1. Minnesota Statutes 2024, section 144A.071, subdivision 4a, is amended to read:

1.6 Subd. 4a. **Exceptions for replacement beds.** It is in the best interest of the state to  
1.7 ensure that nursing homes and boarding care homes continue to meet the physical plant  
1.8 licensing and certification requirements by permitting certain construction projects. Facilities  
1.9 should be maintained in condition to satisfy the physical and emotional needs of residents  
1.10 while allowing the state to maintain control over nursing home expenditure growth.

1.11 The commissioner of health in coordination with the commissioner of human services,  
1.12 may approve the renovation, replacement, upgrading, or relocation of a nursing home or  
1.13 boarding care home, under the following conditions:

1.14 (a) to license or certify beds in a new facility constructed to replace a facility or to make  
1.15 repairs in an existing facility that was destroyed or damaged after June 30, 1987, by fire,  
1.16 lightning, or other hazard provided:

1.17 (i) destruction was not caused by the intentional act of or at the direction of a controlling  
1.18 person of the facility;

1.19 (ii) at the time the facility was destroyed or damaged the controlling persons of the  
1.20 facility maintained insurance coverage for the type of hazard that occurred in an amount  
1.21 that a reasonable person would conclude was adequate;

1.22 (iii) the net proceeds from an insurance settlement for the damages caused by the hazard  
1.23 are applied to the cost of the new facility or repairs;

1.24 (iv) the number of licensed and certified beds in the new facility does not exceed the  
1.25 number of licensed and certified beds in the destroyed facility; and

1.26 (v) the commissioner determines that the replacement beds are needed to prevent an  
1.27 inadequate supply of beds.

1.28 Project construction costs incurred for repairs authorized under this clause shall not be  
1.29 considered in the dollar threshold amount defined in subdivision 2;

(b) to license or certify beds that are moved from one location to another within a nursing home facility, provided the total costs of remodeling performed in conjunction with the relocation of beds does not exceed \$1,000,000;

(c) to license or certify beds in a project recommended for approval under section 144A.073;

(d) to license or certify beds that are moved from an existing state nursing home to a different state facility, provided there is no net increase in the number of state nursing home beds;

(e) to certify and license as nursing home beds boarding care beds in a certified boarding care facility if the beds meet the standards for nursing home licensure, or in a facility that was granted an exception to the moratorium under section 144A.073, and if the cost of any remodeling of the facility does not exceed \$1,000,000. If boarding care beds are licensed as nursing home beds, the number of boarding care beds in the facility must not increase beyond the number remaining at the time of the upgrade in licensure. The provisions contained in section 144A.073 regarding the upgrading of the facilities do not apply to facilities that satisfy these requirements;

~~(f) to license and certify up to 40 beds transferred from an existing facility owned and operated by the Amherst H. Wilder Foundation in the city of St. Paul to a new unit at the same location as the existing facility that will serve persons with Alzheimer's disease and other related disorders. The transfer of beds may occur gradually or in stages, provided the total number of beds transferred does not exceed 40. At the time of licensure and certification of a bed or beds in the new unit, the commissioner of health shall delicense and decertify the same number of beds in the existing facility. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the transfers allowed under this paragraph;~~

~~(g)~~ (f) to license and certify nursing home beds to replace currently licensed and certified boarding care beds which may be located either in a remodeled or renovated boarding care or nursing home facility or in a remodeled, renovated, newly constructed, or replacement nursing home facility within the identifiable complex of health care facilities in which the currently licensed boarding care beds are presently located, provided that the number of boarding care beds in the facility or complex are decreased by the number to be licensed as nursing home beds and further provided that, if the total costs of new construction, replacement, remodeling, or renovation exceed ten percent of the appraised value of the

facility or \$200,000, whichever is less, the facility makes a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate by reason of the new construction, replacement, remodeling, or renovation. The provisions contained in section 144A.073 regarding the upgrading of facilities do not apply to facilities that satisfy these requirements;

~~(h)~~ (g) to license as a nursing home and certify as a nursing facility a facility that is licensed as a boarding care facility but not certified under the medical assistance program, but only if the commissioner of human services certifies to the commissioner of health that licensing the facility as a nursing home and certifying the facility as a nursing facility will result in a net annual savings to the state general fund of \$200,000 or more;

~~(i) to certify, after September 30, 1992, and prior to July 1, 1993, existing nursing home beds in a facility that was licensed and in operation prior to January 1, 1992;~~

~~(j) to license and certify new nursing home beds to replace beds in a facility acquired by the Minneapolis Community Development Agency as part of redevelopment activities in a city of the first class, provided the new facility is located within three miles of the site of the old facility. Operating and property costs for the new facility must be determined and allowed under section 256B.431 or 256B.434 or chapter 256R;~~

~~(k) to license and certify up to 20 new nursing home beds in a community-operated hospital and attached convalescent and nursing care facility with 40 beds on April 21, 1991, that suspended operation of the hospital in April 1986. The commissioner of human services shall provide the facility with the same per diem property-related payment rate for each additional licensed and certified bed as it will receive for its existing 40 beds;~~

~~(l)~~ (h) to license or certify beds in renovation, replacement, or upgrading projects as defined in section 144A.073, subdivision 1, so long as the cumulative total costs of the facility's remodeling projects do not exceed \$1,000,000;

~~(m) to license and certify beds that are moved from one location to another for the purposes of converting up to five four-bed wards to single or double occupancy rooms in a nursing home that, as of January 1, 1993, was county-owned and had a licensed capacity of 115 beds;~~

~~(n) to allow a facility that on April 16, 1993, was a 106-bed licensed and certified nursing facility located in Minneapolis to layaway all of its licensed and certified nursing home beds. These beds may be relicensed and recertified in a newly constructed teaching nursing home facility affiliated with a teaching hospital upon approval by the legislature. The proposal must be developed in consultation with the interagency committee on long-term~~

~~care planning. The beds on layaway status shall have the same status as voluntarily delicensed and decertified beds, except that beds on layaway status remain subject to the surcharge in section 256.9657. This layaway provision expires July 1, 1998;~~

~~(o) to allow a project which will be completed in conjunction with an approved moratorium exception project for a nursing home in southern Cass County and which is directly related to that portion of the facility that must be repaired, renovated, or replaced, to correct an emergency plumbing problem for which a state correction order has been issued and which must be corrected by August 31, 1993;~~

~~(p) (i) to allow a facility that on April 16, 1993, was a 368-bed licensed and certified nursing facility located in Minneapolis to layaway, upon 30 days prior written notice to the commissioner, up to 30 of the facility's licensed and certified beds by converting three-bed wards to single or double occupancy. Beds on layaway status shall have the same status as voluntarily delicensed and decertified beds except that beds on layaway status remain subject to the surcharge in section 256.9657, remain subject to the license application and renewal fees under section 144A.07 and shall be subject to a \$100 per bed reactivation fee. In addition, at any time within three years of the effective date of the layaway, the beds on layaway status may be;~~

~~(1) relicensed and recertified upon relocation and reactivation of some or all of the beds to an existing licensed and certified facility or facilities located in Pine River, Brainerd, or International Falls; provided that the total project construction costs related to the relocation of beds from layaway status for any facility receiving relocated beds may not exceed the dollar threshold provided in subdivision 2 unless the construction project has been approved through the moratorium exception process under section 144A.073;~~

~~(2) relicensed and recertified, upon reactivation of some or all of the beds within the facility which placed the beds in layaway status, if the commissioner has determined a need for the reactivation of the beds on layaway status.~~

~~The property-related payment rate of a facility placing beds on layaway status must be adjusted by the incremental change in its rental per diem after recalculating the rental per diem as provided in section 256B.431, subdivision 3a, paragraph (c). The property-related payment rate for a facility relicensing and recertifying beds from layaway status must be adjusted by the incremental change in its rental per diem after recalculating its rental per diem using the number of beds after the relicensing to establish the facility's capacity day divisor, which shall be effective the first day of the month following the month in which the relicensing and recertification became effective. Any beds remaining on layaway status~~

5.1 ~~more than three years after the date the layaway status became effective must be removed~~  
5.2 ~~from layaway status and immediately delicensed and decertified;~~

5.3 ~~(q) to license and certify beds in a renovation and remodeling project to convert 12~~  
5.4 ~~four-bed wards into 24 two-bed rooms, expand space, and add improvements in a nursing~~  
5.5 ~~home that, as of January 1, 1994, met the following conditions: the nursing home was located~~  
5.6 ~~in Ramsey County; had a licensed capacity of 154 beds; and had been ranked among the~~  
5.7 ~~top 15 applicants by the 1993 moratorium exceptions advisory review panel. The total~~  
5.8 ~~project construction cost estimate for this project must not exceed the cost estimate submitted~~  
5.9 ~~in connection with the 1993 moratorium exception process;~~

5.10 ~~(r) to license and certify up to 117 beds that are relocated from a licensed and certified~~  
5.11 ~~138-bed nursing facility located in St. Paul to a hospital with 130 licensed hospital beds~~  
5.12 ~~located in South St. Paul, provided that the nursing facility and hospital are owned by the~~  
5.13 ~~same or a related organization and that prior to the date the relocation is completed the~~  
5.14 ~~hospital ceases operation of its inpatient hospital services at that hospital. After relocation,~~  
5.15 ~~the nursing facility's status shall be the same as it was prior to relocation. The nursing~~  
5.16 ~~facility's property-related payment rate resulting from the project authorized in this paragraph~~  
5.17 ~~shall become effective no earlier than April 1, 1996. For purposes of calculating the~~  
5.18 ~~incremental change in the facility's rental per diem resulting from this project, the allowable~~  
5.19 ~~appraised value of the nursing facility portion of the existing health care facility physical~~  
5.20 ~~plant prior to the renovation and relocation may not exceed \$2,490,000;~~

5.21 ~~(s) to license and certify two beds in a facility to replace beds that were voluntarily~~  
5.22 ~~delicensed and decertified on June 28, 1991;~~

5.23 ~~(t) (j) to allow 16 licensed and certified beds located on July 1, 1994, in a 142-bed nursing~~  
5.24 ~~home and 21-bed boarding care home facility in Minneapolis, notwithstanding the licensure~~  
5.25 ~~and certification after July 1, 1995, of the Minneapolis facility as a 147-bed nursing home~~  
5.26 ~~facility after completion of a construction project approved in 1993 under section 144A.073,~~  
5.27 ~~to be laid away upon 30 days' prior written notice to the commissioner. Beds on layaway~~  
5.28 ~~status shall have the same status as voluntarily delicensed or decertified beds except that~~  
5.29 ~~they shall remain subject to the surcharge in section 256.9657. The 16 beds on layaway~~  
5.30 ~~status may be relicensed as nursing home beds and recertified at any time within five years~~  
5.31 ~~of the effective date of the layaway upon relocation of some or all of the beds to a licensed~~  
5.32 ~~and certified facility located in Watertown, provided that the total project construction costs~~  
5.33 ~~related to the relocation of beds from layaway status for the Watertown facility may not~~  
5.34 ~~exceed the dollar threshold provided in subdivision 2 unless the construction project has~~  
5.35 ~~been approved through the moratorium exception process under section 144A.073.;~~

~~The property-related payment rate of the facility placing beds on layaway status must be adjusted by the incremental change in its rental per diem after recalculating the rental per diem as provided in section 256B.431, subdivision 3a, paragraph (c). The property-related payment rate for the facility relicensing and recertifying beds from layaway status must be adjusted by the incremental change in its rental per diem after recalculating its rental per diem using the number of beds after the relicensing to establish the facility's capacity day divisor, which shall be effective the first day of the month following the month in which the relicensing and recertification became effective. Any beds remaining on layaway status more than five years after the date the layaway status became effective must be removed from layaway status and immediately delicensed and decertified;~~

~~(u) to license and certify beds that are moved within an existing area of a facility or to a newly constructed addition which is built for the purpose of eliminating three- and four-bed rooms and adding space for dining, lounge areas, bathing rooms, and ancillary service areas in a nursing home that, as of January 1, 1995, was located in Fridley and had a licensed capacity of 129 beds;~~

~~(v) to relocate 36 beds in Crow Wing County and four beds from Hennepin County to a 160-bed facility in Crow Wing County, provided all the affected beds are under common ownership;~~

~~(w) to license and certify a total replacement project of up to 49 beds located in Norman County that are relocated from a nursing home destroyed by flood and whose residents were relocated to other nursing homes. The operating cost payment rates for the new nursing facility shall be determined based on the interim and settle-up payment provisions of section 256R.27 and the reimbursement provisions of chapter 256R. Property-related reimbursement rates shall be determined under section 256R.26, taking into account any federal or state flood-related loans or grants provided to the facility;~~

~~(x) to license and certify to the licensee of a nursing home in Polk County that was destroyed by flood in 1997 replacement projects with a total of up to 129 beds, with at least 25 beds to be located in Polk County and up to 104 beds distributed among up to three other counties. These beds may only be distributed to counties with fewer than the median number of age-intensity adjusted beds per thousand, as most recently published by the commissioner of human services. If the licensee chooses to distribute beds outside of Polk County under this paragraph, prior to distributing the beds, the commissioner of health must approve the location in which the licensee plans to distribute the beds. The commissioner of health shall consult with the commissioner of human services prior to approving the location of the proposed beds. The licensee may combine these beds with beds relocated from other nursing~~

~~facilities as provided in section 144A.073, subdivision 3c. The operating payment rates for the new nursing facilities shall be determined based on the interim and settle-up payment provisions of Minnesota Rules, parts 9549.0010 to 9549.0080. Property-related reimbursement rates shall be determined under section 256R.26. If the replacement beds permitted under this paragraph are combined with beds from other nursing facilities, the rates shall be calculated as the weighted average of rates determined as provided in this paragraph and section 256R.50;~~

~~(y) to license and certify beds in a renovation and remodeling project to convert 13 three-bed wards into 13 two-bed rooms and 13 single-bed rooms, expand space, and add improvements in a nursing home that, as of January 1, 1994, met the following conditions: the nursing home was located in Ramsey County, was not owned by a hospital corporation, had a licensed capacity of 64 beds, and had been ranked among the top 15 applicants by the 1993 moratorium exceptions advisory review panel. The total project construction cost estimate for this project must not exceed the cost estimate submitted in connection with the 1993 moratorium exception process;~~

~~(z) to license and certify up to 150 nursing home beds to replace an existing 285 bed nursing facility located in St. Paul. The replacement project shall include both the renovation of existing buildings and the construction of new facilities at the existing site. The reduction in the licensed capacity of the existing facility shall occur during the construction project as beds are taken out of service due to the construction process. Prior to the start of the construction process, the facility shall provide written information to the commissioner of health describing the process for bed reduction, plans for the relocation of residents, and the estimated construction schedule. The relocation of residents shall be in accordance with the provisions of law and rule;~~

~~(aa) to allow the commissioner of human services to license an additional 36 beds to provide residential services for the physically disabled under Minnesota Rules, parts 9570.2000 to 9570.3400, in a 198-bed nursing home located in Red Wing, provided that the total number of licensed and certified beds at the facility does not increase;~~

~~(bb) to license and certify a new facility in St. Louis County with 44 beds constructed to replace an existing facility in St. Louis County with 31 beds, which has resident rooms on two separate floors and an antiquated elevator that creates safety concerns for residents and prevents nonambulatory residents from residing on the second floor. The project shall include the elimination of three- and four-bed rooms;~~

8.1 ~~(ee)~~ (k) to license and certify four beds in a 16-bed certified boarding care home in  
8.2 Minneapolis to replace beds that were voluntarily delicensed and decertified on or before  
8.3 March 31, 1992. The licensure and certification is conditional upon the facility periodically  
8.4 assessing and adjusting its resident mix and other factors which may contribute to a potential  
8.5 institution for mental disease declaration. The commissioner of human services shall retain  
8.6 the authority to audit the facility at any time and shall require the facility to comply with  
8.7 any requirements necessary to prevent an institution for mental disease declaration, including  
8.8 delicensure and decertification of beds, if necessary; or

8.9 ~~(dd) to license and certify 72 beds in an existing facility in Mille Laes County with 80~~  
8.10 ~~beds as part of a renovation project. The renovation must include construction of an addition~~  
8.11 ~~to accommodate ten residents with beginning and midstage dementia in a self-contained~~  
8.12 ~~living unit; creation of three resident households where dining, activities, and support spaces~~  
8.13 ~~are located near resident living quarters; designation of four beds for rehabilitation in a~~  
8.14 ~~self-contained area; designation of 30 private rooms; and other improvements;~~

8.15 ~~(ee) to license and certify beds in a facility that has undergone replacement or remodeling~~  
8.16 ~~as part of a planned closure under section 256R.40;~~

8.17 ~~(ff) to license and certify a total replacement project of up to 124 beds located in Wilkin~~  
8.18 ~~County that are in need of relocation from a nursing home significantly damaged by flood.~~  
8.19 ~~The operating cost payment rates for the new nursing facility shall be determined based on~~  
8.20 ~~the interim and settle-up payment provisions of section 256R.27 and the reimbursement~~  
8.21 ~~provisions of chapter 256R. Property-related reimbursement rates shall be determined under~~  
8.22 ~~section 256R.26, taking into account any federal or state flood-related loans or grants~~  
8.23 ~~provided to the facility;~~

8.24 ~~(gg) to allow the commissioner of human services to license an additional nine beds to~~  
8.25 ~~provide residential services for the physically disabled under Minnesota Rules, parts~~  
8.26 ~~9570.2000 to 9570.3400, in a 240-bed nursing home located in Duluth, provided that the~~  
8.27 ~~total number of licensed and certified beds at the facility does not increase;~~

8.28 ~~(hh) to license and certify up to 120 new nursing facility beds to replace beds in a facility~~  
8.29 ~~in Anoka County, which was licensed for 98 beds as of July 1, 2000, provided the new~~  
8.30 ~~facility is located within four miles of the existing facility and is in Anoka County. Operating~~  
8.31 ~~and property rates shall be determined and allowed under chapter 256R and Minnesota~~  
8.32 ~~Rules, parts 9549.0010 to 9549.0080; or~~

8.33 ~~(ii) to transfer up to 98 beds of a 129-licensed bed facility located in Anoka County that,~~  
8.34 ~~as of March 25, 2001, is in the active process of closing, to a 122-licensed bed nonprofit~~



~~nursing facility located in the city of Columbia Heights or its affiliate. The transfer is effective when the receiving facility notifies the commissioner in writing of the number of beds accepted. The commissioner shall place all transferred beds on layaway status held in the name of the receiving facility. The layaway adjustment provisions of section 256B.431, subdivision 30, do not apply to this layaway. The receiving facility may only remove the beds from layaway for recertification and relicensure at the receiving facility's current site, or at a newly constructed facility located in Anoka County. The receiving facility must receive statutory authorization before removing these beds from layaway status, or may remove these beds from layaway status if removal from layaway status is part of a moratorium exception project approved by the commissioner under section 144A.073.~~

(l) to license or certify beds under provisions coded in this subdivision before the enactment of this law as paragraphs (f), (i) to (k), (m) to (bb), and (dd) to (ii).

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

Sec. 2. Minnesota Statutes 2024, section 144A.071, subdivision 4c, is amended to read:

Subd. 4c. **Exceptions for replacement beds after June 30, 2003.** (a) The commissioner of health, in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

~~(1) to license and certify an 80-bed city-owned facility in Nicollet County to be constructed on the site of a new city-owned hospital to replace an existing 85-bed facility attached to a hospital that is also being replaced. The threshold allowed for this project under section 144A.073 shall be the maximum amount available to pay the additional medical assistance costs of the new facility;~~

~~(2) to license and certify 29 beds to be added to an existing 69-bed facility in St. Louis County, provided that the 29 beds must be transferred from active or layaway status at an existing facility in St. Louis County that had 235 beds on April 1, 2003.~~

~~The licensed capacity at the 235-bed facility must be reduced to 206 beds, but the payment rate at that facility shall not be adjusted as a result of this transfer. The operating payment rate of the facility adding beds after completion of this project shall be the same as it was on the day prior to the day the beds are licensed and certified. This project shall not proceed unless it is approved and financed under the provisions of section 144A.073;~~

~~(3) to license and certify a new 60-bed facility in Austin, provided that: (i) 45 of the new beds are transferred from a 45-bed facility in Austin under common ownership that is closed~~

~~and 15 of the new beds are transferred from a 182-bed facility in Albert Lea under common ownership; (ii) the commissioner of human services is authorized by the 2004 legislature to negotiate budget-neutral planned nursing facility closures; and (iii) money is available from planned closures of facilities under common ownership to make implementation of this clause budget-neutral to the state. The bed capacity of the Albert Lea facility shall be reduced to 167 beds following the transfer. Of the 60 beds at the new facility, 20 beds shall be used for a special care unit for persons with Alzheimer's disease or related dementias;~~

~~(4) to license and certify up to 80 beds transferred from an existing state-owned nursing facility in Cass County to a new facility located on the grounds of the Ah-Gwah-Ching campus. The operating cost payment rates for the new facility shall be determined based on the interim and settle-up payment provisions of section 256R.27 and the reimbursement provisions of chapter 256R. The property payment rate for the first three years of operation shall be \$35 per day. For subsequent years, the property payment rate of \$35 per day shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434;~~

~~(5)~~ (1) to initiate a pilot program to license and certify up to 80 beds transferred from an existing county-owned nursing facility in Steele County relocated to the site of a new acute care facility as part of the county's Communities for a Lifetime comprehensive plan to create innovative responses to the aging of its population. Upon relocation to the new site, the nursing facility shall delicense 28 beds. The payment rate for external fixed costs for the new facility shall be increased by an amount as calculated according to items (i) to (v):

(i) compute the estimated decrease in medical assistance residents served by the nursing facility by multiplying the decrease in licensed beds by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure of 28 beds by multiplying the anticipated decrease in medical assistance residents, determined in item (i), by the existing facility's weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the nursing facility, determined in item (i), by the average monthly elderly waiver service costs for individuals in Steele County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii);

(v) divide the amount in item (iv) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days; and

~~(6)~~ (2) to consolidate and relocate nursing facility beds to a new site in Goodhue County and to integrate these services with other community-based programs and services under a communities for a lifetime pilot program and comprehensive plan to create innovative responses to the aging of its population. Two nursing facilities, one for 84 beds and one for 65 beds, in the city of Red Wing licensed on July 1, 2015, shall be consolidated into a newly renovated 64-bed nursing facility resulting in the delicensure of 85 beds. Notwithstanding the carryforward of the approval authority in section 144A.073, subdivision 11, the funding approved in April 2009 by the commissioner of health for a project in Goodhue County shall not carry forward. The closure of the 85 beds shall not be eligible for a planned closure rate adjustment under Minnesota Statutes 2024, section 256R.40. The construction project permitted in this clause shall not be eligible for a threshold project rate adjustment under section 256B.434, subdivision 4f. The payment rate for external fixed costs for the new facility shall be increased by an amount as calculated according to items (i) to (vi):

(i) compute the estimated decrease in medical assistance residents served by both nursing facilities by multiplying the difference between the occupied beds of the two nursing facilities for the reporting year ending September 30, 2009, and the projected occupancy of the facility at 95 percent occupancy by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure by multiplying the anticipated decrease in the medical assistance residents, determined in item (i), by the hospital-owned nursing facility weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the facilities, determined in item (i), by the average monthly elderly waiver service costs for individuals in Goodhue County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii);

(v) multiply the amount in item (iv) by 57.2 percent; and

(vi) divide the difference of the amount in item (iv) and the amount in item (v) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days.

12.1 (b) Projects approved under this subdivision shall be treated in a manner equivalent to  
12.2 projects approved under subdivision 4a.

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

12.4 Sec. 3. Minnesota Statutes 2024, section 144A.071, subdivision 4d, is amended to read:

12.5 Subd. 4d. **Consolidation of nursing facilities.** (a) The commissioner of health, in  
12.6 consultation with the commissioner of human services, may approve a request for  
12.7 consolidation of nursing facilities which includes the closure of one or more facilities and  
12.8 the upgrading of the physical plant of the remaining nursing facility or facilities, the costs  
12.9 of which exceed the threshold project limit under subdivision 2, clause (a). The  
12.10 commissioners shall consider the criteria in this section, section 144A.073, and Minnesota  
12.11 Statutes 2024, section 256R.40, in approving or rejecting a consolidation proposal. In the  
12.12 event the commissioners approve the request, the commissioner of human services shall  
12.13 calculate an external fixed costs rate adjustment according to clauses (1) to (3):

12.14 (1) the closure of beds shall not be eligible for a planned closure rate adjustment under  
12.15 Minnesota Statutes 2024, section 256R.40, subdivision 5;

12.16 (2) the construction project permitted in this clause shall not be eligible for a threshold  
12.17 project rate adjustment under section 256B.434, subdivision 4f, or a moratorium exception  
12.18 adjustment under section 144A.073; and

12.19 (3) the payment rate for external fixed costs for a remaining facility or facilities shall  
12.20 be increased by an amount equal to 65 percent of the projected net cost savings to the state  
12.21 calculated in paragraph (b), divided by the state's medical assistance percentage of medical  
12.22 assistance dollars, and then divided by estimated medical assistance resident days, as  
12.23 determined in paragraph (c), of the remaining nursing facility or facilities in the request in  
12.24 this paragraph. The rate adjustment is effective on the first day of the month of January or  
12.25 July, whichever date occurs first following both the completion of the construction upgrades  
12.26 in the consolidation plan and the complete closure of the facility or facilities designated for  
12.27 closure in the consolidation plan. If more than one facility is receiving upgrades in the  
12.28 consolidation plan, each facility's date of construction completion must be evaluated  
12.29 separately.

12.30 (b) For purposes of calculating the net cost savings to the state, the commissioner shall  
12.31 consider clauses (1) to (7):

13.1 (1) the annual savings from estimated medical assistance payments from the net number  
13.2 of beds closed taking into consideration only beds that are in active service on the date of  
13.3 the request and that have been in active service for at least three years;

13.4 (2) the estimated annual cost of increased case load of individuals receiving services  
13.5 under the elderly waiver;

13.6 (3) the estimated annual cost of elderly waiver recipients receiving support under housing  
13.7 support under chapter 256I;

13.8 (4) the estimated annual cost of increased case load of individuals receiving services  
13.9 under the alternative care program;

13.10 (5) the annual loss of license surcharge payments on closed beds;

13.11 (6) the savings from not paying planned closure rate adjustments that the facilities would  
13.12 otherwise be eligible for under Minnesota Statutes 2024, section 256R.40; and

13.13 (7) the savings from not paying external fixed costs payment rate adjustments from  
13.14 submission of renovation costs that would otherwise be eligible as threshold projects under  
13.15 section 256B.434, subdivision 4f.

13.16 (c) For purposes of the calculation in paragraph (a), clause (3), the estimated medical  
13.17 assistance resident days of the remaining facility or facilities shall be computed assuming  
13.18 95 percent occupancy multiplied by the historical percentage of medical assistance resident  
13.19 days of the remaining facility or facilities, as reported on the facility's or facilities' most  
13.20 recent nursing facility statistical and cost report filed before the plan of closure is submitted,  
13.21 multiplied by 365.

13.22 (d) For purposes of net cost of savings to the state in paragraph (b), the average occupancy  
13.23 percentages will be those reported on the facility's or facilities' most recent nursing facility  
13.24 statistical and cost report filed before the plan of closure is submitted, and the average  
13.25 payment rates shall be calculated based on the approved payment rates in effect at the time  
13.26 the consolidation request is submitted.

13.27 (e) To qualify for the external fixed costs payment rate adjustment under this subdivision,  
13.28 the closing facilities shall:

13.29 (1) submit an application for closure according to Minnesota Statutes 2024, section  
13.30 256R.40, subdivision 2; and

13.31 (2) follow the resident relocation provisions of section 144A.161.

(f) The county or counties in which a facility or facilities are closed under this subdivision shall not be eligible for designation as a hardship area under subdivision 3 for five years from the date of the approval of the proposed consolidation. The applicant shall notify the county of this limitation and the county shall acknowledge this in a letter of support.

(g) Projects approved on or after March 1, 2020, are not subject to paragraph (a), clauses (2) and (3), and paragraph (c). The 65 percent projected net cost savings to the state calculated in paragraph (b) must be applied to the moratorium cost of the project and the remainder must be added to the moratorium funding under section 144A.073, subdivision 11.

(h) Consolidation project applications not approved by the commissioner prior to March 1, 2020, are subject to the moratorium process under section 144A.073, subdivision 2. Upon request by the applicant, the commissioner may extend this deadline to August 1, 2020, so long as the facilities, bed numbers, and counties specified in the original application are not altered. Proposals from facilities seeking approval for a consolidation project prior to March 1, 2020, must be received by the commissioner no later than January 1, 2020. This paragraph expires August 1, 2020.

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

Sec. 4. Minnesota Statutes 2024, section 144A.161, subdivision 10, is amended to read:

Subd. 10. **Facility closure rate adjustment.** Upon the request of a closing facility, the commissioner of human services must allow the facility a closure rate adjustment equal to a 50 percent payment rate increase to reimburse relocation costs or other costs related to facility closure. This rate increase is effective on the date the facility's occupancy decreases to 90 percent of capacity days after the written notice of closure is distributed under subdivision 5 and shall remain in effect for a period of up to 60 days. ~~The commissioner shall delay the implementation of rate adjustments under section 256R.40, subdivisions 5 and 6, to offset the cost of this rate adjustment.~~

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

Sec. 5. Minnesota Statutes 2024, section 144A.1888, is amended to read:

**144A.1888 REUSE OF FACILITIES.**

Notwithstanding any local ordinance related to development, planning, or zoning to the contrary, the conversion or reuse of a nursing home that closes or that curtails, reduces, or changes operations shall be considered a conforming use permitted under local law, provided that the facility is converted to another long-term care service ~~approved by a regional~~

15.1 ~~planning group under section 256R.40~~ that serves a smaller number of persons than the  
15.2 number of persons served before the closure or curtailment, reduction, or change in  
15.3 operations.

15.4 Sec. 6. Minnesota Statutes 2024, section 256.9657, subdivision 1, is amended to read:

15.5 Subdivision 1. **Nursing home license surcharge.** (a) Effective July 1, 1993, each  
15.6 non-state-operated nursing home licensed under chapter 144A shall pay to the commissioner  
15.7 an annual surcharge according to the schedule in subdivision 4. The surcharge shall be  
15.8 calculated as ~~\$620~~ \$2,815 per licensed bed. If the number of licensed beds is reduced, the  
15.9 surcharge shall be based on the number of remaining licensed beds the second month  
15.10 following the receipt of timely notice by the commissioner of human services that beds  
15.11 have been delicensed. The nursing home must notify the commissioner of health in writing  
15.12 when beds are delicensed. The commissioner of health must notify the commissioner of  
15.13 human services within ten working days after receiving written notification. If the notification  
15.14 is received by the commissioner of human services by the 15th of the month, the invoice  
15.15 for the second following month must be reduced to recognize the delicensing of beds. ~~Beds~~  
15.16 ~~on layaway status continue to be subject to the surcharge.~~ The commissioner of human  
15.17 services must acknowledge a medical care surcharge appeal within 30 days of receipt of  
15.18 the written appeal from the provider.

15.19 ~~(b) Effective July 1, 1994, the surcharge in paragraph (a) shall be increased to \$625.~~

15.20 ~~(c) Effective August 15, 2002, the surcharge under paragraph (b) shall be increased to~~  
15.21 ~~\$990.~~

15.22 ~~(d) Effective July 15, 2003, the surcharge under paragraph (c) shall be increased to~~  
15.23 ~~\$2,815.~~

15.24 ~~(e)~~ (b) The commissioner may reduce, and may subsequently restore, the surcharge  
15.25 under paragraph ~~(d)~~ (a) based on the commissioner's determination of a permissible surcharge.

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

15.27 Sec. 7. **[256.9746] AGE-FRIENDLY MINNESOTA COUNCIL.**

15.28 **Subdivision 1. Establishment.** The Age-Friendly Minnesota Council is established to  
15.29 coordinate work across sectors, including state government, nonprofits, communities,  
15.30 businesses, and others, to ensure the state is an age-friendly state.

15.31 **Subd. 2. Membership.** (a) The council consists of 15 voting members.

(b) Each of the following commissioners and multimember state agencies must designate an Age-Friendly Minnesota lead and appoint that designee to serve as a council member:

(1) the Minnesota Board on Aging;

(2) the commissioner of commerce;

(3) the commissioner of employment and economic development;

(4) the commissioner of health;

(5) the commissioner of housing;

(6) the commissioner of human services;

(7) the commissioner of transportation;

(8) the commissioner of veterans affairs; and

(9) the Metropolitan Council.

(c) The governor shall appoint six additional public members to represent older adults in communities experiencing disparities, direct service caregivers, businesses, experts on aging, local governments, and Tribal communities. The appointment, terms, compensation, and removal of public members shall be as provided in section 15.059.

(d) Other state agencies and boards may participate on the council in a nonvoting capacity.

Subd. 3. **Chairperson; executive committee.** (a) The council shall elect a chairperson and other officers as it deems necessary and in accordance with the council's operating procedures.

(b) The council shall be governed by an executive committee elected by the members of the council. One member of the executive committee must be the council chairperson.

(c) The executive committee may appoint additional subcommittees and work groups as necessary to fulfill the duties of the council.

Subd. 4. **Meetings.** (a) The council shall meet at the call of the chairperson or at the request of a majority of council members. The council must meet at least quarterly. Meetings of the council are subject to section 13D.01, and notice of its meetings is governed by section 13D.04.

(b) Notwithstanding section 13D.01, the council may conduct a meeting of its members by telephone or other electronic means so long as:



17.1 (1) all members of the council participating in the meeting, wherever their physical  
17.2 location, can hear one another and can hear all discussion and testimony;

17.3 (2) members of the public present at the regular meeting location of the council can hear  
17.4 all discussion and all votes of members of the council and participate in testimony;

17.5 (3) at least one member of the council is physically present at the regular meeting location;  
17.6 and

17.7 (4) each member's vote on each issue is identified and recorded by a roll call.

17.8 (c) Each member of the council participating in a meeting by telephone or other electronic  
17.9 means is considered present at the meeting for the purposes of determining a quorum and  
17.10 participating in all proceedings. If telephone or another electronic means is used to conduct  
17.11 a meeting, the council, to the extent practicable, shall allow a person to monitor the meeting  
17.12 from a remote location. If telephone or another electronic means is used to conduct a regular,  
17.13 special, or emergency meeting, the council shall provide notice of the regular meeting  
17.14 location, that some members may participate by electronic means, and of the option to  
17.15 monitor the meeting electronically from a remote location.

17.16 Subd. 5. **Duties.** (a) The council's duties may include but are not limited to:

17.17 (1) elevating the voice of older adults in developing the vision and action plan for an  
17.18 age-friendly state;

17.19 (2) engaging with the community, including older adults, caregivers, businesses, experts,  
17.20 advocacy organizations, and other interested parties, to provide recommendations and update  
17.21 interested parties on the council's recommendations;

17.22 (3) identifying opportunities for and barriers to collaboration and coordination among  
17.23 services and state agencies responsible for funding and administering programs and  
17.24 public-private partnerships;

17.25 (4) promoting equity and making progress toward equitable outcomes by examining  
17.26 programs, policies, and practices to ensure they address disparities experienced by older  
17.27 adults in greater Minnesota, older adults of color, and indigenous older adults;

17.28 (5) catalyzing age-friendly work at the local level, engaging with and empowering older  
17.29 adults, local constituents, elected officials, and other interested parties to create change in  
17.30 every community;

17.31 (6) establishing a statewide framework that allows for local flexibility to tap into the  
17.32 potential presented by our aging communities and elevates aging across all of Minnesota;

- 18.1 (7) reviewing, awarding, and monitoring grants under section 256.9747;
- 18.2 (8) assessing and examining relevant programs, policies, practices, and services to make
- 18.3 budget and policy recommendations to establish age-friendly policies in law with appropriate
- 18.4 financial support to ensure Minnesota continues to lead on age-friendly initiatives; and
- 18.5 (9) making budget and policy recommendations to the governor, commissioners, boards,
- 18.6 other state agencies, and the legislature to further the council's mission to ensure the state
- 18.7 is an age-friendly state.
- 18.8 (b) The council may accept technical assistance and in-kind services from outside
- 18.9 organizations for purposes consistent with the council's role and authority.
- 18.10 Subd. 6. **Administration.** The Minnesota Board on Aging and Department of Human
- 18.11 Services shall provide staffing and administrative support to the council.
- 18.12 Subd. 7. **Annual report.** Beginning January 1, 2026, and every two years thereafter,
- 18.13 the council shall publish a public report on the council's activities, the uses and measurable
- 18.14 outcomes of the grant activities funded under section 256.9747, the council's
- 18.15 recommendations, proposed changes to statutes or rules, and other issues the council may
- 18.16 choose to report.
- 18.17 **Sec. 8. [256.9747] AGE-FRIENDLY MINNESOTA GRANTS.**
- 18.18 Subdivision 1. **Age-friendly community grants.** The commissioner of human services,
- 18.19 in collaboration with the Minnesota Board on Aging and the Age-Friendly Minnesota
- 18.20 Council, shall develop the age-friendly community grant program to help communities,
- 18.21 including cities, counties, other municipalities, Tribes, and collaborative efforts become
- 18.22 age-friendly communities, with an emphasis on structures, services, and community features
- 18.23 necessary to support older adult residents, including but not limited to:
- 18.24 (1) coordination of health and social services;
- 18.25 (2) transportation access;
- 18.26 (3) safe, affordable places to live;
- 18.27 (4) reducing social isolation and improving wellness;
- 18.28 (5) combating ageism and racism against older adults;
- 18.29 (6) accessible outdoor space and buildings;
- 18.30 (7) communication and information technology access; and
- 18.31 (8) opportunities to stay engaged and economically productive.

19.1 Subd. 2. **Age-friendly technical assistance grants.** The commissioner of human services,  
19.2 in collaboration with the Minnesota Board on Aging and the Age-Friendly Minnesota  
19.3 Council, shall develop the age-friendly technical assistance grant program to support  
19.4 communities and organizations who need assistance in applying for age-friendly community  
19.5 grants and implementing various aspects of their grant-funded projects.

19.6 Sec. 9. Minnesota Statutes 2024, section 256B.431, subdivision 30, is amended to read:

19.7 Subd. 30. **Bed layaway and delicensure.** (a) For rate years beginning on or after July  
19.8 1, 2000, a nursing facility reimbursed under this section which has placed beds on layaway  
19.9 shall, for purposes of application of the downsizing incentive in subdivision 3a, paragraph  
19.10 (c), and calculation of the rental per diem, have those beds given the same effect as if the  
19.11 beds had been delicensed so long as the beds remain on layaway. ~~At the time of a layaway,~~  
19.12 ~~a facility may change its single bed election for use in calculating capacity days under~~  
19.13 ~~Minnesota Rules, part 9549.0060, subpart 11.~~ The property payment rate increase shall be  
19.14 effective the first day of the month of January or July, whichever occurs first following the  
19.15 date on which the layaway of the beds becomes effective under section 144A.071, subdivision  
19.16 4b.

19.17 (b) For rate years beginning on or after July 1, 2000, notwithstanding any provision to  
19.18 the contrary under section 256B.434 or chapter 256R, a nursing facility reimbursed under  
19.19 that section or chapter that has placed beds on layaway shall, for so long as the beds remain  
19.20 on layaway, be allowed to:

19.21 (1) aggregate the applicable investment per bed limits based on the number of beds  
19.22 licensed immediately prior to entering the alternative payment system;

19.23 (2) retain ~~or change~~ the facility's single bed election for use in calculating capacity days  
19.24 under Minnesota Rules, part 9549.0060, subpart 11; and

19.25 (3) establish capacity days based on the number of beds immediately prior to the layaway  
19.26 and the number of beds after the layaway.

19.27 The commissioner shall increase the facility's property payment rate by the incremental  
19.28 increase in the rental per diem resulting from the recalculation of the facility's rental per  
19.29 diem applying only the changes resulting from the layaway of beds and clauses (1), (2), and  
19.30 (3). If a facility reimbursed under section 256B.434 or chapter 256R completes a moratorium  
19.31 exception project after its base year, the base year property rate shall be the moratorium  
19.32 project property rate. The base year rate shall be inflated by the factors in Minnesota Statutes  
19.33 2024, section 256B.434, subdivision 4, ~~paragraph (e)~~. The property payment rate increase

20.1 shall be effective the first day of the month of January or July, whichever occurs first  
20.2 following the date on which the layaway of the beds becomes effective.

20.3 (c) If a nursing facility removes a bed from layaway status in accordance with section  
20.4 144A.071, subdivision 4b, the commissioner shall establish capacity days based on the  
20.5 number of licensed and certified beds in the facility not on layaway and shall reduce the  
20.6 nursing facility's property payment rate in accordance with paragraph (b).

20.7 (d) For the rate years beginning on or after July 1, 2000, notwithstanding any provision  
20.8 to the contrary under section 256B.434 or chapter 256R, a nursing facility reimbursed under  
20.9 that section or chapter that has delicensed beds after July 1, 2000, by giving notice of the  
20.10 delicensure to the commissioner of health according to the notice requirements in section  
20.11 144A.071, subdivision 4b, shall be allowed to:

20.12 (1) aggregate the applicable investment per bed limits based on the number of beds  
20.13 licensed immediately prior to entering the alternative payment system;

20.14 (2) retain ~~or change~~ the facility's single bed election for use in calculating capacity days  
20.15 under Minnesota Rules, part 9549.0060, subpart 11; and

20.16 (3) establish capacity days based on the number of beds immediately prior to the  
20.17 delicensure and the number of beds after the delicensure.

20.18 The commissioner shall increase the facility's property payment rate by the incremental  
20.19 increase in the rental per diem resulting from the recalculation of the facility's rental per  
20.20 diem applying only the changes resulting from the delicensure of beds and clauses (1), (2),  
20.21 and (3). If a facility reimbursed under section 256B.434 completes a moratorium exception  
20.22 project after its base year, the base year property rate shall be the moratorium project property  
20.23 rate. The base year rate shall be inflated by the factors in Minnesota Statutes 2024, section  
20.24 256B.434, subdivision 4, ~~paragraph (c)~~. The property payment rate increase shall be effective  
20.25 the first day of the month of January or July, whichever occurs first following the date on  
20.26 which the delicensure of the beds becomes effective.

20.27 (e) For nursing facilities reimbursed under this section, section 256B.434, or chapter  
20.28 256R, any beds placed on layaway shall not be included in calculating facility occupancy  
20.29 as it pertains to leave days defined in Minnesota Rules, part 9505.0415.

20.30 (f) For nursing facilities reimbursed under this section, section 256B.434, or chapter  
20.31 256R, the rental rate calculated after placing beds on layaway may not be less than the rental  
20.32 rate prior to placing beds on layaway.

21.1 (g) A nursing facility receiving a rate adjustment as a result of this section shall comply  
21.2 with section 256R.06, subdivision 5.

21.3 (h) A facility that does not utilize the space made available as a result of bed layaway  
21.4 or delicensure under this subdivision to reduce the number of beds per room or provide  
21.5 more common space for nursing facility uses or perform other activities related to the  
21.6 operation of the nursing facility shall have its property rate increase calculated under this  
21.7 subdivision reduced by the ratio of the square footage made available that is not used for  
21.8 these purposes to the total square footage made available as a result of bed layaway or  
21.9 delicensure.

21.10 (i) The commissioner must not increase the property payment rates under this subdivision  
21.11 for beds placed in or removed from layaway on or after July 1, 2025.

21.12 **EFFECTIVE DATE.** This section is effective July 1, 2025.

21.13 Sec. 10. Minnesota Statutes 2024, section 256B.434, subdivision 4, is amended to read:

21.14 Subd. 4. **Alternate rates for nursing facilities.** Effective for the rate years beginning  
21.15 on and after January 1, ~~2019~~ 2026, a nursing facility's property payment rate ~~for the second~~  
21.16 ~~and subsequent years of a facility's contract~~ under this section ~~are~~ is the facility's previous  
21.17 rate year's property payment rate ~~plus an inflation adjustment. The index for the inflation~~  
21.18 ~~adjustment must be based on the change in the Consumer Price Index-All Items (United~~  
21.19 ~~States City average) (CPI-U) forecasted by the Reports and Forecasts Division of the~~  
21.20 ~~Department of Human Services, as forecasted in the fourth quarter of the calendar year~~  
21.21 ~~preceding the rate year. The inflation adjustment must be based on the 12-month period~~  
21.22 ~~from the midpoint of the previous rate year to the midpoint of the rate year for which the~~  
21.23 ~~rate is being determined~~ as provided in the facility's contract under this section.

21.24 Sec. 11. Minnesota Statutes 2024, section 256R.02, subdivision 18, is amended to read:

21.25 Subd. 18. **Employer health insurance costs.** "Employer health insurance costs" means:

21.26 (1) premium expenses for group coverage;

21.27 (2) actual expenses incurred for self-insured plans, including actual claims paid, stop-loss  
21.28 premiums, and plan fees. Actual expenses incurred for self-insured plans does not include  
21.29 allowances for future funding unless the plan meets the Medicare provider reimbursement  
21.30 manual requirements for reporting on a premium basis when the Medicare provider  
21.31 reimbursement manual regulations define the actual costs; and

22.1 (3) employer contributions to employer-sponsored individual coverage health  
22.2 reimbursement arrangements as provided by Code of Federal Regulations, title 45, section  
22.3 146.123, employee health reimbursement accounts, and health savings accounts.

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

22.5 Sec. 12. Minnesota Statutes 2024, section 256R.02, subdivision 19, is amended to read:

22.6 Subd. 19. **External fixed costs.** "External fixed costs" means costs related to the nursing  
22.7 home surcharge under section 256.9657, subdivision 1; licensure fees under section 144.122;  
22.8 family advisory council fee under section 144A.33; scholarships under section 256R.37;  
22.9 ~~planned closure rate adjustments under section 256R.40;~~ consolidation rate adjustments  
22.10 under section 144A.071, subdivisions 4c, paragraph (a), clauses ~~(5)~~ (1) and ~~(6)~~ (2), and 4d;  
22.11 ~~single-bed room incentives under section 256R.41;~~ property taxes, special assessments, and  
22.12 payments in lieu of taxes; employer health insurance costs; quality improvement incentive  
22.13 payment rate adjustments under section 256R.39; performance-based incentive payments  
22.14 under section 256R.38; special dietary needs under section 256R.51; and Public Employees  
22.15 Retirement Association employer costs; ~~and border city rate adjustments under section~~  
22.16 ~~256R.481.~~

22.17 **EFFECTIVE DATE.** This section is effective January 1, 2026.

22.18 Sec. 13. Minnesota Statutes 2024, section 256R.02, subdivision 22, is amended to read:

22.19 Subd. 22. **Fringe benefit costs.** "Fringe benefit costs" means the costs for group life;<sub>2</sub>  
22.20 dental;<sub>2</sub> workers' compensation;<sub>2</sub> short- and long-term disability;<sub>2</sub> long-term care insurance;<sub>2</sub>  
22.21 accident insurance;<sub>2</sub> supplemental insurance;<sub>2</sub> legal assistance insurance;<sub>2</sub> profit sharing;<sub>2</sub>  
22.22 child care costs;<sub>2</sub> health insurance costs not covered under subdivision 18, including costs  
22.23 associated with eligible part-time employee family members or retirees;<sub>2</sub> and pension and  
22.24 retirement plan contributions, except for the Public Employees Retirement Association  
22.25 costs.

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

22.27 Sec. 14. Minnesota Statutes 2024, section 256R.02, is amended by adding a subdivision  
22.28 to read:

22.29 Subd. 36a. **Patient driven payment model or PDPM.** "Patient driven payment model"  
22.30 or "PDPM" has the meaning given in section 144.0724, subdivision 2.

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

23.1 Sec. 15. Minnesota Statutes 2024, section 256R.02, is amended by adding a subdivision  
23.2 to read:

23.3 Subd. 45a. **Resource utilization group or RUG.** "Resource utilization group" or "RUG"  
23.4 has the meaning given in section 144.0724, subdivision 2.

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

23.6 Sec. 16. Minnesota Statutes 2024, section 256R.10, subdivision 8, is amended to read:

23.7 Subd. 8. **Employer health insurance costs.** (a) Employer health insurance costs are  
23.8 allowable for (1) all nursing facility employees and (2) the spouse and dependents of those  
23.9 nursing facility employees who are employed on average at least 30 hours per week.

23.10 (b) Effective for the rate year beginning on January 1, 2026, the annual reimbursement  
23.11 cap for health insurance costs is \$14,703, as adjusted according to paragraph (c). The  
23.12 allowable costs for health insurance must not exceed the reimbursement cap multiplied by  
23.13 the annual average month end number of allowed enrolled nursing facility employees from  
23.14 the applicable cost report period. For shared employees, the allowable number of enrolled  
23.15 employees includes only the nursing facility percentage of any shared allowed enrolled  
23.16 employees. The allowable number of enrolled employees must not include non-nursing  
23.17 facility employees or individuals who elect COBRA continuation coverage.

23.18 (c) Effective for rate years beginning on or after January 1, 2026, the commissioner shall  
23.19 adjust the annual reimbursement cap for employer health insurance costs by the previous  
23.20 year's cap plus an inflation adjustment. The commissioner must index for the inflation based  
23.21 on the change in the Consumer Price Index (all items-urban) (CPI-U) forecasted by the  
23.22 Reports and Forecast Division of the Department of Human Services in the fourth quarter  
23.23 of the calendar year preceding the rate year. The commissioner must base the inflation  
23.24 adjustment on the 12-month period from the second quarter of the previous cost report year  
23.25 to the second quarter of the cost report year for which the cap is being applied.

23.26 ~~(b)~~ (d) The commissioner must not treat employer contributions to employer-sponsored  
23.27 individual coverage health reimbursement arrangements as allowable costs if the facility  
23.28 does not provide the commissioner copies of the employer-sponsored individual coverage  
23.29 health reimbursement arrangement plan documents and documentation of any health  
23.30 insurance premiums and associated co-payments reimbursed under the arrangement.  
23.31 Documentation of reimbursements must denote any reimbursements for health insurance  
23.32 premiums or associated co-payments incurred by the spouses or dependents of nursing  
23.33 facility employees who work on average less than 30 hours per week.

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

24.2 Sec. 17. Minnesota Statutes 2024, section 256R.23, subdivision 5, is amended to read:

24.3 Subd. 5. **Determination of total care-related payment rate limits.** The commissioner  
24.4 must determine each facility's total care-related payment rate limit by:

24.5 (1) multiplying the facility's quality score, as determined under section 256R.16,  
24.6 subdivision 1, by ~~0.5625~~ 2.0;

24.7 (2) ~~adding 89.375 to~~ subtracting 40 from the amount determined in clause (1), and  
24.8 dividing the total by 100; and

24.9 (3) multiplying the amount determined in clause (2) by the median total care-related  
24.10 cost per day.

24.11 **EFFECTIVE DATE.** This section is effective January 1, 2026.

24.12 Sec. 18. Minnesota Statutes 2024, section 256R.23, subdivision 7, is amended to read:

24.13 Subd. 7. **Determination of direct care payment rates.** A facility's direct care payment  
24.14 rate equals the lesser of (1) the facility's direct care costs per standardized day, ~~or~~ (2) the  
24.15 facility's direct care costs per standardized day divided by its cost to limit ratio, or (3) 104  
24.16 percent of the previous year's other care-related payment rate.

24.17 **EFFECTIVE DATE.** This section is effective January 1, 2026.

24.18 Sec. 19. Minnesota Statutes 2024, section 256R.23, subdivision 8, is amended to read:

24.19 Subd. 8. **Determination of other care-related payment rates.** A facility's other  
24.20 care-related payment rate equals the lesser of (1) the facility's other care-related cost per  
24.21 resident day, ~~or~~ (2) the facility's other care-related cost per resident day divided by its cost  
24.22 to limit ratio, or (3) 104 percent of the previous year's other care-related payment rate.

24.23 **EFFECTIVE DATE.** This section is effective January 1, 2026.

24.24 Sec. 20. Minnesota Statutes 2024, section 256R.24, subdivision 3, is amended to read:

24.25 Subd. 3. **Determination of the other operating payment rate.** A facility's other  
24.26 operating payment rate equals the lesser of 105 percent of the median other operating cost  
24.27 per day or 104 percent of the previous year's other operating payment rate.

24.28 **EFFECTIVE DATE.** This section is effective January 1, 2026.



25.1 Sec. 21. Minnesota Statutes 2024, section 256R.25, is amended to read:

25.2 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

25.3 Subdivision 1. Determination of external fixed cost payment rate. (a) The payment  
25.4 rate for external fixed costs is the sum of the amounts in paragraphs (b) to (p) subdivisions  
25.5 2 to 13.

25.6 Subd. 2. Provider surcharges. (b) For a facility licensed as a nursing home, the portion  
25.7 related to the provider surcharge under section 256.9657 is equal to \$8.86 per resident day.  
25.8 For a facility licensed as both a nursing home and a boarding care home, the portion related  
25.9 to the provider surcharge under section 256.9657 is equal to \$8.86 per resident day multiplied  
25.10 by the result of its number of nursing home beds divided by its total number of licensed  
25.11 beds.

25.12 Subd. 3. Licensure fees. (c) The portion related to the licensure fee under section 144.122,  
25.13 paragraph (d), is the amount of the fee divided by the sum of the facility's resident days.

25.14 Subd. 4. Advisory councils. (d) The portion related to development and education of  
25.15 resident and family advisory councils under section 144A.33 is \$5 per resident day divided  
25.16 by 365.

25.17 Subd. 5. Scholarships. (e) The portion related to scholarships is determined under section  
25.18 256R.37.

25.19 ~~(f) The portion related to planned closure rate adjustments is as determined under section~~  
25.20 ~~256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.~~

25.21 Subd. 6. Consultations. (g) The portion related to consolidation rate adjustments shall  
25.22 be as determined under section 144A.071, subdivisions 4c, paragraph (a), clauses ~~(5)~~ (1)  
25.23 and ~~(6)~~ (2), and 4d.

25.24 ~~(h) The portion related to single-bed room incentives is as determined under section~~  
25.25 ~~256R.41.~~

25.26 Subd. 7. Taxes. (i) The portions related to real estate taxes, special assessments, and  
25.27 payments made in lieu of real estate taxes directly identified or allocated to the nursing  
25.28 facility are the allowable amounts divided by the sum of the facility's resident days. Allowable  
25.29 costs under this paragraph for payments made by a nonprofit nursing facility that are in lieu  
25.30 of real estate taxes shall not exceed the amount which the nursing facility would have paid  
25.31 to a city or township and county for fire, police, sanitation services, and road maintenance  
25.32 costs had real estate taxes been levied on that property for those purposes.

26.1        Subd. 8. **Health insurance.** ~~(j)~~ The portion related to employer health insurance costs  
26.2 is the allowable costs divided by the sum of the facility's resident days.

26.3        Subd. 9. **Public employees retirement.** ~~(k)~~ The portion related to the Public Employees  
26.4 Retirement Association is the allowable costs divided by the sum of the facility's resident  
26.5 days.

26.6        Subd. 10. **Quality improvement incentives.** ~~(l)~~ The portion related to quality  
26.7 improvement incentive payment rate adjustments is the amount determined under section  
26.8 256R.39.

26.9        Subd. 11. **Performance-based incentives.** ~~(m)~~ The portion related to performance-based  
26.10 incentive payments is the amount determined under section 256R.38.

26.11       Subd. 12. **Special diets.** ~~(n)~~ The portion related to special dietary needs is the amount  
26.12 determined under section 256R.51.

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

26.15       Subd. 13. **Critical access facilities.** ~~(p)~~ The portion related to the rate adjustment for  
26.16 critical access nursing facilities is the amount determined under section 256R.47.

26.17       **EFFECTIVE DATE.** This section is effective January 1, 2026.

26.18       Sec. 22. Minnesota Statutes 2024, section 256R.26, subdivision 9, is amended to read:

26.19       Subd. 9. **Transition period.** (a) A facility's property payment rate is the property rate  
26.20 established for the facility under sections 256B.431 and 256B.434 until the facility's property  
26.21 rate is transitioned upon completion of any project authorized under section 144A.071,  
26.22 subdivision 3 or 4d; or 144A.073, subdivision 3, to the fair rental value property rate  
26.23 calculated under this chapter.

26.24       (b) Effective the first day of the first month of the calendar quarter after the completion  
26.25 of the project described in paragraph (a), the commissioner shall transition a facility to the  
26.26 property payment rate calculated under this chapter. The initial rate year ends on December  
26.27 31 and may be less than a full 12-month period. The commissioner shall schedule an appraisal  
26.28 within 90 days of the commissioner receiving notification from the facility that the project  
26.29 is completed. The commissioner shall apply the property payment rate determined after the  
26.30 appraisal retroactively to the first day of the first month of the calendar quarter after the  
26.31 completion of the project.

(c) Upon a facility's transition to the fair rental value property rates calculated under this chapter, the facility's total property payment rate under subdivision 8 shall be the only payment for costs related to capital assets, including depreciation, interest and lease expenses for all depreciable assets, including movable equipment, land improvements, and land. Facilities with property payment rates established under subdivisions 1 to 8 are not eligible for planned closure rate adjustments under Minnesota Statutes 2024, section 256R.40; consolidation rate adjustments under section 144A.071, subdivisions 4c, paragraph (a), clauses ~~(5)~~ (1) and ~~(6)~~ (2), and 4d; single-bed room incentives under Minnesota Statutes 2024, section 256R.41; and the property rate inflation adjustment under Minnesota Statutes 2024, section 256B.434, subdivision 4. The commissioner shall remove any of these incentives from the facility's existing rate upon the facility transitioning to the fair rental value property rates calculated under this chapter.

**EFFECTIVE DATE.** This section is effective January 1, 2026.

Sec. 23. Minnesota Statutes 2024, section 256R.27, subdivision 2, is amended to read:

**Subd. 2. Determination of interim payment rates.** (a) The nursing facility shall submit an interim cost report in a format similar to the Minnesota Statistical and Cost Report and other supporting information as required by this chapter for the reporting year in which the nursing facility plans to begin operation at least 60 days before the first day a resident is admitted to the newly constructed nursing facility bed. The interim cost report must include the nursing facility's anticipated interim costs and anticipated interim resident days for each resident class in the interim cost report. The anticipated interim resident days for each resident class is multiplied by the weight for that resident class to determine the anticipated interim standardized days as defined in section 256R.02, subdivision 50, and resident days as defined in section 256R.02, subdivision 45, for the reporting period.

(b) The interim payment rates are determined according to sections 256R.21 to 256R.25, except that:

(1) the anticipated interim costs and anticipated interim resident days reported on the interim cost report and the anticipated interim standardized days as defined by section 256R.02, subdivision 50, must be used for the interim;

(2) the commissioner shall use anticipated interim costs and anticipated interim standardized days in determining the allowable historical direct care cost per standardized day as determined under section 256R.23, subdivision 2;

28.1 (3) the commissioner shall use anticipated interim costs and anticipated interim resident  
28.2 days in determining the allowable historical other care-related cost per resident day as  
28.3 determined under section 256R.23, subdivision 3;

28.4 (4) the commissioner shall use anticipated interim costs and anticipated interim resident  
28.5 days to determine the allowable historical external fixed costs per day under section 256R.25,  
28.6 ~~paragraphs (b) to (k)~~ subdivisions 2 to 9;

28.7 (5) the total care-related payment rate limits established in section 256R.23, subdivision  
28.8 5, and in effect at the beginning of the interim period must be increased by ten percent; and

28.9 (6) the other operating payment rate as determined under section 256R.24 in effect for  
28.10 the rate year must be used for the other operating cost per day.

28.11 Sec. 24. Minnesota Statutes 2024, section 256R.27, subdivision 3, is amended to read:

28.12 Subd. 3. **Determination of settle-up payment rates.** (a) When the interim payment  
28.13 rates begin between May 1 and September 30, the nursing facility shall file settle-up cost  
28.14 reports for the period from the beginning of the interim payment rates through September  
28.15 30 of the following year.

28.16 (b) When the interim payment rates begin between October 1 and April 30, the nursing  
28.17 facility shall file settle-up cost reports for the period from the beginning of the interim  
28.18 payment rates to the first September 30 following the beginning of the interim payment  
28.19 rates.

28.20 (c) The settle-up payment rates are determined according to sections 256R.21 to 256R.25,  
28.21 except that:

28.22 (1) the allowable costs and resident days reported on the settle-up cost report and the  
28.23 standardized days as defined by section 256R.02, subdivision 50, must be used for the  
28.24 interim and settle-up period;

28.25 (2) the commissioner shall use the allowable costs and standardized days in clause (1)  
28.26 to determine the allowable historical direct care cost per standardized day as determined  
28.27 under section 256R.23, subdivision 2;

28.28 (3) the commissioner shall use the allowable costs and the allowable resident days to  
28.29 determine both the allowable historical other care-related cost per resident day as determined  
28.30 under section 256R.23, subdivision 3;

(4) the commissioner shall use the allowable costs and the allowable resident days to determine the allowable historical external fixed costs per day under section 256R.25, ~~paragraphs (b) to (k)~~ subdivisions 2 to 9;

(5) the total care-related payment limits established in section 256R.23, subdivision 5, are the limits for the settle-up reporting periods. If the interim period includes more than one July 1 date, the commissioner shall use the total care-related payment rate limit established in section 256R.23, subdivision 5, increased by ten percent for the second July 1 date; and

(6) the other operating payment rate as determined under section 256R.24 in effect for the rate year must be used for the other operating cost per day.

Sec. 25. Minnesota Statutes 2024, section 256R.43, is amended to read:

**256R.43 BED HOLDS.**

The commissioner shall limit payment for leave days in a nursing facility to 30 percent of that nursing facility's total payment rate for the involved resident, and shall allow this payment only when the occupancy of the nursing facility, inclusive of bed hold days, is equal to or greater than 96 percent, notwithstanding Minnesota Rules, part 9505.0415. For the purpose of establishing leave day payments, the commissioner shall determine occupancy based on the number of licensed and certified beds in the facility that are not in layaway status.

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

**Sec. 26. [256R.531] PATIENT DRIVEN PAYMENT MODEL PHASE-IN.**

Subdivision 1. PDPM phase-in. From September 30, 2025, to December 31, 2028, for each facility, the commissioner shall determine an adjustment to its total payment rate as determined under sections 256R.21 and 256R.27 to phase in the transition from the RUG-IV case mix classification system to the patient driven payment model (PDPM) case mix classification system.

Subd. 2. PDPM phase-in rate adjustment. A facility's PDPM phase-in rate adjustment to its total payment rate is equal to:

(1) the blended case mix adjusted direct care payment rate determined in subdivision 6; minus

30.1 (2) the PDPM case mix adjusted direct care payment rate determined in section 256R.23,  
30.2 subdivision 7.

30.3 Subd. 3. **RUG-IV standardized days and RUG-IV facility case mix index.** (a) The  
30.4 commissioner must determine the RUG-IV standardized days and RUG-IV facility average  
30.5 case mix using the sum of the resident days by case mix classification.

30.6 (b) For the rate year beginning January 1, 2028, only:

30.7 (1) the commissioner must determine the RUG-IV facility average case mix using the  
30.8 sum of the resident days by the case mix classification as reported by the facility on its  
30.9 September 30, 2025, Minnesota Statistical and Cost Report; and

30.10 (2) the commissioner must determine the RUG-IV standardized days by multiplying the  
30.11 resident days as reported by the facility on its September 30, 2026, Minnesota Statistical  
30.12 and Cost Report by the RUG-IV facility average case mix index determined under clause  
30.13 (1).

30.14 Subd. 4. **RUG-IV case mix adjusted direct care payment rate.** The commissioner  
30.15 must determine a facility's RUG-IV case mix adjusted direct care payment rate as the product  
30.16 of:

30.17 (1) the facility's RUG-IV direct care payment rate determined in section 256R.23,  
30.18 subdivision 7, using the RUG-IV standardized days determined in subdivision 3; and

30.19 (2) the corresponding RUG-IV facility average case mix index for medical assistance  
30.20 days determined in subdivision 3.

30.21 Subd. 5. **PDPM case mix adjusted direct care payment rate.** The commissioner must  
30.22 determine a facility's PDPM case mix adjusted direct care payment rate as the product of:

30.23 (1) the facility's direct care payment rate determined in section 256R.23, subdivision 7;  
30.24 and

30.25 (2) the corresponding facility average case mix index.

30.26 Subd. 6. **Blended case mix adjusted direct care payment rate.** The commissioner  
30.27 must determine a facility's blended case mix adjusted direct care payment rate as the sum  
30.28 of:

30.29 (1) the RUG-IV case mix adjusted direct care payment rate determined in subdivision  
30.30 4 multiplied by the following percentages:

30.31 (i) after September 30, 2025, through December 31, 2026, 75 percent;

31.1 (ii) after December 31, 2026, through December 31, 2027, 50 percent; and  
31.2 (iii) after December 31, 2027, through December 31, 2028, 25 percent; and  
31.3 (2) the PDPM case mix adjusted direct care payment rate determined in subdivision 5  
31.4 multiplied by the following percentages:

31.5 (i) after September 30, 2025, through December 31, 2026, 25 percent;  
31.6 (ii) after December 31, 2026, through December 31, 2027, 50 percent; and  
31.7 (iii) after December 31, 2027, through December 31, 2028, 75 percent.

31.8 Subd. 7. **Expiration.** This section expires January 1, 2029.

31.9 **EFFECTIVE DATE.** This section is effective October 1, 2025.

31.10 Sec. 27. **[256R.532] NURSING FACILITY RATE ADD-ON FOR WORKFORCE**  
31.11 **STANDARDS.**

31.12 (a) Effective for rate years beginning on and after January 1, 2028, or upon federal  
31.13 approval, whichever is later, the commissioner shall annually provide a rate add-on amount  
31.14 for nursing facilities reimbursed under this chapter for the initial standards for wages for  
31.15 nursing home workers adopted by the Nursing Home Workforce Standards Board in  
31.16 Minnesota Rules, parts 5200.2060 to 5200.2090, pursuant to section 181.213, subdivision  
31.17 2, paragraph (c). The add-on amount is equal to:

31.18 (1) \$3.93 per resident day, effective January 1, 2028; and

31.19 (2) \$8.55 per resident day, effective January 1, 2029.

31.20 (b) Effective upon federal approval, the commissioner must determine the add-on amount  
31.21 for subsequent rate years in consultation with the commissioner of labor and industry.

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

31.23 Sec. 28. Laws 2021, chapter 30, article 12, section 5, as amended by Laws 2021, First  
31.24 Special Session chapter 7, article 17, section 2, and Laws 2023, chapter 61, article 2, section  
31.25 35, is amended to read:

31.26 Sec. 5. **GOVERNOR'S COUNCIL ON AN AGE-FRIENDLY MINNESOTA.**

31.27 The Governor's Council on an Age-Friendly Minnesota, established in Executive Order  
31.28 19-38, shall: (1) work to advance age-friendly policies; and (2) coordinate state, local, and  
31.29 private partners' collaborative work on emergency preparedness, with a focus on older

32.1 adults, communities, and persons in zip codes most impacted by the COVID-19 pandemic.  
32.2 The Governor's Council on an Age-Friendly Minnesota is extended and expires June 30,  
32.3 2027 2025.

32.4 Sec. 29. **AGE-FRIENDLY MINNESOTA COUNCIL; CONTINUATION OF**  
32.5 **APPOINTMENTS AND DESIGNATION OF INITIAL TERMS.**

32.6 Subdivision 1. Continuation of appointments. Each member of the Governor's Council  
32.7 on an Age-Friendly Minnesota, established in Executive Order 19-38, serving on June 30,  
32.8 2025, shall be deemed appointed to the Age-Friendly Minnesota Council by the applicable  
32.9 appointing authority under Minnesota Statutes, section 256.9746, effective July 1, 2025.

32.10 Subd. 2. First meeting. The individual who was serving as chairperson of the Governor's  
32.11 Council on an Age-Friendly Minnesota, established in Executive Order 19-38, as of June  
32.12 30, 2025, must convene the first meeting of the Age-Friendly Minnesota Council no later  
32.13 than July 9, 2025. The former chairperson of the Governor's Council on an Age-Friendly  
32.14 Minnesota shall preside over the first meeting until the Age-Friendly Minnesota Council  
32.15 elects a chairperson.

32.16 Subd. 3. Designation of initial terms. The governor must notify the secretary of state  
32.17 which initial public members of the Age-Friendly Minnesota Council will have terms  
32.18 coterminous with that of the governor or request that the secretary of state randomly  
32.19 determine which initial public members will have terms coterminous with the governor's  
32.20 term.

32.21 Sec. 30. **REPEALER.**

32.22 (a) Minnesota Statutes 2024, sections 256R.02, subdivision 38; 256R.40; 256R.41; and  
32.23 256R.481, are repealed.

32.24 (b) Minnesota Statutes 2024, sections 256R.12, subdivision 10; and 256R.36, are repealed.

32.25 (c) Minnesota Statutes 2024, section 256R.23, subdivision 6, is repealed.

32.26 **EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2026. Paragraph (b) is  
32.27 effective the day following final enactment. Paragraph (c) is effective October 1, 2025.



## ARTICLE 2

### DISABILITY SERVICES

Section 1. Minnesota Statutes 2024, section 144A.351, subdivision 1, is amended to read:

Subdivision 1. **Report requirements.** (a) The commissioners of health and human services, with the cooperation of counties and in consultation with stakeholders, including persons who need or are using long-term care services and supports, lead agencies, regional entities, senior, disability, and mental health organization representatives, service providers, and community members shall compile data regarding the status of the full range of long-term care services and supports for the elderly and children and adults with disabilities and mental illnesses in Minnesota. The compiled data shall include:

(1) demographics and need for long-term care services and supports in Minnesota;

(2) summary of county and regional reports on long-term care gaps, surpluses, imbalances, and corrective action plans;

(3) status of long-term care services and related mental health services, housing options, and supports by county and region including:

(i) changes in availability of the range of long-term care services and housing options;

(ii) access problems, including access to the least restrictive and most integrated services and settings, regarding long-term care services; and

(iii) comparative measures of long-term care services availability, including serving people in their home areas near family, and changes over time; ~~and~~

(4) recommendations regarding goals for the future of long-term care services and supports, policy and fiscal changes, and resource development and transition needs; and

(5) the following information on the availability of integrated community supports, updated within 30 days of the end of each of four three-month reporting periods, which begin on January 1 of each year:

(i) the average number of integrated community supports beds occupied, per month, for the preceding reporting period;

(ii) the average number of integrated community supports beds available, per month, for the preceding reporting period;

(iii) the number of integrated community supports setting applications being reviewed by the commissioner of human services as of the final day of the reporting period; and

34.1 (vi) the average time of review for integrated community supports setting applications  
34.2 submitted during the preceding quarter.

34.3 (b) The commissioners of health and human services shall make the compiled data  
34.4 available on at least one of the department's websites.

34.5 Sec. 2. Minnesota Statutes 2024, section 179A.54, is amended by adding a subdivision to  
34.6 read:

34.7 Subd. 12. **Minnesota Caregiver Retirement Fund Trust.** (a) The state and an exclusive  
34.8 representative certified pursuant to this section may establish a joint labor and management  
34.9 trust, referred to as the Minnesota Caregiver Retirement Fund Trust, for the exclusive  
34.10 purpose of creating, implementing, and administering a retirement program for individual  
34.11 providers of direct support services who are represented by the exclusive representative.

34.12 (b) The state must make financial contributions to the Minnesota Caregiver Retirement  
34.13 Fund Trust pursuant to a collective bargaining agreement negotiated under this section. The  
34.14 financial contributions by the state must be held in trust for the purpose of paying, from  
34.15 principal, income, or both, the costs associated with creating, implementing, and  
34.16 administering a defined contribution or other individual account retirement program for  
34.17 individual providers of direct support services working under a collective bargaining  
34.18 agreement and providing services through a covered program under section 256B.0711. A  
34.19 board of trustees composed of an equal number of trustees appointed by the governor and  
34.20 trustees appointed by the exclusive representative under this section must administer, manage,  
34.21 and otherwise jointly control the Minnesota Caregiver Retirement Fund Trust. The trust  
34.22 must not be an agent of either the state or the exclusive representative.

34.23 (c) A third-party administrator, financial management institution, other appropriate  
34.24 entity, or any combination thereof may provide trust administrative, management, legal,  
34.25 and financial services to the board of trustees as designated by the board of trustees from  
34.26 time to time. The services must be paid from the money held in trust and created by the  
34.27 state's financial contributions to the Minnesota Caregiver Retirement Fund Trust.

34.28 (d) The state is authorized to purchase liability insurance for members of the board of  
34.29 trustees appointed by the governor.

34.30 (e) Financial contributions to or participation in the management or administration of  
34.31 the Minnesota Caregiver Retirement Fund Trust must not be considered an unfair labor  
34.32 practice under section 179A.13, or a violation of Minnesota law.

(f) Nothing in this section shall be construed to authorize the creation of a defined benefit retirement plan or program.

**EFFECTIVE DATE.** This section is effective July 1, 2025.

Sec. 3. **[245A.142] EARLY INTENSIVE DEVELOPMENTAL AND BEHAVIORAL INTERVENTION PROVISIONAL LICENSURE.**

Subdivision 1. **Regulatory powers.** The commissioner shall regulate early intensive developmental and behavioral intervention (EIDBI) agencies pursuant to this section.

Subd. 2. **Provisional license.** (a) Beginning on January 1, 2026, the commissioner shall begin issuing provisional licenses to enrolled EIDBI agencies while permanent licensing standards are developed. Beginning January 1, 2026, no new EIDBI agencies shall be enrolled to provide EIDBI services. EIDBI agencies enrolled prior to January 1, 2026, have until April 1, 2026, to submit an application for provisional licensure on the forms and in the manner prescribed by the commissioner.

(b) Beginning April 2, 2026, an EIDBI agency must not operate if it has not submitted an application for provisional licensure under this section. The commissioner shall disenroll an EIDBI agency from providing EIDBI services if the EIDBI agency fails to submit an application for provisional licensure by April 1, 2026.

(c) A provisional license is effective until comprehensive EIDBI agency licensure standards are in effect unless the provisional license is revoked. An applicant whose application for provisional licensure under this section has been denied may request reconsideration under subdivision 8.

(d) Beginning January 1, 2027, an agency providing EIDBI services must not operate in Minnesota unless licensed under this section.

Subd. 3. **Provisional license regulatory functions.** The commissioner may:

(1) enter the physical premises of the program without advance notice in accordance with section 245A.04, subdivision 5;

(2) investigate reports of maltreatment;

(3) investigate complaints against EIDBI agencies limited to the provisions of this section;

(4) take action on a license pursuant to sections 245A.06 and 245A.07;

(5) deny an application for provisional licensure; and

36.1 (6) take other action reasonably required to accomplish the purposes of this section.

36.2 Subd. 4. **Provisional license requirements.** A provisional license holder must:

36.3 (1) identify all controlling individuals, as defined in section 245A.02, subdivision 5a,  
36.4 for the agency;

36.5 (2) provide documented disclosures surrounding the use of billing agencies or other  
36.6 consultants, available to the department upon request;

36.7 (3) establish provider policies and procedures related to staff training, staff qualifications,  
36.8 quality assurance, and service activities;

36.9 (4) document contracts with independent contractors for qualified supervising  
36.10 professionals, including the number of hours contracted and responsibilities, available to  
36.11 the department upon request; and

36.12 (5) comply with section 256B.0949, subdivisions 2, 3a, 6, 7, 14, 15, 16, and 16a, and  
36.13 exceptions to qualifications, standards, and requirements granted by the commissioner under  
36.14 section 256B.0949, subdivision 17.

36.15 Subd. 5. **Reporting of maltreatment.** EIDBI agencies must comply with the requirements  
36.16 of reporting of maltreatment of vulnerable adults and minors under section 626.557 and  
36.17 chapter 260E.

36.18 Subd. 6. **Background studies.** A provisional license holder must initiate a background  
36.19 study through the commissioner's NETStudy 2.0 system as provided under section 245C.03.

36.20 Subd. 7. **Revocations.** The commissioner may revoke a provisional license if the  
36.21 provisional license holder is not in substantial compliance with the requirements in this  
36.22 section.

36.23 Subd. 8. **Reconsideration.** (a) If a provisional license holder disagrees with a sanction  
36.24 under subdivision 7 or a denial of a provisional license application, the provisional license  
36.25 holder may request reconsideration by the commissioner. The reconsideration request process  
36.26 must be conducted internally by the commissioner and is not an administrative appeal under  
36.27 chapter 14 or section 256.045.

36.28 (b) The provisional licensee requesting the reconsideration must make the request on  
36.29 the forms and in the manner prescribed by the commissioner.

36.30 (c) A complete reconsideration request and supporting documentation must be received  
36.31 by the commissioner within 15 calendar days after the date the provisional license holder  
36.32 receives notice of the sanction under subdivision 7.

37.1 Subd. 9. **Continued operation.** A provisional license holder may continue to operate  
37.2 after receiving notice of denial of a provisional license application or revocation:

37.3 (1) during the 15 calendar day reconsideration window; or

37.4 (2) during the pendency of a reconsideration.

37.5 Subd. 10. **Disenrollment.** The commissioner shall disenroll an EIDBI agency from  
37.6 providing EIDBI services if the EIDBI agency's application has been denied under  
37.7 subdivision 2 or the agency's provisional license has been revoked under subdivision 7.

37.8 Subd. 11. **Transition to nonprovisional EIDBI license; future licensure standards.** (a)  
37.9 The commissioner must develop a process and transition plan for comprehensive EIDBI  
37.10 agency licensure by July 1, 2027.

37.11 (b) By January 1, 2028, the commissioner shall establish standards for nonprovisional  
37.12 EIDBI agency licensure and submit proposed legislation to the chairs and ranking minority  
37.13 members of the legislative committees with jurisdiction over human services licensing.

37.14 **EFFECTIVE DATE.** This section is effective July 1, 2025.

37.15 Sec. 4. Minnesota Statutes 2024, section 245C.16, subdivision 1, is amended to read:

37.16 Subdivision 1. **Determining immediate risk of harm.** (a) If the commissioner determines  
37.17 that the individual studied has a disqualifying characteristic, the commissioner shall review  
37.18 the information immediately available and make a determination as to the subject's immediate  
37.19 risk of harm to persons served by the program where the individual studied will have direct  
37.20 contact with, or access to, people receiving services.

37.21 (b) The commissioner shall consider all relevant information available, including the  
37.22 following factors in determining the immediate risk of harm:

37.23 (1) the recency of the disqualifying characteristic;

37.24 (2) the recency of discharge from probation for the crimes;

37.25 (3) the number of disqualifying characteristics;

37.26 (4) the intrusiveness or violence of the disqualifying characteristic;

37.27 (5) the vulnerability of the victim involved in the disqualifying characteristic;

37.28 (6) the similarity of the victim to the persons served by the program where the individual  
37.29 studied will have direct contact;

38.1 (7) whether the individual has a disqualification from a previous background study that  
38.2 has not been set aside;

38.3 (8) if the individual has a disqualification which may not be set aside because it is a  
38.4 permanent bar under section 245C.24, subdivision 1, or the individual is a child care  
38.5 background study subject who has a felony-level conviction for a drug-related offense in  
38.6 the last five years, the commissioner may order the immediate removal of the individual  
38.7 from any position allowing direct contact with, or access to, persons receiving services from  
38.8 the program and from working in a children's residential facility or foster residence setting;  
38.9 and

38.10 (9) if the individual has a disqualification which may not be set aside because it is a  
38.11 permanent bar under section 245C.24, subdivision 2, or the individual is a child care  
38.12 background study subject who has a felony-level conviction for a drug-related offense during  
38.13 the last five years, the commissioner may order the immediate removal of the individual  
38.14 from any position allowing direct contact with or access to persons receiving services from  
38.15 the center and from working in a licensed child care center or certified license-exempt child  
38.16 care center.

38.17 (c) This section does not apply when the subject of a background study is regulated by  
38.18 a health-related licensing board as defined in chapter 214, and the subject is determined to  
38.19 be responsible for substantiated maltreatment under section 626.557 or chapter 260E.

38.20 (d) This section does not apply to a background study related to an initial application  
38.21 for a child foster family setting license.

38.22 (e) Except for paragraph (f), this section does not apply to a background study that is  
38.23 also subject to the requirements under section 256B.0659, subdivisions 11 and 13, for a  
38.24 personal care assistant or a qualified professional as defined in section 256B.0659,  
38.25 subdivision 1, or to a background study for an individual providing early intensive  
38.26 developmental and behavioral intervention services under section 245A.142 or 256B.0949.

38.27 (f) If the commissioner has reason to believe, based on arrest information or an active  
38.28 maltreatment investigation, that an individual poses an imminent risk of harm to persons  
38.29 receiving services, the commissioner may order that the person be continuously supervised  
38.30 or immediately removed pending the conclusion of the maltreatment investigation or criminal  
38.31 proceedings.

38.32 **EFFECTIVE DATE.** This section is effective January 1, 2026.

39.1 Sec. 5. Minnesota Statutes 2024, section 245D.091, subdivision 2, is amended to read:

39.2 Subd. 2. **Positive support professional qualifications.** A positive support professional  
39.3 providing positive support services as identified in section 245D.03, subdivision 1, paragraph  
39.4 (c), clause (1), item (i), must have competencies in the following areas as required under  
39.5 the brain injury, community access for disability inclusion, community alternative care, and  
39.6 developmental disabilities waiver plans or successor plans:

39.7 (1) ethical considerations;

39.8 (2) functional assessment;

39.9 (3) functional analysis;

39.10 (4) measurement of behavior and interpretation of data;

39.11 (5) selecting intervention outcomes and strategies;

39.12 (6) behavior reduction and elimination strategies that promote least restrictive approved  
39.13 alternatives;

39.14 (7) data collection;

39.15 (8) staff and caregiver training;

39.16 (9) support plan monitoring;

39.17 (10) co-occurring mental disorders or neurocognitive disorder;

39.18 (11) demonstrated expertise with populations being served; and

39.19 (12) must be a:

39.20 (i) psychologist licensed under sections 148.88 to 148.98, who has stated to the Board  
39.21 of Psychology competencies in the above identified areas;

39.22 (ii) clinical social worker licensed as an independent clinical social worker under chapter  
39.23 148D, or a person with a master's degree in social work from an accredited college or  
39.24 university, with at least 4,000 hours of post-master's supervised experience in the delivery  
39.25 of clinical services in the areas identified in clauses (1) to (11);

39.26 (iii) physician licensed under chapter 147 and certified by the American Board of  
39.27 Psychiatry and Neurology or eligible for board certification in psychiatry with competencies  
39.28 in the areas identified in clauses (1) to (11);

(iv) licensed professional clinical counselor licensed under sections 148B.29 to 148B.39 with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services who has demonstrated competencies in the areas identified in clauses (1) to (11);

(v) person with a master's degree from an accredited college or university in one of the behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services with demonstrated competencies in the areas identified in clauses (1) to (11);

(vi) person with a master's degree or PhD in one of the behavioral sciences or related fields with demonstrated expertise in positive support services, as determined by the person's needs as outlined in the person's assessment summary; ~~or~~

(vii) registered nurse who is licensed under sections 148.171 to 148.285, and who is certified as a clinical specialist or as a nurse practitioner in adult or family psychiatric and mental health nursing by a national nurse certification organization, or who has a master's degree in nursing or one of the behavioral sciences or related fields from an accredited college or university or its equivalent, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services; or

(viii) person who has completed a competency-based training program as determined by the commissioner.

Sec. 6. Minnesota Statutes 2024, section 245D.091, subdivision 3, is amended to read:

Subd. 3. **Positive support analyst qualifications.** (a) A positive support analyst providing positive support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), ~~must have competencies in one of the following areas~~ satisfy one of the following requirements as required under the brain injury, community access for disability inclusion, community alternative care, and developmental disabilities waiver plans or successor plans:

(1) have obtained a baccalaureate degree, master's degree, or PhD in either a social services discipline or nursing;

(2) meet the qualifications of a mental health practitioner as defined in section 245.462, subdivision 17; ~~or~~

(3) be a board-certified behavior analyst or board-certified assistant behavior analyst by the Behavior Analyst Certification Board, Incorporated; or



41.1 (4) have completed a competency-based training program as determined by the  
41.2 commissioner.

41.3 (b) In addition, a positive support analyst must:

41.4 (1) either have two years of supervised experience conducting functional behavior  
41.5 assessments and designing, implementing, and evaluating effectiveness of positive practices  
41.6 behavior support strategies for people who exhibit challenging behaviors as well as  
41.7 co-occurring mental disorders and neurocognitive disorder, or for those who have obtained  
41.8 a baccalaureate degree in one of the behavioral sciences or related fields, demonstrated  
41.9 expertise in positive support services;

41.10 (2) have received training prior to hire or within 90 calendar days of hire that includes:

41.11 (i) ten hours of instruction in functional assessment and functional analysis;

41.12 (ii) 20 hours of instruction in the understanding of the function of behavior;

41.13 (iii) ten hours of instruction on design of positive practices behavior support strategies;

41.14 (iv) 20 hours of instruction preparing written intervention strategies, designing data  
41.15 collection protocols, training other staff to implement positive practice strategies,  
41.16 summarizing and reporting program evaluation data, analyzing program evaluation data to  
41.17 identify design flaws in behavioral interventions or failures in implementation fidelity, and  
41.18 recommending enhancements based on evaluation data; and

41.19 (v) eight hours of instruction on principles of person-centered thinking;

41.20 (3) be determined by a positive support professional to have the training and prerequisite  
41.21 skills required to provide positive practice strategies as well as behavior reduction approved  
41.22 and permitted intervention to the person who receives positive support; and

41.23 (4) be under the direct supervision of a positive support professional.

41.24 (c) Meeting the qualifications for a positive support professional under subdivision 2  
41.25 shall substitute for meeting the qualifications listed in paragraph (b).

41.26 Sec. 7. Minnesota Statutes 2024, section 245D.12, is amended to read:

41.27 **245D.12 INTEGRATED COMMUNITY SUPPORTS; ~~SETTING CAPACITY~~**  
41.28 **REPORT.**

41.29 Subdivision 1. Setting capacity report. (a) The license holder providing integrated  
41.30 community support, as defined in section 245D.03, subdivision 1, paragraph (c), clause (8),  
41.31 must submit a setting capacity report to the commissioner to ensure the identified location

42.1 of service delivery meets the criteria of the home and community-based service requirements  
42.2 as specified in section 256B.492.

42.3 (b) The license holder shall provide the setting capacity report on the forms and in the  
42.4 manner prescribed by the commissioner. The report must include:

42.5 (1) the address of the multifamily housing building where the license holder delivers  
42.6 integrated community supports and owns, leases, or has a direct or indirect financial  
42.7 relationship with the property owner;

42.8 (2) the total number of living units in the multifamily housing building described in  
42.9 clause (1) where integrated community supports are delivered;

42.10 (3) the total number of living units in the multifamily housing building described in  
42.11 clause (1), including the living units identified in clause (2);

42.12 (4) the total number of people who could reside in the living units in the multifamily  
42.13 housing building described in clause (2) and receive integrated community supports; and

42.14 (5) the percentage of living units that are controlled by the license holder in the  
42.15 multifamily housing building by dividing clause (2) by clause (3).

42.16 (c) Only one license holder may deliver integrated community supports at the address  
42.17 of the multifamily housing building.

42.18 Subd. 2. Setting approval moratorium. (a) The commissioner must not approve an  
42.19 integrated community supports setting for which a setting capacity report was submitted  
42.20 between July 1, 2025, and June 30, 2027.

42.21 (b) The commissioner may approve exceptions to the approval moratorium under this  
42.22 subdivision if the commissioner determines:

42.23 (1) a new integrated community supports setting is needed to provide integrated  
42.24 community supports for a person requiring hospital-level care;

42.25 (2) a new integrated community supports setting is needed for a licensed assisted living  
42.26 facility that is closing or converting from an assisted living facility license to a licensed  
42.27 integrated community supports provider; or

42.28 (3) a new integrated community supports setting with specialized qualities, including  
42.29 wheelchair accessible units, specialized equipment, or other unique qualities is needed to  
42.30 meet the needs of a client identified by the local county board.

42.31 (c) When approving an exception under this subdivision, the commissioner shall consider:  
42.32 the availability of approved integrated community supports settings in the geographic area

where the licensee seeks to operate, including the number of living units approved and the total number of people who could reside in the approved living units while receiving integrated community services; the results of a person's choices during the person's annual assessment and service plan review; and the recommendation of the local county board. The approval or denial of an exception by the commissioner is final and is not subject to appeal.

Sec. 8. **[245D.13] OUT-OF-HOME RESPITE CARE SERVICES FOR CHILDREN.**

**Subdivision 1. Licensed setting required.** A license holder with a home and community-based services license providing out-of-home respite care services for children may do so only in a licensed setting, unless exempt under subdivision 2. For the purposes of this section, "respite care services" has the meaning given in section 245A.02, subdivision 15.

**Subd. 2. Exemption from licensed setting requirement.** (a) The exemption under this subdivision does not apply to the provision of respite care services to a child in foster care under chapter 260C or 260D.

(b) A license holder with a home and community-based services license may provide out-of-home respite care services for children in an unlicensed residential setting if:

(1) all background studies are completed according to the requirements in chapter 245C;

(2) a child's case manager conducts and documents an assessment of the residential setting and its environment before services are provided and at least once each calendar year thereafter if services continue to be provided at that residence. The assessment must ensure that the setting is suitable for the child receiving respite care services. The assessment must be conducted and documented in the manner prescribed by the commissioner;

(3) the child's legal representative visits the residence and signs and dates a statement authorizing services in the residence before services are provided and at least once each calendar year thereafter if services continue to be provided at that residence;

(4) the services are provided in a residential setting that is not licensed to provide any other licensed services;

(5) the services are provided to no more than four children at any one time. Each child must have an individual bedroom, except two siblings may share a bedroom;

(6) the services are not provided to children and adults over the age of 21 in the same residence at the same time;

44.1 (7) the services are not provided to a single family for more than 46 calendar days in a  
44.2 calendar year and no more than ten consecutive days;

44.3 (8) the license holder's license was not made conditional, suspended, or revoked during  
44.4 the previous 24 months; and

44.5 (9) each individual in the residence at the time services are provided, other than  
44.6 individuals receiving services, is an employee, as defined under section 245C.02, of the  
44.7 license holder and has had a background study completed under chapter 245C. No other  
44.8 household members or other individuals may be present in the residence while services are  
44.9 provided.

44.10 (c) A child may not receive out-of-home respite care services in more than two unlicensed  
44.11 residential settings in a calendar year.

44.12 (d) The license holder must ensure the requirements in this section are met.

44.13 Subd. 3. **Documentation requirements.** The license holder must maintain documentation  
44.14 of the following:

44.15 (1) background studies completed under chapter 245C;

44.16 (2) service recipient records indicating the calendar dates and times when services were  
44.17 provided;

44.18 (3) the case manager's initial residential setting assessment and each residential assessment  
44.19 completed thereafter; and

44.20 (4) the legal representative's approval of the residential setting before services are  
44.21 provided and each year thereafter.

44.22 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,  
44.23 whichever is later. The commissioner of human services shall inform the revisor of statutes  
44.24 when federal approval is obtained.

44.25 Sec. 9. **[256.4768] DISABILITY SERVICES TECHNOLOGY AND ADVOCACY**  
44.26 **EXPANSION GRANT.**

44.27 Subdivision 1. **Establishment.** (a) A disability services technology and advocacy  
44.28 expansion grant is established to:

44.29 (1) support the expansion of assistive technology and remote support services for people  
44.30 with disabilities; and

45.1 (2) strengthen advocacy efforts for individuals with disabilities and the providers who  
45.2 serve individuals with disabilities.

45.3 (b) The commissioner of human services must award the grant to an eligible grantee.

45.4 Subd. 2. **Eligible grantee.** An eligible grantee must:

45.5 (1) be a nonprofit organization with a statewide reach;

45.6 (2) have demonstrated knowledge of various forms of assistive technology and remote  
45.7 support for people with disabilities; and

45.8 (3) have proven capacity to provide education and training to multiple constituencies.

45.9 Subd. 3. **Allowable uses of grant money.** Grant money must be used to:

45.10 (1) develop and deliver comprehensive training programs for lead agencies, disability  
45.11 service providers, schools, employment support agencies, and individuals with disabilities  
45.12 and their families to ensure effective use of assistive technology and remote support tools.  
45.13 Training must address specific challenges faced by individuals with disabilities, such as  
45.14 accessibility, independence, and health monitoring;

45.15 (2) provide resources and support to advocacy organizations that work with individuals  
45.16 with disabilities and service providers. Resources and support must be used to promote the  
45.17 use of assistive technology to increase self-determination and community participation;

45.18 (3) maintain, distribute, and create accessible resources related to assistive technology  
45.19 and remote support. Materials must be tailored to address the unique needs of individuals  
45.20 with disabilities and the people and organizations who support individuals with disabilities;

45.21 (4) conduct research to explore new and emerging assistive technology solutions that  
45.22 address the evolving needs of individuals with disabilities. The research must emphasize  
45.23 the role of technology in promoting independence, improving quality of life, and ensuring  
45.24 safety; and

45.25 (5) conduct outreach initiatives to engage disability communities, service providers, and  
45.26 advocacy groups across Minnesota to promote awareness of assistive technology and remote  
45.27 support services. Outreach initiatives must focus on reaching underserved and rural  
45.28 populations.

45.29 Subd. 4. **Evaluation and reporting requirements.** (a) The grant recipient must submit  
45.30 an annual report by June 30 each year to the legislative committees with jurisdiction over  
45.31 disability services. The annual report must include:

(1) the number of individuals with disabilities and service providers who received training during the reporting year;

(2) data on the impact of assistive technology and remote support in improving quality of life, safety, and independence for individuals with disabilities; and

(3) recommendations for further advancing technology-driven disability advocacy efforts based on feedback and research findings.

(b) No later than three months after the grant period has ended, a final evaluation must be submitted to the legislative committees with jurisdiction over disability services to assess the overall impact on expanding access to assistive technology and remote support, with a focus on lessons learned and future opportunities for Minnesota's disability communities and service providers.

Subd. 5. **Grant period.** The grant period under this section is from July 1, 2025, to June 30, 2030.

Sec. 10. Minnesota Statutes 2024, section 256B.04, subdivision 21, is amended to read:

Subd. 21. **Provider enrollment.** (a) The commissioner shall enroll providers and conduct screening activities as required by Code of Federal Regulations, title 42, section 455, subpart E. A provider must enroll each provider-controlled location where direct services are provided. The commissioner may deny a provider's incomplete application if a provider fails to respond to the commissioner's request for additional information within 60 days of the request. The commissioner must conduct a background study under chapter 245C, including a review of databases in section 245C.08, subdivision 1, paragraph (a), clauses (1) to (5), for a provider described in this paragraph. The background study requirement may be satisfied if the commissioner conducted a fingerprint-based background study on the provider that includes a review of databases in section 245C.08, subdivision 1, paragraph (a), clauses (1) to (5).

(b) The commissioner shall revalidate ~~each~~:

(1) each provider under this subdivision at least once every five years; ~~and~~

(2) each personal care assistance agency under this subdivision once every three years; and

(3) at the commissioner's discretion, any other Medicaid-only provider type the commissioner deems "high risk" under this subdivision.

(c) The commissioner shall conduct revalidation as follows:

(1) provide 30-day notice of the revalidation due date including instructions for revalidation and a list of materials the provider must submit;

(2) if a provider fails to submit all required materials by the due date, notify the provider of the deficiency within 30 days after the due date and allow the provider an additional 30 days from the notification date to comply; and

(3) if a provider fails to remedy a deficiency within the 30-day time period, give 60-day notice of termination and immediately suspend the provider's ability to bill. The provider does not have the right to appeal suspension of ability to bill.

(d) If a provider fails to comply with any individual provider requirement or condition of participation, the commissioner may suspend the provider's ability to bill until the provider comes into compliance. The commissioner's decision to suspend the provider is not subject to an administrative appeal.

(e) Correspondence and notifications, including notifications of termination and other actions, may be delivered electronically to a provider's MN-ITS mailbox. This paragraph does not apply to correspondences and notifications related to background studies.

(f) If the commissioner or the Centers for Medicare and Medicaid Services determines that a provider is designated "high-risk," the commissioner may withhold payment from providers within that category upon initial enrollment for a 90-day period. The withholding for each provider must begin on the date of the first submission of a claim.

(g) An enrolled provider that is also licensed by the commissioner under chapter 245A, is licensed as a home care provider by the Department of Health under chapter 144A, or is licensed as an assisted living facility under chapter 144G and has a home and community-based services designation on the home care license under section 144A.484, must designate an individual as the entity's compliance officer. The compliance officer must:

(1) develop policies and procedures to assure adherence to medical assistance laws and regulations and to prevent inappropriate claims submissions;

(2) train the employees of the provider entity, and any agents or subcontractors of the provider entity including billers, on the policies and procedures under clause (1);

(3) respond to allegations of improper conduct related to the provision or billing of medical assistance services, and implement action to remediate any resulting problems;

(4) use evaluation techniques to monitor compliance with medical assistance laws and regulations;

48.1 (5) promptly report to the commissioner any identified violations of medical assistance  
48.2 laws or regulations; and

48.3 (6) within 60 days of discovery by the provider of a medical assistance reimbursement  
48.4 overpayment, report the overpayment to the commissioner and make arrangements with  
48.5 the commissioner for the commissioner's recovery of the overpayment.

48.6 The commissioner may require, as a condition of enrollment in medical assistance, that a  
48.7 provider within a particular industry sector or category establish a compliance program that  
48.8 contains the core elements established by the Centers for Medicare and Medicaid Services.

48.9 (h) The commissioner may revoke the enrollment of an ordering or rendering provider  
48.10 for a period of not more than one year, if the provider fails to maintain and, upon request  
48.11 from the commissioner, provide access to documentation relating to written orders or requests  
48.12 for payment for durable medical equipment, certifications for home health services, or  
48.13 referrals for other items or services written or ordered by such provider, when the  
48.14 commissioner has identified a pattern of a lack of documentation. A pattern means a failure  
48.15 to maintain documentation or provide access to documentation on more than one occasion.  
48.16 Nothing in this paragraph limits the authority of the commissioner to sanction a provider  
48.17 under the provisions of section 256B.064.

48.18 (i) The commissioner shall terminate or deny the enrollment of any individual or entity  
48.19 if the individual or entity has been terminated from participation in Medicare or under the  
48.20 Medicaid program or Children's Health Insurance Program of any other state. The  
48.21 commissioner may exempt a rehabilitation agency from termination or denial that would  
48.22 otherwise be required under this paragraph, if the agency:

48.23 (1) is unable to retain Medicare certification and enrollment solely due to a lack of billing  
48.24 to the Medicare program;

48.25 (2) meets all other applicable Medicare certification requirements based on an on-site  
48.26 review completed by the commissioner of health; and

48.27 (3) serves primarily a pediatric population.

48.28 (j) As a condition of enrollment in medical assistance, the commissioner shall require  
48.29 that a provider designated "moderate" or "high-risk" by the Centers for Medicare and  
48.30 Medicaid Services or the commissioner permit the Centers for Medicare and Medicaid  
48.31 Services, its agents, or its designated contractors and the state agency, its agents, or its  
48.32 designated contractors to conduct unannounced on-site inspections of any provider location.  
48.33 The commissioner shall publish in the Minnesota Health Care Program Provider Manual a



list of provider types designated "limited," "moderate," or "high-risk," based on the criteria and standards used to designate Medicare providers in Code of Federal Regulations, title 42, section 424.518. The list and criteria are not subject to the requirements of chapter 14. The commissioner's designations are not subject to administrative appeal.

(k) As a condition of enrollment in medical assistance, the commissioner shall require that a high-risk provider, or a person with a direct or indirect ownership interest in the provider of five percent or higher, consent to criminal background checks, including fingerprinting, when required to do so under state law or by a determination by the commissioner or the Centers for Medicare and Medicaid Services that a provider is designated high-risk for fraud, waste, or abuse.

(l)(1) Upon initial enrollment, reenrollment, and notification of revalidation, all durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) medical suppliers meeting the durable medical equipment provider and supplier definition in clause (3), operating in Minnesota and receiving Medicaid funds must purchase a surety bond that is annually renewed and designates the Minnesota Department of Human Services as the obligee, and must be submitted in a form approved by the commissioner. For purposes of this clause, the following medical suppliers are not required to obtain a surety bond: a federally qualified health center, a home health agency, the Indian Health Service, a pharmacy, and a rural health clinic.

(2) At the time of initial enrollment or reenrollment, durable medical equipment providers and suppliers defined in clause (3) must purchase a surety bond of \$50,000. If a revalidating provider's Medicaid revenue in the previous calendar year is up to and including \$300,000, the provider agency must purchase a surety bond of \$50,000. If a revalidating provider's Medicaid revenue in the previous calendar year is over \$300,000, the provider agency must purchase a surety bond of \$100,000. The surety bond must allow for recovery of costs and fees in pursuing a claim on the bond.

(3) "Durable medical equipment provider or supplier" means a medical supplier that can purchase medical equipment or supplies for sale or rental to the general public and is able to perform or arrange for necessary repairs to and maintenance of equipment offered for sale or rental.

(m) The Department of Human Services may require a provider to purchase a surety bond as a condition of initial enrollment, reenrollment, reinstatement, or continued enrollment if: (1) the provider fails to demonstrate financial viability, (2) the department determines there is significant evidence of or potential for fraud and abuse by the provider, or (3) the

provider or category of providers is designated high-risk pursuant to paragraph (f) and as per Code of Federal Regulations, title 42, section 455.450. The surety bond must be in an amount of \$100,000 or ten percent of the provider's payments from Medicaid during the immediately preceding 12 months, whichever is greater. The surety bond must name the Department of Human Services as an obligee and must allow for recovery of costs and fees in pursuing a claim on the bond. This paragraph does not apply if the provider currently maintains a surety bond under the requirements in section 256B.0659 or 256B.85.

**EFFECTIVE DATE.** This section is effective July 1, 2025.

Sec. 11. Minnesota Statutes 2024, section 256B.0659, subdivision 17a, is amended to read:

Subd. 17a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for personal care assistance services shall be paid for services provided to persons who qualify for ten or more hours of personal care assistance services per day when provided by a personal care assistant who meets the requirements of subdivision 11, paragraph (d). This paragraph expires upon the effective date of paragraph (b).

(b) Effective January 1, 2026, or upon federal approval, whichever is later, an enhanced rate of 112.5 percent of the rate paid for personal care assistance services shall be paid for services provided to persons who qualify for ten or more hours of personal care assistance services per day when provided by a personal care assistant who meets the requirements of subdivision 11, paragraph (d).

~~(b)~~ (c) A personal care assistance provider must use all additional revenue attributable to the rate enhancements under this subdivision for the wages and wage-related costs of the personal care assistants, including any corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums. The agency must not use the additional revenue attributable to any enhanced rate under this subdivision to pay for mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, contributions to employee retirement accounts, or any other employee benefits.

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

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

51.2 Sec. 12. Minnesota Statutes 2024, section 256B.0911, subdivision 24, is amended to read:

51.3 Subd. 24. **Remote reassessments.** (a) Assessments performed according to subdivisions  
51.4 17 to 20 and 23 must be in person unless the assessment is a reassessment meeting the  
51.5 requirements of this subdivision. Remote reassessments conducted by interactive video or  
51.6 telephone may substitute for in-person reassessments.

51.7 (b) For services provided by the developmental disabilities waiver under section  
51.8 256B.092, and the community access for disability inclusion, community alternative care,  
51.9 and brain injury waiver programs under section 256B.49, remote reassessments may be  
51.10 substituted for ~~two~~ four consecutive reassessments if followed by an in-person reassessment.

51.11 (c) For services provided by alternative care under section 256B.0913, essential  
51.12 community supports under section 256B.0922, and the elderly waiver under chapter 256S,  
51.13 remote reassessments may be substituted for one reassessment if followed by an in-person  
51.14 reassessment.

51.15 (d) For personal care assistance provided under section 256B.0659 and community first  
51.16 services and supports provided under section 256B.85, remote reassessments may be  
51.17 substituted for two consecutive reassessments if followed by an in-person reassessment.

51.18 (e) A remote reassessment is permitted only if the lead agency provides informed choice  
51.19 and the person being reassessed or the person's legal representative provides informed  
51.20 consent for a remote assessment. Lead agencies must document that informed choice was  
51.21 offered.

51.22 (f) The person being reassessed, or the person's legal representative, may refuse a remote  
51.23 reassessment at any time.

51.24 (g) During a remote reassessment, if the certified assessor determines an in-person  
51.25 reassessment is necessary in order to complete the assessment, the lead agency shall schedule  
51.26 an in-person reassessment.

51.27 (h) All other requirements of an in-person reassessment apply to a remote reassessment,  
51.28 including updates to a person's support plan.

51.29 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,  
51.30 whichever is later. The commissioner of human services shall notify the revisor of statutes  
51.31 when federal approval is obtained.

52.1 Sec. 13. Minnesota Statutes 2024, section 256B.0911, is amended by adding a subdivision  
52.2 to read:

52.3 Subd. 24a. **Verbal attestation to replace required reassessment signatures.** Effective  
52.4 January 1, 2026, or upon federal approval, whichever is later, the commissioner shall allow  
52.5 for verbal attestation to replace required reassessment signatures.

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

52.7 Sec. 14. Minnesota Statutes 2024, section 256B.0911, is amended by adding a subdivision  
52.8 to read:

52.9 Subd. 25a. **Attesting to no changes in needs or services.** (a) A person who is 22 to 64  
52.10 years of age and receiving home and community-based waiver services under the  
52.11 developmental disabilities waiver program under section 256B.092; community access for  
52.12 disability inclusion, community alternative care, and brain injury waiver programs under  
52.13 section 256B.49; and community first services and supports under section 256B.85 may  
52.14 attest that they have unchanged needs from the most recent prior assessment or reassessment  
52.15 for up to two consecutive reassessments if the lead agency provides informed choice and  
52.16 the person being reassessed or the person's legal representative provides informed consent.  
52.17 Lead agencies must document that informed choice was offered.

52.18 (b) The person or person's legal representative must attest, verbally or through alternative  
52.19 communications, that the information provided in the previous assessment or reassessment  
52.20 is still accurate and applicable and that no changes in the person's circumstances have  
52.21 occurred that would require changes from the most recent prior assessment or reassessment.  
52.22 The person or the person's legal representative may request a full reassessment at any time.

52.23 (c) The assessor must review the most recent prior assessment or reassessment as required  
52.24 in subdivision 22, paragraphs (a) and (b), clause (1), before conducting the interview. The  
52.25 certified assessor must confirm that the information from the previous assessment or  
52.26 reassessment is current.

52.27 (d) The assessment conducted under this section must:

52.28 (1) verify current assessed support needs;

52.29 (2) confirm continued need for the currently assessed level of care;

52.30 (3) inform the person of alternative long-term services and supports available;

52.31 (4) provide informed choice of institutional or home and community-based services;

52.32 and

53.1 (5) identify changes in need that may require a full reassessment.

53.2 (e) The assessor must ensure that any new assessment items or requirements mandated  
53.3 by federal or state authority are addressed and the person must provide required information.

53.4 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,  
53.5 whichever is later. The commissioner of human services shall notify the revisor of statutes  
53.6 when federal approval is obtained.

53.7 Sec. 15. Minnesota Statutes 2024, section 256B.0911, subdivision 26, is amended to read:

53.8 Subd. 26. **Determination of institutional level of care.** (a) The determination of need  
53.9 for hospital and intermediate care facility levels of care must be made according to criteria  
53.10 developed by the commissioner, and in section 256B.092, using forms developed by the  
53.11 commissioner.

53.12 (b) Except as provided in paragraph (c), the determination of need for nursing facility  
53.13 level of care must be made based on criteria in section 144.0724, subdivision 11.

53.14 (c) Effective for determinations of need for nursing level of care made on or after January  
53.15 1, 2027, for the purposes of waiver services provided under section 256B.49, the  
53.16 commissioner must make the determination of need for nursing facility level of care based  
53.17 on the criteria in section 144.0724, subdivision 11, paragraph (a), clauses (1) to (6).

53.18 Sec. 16. Minnesota Statutes 2024, section 256B.0924, subdivision 6, is amended to read:

53.19 Subd. 6. **Payment for targeted case management.** (a) Medical assistance and  
53.20 MinnesotaCare payment for targeted case management shall be made on a monthly basis.  
53.21 In order to receive payment for an eligible adult, the provider must document at least one  
53.22 contact per month and not more than two consecutive months without a face-to-face contact  
53.23 either in person or by interactive video that meets the requirements in section 256B.0625,  
53.24 subdivision 20b, with the adult or the adult's legal representative, family, primary caregiver,  
53.25 or other relevant persons identified as necessary to the development or implementation of  
53.26 the goals of the personal service plan.

53.27 (b) Except as provided under paragraph (m), payment for targeted case management  
53.28 provided by county staff under this subdivision shall be based on the monthly rate  
53.29 methodology under section 256B.094, subdivision 6, paragraph (b), calculated as one  
53.30 combined average rate together with adult mental health case management under section  
53.31 256B.0625, subdivision 20, except for calendar year 2002. In calendar year 2002, the rate  
53.32 for case management under this section shall be the same as the rate for adult mental health

54.1 case management in effect as of December 31, 2001. Billing and payment must identify the  
54.2 recipient's primary population group to allow tracking of revenues.

54.3 (c) Payment for targeted case management provided by county-contracted vendors shall  
54.4 be based on a monthly rate calculated in accordance with section 256B.076, subdivision 2.  
54.5 The rate must not exceed the rate charged by the vendor for the same service to other payers.  
54.6 If the service is provided by a team of contracted vendors, the team shall determine how to  
54.7 distribute the rate among its members. No reimbursement received by contracted vendors  
54.8 shall be returned to the county, except to reimburse the county for advance funding provided  
54.9 by the county to the vendor.

54.10 (d) If the service is provided by a team that includes contracted vendors and county staff,  
54.11 the costs for county staff participation on the team shall be included in the rate for  
54.12 county-provided services. In this case, the contracted vendor and the county may each  
54.13 receive separate payment for services provided by each entity in the same month. In order  
54.14 to prevent duplication of services, the county must document, in the recipient's file, the need  
54.15 for team targeted case management and a description of the different roles of the team  
54.16 members.

54.17 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for  
54.18 targeted case management shall be provided by the recipient's county of responsibility, as  
54.19 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds  
54.20 used to match other federal funds.

54.21 (f) The commissioner may suspend, reduce, or terminate reimbursement to a provider  
54.22 that does not meet the reporting or other requirements of this section. The county of  
54.23 responsibility, as defined in sections 256G.01 to 256G.12, is responsible for any federal  
54.24 disallowances. The county may share this responsibility with its contracted vendors.

54.25 (g) The commissioner shall set aside five percent of the federal funds received under  
54.26 this section for use in reimbursing the state for costs of developing and implementing this  
54.27 section.

54.28 (h) Payments to counties for targeted case management expenditures under this section  
54.29 shall only be made from federal earnings from services provided under this section. Payments  
54.30 to contracted vendors shall include both the federal earnings and the county share.

54.31 (i) Notwithstanding section 256B.041, county payments for the cost of case management  
54.32 services provided by county staff shall not be made to the commissioner of management  
54.33 and budget. For the purposes of targeted case management services provided by county

55.1 staff under this section, the centralized disbursement of payments to counties under section  
55.2 256B.041 consists only of federal earnings from services provided under this section.

55.3 (j) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,  
55.4 and the recipient's institutional care is paid by medical assistance, payment for targeted case  
55.5 management services under this subdivision is limited to the lesser of:

55.6 (1) the last 180 days of the recipient's residency in that facility; or

55.7 (2) the limits and conditions which apply to federal Medicaid funding for this service.

55.8 (k) Payment for targeted case management services under this subdivision shall not  
55.9 duplicate payments made under other program authorities for the same purpose.

55.10 (l) Any growth in targeted case management services and cost increases under this  
55.11 section shall be the responsibility of the counties.

55.12 (m) The commissioner may make payments for Tribes according to section 256B.0625,  
55.13 subdivision 34, or other relevant federally approved rate setting methodologies for vulnerable  
55.14 adult and developmental disability targeted case management provided by Indian health  
55.15 services and facilities operated by a Tribe or Tribal organization.

55.16 **EFFECTIVE DATE.** This section is effective July 1, 2025.

55.17 Sec. 17. Minnesota Statutes 2024, section 256B.0949, subdivision 2, is amended to read:

55.18 Subd. 2. **Definitions.** (a) The terms used in this section have the meanings given in this  
55.19 subdivision.

55.20 (b) "Advanced certification" means a person who has completed advanced certification  
55.21 in an approved modality under subdivision 13, paragraph (b).

55.22 (c) "Agency" means the legal entity that is enrolled with Minnesota health care programs  
55.23 as a medical assistance provider according to Minnesota Rules, part 9505.0195, to provide  
55.24 EIDBI services and that has the legal responsibility to ensure that its employees or contractors  
55.25 carry out the responsibilities defined in this section. Agency includes a licensed individual  
55.26 professional who practices independently and acts as an agency.

55.27 (d) "Autism spectrum disorder or a related condition" or "ASD or a related condition"  
55.28 means either autism spectrum disorder (ASD) as defined in the current version of the  
55.29 Diagnostic and Statistical Manual of Mental Disorders (DSM) or a condition that is found  
55.30 to be closely related to ASD, as identified under the current version of the DSM, and meets  
55.31 all of the following criteria:

- 56.1 (1) is severe and chronic;
- 56.2 (2) results in impairment of adaptive behavior and function similar to that of a person  
56.3 with ASD;
- 56.4 (3) requires treatment or services similar to those required for a person with ASD; and
- 56.5 (4) results in substantial functional limitations in three core developmental deficits of  
56.6 ASD: social or interpersonal interaction; functional communication, including nonverbal  
56.7 or social communication; and restrictive or repetitive behaviors or hyperreactivity or  
56.8 hyporeactivity to sensory input; and may include deficits or a high level of support in one  
56.9 or more of the following domains:
- 56.10 (i) behavioral challenges and self-regulation;
- 56.11 (ii) cognition;
- 56.12 (iii) learning and play;
- 56.13 (iv) self-care; or
- 56.14 (v) safety.
- 56.15 (e) "Person" means a person under 21 years of age.
- 56.16 (f) "Clinical supervision" means the overall responsibility for the control and direction  
56.17 of EIDBI service delivery, including individual treatment planning, staff supervision,  
56.18 individual treatment plan progress monitoring, and treatment review for each person. Clinical  
56.19 supervision is provided by a qualified supervising professional (QSP) who takes full  
56.20 professional responsibility for the service provided by each supervisee.
- 56.21 (g) "Commissioner" means the commissioner of human services, unless otherwise  
56.22 specified.
- 56.23 (h) "Comprehensive multidisciplinary evaluation" or "CMDE" means a comprehensive  
56.24 evaluation of a person to determine medical necessity for EIDBI services based on the  
56.25 requirements in subdivision 5.
- 56.26 (i) "Department" means the Department of Human Services, unless otherwise specified.
- 56.27 (j) "Early intensive developmental and behavioral intervention benefit" or "EIDBI  
56.28 benefit" means a variety of individualized, intensive treatment modalities approved and  
56.29 published by the commissioner that are based in behavioral and developmental science  
56.30 consistent with best practices on effectiveness.



57.1 (k) "Employee" means any person who is employed by an agency, including temporary  
57.2 and part-time employees, and who performs work for at least 80 hours in a year for that  
57.3 agency in Minnesota. Employee does not include an independent contractor.

57.4 ~~(k)~~ (l) "Generalizable goals" means results or gains that are observed during a variety  
57.5 of activities over time with different people, such as providers, family members, other adults,  
57.6 and people, and in different environments including, but not limited to, clinics, homes,  
57.7 schools, and the community.

57.8 ~~(l)~~ (m) "Incident" means when any of the following occur:

57.9 (1) an illness, accident, or injury that requires first aid treatment;

57.10 (2) a bump or blow to the head; or

57.11 (3) an unusual or unexpected event that jeopardizes the safety of a person or staff,  
57.12 including a person leaving the agency unattended.

57.13 ~~(m)~~ (n) "Individual treatment plan" or "ITP" means the person-centered, individualized  
57.14 written plan of care that integrates and coordinates person and family information from the  
57.15 CMDE for a person who meets medical necessity for the EIDBI benefit. An individual  
57.16 treatment plan must meet the standards in subdivision 6.

57.17 ~~(n)~~ (o) "Legal representative" means the parent of a child who is under 18 years of age,  
57.18 a court-appointed guardian, or other representative with legal authority to make decisions  
57.19 about service for a person. For the purpose of this subdivision, "other representative with  
57.20 legal authority to make decisions" includes a health care agent or an attorney-in-fact  
57.21 authorized through a health care directive or power of attorney.

57.22 ~~(o)~~ (p) "Mental health professional" means a staff person who is qualified according to  
57.23 section 245I.04, subdivision 2.

57.24 ~~(p)~~ (q) "Person-centered" means a service that both responds to the identified needs,  
57.25 interests, values, preferences, and desired outcomes of the person or the person's legal  
57.26 representative and respects the person's history, dignity, and cultural background and allows  
57.27 inclusion and participation in the person's community.

57.28 ~~(q)~~ (r) "Qualified EIDBI provider" means a person who is a QSP or a level I, level II,  
57.29 or level III treatment provider.

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

58.1 Sec. 18. Minnesota Statutes 2024, section 256B.0949, subdivision 15, is amended to read:

58.2 Subd. 15. **EIDBI provider qualifications.** (a) A QSP must be ~~employed by~~ an employee  
58.3 of an agency and be:

58.4 (1) a licensed mental health professional who has at least 2,000 hours of supervised  
58.5 clinical experience or training in examining or treating people with ASD or a related condition  
58.6 or equivalent documented coursework at the graduate level by an accredited university in  
58.7 ASD diagnostics, ASD developmental and behavioral treatment strategies, and typical child  
58.8 development; or

58.9 (2) a developmental or behavioral pediatrician who has at least 2,000 hours of supervised  
58.10 clinical experience or training in examining or treating people with ASD or a related condition  
58.11 or equivalent documented coursework at the graduate level by an accredited university in  
58.12 the areas of ASD diagnostics, ASD developmental and behavioral treatment strategies, and  
58.13 typical child development.

58.14 (b) A level I treatment provider must be ~~employed by~~ an employee of an agency and:

58.15 (1) have at least 2,000 hours of supervised clinical experience or training in examining  
58.16 or treating people with ASD or a related condition or equivalent documented coursework  
58.17 at the graduate level by an accredited university in ASD diagnostics, ASD developmental  
58.18 and behavioral treatment strategies, and typical child development or an equivalent  
58.19 combination of documented coursework or hours of experience; and

58.20 (2) have or be at least one of the following:

58.21 (i) a master's degree in behavioral health or child development or related fields including,  
58.22 but not limited to, mental health, special education, social work, psychology, speech  
58.23 pathology, or occupational therapy from an accredited college or university;

58.24 (ii) a bachelor's degree in a behavioral health, child development, or related field  
58.25 including, but not limited to, mental health, special education, social work, psychology,  
58.26 speech pathology, or occupational therapy, from an accredited college or university, and  
58.27 advanced certification in a treatment modality recognized by the department;

58.28 (iii) a board-certified behavior analyst as defined by the Behavior Analyst Certification  
58.29 Board or a qualified behavior analyst as defined by the Qualified Applied Behavior Analysis  
58.30 Credentialing Board; or

58.31 (iv) a board-certified assistant behavior analyst with 4,000 hours of supervised clinical  
58.32 experience that meets all registration, supervision, and continuing education requirements  
58.33 of the certification.

59.1 (c) A level II treatment provider must be ~~employed by~~ an employee of an agency and  
59.2 must be:

59.3 (1) a person who has a bachelor's degree from an accredited college or university in a  
59.4 behavioral or child development science or related field including, but not limited to, mental  
59.5 health, special education, social work, psychology, speech pathology, or occupational  
59.6 therapy; and meets at least one of the following:

59.7 (i) has at least 1,000 hours of supervised clinical experience or training in examining or  
59.8 treating people with ASD or a related condition or equivalent documented coursework at  
59.9 the graduate level by an accredited university in ASD diagnostics, ASD developmental and  
59.10 behavioral treatment strategies, and typical child development or a combination of  
59.11 coursework or hours of experience;

59.12 (ii) has certification as a board-certified assistant behavior analyst from the Behavior  
59.13 Analyst Certification Board or a qualified autism service practitioner from the Qualified  
59.14 Applied Behavior Analysis Credentialing Board;

59.15 (iii) is a registered behavior technician as defined by the Behavior Analyst Certification  
59.16 Board or an applied behavior analysis technician as defined by the Qualified Applied  
59.17 Behavior Analysis Credentialing Board; or

59.18 (iv) is certified in one of the other treatment modalities recognized by the department;  
59.19 or

59.20 (2) a person who has:

59.21 (i) an associate's degree in a behavioral or child development science or related field  
59.22 including, but not limited to, mental health, special education, social work, psychology,  
59.23 speech pathology, or occupational therapy from an accredited college or university; and

59.24 (ii) at least 2,000 hours of supervised clinical experience in delivering treatment to people  
59.25 with ASD or a related condition. Hours worked as a mental health behavioral aide or level  
59.26 III treatment provider may be included in the required hours of experience; or

59.27 (3) a person who has at least 4,000 hours of supervised clinical experience in delivering  
59.28 treatment to people with ASD or a related condition. Hours worked as a mental health  
59.29 behavioral aide or level III treatment provider may be included in the required hours of  
59.30 experience; or

59.31 (4) a person who is a graduate student in a behavioral science, child development science,  
59.32 or related field and is receiving clinical supervision by a QSP affiliated with an agency to

60.1 meet the clinical training requirements for experience and training with people with ASD  
60.2 or a related condition; or

60.3 (5) a person who is at least 18 years of age and who:

60.4 (i) is fluent in a non-English language or is an individual certified by a Tribal Nation;

60.5 (ii) completed the level III EIDBI training requirements; and

60.6 (iii) receives observation and direction from a QSP or level I treatment provider at least  
60.7 once a week until the person meets 1,000 hours of supervised clinical experience.

60.8 (d) A level III treatment provider must be ~~employed by~~ an employee of an agency, have  
60.9 completed the level III training requirement, be at least 18 years of age, and have at least  
60.10 one of the following:

60.11 (1) a high school diploma or commissioner of education-selected high school equivalency  
60.12 certification;

60.13 (2) fluency in a non-English language or Tribal Nation certification;

60.14 (3) one year of experience as a primary personal care assistant, community health worker,  
60.15 waiver service provider, or special education assistant to a person with ASD or a related  
60.16 condition within the previous five years; or

60.17 (4) completion of all required EIDBI training within six months of employment.

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

60.19 Sec. 19. Minnesota Statutes 2024, section 256B.0949, subdivision 16, is amended to read:

60.20 Subd. 16. **Agency duties.** (a) An agency delivering an EIDBI service under this section  
60.21 must:

60.22 (1) enroll as a medical assistance Minnesota health care program provider according to  
60.23 Minnesota Rules, part 9505.0195, and section 256B.04, subdivision 21, and meet all  
60.24 applicable provider standards and requirements;

60.25 (2) demonstrate compliance with federal and state laws for EIDBI service;

60.26 (3) verify and maintain records of a service provided to the person or the person's legal  
60.27 representative as required under Minnesota Rules, parts 9505.2175 and 9505.2197;

60.28 (4) demonstrate that while enrolled or seeking enrollment as a Minnesota health care  
60.29 program provider the agency did not have a lead agency contract or provider agreement  
60.30 discontinued because of a conviction of fraud; or did not have an owner, board member, or

61.1 manager fail a state or federal criminal background check or appear on the list of excluded  
61.2 individuals or entities maintained by the federal Department of Human Services Office of  
61.3 Inspector General;

61.4 (5) have established business practices including written policies and procedures, internal  
61.5 controls, and a system that demonstrates the organization's ability to deliver quality EIDBI  
61.6 services;

61.7 (6) have an office located in Minnesota or a border state;

61.8 (7) conduct a criminal background check on an individual who has direct contact with  
61.9 the person or the person's legal representative;

61.10 (8) report maltreatment according to section 626.557 and chapter 260E;

61.11 (9) comply with any data requests consistent with the Minnesota Government Data  
61.12 Practices Act, sections 256B.064 and 256B.27;

61.13 (10) provide training for all agency staff on the requirements and responsibilities listed  
61.14 in the Maltreatment of Minors Act, chapter 260E, and the Vulnerable Adult Protection Act,  
61.15 section 626.557, including mandated and voluntary reporting, nonretaliation, and the agency's  
61.16 policy for all staff on how to report suspected abuse and neglect;

61.17 (11) have a written policy to resolve issues collaboratively with the person and the  
61.18 person's legal representative when possible. The policy must include a timeline for when  
61.19 the person and the person's legal representative will be notified about issues that arise in  
61.20 the provision of services;

61.21 (12) provide the person's legal representative with prompt notification if the person is  
61.22 injured while being served by the agency. An incident report must be completed by the  
61.23 agency staff member in charge of the person. A copy of all incident and injury reports must  
61.24 remain on file at the agency for at least five years from the report of the incident; ~~and~~

61.25 (13) before starting a service, provide the person or the person's legal representative a  
61.26 description of the treatment modality that the person shall receive, including the staffing  
61.27 certification levels and training of the staff who shall provide a treatment;

61.28 (14) provide clinical supervision by a qualified supervising professional for a minimum  
61.29 of one hour of supervision for every ten hours of direct treatment per person that meets  
61.30 clinical licensure requirements for quality supervision and effective intervention; and

61.31 (15) provide clinical, in-person supervision sessions by a qualified supervising  
61.32 professional at least once per month for intervention, observation, and direction.

62.1 (b) When delivering the ITP, and annually thereafter, an agency must provide the person  
62.2 or the person's legal representative with:

62.3 (1) a written copy and a verbal explanation of the person's or person's legal  
62.4 representative's rights and the agency's responsibilities;

62.5 (2) documentation in the person's file the date that the person or the person's legal  
62.6 representative received a copy and explanation of the person's or person's legal  
62.7 representative's rights and the agency's responsibilities; and

62.8 (3) reasonable accommodations to provide the information in another format or language  
62.9 as needed to facilitate understanding of the person's or person's legal representative's rights  
62.10 and the agency's responsibilities.

62.11 Sec. 20. Minnesota Statutes 2024, section 256B.0949, subdivision 16a, is amended to  
62.12 read:

62.13 Subd. 16a. **Background studies.** An early intensive developmental and behavioral  
62.14 intervention services agency must fulfill any background studies requirements under this  
62.15 section by initiating a background study through the commissioner's NETStudy 2.0 system  
62.16 as provided under sections 245C.03, subdivision 15, and 245C.10, subdivision 17.

62.17 Sec. 21. Minnesota Statutes 2024, section 256B.0949, is amended by adding a subdivision  
62.18 to read:

62.19 Subd. 18. **Provisional licensure.** Beginning on January 1, 2026, the commissioner shall  
62.20 begin issuing provisional licenses to enrolled EIDBI agencies pursuant to section 245A.142.

62.21 Sec. 22. Minnesota Statutes 2024, section 256B.19, subdivision 1, is amended to read:

62.22 Subdivision 1. **Division of cost.** (a) The state and county share of medical assistance  
62.23 costs not paid by federal funds shall be as follows:

62.24 (1) beginning January 1, 1992, 50 percent state funds and 50 percent county funds for  
62.25 the cost of placement of severely emotionally disturbed children in regional treatment  
62.26 centers;

62.27 (2) beginning January 1, 2003, 80 percent state funds and 20 percent county funds for  
62.28 the costs of nursing facility placements of persons with disabilities under the age of 65 that  
62.29 have exceeded 90 days. This clause shall be subject to chapter 256G and shall not apply to  
62.30 placements in facilities not certified to participate in medical assistance;

(3) beginning July 1, 2004, 90 percent state funds and ten percent county funds for the costs of placements that have exceeded 90 days in intermediate care facilities for persons with developmental disabilities that have seven or more beds. This provision includes pass-through payments made under section 256B.5015; ~~and~~

(4) beginning July 1, 2004, when state funds are used to pay for a nursing facility placement due to the facility's status as an institution for mental diseases (IMD), the county shall pay 20 percent of the nonfederal share of costs that have exceeded 90 days. This clause is subject to chapter 256G; and

(5) beginning July 1, 2026, or upon federal approval, whichever is later, 98 percent state funds and two percent county funds for the costs of services for all people receiving community residential services, family residential services, customized living services, or integrated community supports under section 256B.4914.

(b) For counties that participate in a Medicaid demonstration project under sections 256B.69 and 256B.71, the division of the nonfederal share of medical assistance expenses for payments made to prepaid health plans or for payments made to health maintenance organizations in the form of prepaid capitation payments, this division of medical assistance expenses shall be 95 percent by the state and five percent by the county of financial responsibility.

(c) In counties where prepaid health plans are under contract to the commissioner to provide services to medical assistance recipients, the cost of court ordered treatment ordered without consulting the prepaid health plan that does not include diagnostic evaluation, recommendation, and referral for treatment by the prepaid health plan is the responsibility of the county of financial responsibility.

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

Sec. 23. Minnesota Statutes 2024, section 256B.4914, subdivision 3, is amended to read:

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

(1) 24-hour customized living;

(2) adult day services;

(3) adult day services bath;

- 64.1 (4) community residential services;
- 64.2 (5) customized living;
- 64.3 (6) day support services;
- 64.4 (7) employment development services;
- 64.5 (8) employment exploration services;
- 64.6 (9) employment support services;
- 64.7 (10) family residential services;
- 64.8 (11) individualized home supports;
- 64.9 (12) individualized home supports with family training;
- 64.10 (13) individualized home supports with training;
- 64.11 (14) integrated community supports;
- 64.12 (15) life sharing;
- 64.13 (16) effective until the effective date of clauses (17) and (18), night supervision;
- 64.14 (17) effective January 1, 2026, or upon federal approval, whichever is later, awake night
- 64.15 supervision;
- 64.16 (18) effective January 1, 2026, or upon federal approval, whichever is later, asleep night
- 64.17 supervision;
- 64.18 ~~(17)~~ (19) positive support services;
- 64.19 ~~(18)~~ (20) prevocational services;
- 64.20 ~~(19)~~ (21) residential support services;
- 64.21 ~~(20) respite services;~~
- 64.22 ~~(21)~~ (22) transportation services; and
- 64.23 ~~(22)~~ (23) other services as approved by the federal government in the state home and
- 64.24 community-based services waiver plan.
- 64.25 ~~(b) Effective January 1, 2024, or upon federal approval, whichever is later, respite~~
- 64.26 ~~services under paragraph (a), clause (20), are not an applicable service under this section.~~
- 64.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.



Sec. 24. Minnesota Statutes 2024, section 256B.4914, subdivision 5, is amended to read:

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

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

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

~~(2) on January 1, 2024, based on wage data by SOC from the Bureau of Labor Statistics published in March 2022; and.~~

~~(3) on January 1, 2026, and every two years thereafter, based on wage data by SOC from the Bureau of Labor Statistics published in the spring approximately 21 months prior to the scheduled update.~~

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

Sec. 25. Minnesota Statutes 2024, section 256B.4914, subdivision 5a, is amended to read:

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

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

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

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

(4) for residential asleep-overnight staff, the minimum wage in Minnesota for large employers;

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

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

66.6 (ii) 85 percent of the subtotal of 40 percent of the median wage for home health and  
66.7 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant  
66.8 (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code  
66.9 29-2053); and 20 percent of the median wage for social and human services aide (SOC code  
66.10 21-1093);

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

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

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

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

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

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

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

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

(14) for employment exploration services staff, 50 percent of the median wage for education, guidance, school, and vocational counselor (SOC code 21-1012); and 50 percent of the median wage for community and social services specialist (SOC code 21-1099);

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

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

(17) effective until the effective date of clauses (18) and (19), for night supervision staff, 40 percent of the median wage for home health and personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

(18) effective January 1, 2026, or upon federal approval, whichever is later, for awake night supervision staff, 40 percent of the median wage for home health and personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant (SOC code 31-1131); 20 percent the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aid (SOC code 21-1093); and

(19) effective January 1, 2026, or upon federal approval, whichever is later, for asleep night supervision staff, the minimum wage in Minnesota for large employers.

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

Sec. 26. Minnesota Statutes 2024, section 256B.4914, subdivision 5b, is amended to read:

Subd. 5b. **Standard component value adjustments.** The commissioner shall update the base wage index under subdivision 5a; the client and programming support, transportation, and program facility cost component values as required in subdivisions 6 to 9; and the rates identified in subdivision 19 for changes in the Consumer Price Index. The commissioner shall adjust these values higher or lower, publish these updated values, and load them into the rate management system ~~as follows:~~

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

~~(2) on January 1, 2024, by the percentage change in the CPI-U from the date of the previous update to the data available as of December 31, 2022; and~~

(3) on January 1, 2026, and every two years thereafter, by the percentage change in the CPI-U from the date of the previous update to the data available 24 months and one day prior to the scheduled update.

**EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval, whichever is later. The commissioner shall notify the revisor of statutes when federal approval is obtained.

Sec. 27. Minnesota Statutes 2024, section 256B.4914, subdivision 6a, is amended to read:

Subd. 6a. **Community residential services; component values and calculation of payment rates.** (a) Component values for community residential services are:

(1) competitive workforce factor: ~~6.7 percent;~~

(i) 6.7 percent. This item expires upon the effective date of item (ii);

(ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

This item expires upon the effective date of item (iii); and

(iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

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

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

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

(5) general administrative support ratio: 13.25 percent;

(6) program-related expense ratio: 1.3 percent; and

(7) absence and utilization factor ratio: 3.9 percent.

(b) Payments for community residential services must be calculated as follows:

(1) determine the number of shared direct staffing and individual direct staffing hours to meet a recipient's needs provided on site or through monitoring technology;

(2) determine the appropriate hourly staff wage rates derived by the commissioner as provided in subdivisions 5 and 5a;

69.1 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
69.2 product of one plus the competitive workforce factor;

69.3 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
69.4 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
69.5 to the result of clause (3);

69.6 (5) multiply the number of shared direct staffing and individual direct staffing hours  
69.7 provided on site or through monitoring technology and nursing hours by the appropriate  
69.8 staff wages;

69.9 (6) multiply the number of shared direct staffing and individual direct staffing hours  
69.10 provided on site or through monitoring technology and nursing hours by the product of the  
69.11 supervision span of control ratio and the appropriate supervisory staff wage in subdivision  
69.12 5a, clause (1);

69.13 (7) combine the results of clauses (5) and (6), excluding any shared direct staffing and  
69.14 individual direct staffing hours provided through monitoring technology, and multiply the  
69.15 result by one plus the employee vacation, sick, and training allowance ratio. This is defined  
69.16 as the direct staffing cost;

69.17 (8) for employee-related expenses, multiply the direct staffing cost, excluding any shared  
69.18 direct staffing and individual hours provided through monitoring technology, by one plus  
69.19 the employee-related cost ratio;

69.20 (9) for client programming and supports, add \$2,260.21 divided by 365. The  
69.21 commissioner shall update the amount in this clause as specified in subdivision 5b;

69.22 (10) for transportation, if provided, add \$1,742.62 divided by 365, or \$3,111.81 divided  
69.23 by 365 if customized for adapted transport, based on the resident with the highest assessed  
69.24 need. The commissioner shall update the amounts in this clause as specified in subdivision  
69.25 5b;

69.26 (11) subtotal clauses (8) to (10) and the direct staffing cost of any shared direct staffing  
69.27 and individual direct staffing hours provided through monitoring technology that was  
69.28 excluded in clause (8);

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

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

70.1 (14) adjust the result of clause (13) by a factor to be determined by the commissioner  
70.2 to adjust for regional differences in the cost of providing services.

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

70.4 Sec. 28. Minnesota Statutes 2024, section 256B.4914, subdivision 6b, is amended to read:

70.5 Subd. 6b. **Family residential services; component values and calculation of payment**  
70.6 **rates.** (a) Component values for family residential services are:

70.7 (1) competitive workforce factor: ~~6.7 percent~~;

70.8 (i) 6.7 percent. This item expires upon the effective date of item (ii);

70.9 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

70.10 This item expires upon the effective date of item (iii); and

70.11 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

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

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

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

70.15 (5) general administrative support ratio: 3.3 percent;

70.16 (6) program-related expense ratio: 1.3 percent; and

70.17 (7) absence factor: 1.7 percent.

70.18 (b) Payments for family residential services must be calculated as follows:

70.19 (1) determine the number of shared direct staffing and individual direct staffing hours  
70.20 to meet a recipient's needs provided on site or through monitoring technology;

70.21 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
70.22 provided in subdivisions 5 and 5a;

70.23 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
70.24 product of one plus the competitive workforce factor;

70.25 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
70.26 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
70.27 to the result of clause (3);

71.1 (5) multiply the number of shared direct staffing and individual direct staffing hours  
71.2 provided on site or through monitoring technology and nursing hours by the appropriate  
71.3 staff wages;

71.4 (6) multiply the number of shared direct staffing and individual direct staffing hours  
71.5 provided on site or through monitoring technology and nursing hours by the product of the  
71.6 supervisory span of control ratio and the appropriate supervisory staff wage in subdivision  
71.7 5a, clause (1);

71.8 (7) combine the results of clauses (5) and (6), excluding any shared direct staffing and  
71.9 individual direct staffing hours provided through monitoring technology, and multiply the  
71.10 result by one plus the employee vacation, sick, and training allowance ratio. This is defined  
71.11 as the direct staffing cost;

71.12 (8) for employee-related expenses, multiply the direct staffing cost, excluding any shared  
71.13 and individual direct staffing hours provided through monitoring technology, by one plus  
71.14 the employee-related cost ratio;

71.15 (9) for client programming and supports, add \$2,260.21 divided by 365. The  
71.16 commissioner shall update the amount in this clause as specified in subdivision 5b;

71.17 (10) for transportation, if provided, add \$1,742.62 divided by 365, or \$3,111.81 divided  
71.18 by 365 if customized for adapted transport, based on the resident with the highest assessed  
71.19 need. The commissioner shall update the amounts in this clause as specified in subdivision  
71.20 5b;

71.21 (11) subtotal clauses (8) to (10) and the direct staffing cost of any shared direct staffing  
71.22 and individual direct staffing hours provided through monitoring technology that was  
71.23 excluded in clause (8);

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

71.26 (13) divide the result of clause (11) by one minus the result of clause (12). This is the  
71.27 total payment rate; and

71.28 (14) adjust the result of clause (13) by a factor to be determined by the commissioner  
71.29 to adjust for regional differences in the cost of providing services.

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

- 72.1 Sec. 29. Minnesota Statutes 2024, section 256B.4914, subdivision 6c, is amended to read:
- 72.2 Subd. 6c. **Integrated community supports; component values and calculation of**
- 72.3 **payment rates.** (a) Component values for integrated community supports are:
- 72.4 (1) competitive workforce factor: ~~6.7 percent~~;
- 72.5 (i) 6.7 percent. This item expires upon the effective date of item (ii);
- 72.6 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.
- 72.7 This item expires upon the effective date of item (iii); and
- 72.8 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;
- 72.9 (2) supervisory span of control ratio: 11 percent;
- 72.10 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 72.11 (4) employee-related cost ratio: 23.6 percent;
- 72.12 (5) general administrative support ratio: 13.25 percent;
- 72.13 (6) program-related expense ratio: 1.3 percent; and
- 72.14 (7) absence and utilization factor ratio: 3.9 percent.
- 72.15 (b) Payments for integrated community supports must be calculated as follows:
- 72.16 (1) determine the number of shared direct staffing and individual direct staffing hours
- 72.17 to meet a recipient's needs. The base shared direct staffing hours must be eight hours divided
- 72.18 by the number of people receiving support in the integrated community support setting, and
- 72.19 the individual direct staffing hours must be the average number of direct support hours
- 72.20 provided directly to the service recipient;
- 72.21 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 72.22 provided in subdivisions 5 and 5a;
- 72.23 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 72.24 product of one plus the competitive workforce factor;
- 72.25 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 72.26 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 72.27 to the result of clause (3);
- 72.28 (5) multiply the number of shared direct staffing and individual direct staffing hours in
- 72.29 clause (1) by the appropriate staff wages;



73.1 (6) multiply the number of shared direct staffing and individual direct staffing hours in  
73.2 clause (1) by the product of the supervisory span of control ratio and the appropriate  
73.3 supervisory staff wage in subdivision 5a, clause (1);

73.4 (7) combine the results of clauses (5) and (6) and multiply the result by one plus the  
73.5 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
73.6 cost;

73.7 (8) for employee-related expenses, multiply the direct staffing cost by one plus the  
73.8 employee-related cost ratio;

73.9 (9) for client programming and supports, add \$2,260.21 divided by 365. The  
73.10 commissioner shall update the amount in this clause as specified in subdivision 5b;

73.11 (10) add the results of clauses (8) and (9);

73.12 (11) add the standard general administrative support ratio, the program-related expense  
73.13 ratio, and the absence and utilization factor ratio;

73.14 (12) divide the result of clause (10) by one minus the result of clause (11). This is the  
73.15 total payment amount; and

73.16 (13) adjust the result of clause (12) by a factor to be determined by the commissioner  
73.17 to adjust for regional differences in the cost of providing services.

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

73.19 Sec. 30. Minnesota Statutes 2024, section 256B.4914, subdivision 7a, is amended to read:

73.20 Subd. 7a. **Adult day services; component values and calculation of payment rates.** (a)  
73.21 Component values for adult day services are:

73.22 (1) competitive workforce factor: ~~6.7 percent~~;

73.23 (i) 6.7 percent. This item expires upon the effective date of item (ii);

73.24 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

73.25 This item expires upon the effective date of item (iii); and

73.26 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

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

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

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

73.30 (5) program plan support ratio: 5.6 percent;

74.1 (6) client programming and support ratio: 7.4 percent, updated as specified in subdivision  
74.2 5b;

74.3 (7) general administrative support ratio: 13.25 percent;

74.4 (8) program-related expense ratio: 1.8 percent; and

74.5 (9) absence and utilization factor ratio: ~~9.4~~ 3.9 percent.

74.6 (b) A unit of service for adult day services is either a day or 15 minutes. A day unit of  
74.7 service is six or more hours of time spent providing direct service.

74.8 (c) Payments for adult day services must be calculated as follows:

74.9 (1) determine the number of units of service and the staffing ratio to meet a recipient's  
74.10 needs;

74.11 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
74.12 provided in subdivisions 5 and 5a;

74.13 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
74.14 product of one plus the competitive workforce factor;

74.15 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
74.16 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
74.17 to the result of clause (3);

74.18 (5) multiply the number of day program direct staffing hours and nursing hours by the  
74.19 appropriate staff wage;

74.20 (6) multiply the number of day program direct staffing hours by the product of the  
74.21 supervisory span of control ratio and the appropriate supervisory staff wage in subdivision  
74.22 5a, clause (1);

74.23 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the  
74.24 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
74.25 rate;

74.26 (8) for program plan support, multiply the result of clause (7) by one plus the program  
74.27 plan support ratio;

74.28 (9) for employee-related expenses, multiply the result of clause (8) by one plus the  
74.29 employee-related cost ratio;

74.30 (10) for client programming and supports, multiply the result of clause (9) by one plus  
74.31 the client programming and support ratio;

75.1 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios  
75.2 to meet individual needs, updated as specified in subdivision 5b;

75.3 (12) for adult day bath services, add \$7.01 per 15 minute unit;

75.4 (13) this is the subtotal rate;

75.5 (14) sum the standard general administrative rate support ratio, the program-related  
75.6 expense ratio, and the absence and utilization factor ratio;

75.7 (15) divide the result of clause (13) by one minus the result of clause (14). This is the  
75.8 total payment amount; and

75.9 (16) adjust the result of clause (15) by a factor to be determined by the commissioner  
75.10 to adjust for regional differences in the cost of providing services.

75.11 **EFFECTIVE DATE.** The amendments to paragraph (a), clause (1), are effective the  
75.12 day following final enactment. The amendment to paragraph (a), clause (9), is effective  
75.13 January 1, 2026.

75.14 Sec. 31. Minnesota Statutes 2024, section 256B.4914, subdivision 7b, is amended to read:

75.15 Subd. 7b. **Day support services; component values and calculation of payment**  
75.16 **rates.** (a) Component values for day support services are:

75.17 (1) competitive workforce factor: ~~6.7 percent;~~

75.18 (i) 6.7 percent. This item expires upon the effective date of item (ii);

75.19 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

75.20 This item expires upon the effective date of item (iii); and

75.21 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

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

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

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

75.25 (5) program plan support ratio: 5.6 percent;

75.26 (6) client programming and support ratio: 10.37 percent, updated as specified in  
75.27 subdivision 5b;

75.28 (7) general administrative support ratio: 13.25 percent;

75.29 (8) program-related expense ratio: 1.8 percent; and

- 76.1 (9) absence and utilization factor ratio: ~~9.4~~ 3.9 percent.
- 76.2 (b) A unit of service for day support services is 15 minutes.
- 76.3 (c) Payments for day support services must be calculated as follows:
- 76.4 (1) determine the number of units of service and the staffing ratio to meet a recipient's
- 76.5 needs;
- 76.6 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 76.7 provided in subdivisions 5 and 5a;
- 76.8 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 76.9 product of one plus the competitive workforce factor;
- 76.10 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 76.11 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 76.12 to the result of clause (3);
- 76.13 (5) multiply the number of day program direct staffing hours and nursing hours by the
- 76.14 appropriate staff wage;
- 76.15 (6) multiply the number of day program direct staffing hours by the product of the
- 76.16 supervisory span of control ratio and the appropriate supervisory staff wage in subdivision
- 76.17 5a, clause (1);
- 76.18 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
- 76.19 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
- 76.20 rate;
- 76.21 (8) for program plan support, multiply the result of clause (7) by one plus the program
- 76.22 plan support ratio;
- 76.23 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
- 76.24 employee-related cost ratio;
- 76.25 (10) for client programming and supports, multiply the result of clause (9) by one plus
- 76.26 the client programming and support ratio;
- 76.27 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios
- 76.28 to meet individual needs, updated as specified in subdivision 5b;
- 76.29 (12) this is the subtotal rate;
- 76.30 (13) sum the standard general administrative rate support ratio, the program-related
- 76.31 expense ratio, and the absence and utilization factor ratio;

77.1 (14) divide the result of clause (12) by one minus the result of clause (13). This is the  
77.2 total payment amount; and

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

77.5 **EFFECTIVE DATE.** The amendments to paragraph (a), clause (1), are effective the  
77.6 day following final enactment. The amendment to paragraph (a), clause (9), is effective  
77.7 January 1, 2026.

77.8 Sec. 32. Minnesota Statutes 2024, section 256B.4914, subdivision 7c, is amended to read:

77.9 Subd. 7c. **Prevocational services; component values and calculation of payment**  
77.10 **rates.** (a) Component values for prevocational services are:

77.11 (1) competitive workforce factor: ~~6.7 percent~~;

77.12 (i) 6.7 percent. This item expires upon the effective date of item (ii);

77.13 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

77.14 This item expires upon the effective date of item (iii); and

77.15 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

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

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

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

77.19 (5) program plan support ratio: 5.6 percent;

77.20 (6) client programming and support ratio: 10.37 percent, updated as specified in  
77.21 subdivision 5b;

77.22 (7) general administrative support ratio: 13.25 percent;

77.23 (8) program-related expense ratio: 1.8 percent; and

77.24 (9) absence and utilization factor ratio: ~~9.4~~ 3.9 percent.

77.25 (b) A unit of service for prevocational services is either a day or 15 minutes. A day unit  
77.26 of service is six or more hours of time spent providing direct service.

77.27 (c) Payments for prevocational services must be calculated as follows:

77.28 (1) determine the number of units of service and the staffing ratio to meet a recipient's  
77.29 needs;

78.1 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
78.2 provided in subdivisions 5 and 5a;

78.3 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
78.4 product of one plus the competitive workforce factor;

78.5 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
78.6 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
78.7 to the result of clause (3);

78.8 (5) multiply the number of day program direct staffing hours and nursing hours by the  
78.9 appropriate staff wage;

78.10 (6) multiply the number of day program direct staffing hours by the product of the  
78.11 supervisory span of control ratio and the appropriate supervisory staff wage in subdivision  
78.12 5a, clause (1);

78.13 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the  
78.14 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
78.15 rate;

78.16 (8) for program plan support, multiply the result of clause (7) by one plus the program  
78.17 plan support ratio;

78.18 (9) for employee-related expenses, multiply the result of clause (8) by one plus the  
78.19 employee-related cost ratio;

78.20 (10) for client programming and supports, multiply the result of clause (9) by one plus  
78.21 the client programming and support ratio;

78.22 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios  
78.23 to meet individual needs, updated as specified in subdivision 5b;

78.24 (12) this is the subtotal rate;

78.25 (13) sum the standard general administrative rate support ratio, the program-related  
78.26 expense ratio, and the absence and utilization factor ratio;

78.27 (14) divide the result of clause (12) by one minus the result of clause (13). This is the  
78.28 total payment amount; and

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

79.1 **EFFECTIVE DATE.** The amendments to paragraph (a), clause (1), are effective the  
79.2 day following final enactment. The amendment to paragraph (a), clause (9), is effective  
79.3 January 1, 2026.

79.4 Sec. 33. Minnesota Statutes 2024, section 256B.4914, subdivision 8, is amended to read:

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

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

79.12 (1) competitive workforce factor: ~~6.7 percent~~;

79.13 (i) 6.7 percent. This item expires upon the effective date of item (ii);

79.14 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.

79.15 This item expires upon the effective date of item (iii); and

79.16 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

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

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

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

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

79.21 (6) client programming and support ratio: 4.7 percent, updated as specified in subdivision  
79.22 5b;

79.23 (7) general administrative support ratio: 13.25 percent;

79.24 (8) program-related expense ratio: 6.1 percent; and

79.25 (9) absence and utilization factor ratio: 3.9 percent.

79.26 (c) A unit of service for unit-based services with programming is 15 minutes.

79.27 (d) Payments for unit-based services with programming must be calculated as follows,  
79.28 unless the services are reimbursed separately as part of a residential support services or day  
79.29 program payment rate:

79.30 (1) determine the number of units of service to meet a recipient's needs;

80.1 (2) determine the appropriate hourly staff wage rates derived by the commissioner as  
80.2 provided in subdivisions 5 and 5a;

80.3 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the  
80.4 product of one plus the competitive workforce factor;

80.5 (4) for a recipient requiring customization for deaf and hard-of-hearing language  
80.6 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
80.7 to the result of clause (3);

80.8 (5) multiply the number of direct staffing hours by the appropriate staff wage;

80.9 (6) multiply the number of direct staffing hours by the product of the supervisory span  
80.10 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);

80.11 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the  
80.12 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing  
80.13 rate;

80.14 (8) for program plan support, multiply the result of clause (7) by one plus the program  
80.15 plan support ratio;

80.16 (9) for employee-related expenses, multiply the result of clause (8) by one plus the  
80.17 employee-related cost ratio;

80.18 (10) for client programming and supports, multiply the result of clause (9) by one plus  
80.19 the client programming and support ratio;

80.20 (11) this is the subtotal rate;

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

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

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

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

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



81.1 (iii) for individualized home supports with training and individualized home supports  
81.2 with family training, divide by the number of service recipients, not to exceed three; and

81.3 (iv) for night supervision, divide by the number of service recipients, not to exceed two;  
81.4 and

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

81.7 (e) Effective January 1, 2026, or upon federal approval, whichever is later, the  
81.8 commissioner must bill individualized home supports with training and individualized home  
81.9 supports with family training at a maximum of eight hours per day.

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

81.11 Sec. 34. Minnesota Statutes 2024, section 256B.4914, subdivision 9, is amended to read:

81.12 Subd. 9. **Unit-based services without programming; component values and**  
81.13 **calculation of payment rates.** (a) For the purposes of this section, unit-based services  
81.14 without programming include individualized home supports without training and night  
81.15 supervision provided to an individual outside of any service plan for a day program or  
81.16 residential support service. Unit-based services without programming do not include respite.  
81.17 This paragraph expires upon the effective date of paragraph (b).

81.18 (b) Effective January 1, 2026, or upon federal approval, whichever is later, for the  
81.19 purposes of this section, unit-based services without programming include individualized  
81.20 home supports without training, awake night supervision, and asleep night supervision  
81.21 provided to an individual outside of any service plan for a day program or residential support  
81.22 service.

81.23 ~~(b)~~ (c) Component values for unit-based services without programming are:

81.24 (1) competitive workforce factor: ~~6.7 percent~~;

81.25 (i) 6.7 percent. This item expires upon the effective date of item (ii);

81.26 (ii) effective January 1, 2026, or upon federal approval, whichever is later, 9.71 percent.  
81.27 This item expires upon the effective date of item (iii); and

81.28 (iii) effective January 1, 2028, or upon federal approval, whichever is later, 21.79 percent;

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

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

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

- 82.1 (5) program plan support ratio: 7.0 percent;
- 82.2 (6) client programming and support ratio: 2.3 percent, updated as specified in subdivision
- 82.3 5b;
- 82.4 (7) general administrative support ratio: 13.25 percent;
- 82.5 (8) program-related expense ratio: 2.9 percent; and
- 82.6 (9) absence and utilization factor ratio: 3.9 percent.
- 82.7 ~~(e)~~ (d) A unit of service for unit-based services without programming is 15 minutes.
- 82.8 ~~(d)~~ (e) Payments for unit-based services without programming must be calculated as
- 82.9 follows unless the services are reimbursed separately as part of a residential support services
- 82.10 or day program payment rate:
- 82.11 (1) determine the number of units of service to meet a recipient's needs;
- 82.12 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 82.13 provided in subdivisions 5 to 5a;
- 82.14 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 82.15 product of one plus the competitive workforce factor;
- 82.16 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 82.17 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 82.18 to the result of clause (3);
- 82.19 (5) multiply the number of direct staffing hours by the appropriate staff wage;
- 82.20 (6) multiply the number of direct staffing hours by the product of the supervisory span
- 82.21 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);
- 82.22 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
- 82.23 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
- 82.24 rate;
- 82.25 (8) for program plan support, multiply the result of clause (7) by one plus the program
- 82.26 plan support ratio;
- 82.27 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
- 82.28 employee-related cost ratio;
- 82.29 (10) for client programming and supports, multiply the result of clause (9) by one plus
- 82.30 the client programming and support ratio;

83.1 (11) this is the subtotal rate;

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

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

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

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

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

83.12 Sec. 35. Minnesota Statutes 2024, section 256B.4914, is amended by adding a subdivision  
83.13 to read:

83.14 **Subd. 14a. Limitations on rate exceptions for residential services.** (a) Effective July  
83.15 1, 2026, the commissioner must implement limitations on the size and number of rate  
83.16 exceptions for community residential services, customized living services, family residential  
83.17 services, and integrated community supports.

83.18 **(b) The commissioner must restrict rate exceptions to the absence and utilization factor**  
83.19 **ratio to people temporarily receiving hospital or crisis respite services.**

83.20 **(c) For rate exceptions related to behavioral needs, the commissioner must include:**

83.21 **(1) a documented behavioral diagnosis; or**

83.22 **(2) determined assessed needs for behavioral supports as identified in the person's most**  
83.23 **recent assessment.**

83.24 **(d) Community residential services rate exceptions must not include positive supports**  
83.25 **costs.**

83.26 **(e) The commissioner must not approve rate exception requests related to increased**  
83.27 **community time or transportation.**

83.28 **(f) For the commissioner to approve a rate exception annual renewal, the person's most**  
83.29 **recent assessment must indicate continued extraordinary needs in the areas cited in the**  
83.30 **exception request. If a person's assessment continues to identify these extraordinary needs,**

84.1 lead agencies requesting an annual renewal of rate exceptions must submit provider-created  
84.2 documentation supporting the continuation of the exception, including but not limited to:

84.3 (1) payroll records for direct care wages cited in the request;

84.4 (2) payment records or receipts for other costs cited in the request; and

84.5 (3) documentation of expenses paid that were identified as necessary for the initial rate  
84.6 exception.

84.7 (g) The commissioner must not increase rate exception annual renewals that request an  
84.8 exception to direct care or supervision wages more than the most recently implemented  
84.9 base wage index determined under subdivision 5.

84.10 (h) The commissioner must publish online an annual report detailing the impact of the  
84.11 limitations under this subdivision on home and community-based services spending, including  
84.12 but not limited to:

84.13 (1) the number and percentage of rate exceptions granted and denied;

84.14 (2) total spending on community residential setting services and rate exceptions;

84.15 (3) trends in the percentage of spending attributable to rate exceptions; and

84.16 (4) an evaluation of the effectiveness of the limitations in controlling spending growth.

84.17 **EFFECTIVE DATE.** This section is effective January 1, 2026.

84.18 Sec. 36. Minnesota Statutes 2024, section 256B.4914, is amended by adding a subdivision  
84.19 to read:

84.20 Subd. 20. **Sanctions and monetary recovery.** Payments under this section are subject  
84.21 to the sanctions and monetary recovery requirements under section 256B.064.

84.22 Sec. 37. Minnesota Statutes 2024, section 256B.85, subdivision 7a, is amended to read:

84.23 Subd. 7a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for  
84.24 CFSS must be paid for services provided to persons who qualify for ten or more hours of  
84.25 CFSS per day when provided by a support worker who meets the requirements of subdivision  
84.26 16, paragraph (e). This paragraph expires upon the effective date of paragraph (b).

84.27 (b) Effective January 1, 2026, or upon federal approval, whichever is later, an enhanced  
84.28 rate of 112.5 percent of the rate paid for CFSS must be paid for services provided to persons  
84.29 who qualify for ten or more hours of CFSS per day when provided by a support worker

85.1 who meets the requirements of subdivision 16, paragraph (e). This paragraph expires upon  
85.2 the effective date of paragraph (c).

85.3 (c) Effective January 1, 2027, or upon federal approval, whichever is later, an enhanced  
85.4 rate of 112.5 percent of the rate paid for CFSS must be paid for services provided to persons  
85.5 who qualify for ten or more hours of CFSS per day.

85.6 ~~(b)~~ (d) An agency provider must use all additional revenue attributable to the rate  
85.7 enhancements under this subdivision for the wages and wage-related costs of the support  
85.8 workers, including any corresponding increase in the employer's share of FICA taxes,  
85.9 Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums.  
85.10 The agency provider must not use the additional revenue attributable to any enhanced rate  
85.11 under this subdivision to pay for mileage reimbursement, health and dental insurance, life  
85.12 insurance, disability insurance, long-term care insurance, uniform allowance, contributions  
85.13 to employee retirement accounts, or any other employee benefits.

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

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

85.19 Sec. 38. Minnesota Statutes 2024, section 256B.85, subdivision 8, is amended to read:

85.20 Subd. 8. **Determination of CFSS service authorization amount.** (a) All community  
85.21 first services and supports must be authorized by the commissioner or the commissioner's  
85.22 designee before services begin. The authorization for CFSS must be completed as soon as  
85.23 possible following an assessment but no later than 40 calendar days from the date of the  
85.24 assessment.

85.25 (b) The amount of CFSS authorized must be based on the participant's home care rating  
85.26 described in paragraphs (d) and (e) and any additional service units for which the participant  
85.27 qualifies as described in paragraph (f).

85.28 (c) The home care rating shall be determined by the commissioner or the commissioner's  
85.29 designee based on information submitted to the commissioner identifying the following for  
85.30 a participant:

85.31 (1) the total number of dependencies of activities of daily living;

85.32 (2) the presence of complex health-related needs; and

86.1 (3) the presence of Level I behavior.

86.2 (d) The methodology to determine the total service units for CFSS for each home care  
86.3 rating is based on the median paid units per day for each home care rating from fiscal year  
86.4 2007 data for the PCA program.

86.5 (e) Each home care rating is designated by the letters P through Z and EN and has the  
86.6 following base number of service units assigned:

86.7 (1) P home care rating requires Level I behavior or one to three dependencies in ADLs  
86.8 and qualifies the person for five service units;

86.9 (2) Q home care rating requires Level I behavior and one to three dependencies in ADLs  
86.10 and qualifies the person for six service units;

86.11 (3) R home care rating requires a complex health-related need and one to three  
86.12 dependencies in ADLs and qualifies the person for seven service units;

86.13 (4) S home care rating requires four to six dependencies in ADLs and qualifies the person  
86.14 for ten service units;

86.15 (5) T home care rating requires four to six dependencies in ADLs and Level I behavior  
86.16 and qualifies the person for 11 service units;

86.17 (6) U home care rating requires four to six dependencies in ADLs and a complex  
86.18 health-related need and qualifies the person for 14 service units;

86.19 (7) V home care rating requires seven to eight dependencies in ADLs and qualifies the  
86.20 person for 17 service units;

86.21 (8) W home care rating requires seven to eight dependencies in ADLs and Level I  
86.22 behavior and qualifies the person for 20 service units;

86.23 (9) Z home care rating requires seven to eight dependencies in ADLs and a complex  
86.24 health-related need and qualifies the person for 30 service units; and

86.25 (10) EN home care rating includes ventilator dependency as defined in section 256B.0651,  
86.26 subdivision 1, paragraph (g). A person who meets the definition of ventilator-dependent  
86.27 and the EN home care rating and utilize a combination of CFSS and home care nursing  
86.28 services is limited to a total of 96 service units per day for those services in combination.  
86.29 Additional units may be authorized when a person's assessment indicates a need for two  
86.30 staff to perform activities. Additional time is limited to 16 service units per day.

86.31 (f) Additional service units are provided through the assessment and identification of  
86.32 the following:

87.1 (1) 30 additional minutes per day for a dependency in each critical activity of daily  
87.2 living;

87.3 (2) 30 additional minutes per day for each complex health-related need; and

87.4 (3) 30 additional minutes per day for each behavior under this clause that requires  
87.5 assistance at least four times per week:

87.6 (i) level I behavior that requires the immediate response of another person;

87.7 (ii) increased vulnerability due to cognitive deficits or socially inappropriate behavior;

87.8 or

87.9 (iii) increased need for assistance for participants who are verbally aggressive or resistive  
87.10 to care so that the time needed to perform activities of daily living is increased.

87.11 (g) The service budget for budget model participants shall be based on:

87.12 (1) assessed units as determined by the home care rating; and

87.13 (2) an adjustment needed for administrative expenses. This paragraph expires upon the  
87.14 effective date of paragraph (h).

87.15 (h) Effective January 1, 2026, or upon federal approval, whichever is later, the service  
87.16 budget for budget model participants shall be based on:

87.17 (1) assessed units as determined by the home care rating and the payment methodologies  
87.18 under section 256B.851; and

87.19 (2) an adjustment needed for administrative expenses.

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

87.21 Sec. 39. Minnesota Statutes 2024, section 256B.85, subdivision 16, is amended to read:

87.22 Subd. 16. **Support workers requirements.** (a) Support workers shall:

87.23 (1) enroll with the department as a support worker after a background study under chapter  
87.24 245C has been completed and the support worker has received a notice from the  
87.25 commissioner that the support worker:

87.26 (i) is not disqualified under section 245C.14; or

87.27 (ii) is disqualified, but has received a set-aside of the disqualification under section  
87.28 245C.22;

87.29 (2) have the ability to effectively communicate with the participant or the participant's  
87.30 representative;

88.1 (3) have the skills and ability to provide the services and supports according to the  
88.2 participant's CFSS service delivery plan and respond appropriately to the participant's needs;

88.3 (4) complete the basic standardized CFSS training as determined by the commissioner  
88.4 before completing enrollment. The training must be available in languages other than English  
88.5 and to those who need accommodations due to disabilities. CFSS support worker training  
88.6 must include successful completion of the following training components: basic first aid,  
88.7 vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and  
88.8 responsibilities of support workers including information about basic body mechanics,  
88.9 emergency preparedness, orientation to positive behavioral practices, orientation to  
88.10 responding to a mental health crisis, fraud issues, time cards and documentation, and an  
88.11 overview of person-centered planning and self-direction. Upon completion of the training  
88.12 components, the support worker must pass the certification test to provide assistance to  
88.13 participants;

88.14 (5) complete employer-directed training and orientation on the participant's individual  
88.15 needs;

88.16 (6) maintain the privacy and confidentiality of the participant; and

88.17 (7) not independently determine the medication dose or time for medications for the  
88.18 participant.

88.19 (b) The commissioner may deny or terminate a support worker's provider enrollment  
88.20 and provider number if the support worker:

88.21 (1) does not meet the requirements in paragraph (a);

88.22 (2) fails to provide the authorized services required by the employer;

88.23 (3) has been intoxicated by alcohol or drugs while providing authorized services to the  
88.24 participant or while in the participant's home;

88.25 (4) has manufactured or distributed drugs while providing authorized services to the  
88.26 participant or while in the participant's home; or

88.27 (5) has been excluded as a provider by the commissioner of human services, or by the  
88.28 United States Department of Health and Human Services, Office of Inspector General, from  
88.29 participation in Medicaid, Medicare, or any other federal health care program.

88.30 (c) A support worker may appeal in writing to the commissioner to contest the decision  
88.31 to terminate the support worker's provider enrollment and provider number.



(d) A support worker must not provide or be paid for more than 310 hours of CFSS per month, regardless of the number of participants the support worker serves or the number of agency-providers or participant employers by which the support worker is employed. The department shall not disallow the number of hours per day a support worker works unless it violates other law.

(e) CFSS qualify for an enhanced rate or budget if the support worker providing the services:

(1) provides services, within the scope of CFSS described in subdivision 7, to a participant who qualifies for ten or more hours per day of CFSS; and

(2) satisfies the current requirements of Medicare for training and competency or competency evaluation of home health aides or nursing assistants, as provided in the Code of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved training or competency requirements. This paragraph expires December 31, 2026.

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

Sec. 40. Minnesota Statutes 2024, section 256B.851, subdivision 5, is amended to read:

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

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

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

(3) employee benefits factor, 12.04 percent;

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

(5) program plan support factor, 7.00 percent;

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

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

(8) absence and utilization factor, 3.90 percent.

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

(1) personal care assistance services and CFSS: 88.19 percent;

(2) enhanced rate personal care assistance services and enhanced rate CFSS: 88.19 percent; and

90.1 (3) qualified professional services and CFSS worker training and development: 88.19  
90.2 percent.

90.3 (c) Effective January 1, 2025, for purposes of implementation, the commissioner shall  
90.4 use the following implementation components:

90.5 (1) personal care assistance services and CFSS: 92.08 percent;

90.6 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 92.08  
90.7 percent; and

90.8 (3) qualified professional services and CFSS worker training and development: 92.08  
90.9 percent. This paragraph expires upon the effective date of subdivision 5a.

90.10 (d) The commissioner shall use the following worker retention components:

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

90.13 (2) for workers who have provided between 1,001 and 2,000 cumulative hours in personal  
90.14 care assistance services or CFSS, the worker retention component is 2.17 percent;

90.15 (3) for workers who have provided between 2,001 and 6,000 cumulative hours in personal  
90.16 care assistance services or CFSS, the worker retention component is 4.36 percent;

90.17 (4) for workers who have provided between 6,001 and 10,000 cumulative hours in  
90.18 personal care assistance services or CFSS, the worker retention component is 7.35 percent;  
90.19 and

90.20 (5) for workers who have provided more than 10,000 cumulative hours in personal care  
90.21 assistance services or CFSS, the worker retention component is 10.81 percent. This paragraph  
90.22 expires upon the effective date of subdivision 5b.

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

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

91.1 Sec. 41. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision  
91.2 to read:

91.3 Subd. 5a. **Payment rates; implementation factor.** Effective January 1, 2026, or upon  
91.4 federal approval, whichever is later, for purposes of implementation, the commissioner shall  
91.5 use the following implementation components:

91.6 (1) personal care assistance services and CFSS: 92.20 percent;

91.7 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 92.20  
91.8 percent; and

91.9 (3) qualified professional services and CFSS worker training and development: 92.20  
91.10 percent.

91.11 Sec. 42. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision  
91.12 to read:

91.13 Subd. 5b. **Payment rates; worker retention component.** Effective January 1, 2026,  
91.14 or upon federal approval, whichever is later, the commissioner shall use the following  
91.15 worker retention components:

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

91.18 (2) for workers who have provided between 1,001 and 2,000 cumulative hours in personal  
91.19 care assistance services or CFSS, the worker retention component is 4.05 percent;

91.20 (3) for workers who have provided between 2,001 and 6,000 cumulative hours in personal  
91.21 care assistance services or CFSS, the worker retention component is 6.24 percent;

91.22 (4) for workers who have provided between 6,001 and 10,000 cumulative hours in  
91.23 personal care assistance services or CFSS, the worker retention component is 9.23 percent;  
91.24 and

91.25 (5) for workers who have provided more than 10,000 cumulative hours in personal care  
91.26 assistance services or CFSS, the worker retention component is 12.69 percent.

91.27 Sec. 43. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision  
91.28 to read:

91.29 Subd. 5c. **Payment rates; enhanced worker retention component.** Effective January  
91.30 1, 2027, or upon federal approval, whichever is later, for purposes of implementation, the  
91.31 commissioner shall use the following implementation components if a worker has completed

- 92.1 either the orientation for individual providers offered through the Home Care Orientation  
92.2 Trust or an orientation defined and offered by the commissioner:
- 92.3 (1) for workers who have provided fewer than 1,001 cumulative hours in personal care  
92.4 assistance services or CFSS, the worker retention component is 1.88 percent;
- 92.5 (2) for workers who have provided between 1,001 and 2,000 cumulative hours in personal  
92.6 care assistance services or CFSS, the worker retention component is 5.92 percent;
- 92.7 (3) for workers who have provided between 2,001, and 6,000 cumulative hours in personal  
92.8 care assistance services or CFSS, the worker retention component is 8.11 percent;
- 92.9 (4) for workers who have provided between 6,001 and 10,000 cumulative hours in  
92.10 personal care assistance services or CFSS, the worker retention component is 11.10 percent;  
92.11 and
- 92.12 (5) for workers who have provided more than 10,000 cumulative hours in personal care  
92.13 assistance services or CFSS, the worker retention component is 14.56 percent.

92.14 Sec. 44. Minnesota Statutes 2024, section 256B.851, subdivision 6, is amended to read:

92.15 Subd. 6. **Payment rates; rate determination.** (a) The commissioner must determine  
92.16 the rate for personal care assistance services, CFSS, extended personal care assistance  
92.17 services, extended CFSS, enhanced rate personal care assistance services, enhanced rate  
92.18 CFSS, qualified professional services, and CFSS worker training and development as  
92.19 follows:

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

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

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

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

92.30 (5) for administrative expenses, add the general business and administrative expenses  
92.31 factor in subdivision 5, the program administration expenses factor in subdivision 5, and  
92.32 the absence and utilization factor in subdivision 5;

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

93.3 (7) multiply the hourly rate by the appropriate implementation component under  
93.4 subdivision 5 or 5a. This is the adjusted hourly rate; and

93.5 (8) divide the adjusted hourly rate by four. The quotient is the total adjusted payment  
93.6 rate.

93.7 (b) In processing personal care assistance provider agency and CFSS provider agency  
93.8 claims, the commissioner shall incorporate the applicable worker retention component  
93.9 components specified in subdivision 5, 5b, or 5c, by multiplying one plus the total adjusted  
93.10 payment rate by the appropriate worker retention component under subdivision 5, paragraph  
93.11 (d) 5b, or 5c.

93.12 (c) The commissioner must publish the total final payment rates.

93.13 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,  
93.14 whichever is later. The commissioner of human services shall notify the revisor of statutes  
93.15 when federal approval is obtained.

93.16 Sec. 45. Minnesota Statutes 2024, section 256B.851, subdivision 7, is amended to read:

93.17 Subd. 7. **Treatment of rate adjustments provided outside of cost components.** Any  
93.18 rate adjustments applied to the service rates calculated under this section outside of the cost  
93.19 components and rate methodology specified in this section, including but not limited to  
93.20 those implemented to enable participant-employers and provider agencies to meet the terms  
93.21 and conditions of any collective bargaining agreement negotiated under chapter 179A, shall  
93.22 be applied as changes to the value of component values ~~or~~, implementation components,  
93.23 or worker retention components in subdivisions 5 to 5c.

93.24 Sec. 46. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision  
93.25 to read:

93.26 Subd. 7a. **Budget determinations.** The commissioner shall increase the authorized  
93.27 amount for the CFSS budget model of those CFSS participant-employers employing  
93.28 individual providers who have provided more than 1,000 hours of services and individual  
93.29 providers who have completed the orientation offered by the Home Care Orientation Trust  
93.30 or an orientation defined and offered by the commissioner. The commissioner shall determine  
93.31 the amount and method of the authorized amount increase.

94.1 Sec. 47. Minnesota Statutes 2024, section 260E.14, subdivision 1, is amended to read:

94.2 Subdivision 1. **Facilities and schools.** (a) The local welfare agency is the agency  
94.3 responsible for investigating allegations of maltreatment in child foster care, family child  
94.4 care, legally nonlicensed child care, and reports involving children served by an unlicensed  
94.5 personal care provider organization under section 256B.0659. Copies of findings related to  
94.6 personal care provider organizations under section 256B.0659 must be forwarded to the  
94.7 Department of Human Services provider enrollment.

94.8 (b) The Department of Children, Youth, and Families is the agency responsible for  
94.9 screening and investigating allegations of maltreatment in juvenile correctional facilities  
94.10 listed under section 241.021 located in the local welfare agency's county and in facilities  
94.11 licensed or certified under chapters 245A and 245D.

94.12 (c) The Department of Health is the agency responsible for screening and investigating  
94.13 allegations of maltreatment in facilities licensed under sections 144.50 to 144.58 and 144A.43  
94.14 to 144A.482 or chapter 144H.

94.15 (d) The Department of Education is the agency responsible for screening and investigating  
94.16 allegations of maltreatment in a school as defined in section 120A.05, subdivisions 9, 11,  
94.17 and 13, and chapter 124E. The Department of Education's responsibility to screen and  
94.18 investigate includes allegations of maltreatment involving students 18 through 21 years of  
94.19 age, including students receiving special education services, up to and including graduation  
94.20 and the issuance of a secondary or high school diploma.

94.21 (e) The Department of Human Services is the agency responsible for screening and  
94.22 investigating allegations of maltreatment of minors in an EIDBI agency operating under  
94.23 sections 245A.142 and 256B.0949.

94.24 ~~(e)~~ (f) A health or corrections agency receiving a report may request the local welfare  
94.25 agency to provide assistance pursuant to this section and sections 260E.20 and 260E.22.

94.26 ~~(f)~~ (g) The Department of Children, Youth, and Families is the agency responsible for  
94.27 screening and investigating allegations of maltreatment in facilities or programs not listed  
94.28 in paragraph (a) that are licensed or certified under chapters 142B and 142C.

94.29 **EFFECTIVE DATE.** This section is effective January 1, 2026.

94.30 Sec. 48. Minnesota Statutes 2024, section 626.5572, subdivision 13, is amended to read:

94.31 Subd. 13. **Lead investigative agency.** "Lead investigative agency" is the primary  
94.32 administrative agency responsible for investigating reports made under section 626.557.

(a) The Department of Health is the lead investigative agency for facilities or services licensed or required to be licensed as hospitals, home care providers, nursing homes, boarding care homes, hospice providers, residential facilities that are also federally certified as intermediate care facilities that serve people with developmental disabilities, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Health for the care of vulnerable adults. "Home care provider" has the meaning provided in section 144A.43, subdivision 4, and applies when care or services are delivered in the vulnerable adult's home.

(b) The Department of Human Services is the lead investigative agency for facilities or services licensed or required to be licensed as adult day care, adult foster care, community residential settings, programs for people with disabilities, family adult day services, mental health programs, mental health clinics, substance use disorder programs, the Minnesota Sex Offender Program, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Human Services, including EIDBI agencies under sections 245A.142 and 256B.0949.

(c) The county social service agency or its designee is the lead investigative agency for all other reports, including, but not limited to, reports involving vulnerable adults receiving services from a personal care provider organization under section 256B.0659.

**EFFECTIVE DATE.** This section is effective January 1, 2026.

Sec. 49. Laws 2021, First Special Session chapter 7, article 13, section 73, is amended to read:

**Sec. 73. WAIVER REIMAGINE PHASE II.**

(a) Effective January 1, 2028, or upon federal approval, whichever is later, the commissioner of human services must implement a two-home and community-based services waiver program structure, as authorized under section 1915(c) of the federal Social Security Act, that serves persons who are determined by a certified assessor to require the levels of care provided in a nursing home, a hospital, a neurobehavioral hospital, or an intermediate care facility for persons with developmental disabilities.

(b) The commissioner of human services must implement an individualized budget methodology, as authorized under section 1915(c) of the federal Social Security Act, that serves persons who are determined by a certified assessor to require the levels of care provided in a nursing home, a hospital, a neurobehavioral hospital, or an intermediate care facility for persons with developmental disabilities.

96.1 (c) The commissioner must develop an individualized budget methodology exception  
96.2 to support access to home care nursing services. Lead agencies must submit budget exception  
96.3 requests to the commissioner in a manner identified by the commissioner. Eligibility for  
96.4 the budget exception in this paragraph is limited to persons meeting all of the following  
96.5 criteria in the person's most recent assessment:

96.6 (1) the person is assessed to need the level of care delivered in a hospital setting;

96.7 (2) the person is assessed to receive a support range budget of E; and

96.8 (3) the person does not receive community residential services, family residential services,  
96.9 integrated community supports services, or customized living services.

96.10 (d) Home care nursing services funded through the budget exception developed under  
96.11 paragraph (c) must be ordered by a physician, physician assistant, or advanced practice  
96.12 registered nurse. The home care nursing services must be performed by a registered nurse  
96.13 or licensed practical nurse employed by a provider enrolled in medical assistance and  
96.14 licensed under Minnesota Statutes, chapter 144A, to provide home care nursing services.  
96.15 The registered nurse or licensed practical nurse must provide home care nursing services  
96.16 within the registered nurse's or licensed practical nurse's scope of practice as defined under  
96.17 Minnesota Statutes, sections 148.171 to 148.285. If after a person's annual reassessment  
96.18 under Minnesota Statutes, section 256B.0911, any requirements of this paragraph or  
96.19 paragraph (c) are no longer met, the commissioner must terminate the budget exception.  
96.20 Lead agencies must require documentation to ensure all home care nursing services  
96.21 authorized under this budget exception are used for home care nursing services and not used  
96.22 to fund other types of services.

96.23 ~~(e)~~ (e) The commissioner of human services may seek all federal authority necessary to  
96.24 implement this section.

96.25 ~~(d)~~ (f) The commissioner must ensure that the new waiver service menu and individual  
96.26 budgets allow people to live in their own home, family home, or any home and  
96.27 community-based setting of their choice. The commissioner must ensure, within available  
96.28 resources and subject to state and federal regulations and law, that waiver reimagine does  
96.29 not result in unintended service disruptions.

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



97.1 Sec. 50. Laws 2021, First Special Session chapter 7, article 13, section 75, subdivision 6,  
97.2 as amended by Laws 2024, chapter 108, article 1, section 28, subdivision 6, is amended to  
97.3 read:

97.4 Subd. 6. **Online support planning tool.** The commissioner must develop an online  
97.5 support planning and tracking tool for people using disability waiver services that allows  
97.6 access to the total budget available to the person, the services for which they are eligible,  
97.7 and the services they have chosen and used. The commissioner must explore operability  
97.8 options that would facilitate real-time tracking of a person's remaining available budget  
97.9 throughout the service year. The online support planning tool must provide information in  
97.10 an accessible format to support the person's informed choice. The commissioner must seek  
97.11 input from people with disabilities about the online support planning tool prior to its  
97.12 implementation. The commissioner must implement the online support planning and tracking  
97.13 tool no later than January 1, 2027.

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

97.15 Sec. 51. **BUDGET INCREASE FOR CONSUMER-DIRECTED COMMUNITY**  
97.16 **SUPPORTS.**

97.17 Effective January 1, 2026, or upon federal approval, whichever is later, the commissioner  
97.18 of human services must increase the consumer-directed community support budgets identified  
97.19 in the waiver plans under Minnesota Statutes, sections 256B.092 and 256B.49, and chapter  
97.20 256S; and the alternative care program under Minnesota Statutes, section 256B.0913, by  
97.21 0.13 percent.

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

97.23 Sec. 52. **ENHANCED BUDGET INCREASE FOR CONSUMER-DIRECTED**  
97.24 **COMMUNITY SUPPORTS.**

97.25 Effective January 1, 2026, or upon federal approval, whichever is later, the commissioner  
97.26 of human services must increase the consumer-directed community supports budget exception  
97.27 percentage identified in the waiver plans under Minnesota Statutes, sections 256B.092 and  
97.28 256B.49, and chapter 256S; and the alternative care program under Minnesota Statutes,  
97.29 section 256B.0913, from 7.5 to 12.5.

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

98.1      **Sec. 53. STIPEND PAYMENTS TO SEIU HEALTHCARE MINNESOTA & IOWA**  
98.2      **BARGAINING UNIT MEMBERS.**

98.3      (a) The commissioner of human services shall issue stipend payments to collective  
98.4      bargaining unit members as required by the labor agreement between the state of Minnesota  
98.5      and the Service Employees International Union (SEIU) Healthcare Minnesota & Iowa.

98.6      (b) The definitions in Minnesota Statutes, section 290.01, apply to this section.

98.7      (c) For the purposes of this section, "subtraction" has the meaning given in Minnesota  
98.8      Statutes, section 290.0132, subdivision 1, and the rules in that subdivision apply to this  
98.9      section.

98.10      (d) The amount of stipend payments received by SEIU Healthcare Minnesota & Iowa  
98.11      collective bargaining unit members under this section is a subtraction.

98.12      (e) The amount of stipend payments received by SEIU Healthcare Minnesota & Iowa  
98.13      collective bargaining unit members under this section is excluded from income as defined  
98.14      in Minnesota Statutes, sections 290.0693, subdivision 1, paragraph (i), and 290A.03,  
98.15      subdivision 3.

98.16      (f) Notwithstanding any law to the contrary, stipend payments under this section must  
98.17      not be considered income, assets, or personal property for purposes of determining or  
98.18      recertifying eligibility for:

98.19      (1) child care assistance programs under Minnesota Statutes, chapter 142E;

98.20      (2) general assistance, Minnesota supplemental aid, and food support under Minnesota  
98.21      Statutes, chapter 256D;

98.22      (3) housing support under Minnesota Statutes, chapter 256I;

98.23      (4) the Minnesota family investment program under Minnesota Statutes, chapter 142G;  
98.24      and

98.25      (5) economic assistance programs under Minnesota Statutes, chapter 256P.

98.26      (g) The commissioner of human services must not consider stipend payments under this  
98.27      section as income or assets under Minnesota Statutes, section 256B.056, subdivision 1a,  
98.28      paragraph (a); 3; or 3c, or for persons with eligibility determined under Minnesota Statutes,  
98.29      section 256B.057, subdivision 3, 3a, or 3b.

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

99.1       Sec. 54. **DIRECTION TO COMMISSIONER; COST REPORTING IMPROVEMENT**  
99.2 **AND DIRECT CARE STAFF REVIEW.**

99.3       (a) The commissioner of human services must consult with interested parties and make  
99.4 recommendations to the legislature to clarify provider cost reporting obligations to promote  
99.5 more uniform and meaningful data collection under Minnesota Statutes, section 256B.4914.  
99.6 By February 15, 2026, the commissioner must submit to the chairs and ranking minority  
99.7 members of the legislative committees with jurisdiction over health and human services  
99.8 policy and finance draft legislation required to implement the commissioner's  
99.9 recommendations.

99.10       (b) The commissioner of human services must consult with interested parties and, based  
99.11 on the results of the cost reporting completed for calendar year 2026, recommend what, if  
99.12 any, encumbrance of medical assistance reimbursement is appropriate to support direct care  
99.13 staff retention and the provision of quality services under Minnesota Statutes, section  
99.14 256B.4914. By January 15, 2028, the commissioner must submit to the chairs and ranking  
99.15 minority members of the legislative committees with jurisdiction over health and human  
99.16 services policy and finance draft legislation required to implement the commissioner's  
99.17 recommendations.

99.18       Sec. 55. **COMMUNITY FIRST SERVICES AND SUPPORTS REIMBURSEMENT**  
99.19 **DURING ACUTE CARE HOSPITAL STAYS.**

99.20       (a) The commissioner of human services must seek to amend Minnesota's federally  
99.21 approved community first services and supports program, authorized under United States  
99.22 Code, title 42, sections 1915(i) and 1915(k), to reimburse for delivery of community first  
99.23 services and supports under Minnesota Statutes, sections 256B.85 and 256B.851, during  
99.24 an acute care stay in an acute care hospital setting that does not have the effect of isolating  
99.25 individuals receiving community first services and supports from the broader community  
99.26 of individuals not receiving community first services and supports, as permitted under Code  
99.27 of Federal Regulations, title 42, section 441.530.

99.28       (b) Reimbursed services must:

99.29       (1) be identified in an individual's person-centered support plan as required under  
99.30 Minnesota Statutes, section 256B.0911;

99.31       (2) be provided to meet the needs of the person that are not met through the provision  
99.32 of hospital services;

100.1 (3) not substitute services that the hospital is obligated to provide as required under state  
100.2 and federal law; and

100.3 (4) be designed to preserve the person's functional abilities during a hospital stay for  
100.4 acute care and to ensure smooth transitions between acute care settings and home and  
100.5 community-based settings.

100.6 **EFFECTIVE DATE.** Paragraph (a) is effective the day following final enactment.  
100.7 Paragraph (b) is effective January 1, 2026, or upon federal approval, whichever is later. The  
100.8 commissioner of human services shall notify the revisor of statutes when federal approval  
100.9 is obtained.

100.10 Sec. 56. **POSITIVE SUPPORTS COMPETENCY PROGRAM.**

100.11 (a) The commissioner shall establish a positive supports competency program with the  
100.12 money appropriated for this purpose.

100.13 (b) When establishing the positive supports competency program, the commissioner  
100.14 must use a community-partner-driven process to:

100.15 (1) define the core activities associated with effective intervention services at the levels  
100.16 of positive support specialist, positive support analyst, and positive support professional;

100.17 (2) create tools providers may use to track whether their positive supports specialists,  
100.18 positive support analysts, and positive support professionals are competently performing  
100.19 the core activities associated with effective intervention services;

100.20 (3) align existing training systems funded through the Department of Human Services  
100.21 and develop free online modules for competency-based training to prepare positive support  
100.22 specialists, positive support analysts, and positive support professionals to provide effective  
100.23 intervention services;

100.24 (4) assist providers interested in utilizing a competency-based training model to create  
100.25 a career pathway for the positive support analysts and positive support specialists within  
100.26 their organizations by using experienced professionals;

100.27 (5) create written guidelines, stories, and examples for providers that will be placed on  
100.28 Department of Human Services websites promoting capacity building; and

100.29 (6) disseminate resources and guidance to providers interested in meeting  
100.30 competency-based qualifications for positive supports through existing regional networks  
100.31 of experts, including communities of practice, and develop new avenues for disseminating  
100.32 these resources and guidance, including through implementation of ECHO models.

101.1     Sec. 57. **DIRECTION TO COMMISSIONER; INTEGRATED COMMUNITY**  
101.2     **SUPPORTS CODIFICATION.**

101.3         (a) The commissioner of human services must develop draft language to codify in  
101.4     Minnesota Statutes the standards and requirements for integrated community supports as  
101.5     specified in the federally approved brain injury, community access for disability inclusion,  
101.6     community alternative care, and developmental disabilities waiver plans.

101.7         (b) When developing and drafting the proposed legislative language, the commissioner  
101.8     must consult with interested parties, including the Association of Residential Resources in  
101.9     Minnesota, the Residential Providers Association of Minnesota, the Minnesota Association  
101.10    of County Social Service Administrators, and people with disabilities currently or potentially  
101.11    receiving integrated community supports. The commissioner must ensure that the interested  
101.12    parties with whom the commissioner consults represent a broad spectrum of active and  
101.13    potential providers and service recipients. The commissioner's consultation with interested  
101.14    parties must be transparent and provide the opportunity for meaningful input from active  
101.15    and potential providers and service recipients.

101.16        (c) The commissioner must submit the draft legislation to the chairs and ranking minority  
101.17    members of the legislative committees with jurisdiction over health and human services  
101.18    policy and finance by January 1, 2026.

101.19     Sec. 58. **DIRECTION TO COMMISSIONER; PROVISIONAL OR TRANSITIONAL**  
101.20     **APPROVAL OF INTEGRATED COMMUNITY SERVICES SETTINGS.**

101.21        (a) The commissioner of human services must develop draft language to improve the  
101.22    process for approving integrated community supports settings, including a process for issuing  
101.23    provisional or transitional licenses to allow applicants to obtain an initial approval to operate  
101.24    prior to securing control of the approved setting. This process must also allow applicants  
101.25    to change the approved setting during the application review period when needed to ensure  
101.26    an available setting.

101.27        (b) The commissioner must submit the draft legislation to the chairs and ranking minority  
101.28    members of the legislative committees with jurisdiction over health and human services  
101.29    policy and finance by January 1, 2026.

101.30     Sec. 59. **REPEALER.**

101.31        Laws 2024, chapter 127, article 46, section 39, is repealed.

102.1 **ARTICLE 3**

102.2 **SUBSTANCE USE DISORDER TREATMENT**

102.3 Section 1. Minnesota Statutes 2024, section 245G.01, subdivision 13b, is amended to  
102.4 read:

102.5 Subd. 13b. **Guest speaker.** "Guest speaker" means an individual who is not an alcohol  
102.6 and drug counselor qualified according to section 245G.11, subdivision 5; is not qualified  
102.7 according to the commissioner's list of professionals under section 245G.07, subdivision 3,  
102.8 clause (1); and who works under the direct observation of an alcohol and drug counselor to  
102.9 present to clients on topics in which the guest speaker has expertise and that the license  
102.10 holder has determined to be beneficial to a client's recovery. Tribally licensed programs  
102.11 have autonomy to identify the qualifications of their guest speakers.

102.12 Sec. 2. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
102.13 read:

102.14 Subd. 13d. **Individual counseling.** "Individual counseling" means professionally led  
102.15 psychotherapeutic treatment for substance use disorders that is delivered in a one-to-one  
102.16 setting or in a setting with the client and the client's family and other natural supports.

102.17 Sec. 3. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
102.18 read:

102.19 Subd. 20f. **Psychoeducation.** "Psychoeducation" means the services described in section  
102.20 245G.07, subdivision 1a, clause (2).

102.21 Sec. 4. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
102.22 read:

102.23 Subd. 20g. **Psychosocial treatment services.** "Psychosocial treatment services" means  
102.24 the services described in section 245G.07, subdivision 1a.

102.25 Sec. 5. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
102.26 read:

102.27 Subd. 20h. **Recovery support services.** "Recovery support services" means the services  
102.28 described in section 245G.07, subdivision 2a, paragraph (b), clause (1).

103.1 Sec. 6. Minnesota Statutes 2024, section 245G.01, is amended by adding a subdivision to  
103.2 read:

103.3 Subd. 26a. **Treatment coordination.** "Treatment coordination" means the services  
103.4 described in section 245G.07, subdivision 1b.

103.5 Sec. 7. Minnesota Statutes 2024, section 245G.02, subdivision 2, is amended to read:

103.6 Subd. 2. **Exemption from license requirement.** This chapter does not apply to a county  
103.7 or recovery community organization that is providing a service for which the county or  
103.8 recovery community organization is an eligible vendor under section 254B.05. This chapter  
103.9 does not apply to an organization whose primary functions are information, referral,  
103.10 diagnosis, case management, and assessment for the purposes of client placement, education,  
103.11 support group services, or self-help programs. This chapter does not apply to the activities  
103.12 of a licensed professional in private practice. A license holder providing the initial set of  
103.13 substance use disorder services allowable under section 254A.03, subdivision 3, paragraph  
103.14 (c), to an individual referred to a licensed nonresidential substance use disorder treatment  
103.15 program after a positive screen for alcohol or substance misuse is exempt from sections  
103.16 245G.05; 245G.06, subdivisions 1, 1a, and 4; 245G.07, ~~subdivisions 1, paragraph (a), clauses~~  
103.17 ~~(2) to (4), and 2, clauses (1) to (7)~~ subdivision 1a, clause (2); and 245G.17.

103.18 **EFFECTIVE DATE.** This section is effective July 1, 2026.

103.19 Sec. 8. Minnesota Statutes 2024, section 245G.05, subdivision 1, is amended to read:

103.20 Subdivision 1. **Comprehensive assessment.** (a) A comprehensive assessment of the  
103.21 client's substance use disorder must be administered face-to-face ~~by an alcohol and drug~~  
103.22 ~~counselor~~ within five calendar days from the day of service initiation for a residential  
103.23 program or by the end of the fifth day on which a treatment service is provided in a  
103.24 nonresidential program. The number of days to complete the comprehensive assessment  
103.25 excludes the day of service initiation.

103.26 (b) A comprehensive assessment must be administered by:

103.27 (1) an alcohol and drug counselor;

103.28 (2) a mental health professional who meets the qualifications under section 245I.04,  
103.29 subdivision 2, practices within the scope of their professional licensure, and has training in  
103.30 addiction, co-occurring disorders, and substance use disorder diagnosis and treatment  
103.31 according to the requirements in section 245G.13, subdivision 2, paragraph (f);

(3) a clinical trainee who meets the qualifications under section 245I.04, subdivision 6, practicing under the supervision of a mental health professional who meets the requirements of clause (2); or

(4) an advanced practice registered nurse as defined in section 148.171, subdivision 3, who practices within the scope of their professional licensure and has training in addiction, co-occurring disorders, and substance use disorder diagnosis and treatment according to the requirements in section 245G.13, subdivision 2, paragraph (f).

(c) If the comprehensive assessment is not completed within the required time frame, the person-centered reason for the delay and the planned completion date must be documented in the client's file. The comprehensive assessment is complete upon a qualified staff member's dated signature. If the client received a comprehensive assessment that authorized the treatment service, ~~an alcohol and drug counselor~~ a staff member qualified under paragraph (b) may use the comprehensive assessment for requirements of this subdivision but must document a review of the comprehensive assessment and update the comprehensive assessment as clinically necessary to ensure compliance with this subdivision within applicable timelines. ~~An alcohol and drug counselor~~ A staff member qualified under paragraph (b) must sign and date the comprehensive assessment review and update.

Sec. 9. Minnesota Statutes 2024, section 245G.07, subdivision 1, is amended to read:

Subdivision 1. **Treatment service.** (a) A licensed ~~residential~~ treatment program must offer the treatment services in ~~clauses (1) to (5)~~ subdivisions 1a and 1b and may offer the treatment services in subdivision 2 to each client, unless clinically inappropriate and the justifying clinical rationale is documented. ~~A nonresidential~~ The treatment program must ~~offer all treatment services in clauses (1) to (5) and~~ document in the individual treatment plan the specific services for which a client has an assessed need and the plan to provide the services.

~~(1) individual and group counseling to help the client identify and address needs related to substance use and develop strategies to avoid harmful substance use after discharge and to help the client obtain the services necessary to establish a lifestyle free of the harmful effects of substance use disorder;~~

~~(2) client education strategies to avoid inappropriate substance use and health problems related to substance use and the necessary lifestyle changes to regain and maintain health. Client education must include information on tuberculosis education on a form approved by the commissioner, the human immunodeficiency virus according to section 245A.19, other sexually transmitted diseases, drug and alcohol use during pregnancy, and hepatitis;~~



105.1 ~~(3) a service to help the client integrate gains made during treatment into daily living~~  
105.2 ~~and to reduce the client's reliance on a staff member for support;~~

105.3 ~~(4) a service to address issues related to co-occurring disorders, including client education~~  
105.4 ~~on symptoms of mental illness, the possibility of comorbidity, and the need for continued~~  
105.5 ~~medication compliance while recovering from substance use disorder. A group must address~~  
105.6 ~~co-occurring disorders, as needed. When treatment for mental health problems is indicated,~~  
105.7 ~~the treatment must be integrated into the client's individual treatment plan; and~~

105.8 ~~(5) treatment coordination provided one-to-one by an individual who meets the staff~~  
105.9 ~~qualifications in section 245G.11, subdivision 7. Treatment coordination services include:~~

105.10 ~~(i) assistance in coordination with significant others to help in the treatment planning~~  
105.11 ~~process whenever possible;~~

105.12 ~~(ii) assistance in coordination with and follow up for medical services as identified in~~  
105.13 ~~the treatment plan;~~

105.14 ~~(iii) facilitation of referrals to substance use disorder services as indicated by a client's~~  
105.15 ~~medical provider, comprehensive assessment, or treatment plan;~~

105.16 ~~(iv) facilitation of referrals to mental health services as identified by a client's~~  
105.17 ~~comprehensive assessment or treatment plan;~~

105.18 ~~(v) assistance with referrals to economic assistance, social services, housing resources,~~  
105.19 ~~and prenatal care according to the client's needs;~~

105.20 ~~(vi) life skills advocacy and support accessing treatment follow-up, disease management,~~  
105.21 ~~and education services, including referral and linkages to long-term services and supports~~  
105.22 ~~as needed; and~~

105.23 ~~(vii) documentation of the provision of treatment coordination services in the client's~~  
105.24 ~~file.~~

105.25 (b) A treatment service provided to a client must be provided according to the individual  
105.26 treatment plan and must consider cultural differences and special needs of a client.

105.27 (c) A supportive service alone does not constitute a treatment service. Supportive services  
105.28 include:

105.29 (1) milieu management or supervising or monitoring clients without also providing a  
105.30 treatment service identified in subdivision 1a, 1b, or 2a;

105.31 (2) transporting clients;

106.1 (3) waiting with clients for appointments at social service agencies, court hearings, and  
106.2 similar activities; and

106.3 (4) collecting urinalysis samples.

106.4 (d) A treatment service provided in a group setting must be provided in a cohesive  
106.5 manner and setting that allows every client receiving the service to interact and receive the  
106.6 same service at the same time.

106.7 Sec. 10. Minnesota Statutes 2024, section 245G.07, is amended by adding a subdivision  
106.8 to read:

106.9 Subd. 1a. **Psychosocial treatment service.** Psychosocial treatment services must be  
106.10 provided according to the hours identified in section 254B.19 for the ASAM level of care  
106.11 provided to the client. A license holder must provide the following psychosocial treatment  
106.12 services as a part of the client's individual treatment:

106.13 (1) counseling services that provide a client with professional assistance in managing  
106.14 substance use disorder and co-occurring conditions, either individually or in a group setting.  
106.15 Counseling must:

106.16 (i) use evidence-based techniques to help a client modify behavior, overcome obstacles,  
106.17 and achieve and sustain recovery through techniques such as active listening, guidance,  
106.18 discussion, feedback, and clarification;

106.19 (ii) help the client to identify and address needs related to substance use, develop  
106.20 strategies to avoid harmful substance use, and establish a lifestyle free of the harmful effects  
106.21 of substance use disorder; and

106.22 (iii) work to improve well-being and mental health, resolve or mitigate symptomatic  
106.23 behaviors, beliefs, compulsions, thoughts, and emotions, and enhance relationships and  
106.24 social skills, while addressing client-centered psychological and emotional needs; and

106.25 (2) psychoeducation services to provide a client with information about substance use  
106.26 and co-occurring conditions, either individually or in a group setting. Psychoeducation  
106.27 includes structured presentations, interactive discussions, and practical exercises to help  
106.28 clients understand and manage their conditions effectively. Topics include but are not limited  
106.29 to:

106.30 (i) the causes of substance use disorder and co-occurring disorders;

106.31 (ii) behavioral techniques that help a client change behaviors, thoughts, and feelings;

107.1 (iii) the importance of maintaining mental health, including understanding symptoms  
107.2 of mental illness;

107.3 (iv) medications for addiction and psychiatric disorders and the importance of medication  
107.4 adherence;

107.5 (v) the importance of maintaining physical health, health-related risk factors associated  
107.6 with substance use disorder, and specific health education on tuberculosis, HIV, other  
107.7 sexually transmitted diseases, drug and alcohol use during pregnancy, and hepatitis; and

107.8 (vi) harm-reduction strategies.

107.9 Sec. 11. Minnesota Statutes 2024, section 245G.07, is amended by adding a subdivision  
107.10 to read:

107.11 Subd. 1b. **Treatment coordination.** (a) Treatment coordination must be provided to a  
107.12 single client by an individual who meets the staff qualifications in section 245G.11,  
107.13 subdivision 7. Treatment coordination services include:

107.14 (1) coordinating directly with others involved in the client's treatment and recovery,  
107.15 including the referral source, family or natural supports, social services agencies, and external  
107.16 care providers;

107.17 (2) providing clients with training and facilitating connections to community resources  
107.18 that support recovery;

107.19 (3) assisting clients in obtaining necessary resources and services such as financial  
107.20 assistance, housing, food, clothing, medical care, education, harm reduction services,  
107.21 vocational support, and recreational services that promote recovery;

107.22 (4) helping clients connect and engage with self-help support groups and expand social  
107.23 support networks with family, friends, and organizations; and

107.24 (5) assisting clients in transitioning between levels of care, including providing direct  
107.25 connections to ensure continuity of care.

107.26 (b) Treatment coordination does not include coordinating services or communicating  
107.27 with staff members within the licensed program.

107.28 (c) Treatment coordination may be provided in a setting with the individual client and  
107.29 others involved in the client's treatment and recovery.

108.1 Sec. 12. Minnesota Statutes 2024, section 245G.07, is amended by adding a subdivision  
108.2 to read:

108.3 Subd. 2a. **Ancillary treatment service.** (a) A license holder may provide ancillary  
108.4 services in addition to the hours of psychosocial treatment services identified in section  
108.5 254B.19 for the ASAM level of care provided to the client.

108.6 (b) A license holder may provide the following ancillary treatment services as a part of  
108.7 the client's individual treatment:

108.8 (1) recovery support services provided individually or in a group setting, that include:

108.9 (i) supporting clients in restoring daily living skills, such as health and health care  
108.10 navigation and self-care to enhance personal well-being;

108.11 (ii) providing resources and assistance to help clients restore life skills, including effective  
108.12 parenting, financial management, pro-social behavior, education, employment, and nutrition;

108.13 (iii) assisting clients in restoring daily functioning and routines affected by substance  
108.14 use and supporting them in developing skills for successful community integration; and

108.15 (iv) helping clients respond to or avoid triggers that threaten their community stability,  
108.16 assisting the client in identifying potential crises and developing a plan to address them,  
108.17 and providing support to restore the client's stability and functioning; and

108.18 (2) peer recovery support services provided according to sections 254B.05, subdivision  
108.19 5, and 254B.052.

108.20 Sec. 13. Minnesota Statutes 2024, section 245G.07, subdivision 3, is amended to read:

108.21 Subd. 3. **Counselors Treatment service providers.** (a) All treatment services, ~~except~~  
108.22 ~~peer recovery support services and treatment coordination,~~ must be provided by an alcohol  
108.23 ~~and drug counselor qualified according to section 245G.11, subdivision 5, unless the~~  
108.24 ~~individual providing the service is specifically qualified according to the accepted credential~~  
108.25 ~~required to provide the service. The commissioner shall maintain a current list of~~  
108.26 ~~professionals qualified to provide treatment services.~~

108.27 (b) Psychosocial treatment services must be provided by an alcohol and drug counselor  
108.28 qualified according to section 245G.11, subdivision 5, unless the individual providing the  
108.29 service is specifically qualified according to the accepted credential required to provide the  
108.30 service. The commissioner shall maintain a current list of professionals qualified to provide  
108.31 psychosocial treatment services.

109.1 (c) Treatment coordination must be provided by a treatment coordinator qualified  
109.2 according to section 245G.11, subdivision 7.

109.3 (d) Recovery support services must be provided by a behavioral health practitioner  
109.4 qualified according to section 245G.11, subdivision 12.

109.5 (e) Peer recovery support services must be provided by a recovery peer qualified  
109.6 according to section 245I.04, subdivision 18.

109.7 Sec. 14. Minnesota Statutes 2024, section 245G.07, subdivision 4, is amended to read:

109.8 Subd. 4. **Location of service provision.** (a) The license holder must provide all treatment  
109.9 services a client receives at one of the license holder's substance use disorder treatment  
109.10 licensed locations or at a location allowed under paragraphs (b) to (f). If the services are  
109.11 provided at the locations in paragraphs (b) to (d), the license holder must document in the  
109.12 client record the location services were provided.

109.13 (b) The license holder may provide nonresidential individual treatment services at a  
109.14 client's home or place of residence.

109.15 (c) If the license holder provides treatment services by telehealth, the services must be  
109.16 provided according to this paragraph:

109.17 (1) the license holder must maintain a licensed physical location in Minnesota where  
109.18 the license holder must offer all treatment services in subdivision 4, ~~paragraph (a), clauses~~  
109.19 ~~(1) to (4),~~ 1a physically in-person to each client;

109.20 (2) the license holder must meet all requirements for the provision of telehealth in sections  
109.21 254B.05, subdivision 5, paragraph (f), and 256B.0625, subdivision 3b. The license holder  
109.22 must document all items in section 256B.0625, subdivision 3b, paragraph (c), for each client  
109.23 receiving services by telehealth, regardless of payment type or whether the client is a medical  
109.24 assistance enrollee;

109.25 (3) the license holder may provide treatment services by telehealth to clients individually;

109.26 (4) the license holder may provide treatment services by telehealth to a group of clients  
109.27 that are each in a separate physical location;

109.28 (5) the license holder must not provide treatment services remotely by telehealth to a  
109.29 group of clients meeting together in person, unless permitted under clause (7);

109.30 (6) clients and staff may join an in-person group by telehealth if a staff member qualified  
109.31 to provide the treatment service is physically present with the group of clients meeting  
109.32 together in person; and

110.1 (7) the qualified professional providing a residential group treatment service by telehealth  
110.2 must be physically present on-site at the licensed residential location while the service is  
110.3 being provided. If weather conditions or short-term illness prohibit a qualified professional  
110.4 from traveling to the residential program and another qualified professional is not available  
110.5 to provide the service, a qualified professional may provide a residential group treatment  
110.6 service by telehealth from a location away from the licensed residential location. In such  
110.7 circumstances, the license holder must ensure that a qualified professional does not provide  
110.8 a residential group treatment service by telehealth from a location away from the licensed  
110.9 residential location for more than one day at a time, must ensure that a staff person who  
110.10 qualifies as a paraprofessional is physically present with the group of clients, and must  
110.11 document the reason for providing the remote telehealth service in the records of clients  
110.12 receiving the service. The license holder must document the dates that residential group  
110.13 treatment services were provided by telehealth from a location away from the licensed  
110.14 residential location in a central log and must provide the log to the commissioner upon  
110.15 request.

110.16 (d) The license holder may provide the ~~additional~~ ancillary treatment services under  
110.17 subdivision 2, ~~clauses (2) to (6) and (8), 2a~~ away from the licensed location at a suitable  
110.18 location appropriate to the treatment service.

110.19 (e) Upon written approval from the commissioner for each satellite location, the license  
110.20 holder may provide nonresidential treatment services at satellite locations that are in a  
110.21 school, jail, or nursing home. A satellite location may only provide services to students of  
110.22 the school, inmates of the jail, or residents of the nursing home. Schools, jails, and nursing  
110.23 homes are exempt from the licensing requirements in section 245A.04, subdivision 2a, to  
110.24 document compliance with building codes, fire and safety codes, health rules, and zoning  
110.25 ordinances.

110.26 (f) The commissioner may approve other suitable locations as satellite locations for  
110.27 nonresidential treatment services. The commissioner may require satellite locations under  
110.28 this paragraph to meet all applicable licensing requirements. The license holder may not  
110.29 have more than two satellite locations per license under this paragraph.

110.30 (g) The license holder must provide the commissioner access to all files, documentation,  
110.31 staff persons, and any other information the commissioner requires at the main licensed  
110.32 location for all clients served at any location under paragraphs (b) to (f).

110.33 (h) Notwithstanding sections 245A.65, subdivision 2, and 626.557, subdivision 14, a  
110.34 program abuse prevention plan is not required for satellite or other locations under paragraphs

111.1 (b) to (e). An individual abuse prevention plan is still required for any client that is a  
111.2 vulnerable adult as defined in section 626.5572, subdivision 21.

111.3 Sec. 15. Minnesota Statutes 2024, section 245G.11, subdivision 6, is amended to read:

111.4 Subd. 6. **Paraprofessionals.** A paraprofessional who does not meet the qualifications  
111.5 of the behavioral health practitioner as described in section 245G.11, subdivision 12, must  
111.6 have knowledge of client rights, according to section 148F.165, and staff member  
111.7 responsibilities. A paraprofessional may not make decisions to admit, transfer, or discharge  
111.8 a client but may perform tasks related to intake and orientation. A paraprofessional may be  
111.9 the responsible for the delivery of treatment service staff member according to section  
111.10 245G.10, subdivision 3. A paraprofessional is not qualified to provide a treatment service  
111.11 according to section 245G.07, subdivisions 1a, 1b, and 2a.

111.12 Sec. 16. Minnesota Statutes 2024, section 245G.11, subdivision 7, is amended to read:

111.13 Subd. 7. **Treatment coordination provider qualifications.** (a) Treatment coordination  
111.14 must be provided by qualified staff. An individual is qualified to provide treatment  
111.15 coordination if the individual meets the qualifications of an alcohol and drug counselor  
111.16 under subdivision 5 or if the individual:

111.17 (1) is skilled in the process of identifying and assessing a wide range of client needs;

111.18 (2) is knowledgeable about local community resources and how to use those resources  
111.19 for the benefit of the client;

111.20 (3) has ~~successfully completed 30 hours of classroom instruction on treatment~~  
111.21 ~~coordination for an individual with substance use disorder~~ specific training on substance  
111.22 use disorder and co-occurring disorders that is consistent with national evidence-based  
111.23 practices; and

111.24 (4) ~~has either~~ meets one of the following criteria:

111.25 (i) has a bachelor's degree in one of the behavioral sciences or related fields and at least  
111.26 1,000 hours of supervised experience working with individuals with substance use disorder;

111.27 ~~or~~

111.28 (ii) has current certification as an alcohol and drug counselor, level I, by the Upper  
111.29 Midwest Indian Council on Addictive Disorders; ~~and~~ or

111.30 (iii) is a mental health practitioner who meets the qualifications under section 245I.04,  
111.31 subdivision 4.

112.1 ~~(5) has at least 2,000 hours of supervised experience working with individuals with~~  
112.2 ~~substance use disorder.~~

112.3 (b) A treatment coordinator must receive at least one hour of supervision regarding  
112.4 individual service delivery from an alcohol and drug counselor, or a mental health  
112.5 professional who has substance use treatment and assessments within the scope of their  
112.6 practice, on a monthly basis.

112.7 Sec. 17. Minnesota Statutes 2024, section 245G.11, is amended by adding a subdivision  
112.8 to read:

112.9 Subd. 12. **Behavioral health practitioners.** (a) A behavioral health practitioner must  
112.10 meet the qualifications in section 245I.04, subdivision 4.

112.11 (b) A behavioral health practitioner working within a substance use disorder treatment  
112.12 program licensed under this chapter has the following scope of practice:

112.13 (1) a behavioral health practitioner may provide clients with recovery support services,  
112.14 as defined in section 245G.07, subdivision 2a, paragraph (b), clause (1); and

112.15 (2) a behavioral health practitioner must not provide treatment supervision to other staff  
112.16 persons.

112.17 (c) A behavioral health practitioner working within a substance use disorder treatment  
112.18 program licensed under this chapter must receive at least one hour of supervision per month  
112.19 on individual service delivery from an alcohol and drug counselor or a mental health  
112.20 professional who has substance use treatment and assessments within the scope of their  
112.21 practice.

112.22 Sec. 18. Minnesota Statutes 2024, section 245G.22, subdivision 11, is amended to read:

112.23 Subd. 11. **Waiting list.** An opioid treatment program must have a waiting list system.  
112.24 If the person seeking admission cannot be admitted within 14 days of the date of application,  
112.25 each person seeking admission must be placed on the waiting list, unless the person seeking  
112.26 admission is assessed by the program and found ineligible for admission according to this  
112.27 chapter and Code of Federal Regulations, title 42, part 1, subchapter A, section 8.12 (e),  
112.28 and title 45, parts 160 to 164. The waiting list must assign a unique client identifier for each  
112.29 person seeking treatment while awaiting admission. A person seeking admission on a waiting  
112.30 list who receives no services under section 245G.07, subdivision ~~1~~ 1a or 1b, must not be  
112.31 considered a client as defined in section 245G.01, subdivision 9.



113.1 Sec. 19. Minnesota Statutes 2024, section 245G.22, subdivision 15, is amended to read:

113.2 Subd. 15. **Nonmedication treatment services; documentation.** (a) The program must  
113.3 offer at least 50 consecutive minutes of individual or group therapy treatment services as  
113.4 defined in section 245G.07, subdivision 1, ~~paragraph (a) 1a~~, clause (1), per week, for the  
113.5 first ten weeks following the day of service initiation, and at least 50 consecutive minutes  
113.6 per month thereafter. As clinically appropriate, the program may offer these services  
113.7 cumulatively and not consecutively in increments of no less than 15 minutes over the required  
113.8 time period, and for a total of 60 minutes of treatment services over the time period, and  
113.9 must document the reason for providing services cumulatively in the client's record. The  
113.10 program may offer additional levels of service when deemed clinically necessary.

113.11 (b) Notwithstanding the requirements of comprehensive assessments in section 245G.05,  
113.12 the assessment must be completed within 21 days from the day of service initiation.

113.13 Sec. 20. Minnesota Statutes 2024, section 254A.19, subdivision 4, is amended to read:

113.14 Subd. 4. **Civil commitments.** For the purposes of determining level of care, a  
113.15 comprehensive assessment does not need to be completed for an individual being committed  
113.16 as a chemically dependent person, as defined in section 253B.02, and for the duration of a  
113.17 civil commitment under section 253B.09 or 253B.095 in order for ~~a county~~ the individual  
113.18 to access be eligible for the behavioral health fund under section 254B.04. The ~~county~~  
113.19 commissioner must determine if the individual meets the financial eligibility requirements  
113.20 for the behavioral health fund under section 254B.04.

113.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

113.22 Sec. 21. Minnesota Statutes 2024, section 254B.01, subdivision 10, is amended to read:

113.23 Subd. 10. **Skilled Psychosocial treatment services.** "Skilled Psychosocial treatment  
113.24 services" includes the treatment services described in section 245G.07, ~~subdivisions 1,~~  
113.25 ~~paragraph (a), clauses (1) to (4), and 2, clauses (1) to (6).~~ Skilled subdivision 1a. Psychosocial  
113.26 treatment services must be provided by qualified professionals as identified in section  
113.27 245G.07, subdivision 3, paragraph (b).

113.28 Sec. 22. Minnesota Statutes 2024, section 254B.02, subdivision 5, is amended to read:

113.29 Subd. 5. **Local agency Tribal allocation.** The commissioner may make payments to  
113.30 ~~local agencies~~ Tribal Nation servicing agencies from money allocated under this section to  
113.31 support individuals with substance use disorders and determine eligibility for behavioral  
113.32 health fund payments. The payment must not be less than 133 percent of the ~~local agency~~

114.1 Tribal Nations payment for the fiscal year ending June 30, 2009, adjusted in proportion to  
114.2 the statewide change in the appropriation for this chapter.

114.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

114.4 Sec. 23. Minnesota Statutes 2024, section 254B.03, subdivision 1, is amended to read:

114.5 Subdivision 1. ~~Local agency duties~~ **Financial eligibility determinations.** (a) ~~Every~~  
114.6 ~~local agency~~ The commissioner of human services or Tribal Nation servicing agencies must  
114.7 determine financial eligibility for substance use disorder services and provide substance  
114.8 use disorder services to persons residing within its jurisdiction who meet criteria established  
114.9 by the commissioner. Substance use disorder money must be administered by the local  
114.10 agencies according to law and rules adopted by the commissioner under sections 14.001 to  
114.11 14.69.

114.12 (b) In order to contain costs, the commissioner of human services shall select eligible  
114.13 vendors of substance use disorder services who can provide economical and appropriate  
114.14 treatment. ~~Unless the local agency is a social services department directly administered by~~  
114.15 ~~a county or human services board, the local agency shall not be an eligible vendor under~~  
114.16 ~~section 254B.05.~~ The commissioner may approve proposals from county boards to provide  
114.17 services in an economical manner or to control utilization, with safeguards to ensure that  
114.18 necessary services are provided. If a county implements a demonstration or experimental  
114.19 medical services funding plan, the commissioner shall transfer the money as appropriate.

114.20 (c) An individual may choose to obtain a comprehensive assessment as provided in  
114.21 section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled  
114.22 provider that is licensed to provide the level of service authorized pursuant to section  
114.23 254A.19, subdivision 3. If the individual is enrolled in a prepaid health plan, the individual  
114.24 must comply with any provider network requirements or limitations.

114.25 ~~(d) Beginning July 1, 2022, local agencies shall not make placement location~~  
114.26 ~~determinations.~~

114.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

114.28 Sec. 24. Minnesota Statutes 2024, section 254B.03, subdivision 3, is amended to read:

114.29 Subd. 3. ~~Local agencies~~ **Counties** ~~to pay state for county share.~~ ~~Local agencies~~  
114.30 Counties shall pay the state for the county share of the services authorized by the ~~local~~  
114.31 ~~agency commissioner~~, except when the payment is made according to section 254B.09,  
114.32 subdivision 8.

115.1 **EFFECTIVE DATE.** This section is effective July 1, 2025.

115.2 Sec. 25. Minnesota Statutes 2024, section 254B.04, subdivision 1a, is amended to read:

115.3 Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal  
115.4 Regulations, title 25, part 20, who meet the income standards of section 256B.056,  
115.5 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health  
115.6 fund services. State money appropriated for this paragraph must be placed in a separate  
115.7 account established for this purpose.

115.8 (b) Persons with dependent children who are determined to be in need of substance use  
115.9 disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in  
115.10 need of chemical dependency treatment pursuant to a case plan under section 260C.201,  
115.11 subdivision 6, or 260C.212, shall be assisted by the ~~local agency~~ commissioner to access  
115.12 needed treatment services. Treatment services must be appropriate for the individual or  
115.13 family, which may include long-term care treatment or treatment in a facility that allows  
115.14 the dependent children to stay in the treatment facility. The county shall pay for out-of-home  
115.15 placement costs, if applicable.

115.16 (c) Notwithstanding paragraph (a), any person enrolled in medical assistance or  
115.17 MinnesotaCare is eligible for room and board services under section 254B.05, subdivision  
115.18 5, paragraph (b), clause (9).

115.19 (d) A client is eligible to have substance use disorder treatment paid for with funds from  
115.20 the behavioral health fund when the client:

115.21 (1) is eligible for MFIP as determined under chapter 142G;

115.22 (2) is eligible for medical assistance as determined under Minnesota Rules, parts  
115.23 9505.0010 to ~~9505.0150~~ 9505.140;

115.24 (3) is eligible for general assistance, general assistance medical care, or work readiness  
115.25 as determined under Minnesota Rules, parts 9500.1200 to ~~9500.1318~~ 9500.1272; or

115.26 (4) has income that is within current household size and income guidelines for entitled  
115.27 persons, as defined in this subdivision and subdivision 7.

115.28 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have  
115.29 a third-party payment source are eligible for the behavioral health fund if the third-party  
115.30 payment source pays less than 100 percent of the cost of treatment services for eligible  
115.31 clients.

116.1 (f) A client is ineligible to have substance use disorder treatment services paid for with  
116.2 behavioral health fund money if the client:

116.3 (1) has an income that exceeds current household size and income guidelines for entitled  
116.4 persons as defined in this subdivision and subdivision 7; or

116.5 (2) has an available third-party payment source that will pay the total cost of the client's  
116.6 treatment.

116.7 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode  
116.8 is eligible for continued treatment service that is paid for by the behavioral health fund until  
116.9 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan  
116.10 if the client:

116.11 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance  
116.12 medical care; or

116.13 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by ~~a local~~  
116.14 ~~agency~~ the commissioner under section 254B.04.

116.15 (h) When a county commits a client under chapter 253B to a regional treatment center  
116.16 for substance use disorder services and the client is ineligible for the behavioral health fund,  
116.17 the county is responsible for the payment to the regional treatment center according to  
116.18 section 254B.05, subdivision 4.

116.19 (i) Persons enrolled in MinnesotaCare are eligible for room and board services when  
116.20 provided through intensive residential treatment services and residential crisis services under  
116.21 section 256B.0622.

116.22 (j) A person is eligible for one 60-consecutive-calendar-day period per year. A person  
116.23 may submit a request for additional eligibility to the commissioner. A person denied  
116.24 additional eligibility under this paragraph may request a state agency hearing under section  
116.25 256.045.

116.26 **EFFECTIVE DATE.** This section is effective July 1, 2025.

116.27 Sec. 26. Minnesota Statutes 2024, section 254B.04, subdivision 5, is amended to read:

116.28 Subd. 5. ~~Local agency~~ **Commissioner responsibility to provide administrative**  
116.29 **services.** ~~The local agency~~ the commissioner of human services may employ individuals to  
116.30 conduct administrative activities and facilitate access to substance use disorder treatment  
116.31 services.

117.1 Sec. 27. Minnesota Statutes 2024, section 254B.04, subdivision 6, is amended to read:

117.2 Subd. 6. **Local agency Commissioner to determine client financial eligibility.** (a)

117.3 The ~~local agency commissioner~~ shall determine a client's financial eligibility for the  
117.4 behavioral health fund according to section 254B.04, subdivision 1a, with the income  
117.5 calculated prospectively for one year from the date of request. The ~~local agency commissioner~~  
117.6 shall pay for eligible clients according to chapter 256G. Client eligibility must be determined  
117.7 using only forms prescribed by the commissioner ~~unless the local agency has a reasonable~~  
117.8 ~~basis for believing that the information submitted on a form is false.~~ To determine a client's  
117.9 eligibility, the ~~local agency commissioner~~ must determine the client's income, the size of  
117.10 the client's household, the availability of a third-party payment source, and a responsible  
117.11 relative's ability to pay for the client's substance use disorder treatment.

117.12 (b) A client who is a minor child must not be deemed to have income available to pay  
117.13 for substance use disorder treatment, unless the minor child is responsible for payment under  
117.14 section 144.347 for substance use disorder treatment services sought under section 144.343,  
117.15 subdivision 1.

117.16 (c) The ~~local agency commissioner~~ must determine the client's household size as follows:

117.17 (1) if the client is a minor child, the household size includes the following persons living  
117.18 in the same dwelling unit:

117.19 (i) the client;

117.20 (ii) the client's birth or adoptive parents; and

117.21 (iii) the client's siblings who are minors; and

117.22 (2) if the client is an adult, the household size includes the following persons living in  
117.23 the same dwelling unit:

117.24 (i) the client;

117.25 (ii) the client's spouse;

117.26 (iii) the client's minor children; and

117.27 (iv) the client's spouse's minor children.

117.28 For purposes of this paragraph, household size includes a person listed in clauses (1) and  
117.29 (2) who is in an out-of-home placement if a person listed in clause (1) or (2) is contributing  
117.30 to the cost of care of the person in out-of-home placement.

(d) The ~~local agency~~ commissioner must determine the client's current prepaid health plan enrollment, the availability of a third-party payment source, including the availability of total payment, partial payment, and amount of co-payment.

~~(e) The local agency must provide the required eligibility information to the department in the manner specified by the department.~~

~~(f)~~ (e) The ~~local agency~~ commissioner shall require the client and policyholder to conditionally assign to the department the client and policyholder's rights and the rights of minor children to benefits or services provided to the client if the department is required to collect from a third-party pay source.

~~(g)~~ (f) The ~~local agency~~ commissioner must ~~redetermine~~ determine a client's eligibility for the behavioral health fund ~~every 12 months~~ for a 60-consecutive-calendar-day period per calendar year.

~~(h)~~ (g) A client, responsible relative, and policyholder must provide income or wage verification, household size verification, and must make an assignment of third-party payment rights under paragraph ~~(f)~~ (e). If a client, responsible relative, or policyholder does not comply with the provisions of this subdivision, the client is ineligible for behavioral health fund payment for substance use disorder treatment, and the client and responsible relative must be obligated to pay for the full cost of substance use disorder treatment services provided to the client.

Sec. 28. Minnesota Statutes 2024, section 254B.04, subdivision 6a, is amended to read:

Subd. 6a. **Span of eligibility.** The ~~local agency~~ commissioner must enter the financial eligibility span within five business days of a request. If the comprehensive assessment is completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date services were initiated. If the comprehensive assessment is not completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date the comprehensive assessment was completed.

Sec. 29. Minnesota Statutes 2024, section 254B.05, subdivision 1, is amended to read:

Subdivision 1. **Licensure or certification required.** (a) Programs licensed by the commissioner are eligible vendors. Hospitals may apply for and receive licenses to be eligible vendors, notwithstanding the provisions of section 245A.03. American Indian programs that provide substance use disorder treatment, extended care, transitional residence, or outpatient treatment services, and are licensed by tribal government are eligible vendors.

119.1 (b) A licensed professional in private practice as defined in section 245G.01, subdivision  
119.2 17, who meets the requirements of section 245G.11, subdivisions 1 and 4, is an eligible  
119.3 vendor of a comprehensive assessment provided according to section 254A.19, subdivision  
119.4 3, and treatment services provided according to sections 245G.06 and 245G.07, ~~subdivision~~  
119.5 ~~1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2, clauses (1) to (6).~~ subdivisions  
119.6 1, 1a, and 1b.

119.7 (c) A county is an eligible vendor for a comprehensive assessment when provided by  
119.8 an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 5,  
119.9 and completed according to the requirements of section 254A.19, subdivision 3. A county  
119.10 is an eligible vendor of ~~care~~ treatment coordination services when provided by an individual  
119.11 who meets the staffing credentials of section 245G.11, subdivisions 1 and 7, and provided  
119.12 according to the requirements of section 245G.07, subdivision 1, ~~paragraph (a), clause (5).~~  
119.13 1b. A county is an eligible vendor of peer recovery services when the services are provided  
119.14 by an individual who meets the requirements of section 245G.11, subdivision 8, and  
119.15 according to section 254B.052.

119.16 (d) A recovery community organization that meets the requirements of clauses (1) to  
119.17 (14) and meets certification or accreditation requirements of the Alliance for Recovery  
119.18 Centered Organizations, the Council on Accreditation of Peer Recovery Support Services,  
119.19 or a Minnesota statewide recovery organization identified by the commissioner is an eligible  
119.20 vendor of peer recovery support services. A Minnesota statewide recovery organization  
119.21 identified by the commissioner must update recovery community organization applicants  
119.22 for certification or accreditation on the status of the application within 45 days of receipt.  
119.23 If the approved statewide recovery organization denies an application, it must provide a  
119.24 written explanation for the denial to the recovery community organization. Eligible vendors  
119.25 under this paragraph must:

119.26 (1) be nonprofit organizations under section 501(c)(3) of the Internal Revenue Code, be  
119.27 free from conflicting self-interests, and be autonomous in decision-making, program  
119.28 development, peer recovery support services provided, and advocacy efforts for the purpose  
119.29 of supporting the recovery community organization's mission;

119.30 (2) be led and governed by individuals in the recovery community, with more than 50  
119.31 percent of the board of directors or advisory board members self-identifying as people in  
119.32 personal recovery from substance use disorders;

119.33 (3) have a mission statement and conduct corresponding activities indicating that the  
119.34 organization's primary purpose is to support recovery from substance use disorder;

120.1 (4) demonstrate ongoing community engagement with the identified primary region and  
120.2 population served by the organization, including individuals in recovery and their families,  
120.3 friends, and recovery allies;

120.4 (5) be accountable to the recovery community through documented priority-setting and  
120.5 participatory decision-making processes that promote the engagement of, and consultation  
120.6 with, people in recovery and their families, friends, and recovery allies;

120.7 (6) provide nonclinical peer recovery support services, including but not limited to  
120.8 recovery support groups, recovery coaching, telephone recovery support, skill-building,  
120.9 and harm-reduction activities, and provide recovery public education and advocacy;

120.10 (7) have written policies that allow for and support opportunities for all paths toward  
120.11 recovery and refrain from excluding anyone based on their chosen recovery path, which  
120.12 may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based  
120.13 paths;

120.14 (8) maintain organizational practices to meet the needs of Black, Indigenous, and people  
120.15 of color communities, LGBTQ+ communities, and other underrepresented or marginalized  
120.16 communities. Organizational practices may include board and staff training, service offerings,  
120.17 advocacy efforts, and culturally informed outreach and services;

120.18 (9) use recovery-friendly language in all media and written materials that is supportive  
120.19 of and promotes recovery across diverse geographical and cultural contexts and reduces  
120.20 stigma;

120.21 (10) establish and maintain a publicly available recovery community organization code  
120.22 of ethics and grievance policy and procedures;

120.23 (11) not classify or treat any recovery peer hired on or after July 1, 2024, as an  
120.24 independent contractor;

120.25 (12) not classify or treat any recovery peer as an independent contractor on or after  
120.26 January 1, 2025;

120.27 (13) provide an orientation for recovery peers that includes an overview of the consumer  
120.28 advocacy services provided by the Ombudsman for Mental Health and Developmental  
120.29 Disabilities and other relevant advocacy services; and

120.30 (14) provide notice to peer recovery support services participants that includes the  
120.31 following statement: "If you have a complaint about the provider or the person providing  
120.32 your peer recovery support services, you may contact the Minnesota Alliance of Recovery



121.1 Community Organizations. You may also contact the Office of Ombudsman for Mental  
121.2 Health and Developmental Disabilities." The statement must also include:

121.3 (i) the telephone number, website address, email address, and mailing address of the  
121.4 Minnesota Alliance of Recovery Community Organizations and the Office of Ombudsman  
121.5 for Mental Health and Developmental Disabilities;

121.6 (ii) the recovery community organization's name, address, email, telephone number, and  
121.7 name or title of the person at the recovery community organization to whom problems or  
121.8 complaints may be directed; and

121.9 (iii) a statement that the recovery community organization will not retaliate against a  
121.10 peer recovery support services participant because of a complaint.

121.11 (e) A recovery community organization approved by the commissioner before June 30,  
121.12 2023, must have begun the application process as required by an approved certifying or  
121.13 accrediting entity and have begun the process to meet the requirements under paragraph (d)  
121.14 by September 1, 2024, in order to be considered as an eligible vendor of peer recovery  
121.15 support services.

121.16 (f) A recovery community organization that is aggrieved by an accreditation, certification,  
121.17 or membership determination and believes it meets the requirements under paragraph (d)  
121.18 may appeal the determination under section 256.045, subdivision 3, paragraph (a), clause  
121.19 (14), for reconsideration as an eligible vendor. If the human services judge determines that  
121.20 the recovery community organization meets the requirements under paragraph (d), the  
121.21 recovery community organization is an eligible vendor of peer recovery support services.

121.22 (g) All recovery community organizations must be certified or accredited by an entity  
121.23 listed in paragraph (d) by June 30, 2025.

121.24 (h) Detoxification programs licensed under Minnesota Rules, parts 9530.6510 to  
121.25 9530.6590, are not eligible vendors. Programs that are not licensed as a residential or  
121.26 nonresidential substance use disorder treatment or withdrawal management program by the  
121.27 commissioner or by tribal government or do not meet the requirements of subdivisions 1a  
121.28 and 1b are not eligible vendors.

121.29 (i) Hospitals, federally qualified health centers, and rural health clinics are eligible  
121.30 vendors of a comprehensive assessment when the comprehensive assessment is completed  
121.31 according to section 254A.19, subdivision 3, and by an individual who meets the criteria  
121.32 of an alcohol and drug counselor according to section 245G.11, subdivision 5. The alcohol

122.1 and drug counselor must be individually enrolled with the commissioner and reported on  
122.2 the claim as the individual who provided the service.

122.3 (j) Any complaints about a recovery community organization or peer recovery support  
122.4 services may be made to and reviewed or investigated by the ombudsperson for behavioral  
122.5 health and developmental disabilities under sections 245.91 and 245.94.

122.6 Sec. 30. Minnesota Statutes 2024, section 254B.05, subdivision 5, is amended to read:

122.7 Subd. 5. **Rate requirements.** (a) Subject to the requirements of subdivision 6, the  
122.8 commissioner shall establish rates for the following substance use disorder treatment services  
122.9 ~~and service enhancements~~ funded under this chapter;

122.10 ~~(b) Eligible substance use disorder treatment services include:~~

122.11 (1) those licensed, as applicable, according to chapter 245G or applicable Tribal license  
122.12 and provided according to the following ASAM levels of care:

122.13 (i) ASAM level 0.5 early intervention services provided according to section 254B.19,  
122.14 subdivision 1, clause (1);

122.15 (ii) ASAM level 1.0 outpatient services provided according to section 254B.19,  
122.16 subdivision 1, clause (2);

122.17 (iii) ASAM level 2.1 intensive outpatient services provided according to section 254B.19,  
122.18 subdivision 1, clause (3);

122.19 (iv) ASAM level 2.5 partial hospitalization services provided according to section  
122.20 254B.19, subdivision 1, clause (4);

122.21 (v) ASAM level 3.1 clinically managed low-intensity residential services provided  
122.22 according to section 254B.19, subdivision 1, clause (5). ~~The commissioner shall use the~~  
122.23 ~~base payment rate of \$79.84 per day for services provided under this item;~~

122.24 (vi) ASAM level 3.1 clinically managed low-intensity residential services provided  
122.25 according to section 254B.19, subdivision 1, clause (5), at 15 or more hours of skilled  
122.26 treatment services each week. ~~The commissioner shall use the base payment rate of \$166.13~~  
122.27 ~~per day for services provided under this item;~~

122.28 (vii) ASAM level 3.3 clinically managed population-specific high-intensity residential  
122.29 services provided according to section 254B.19, subdivision 1, clause (6). ~~The commissioner~~  
122.30 ~~shall use the specified base payment rate of \$224.06 per day for services provided under~~  
122.31 ~~this item; and~~

123.1 (viii) ASAM level 3.5 clinically managed high-intensity residential services provided  
123.2 according to section 254B.19, subdivision 1, clause (7).~~The commissioner shall use the~~  
123.3 ~~specified base payment rate of \$224.06 per day for services provided under this item;~~

123.4 (2) comprehensive assessments provided according to section 254A.19, subdivision 3;

123.5 (3) treatment coordination services provided according to section 245G.07, subdivision  
123.6 1, paragraph (a), clause (5);

123.7 (4) peer recovery support services provided according to section 245G.07, subdivision  
123.8 2, clause (8);

123.9 (5) withdrawal management services provided according to chapter 245F;

123.10 (6) hospital-based treatment services that are licensed according to sections 245G.01 to  
123.11 245G.17 or applicable Tribal license and licensed as a hospital under sections 144.50 to  
123.12 144.56;

123.13 (7) substance use disorder treatment services with medications for opioid use disorder  
123.14 provided in an opioid treatment program licensed according to sections 245G.01 to 245G.17  
123.15 and 245G.22, or under an applicable Tribal license;

123.16 (8) medium-intensity residential treatment services that provide 15 hours of skilled  
123.17 treatment services each week and are licensed according to sections 245G.01 to 245G.17  
123.18 and 245G.21 or applicable Tribal license;

123.19 (9) adolescent treatment programs that are licensed as outpatient treatment programs  
123.20 according to sections 245G.01 to 245G.18 or as residential treatment programs according  
123.21 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or  
123.22 applicable Tribal license;

123.23 (10) ASAM 3.5 clinically managed high-intensity residential services that are licensed  
123.24 according to sections 245G.01 to 245G.17 and 245G.21 or applicable Tribal license, which  
123.25 provide ASAM level of care 3.5 according to section 254B.19, subdivision 1, clause (7),  
123.26 and are provided by a state-operated vendor or to clients who have been civilly committed  
123.27 to the commissioner, present the most complex and difficult care needs, and are a potential  
123.28 threat to the community; and

123.29 (11) room and board facilities that meet the requirements of subdivision 1a.

123.30 ~~(e)~~ (b) The commissioner shall establish higher rates for programs that meet the  
123.31 requirements of paragraph ~~(b)~~ (a) and ~~one of the following additional requirements: the~~  
123.32 requirements of one clause in this paragraph.

- 124.1 (1) Programs that serve parents with their children are eligible for an enhanced payment  
124.2 rate if the program:
- 124.3 (i) provides on-site child care during the hours of treatment activity that:
- 124.4 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter  
124.5 9503; or
- 124.6 (B) is licensed under chapter 245A and sections 245G.01 to 245G.19; or
- 124.7 (ii) arranges for off-site child care during hours of treatment activity at a facility that is  
124.8 licensed under chapter 245A as:
- 124.9 (A) a child care center under Minnesota Rules, chapter 9503; or
- 124.10 (B) a family child care home under Minnesota Rules, chapter 9502;
- 124.11 In order to be eligible for a higher rate under this clause, a program that provides  
124.12 arrangements for off-site child care must maintain current documentation at the substance  
124.13 use disorder facility of the child care provider's current licensure to provide child care  
124.14 services.
- 124.15 (2) Culturally specific or culturally responsive programs as defined in section 254B.01,  
124.16 subdivision 4a; are eligible for an enhanced payment rate.
- 124.17 (3) Disability responsive programs as defined in section 254B.01, subdivision 4b; are  
124.18 eligible for an enhanced payment rate.
- 124.19 (4) Programs that offer medical services delivered by appropriately credentialed health  
124.20 care staff in an amount equal to one hour per client per week are eligible for an enhanced  
124.21 payment rate if the medical needs of the client and the nature and provision of any medical  
124.22 services provided are documented in the client file; or.
- 124.23 (5) Programs that offer services to individuals with co-occurring mental health and  
124.24 substance use disorder problems are eligible for an enhanced payment rate if:
- 124.25 (i) the program meets the co-occurring requirements in section 245G.20;
- 124.26 (ii) the program employs a mental health professional as defined in section 245I.04,  
124.27 subdivision 2;
- 124.28 (iii) clients scoring positive on a standardized mental health screen receive a mental  
124.29 health diagnostic assessment within ten days of admission;

125.1 (iv) the program has standards for multidisciplinary case review that include a monthly  
125.2 review for each client that, at a minimum, includes a licensed mental health professional  
125.3 and licensed alcohol and drug counselor, and their involvement in the review is documented;

125.4 (v) family education is offered that addresses mental health and substance use disorder  
125.5 and the interaction between the two; and

125.6 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder  
125.7 training annually.

125.8 ~~(d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program~~  
125.9 ~~that provides arrangements for off-site child care must maintain current documentation at~~  
125.10 ~~the substance use disorder facility of the child care provider's current licensure to provide~~  
125.11 ~~child care services.~~

125.12 ~~(e)~~ Adolescent residential programs that meet the requirements of Minnesota Rules, parts  
125.13 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements  
125.14 in ~~paragraph (c), clause (5)~~, items (i) to (iv).

125.15 ~~(f)~~ (c) Substance use disorder services that are otherwise covered as direct face-to-face  
125.16 services may be provided via telehealth as defined in section 256B.0625, subdivision 3b.  
125.17 The use of telehealth to deliver services must be medically appropriate to the condition and  
125.18 needs of the person being served. Reimbursement shall be at the same rates and under the  
125.19 same conditions that would otherwise apply to direct face-to-face services.

125.20 ~~(g)~~ (d) For the purpose of reimbursement under this section, substance use disorder  
125.21 treatment services provided in a group setting without a group participant maximum or  
125.22 maximum client to staff ratio under chapter 245G shall not exceed a client to staff ratio of  
125.23 48 to one. At least one of the attending staff must meet the qualifications as established  
125.24 under this chapter for the type of treatment service provided. A recovery peer may not be  
125.25 included as part of the staff ratio.

125.26 ~~(h)~~ (e) Payment for outpatient substance use disorder services that are licensed according  
125.27 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless  
125.28 prior authorization of a greater number of hours is obtained from the commissioner.

125.29 ~~(i)~~ (f) Payment for substance use disorder services under this section must start from the  
125.30 day of service initiation, when the comprehensive assessment is completed within the  
125.31 required timelines.

125.32 ~~(j)~~ (g) A license holder that is unable to provide all residential treatment services because  
125.33 a client missed services remains eligible to bill for the client's intensity level of services

126.1 under this paragraph if the license holder can document the reason the client missed services  
126.2 and the interventions done to address the client's absence.

126.3 ~~(k)~~ (h) Hours in a treatment week may be reduced in observance of federally recognized  
126.4 holidays.

126.5 ~~(h)~~ (i) Eligible vendors of peer recovery support services must:

126.6 (1) submit to a review by the commissioner of up to ten percent of all medical assistance  
126.7 and behavioral health fund claims to determine the medical necessity of peer recovery  
126.8 support services for entities billing for peer recovery support services individually and not  
126.9 receiving a daily rate; and

126.10 (2) limit an individual client to 14 hours per week for peer recovery support services  
126.11 from an individual provider of peer recovery support services.

126.12 ~~(m)~~ (j) Peer recovery support services not provided in accordance with section 254B.052  
126.13 are subject to monetary recovery under section 256B.064 as money improperly paid.

126.14 Sec. 31. Minnesota Statutes 2024, section 254B.05, is amended by adding a subdivision  
126.15 to read:

126.16 Subd. 6. **Rate adjustments.** (a) Effective for services rendered on or after January 1,  
126.17 2026, the commissioner must implement the following base payment rates for substance  
126.18 use disorder treatment services under subdivision 5, paragraph (a):

126.19 (1) for low-intensity residential, 100 percent of the modeled rate included in the final  
126.20 report required by Laws 2021, First Special Session chapter 7, article 17, section 18;

126.21 (2) for high-intensity residential services, the rates in effect on December 31, 2025; and

126.22 (3) for all other services not included in clause (1) or (2), 55 percent of the modeled rate  
126.23 included in the final report required by Laws 2021, First Special Session chapter 7, article  
126.24 17, section 18.

126.25 (b) Effective January 1, 2028, and annually thereafter, the commissioner of human  
126.26 services must adjust the payment rates under paragraph (a) according to the change from  
126.27 the midpoint of the previous rate year to the midpoint of the rate year for which the rate is  
126.28 being determined using the Centers for Medicare and Medicaid Services Medicare Economic  
126.29 Index as forecasted in the fourth quarter of the calendar year before the rate year.

127.1 Sec. 32. Minnesota Statutes 2024, section 254B.06, is amended by adding a subdivision  
127.2 to read:

127.3 Subd. 5. **Prohibition of duplicative claim submission.** (a) For time-based claims,  
127.4 submissions must follow the guidelines in the Centers for Medicare and Medicaid Services'  
127.5 Healthcare Common Procedure Coding System and the American Medical Association's  
127.6 Current Procedural Terminology to determine the appropriate units of time to report.

127.7 (b) More than half the duration of a time-based code must be spent performing the service  
127.8 to be eligible under this section. Any provision of service during the remaining balance of  
127.9 the unit of time is not eligible for any other claims submission and would be considered a  
127.10 duplicative claim submission.

127.11 (c) A provider may only round up to the next whole number of service units on a  
127.12 submitted claim when more than one and one-half times the defined value of the code has  
127.13 occurred and no additional time increment code exists.

127.14 **EFFECTIVE DATE.** This section is effective July 1, 2025.

127.15 Sec. 33. Minnesota Statutes 2024, section 254B.09, subdivision 2, is amended to read:

127.16 Subd. 2. **American Indian agreements.** The commissioner may enter into agreements  
127.17 with federally recognized Tribal units to pay for substance use disorder treatment services  
127.18 provided under Laws 1986, chapter 394, sections 8 to 20. The agreements must clarify how  
127.19 the governing body of the Tribal unit fulfills ~~local agency~~ the Tribal unit's responsibilities  
127.20 regarding the form and manner of invoicing.

127.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

127.22 Sec. 34. Minnesota Statutes 2024, section 254B.19, subdivision 1, is amended to read:

127.23 Subdivision 1. **Level of care requirements.** (a) For each client assigned an ASAM level  
127.24 of care, eligible vendors must implement the standards set by the ASAM for the respective  
127.25 level of care. Additionally, vendors must meet the following requirements:

127.26 (1) For ASAM level 0.5 early intervention targeting individuals who are at risk of  
127.27 developing a substance-related problem but may not have a diagnosed substance use disorder,  
127.28 early intervention services may include individual or group counseling, treatment  
127.29 coordination, peer recovery support, screening brief intervention, and referral to treatment  
127.30 provided according to section 254A.03, subdivision 3, paragraph (c).

128.1 (2) For ASAM level 1.0 outpatient clients, adults must receive up to eight hours per  
128.2 week of ~~skilled~~ psychosocial treatment services and adolescents must receive up to five  
128.3 hours per week. Services must be licensed according to section 245G.20 and meet  
128.4 requirements under section 256B.0759. ~~Peer recovery~~ Ancillary services and treatment  
128.5 coordination may be provided beyond the hourly ~~skilled~~ psychosocial treatment service  
128.6 hours allowable per week.

128.7 (3) For ASAM level 2.1 intensive outpatient clients, adults must receive nine to 19 hours  
128.8 per week of ~~skilled~~ psychosocial treatment services and adolescents must receive six or  
128.9 more hours per week. Vendors must be licensed according to section 245G.20 and must  
128.10 meet requirements under section 256B.0759. ~~Peer recovery~~ Ancillary services and treatment  
128.11 coordination may be provided beyond the hourly ~~skilled~~ psychosocial treatment service  
128.12 hours allowable per week. If clinically indicated on the client's treatment plan, this service  
128.13 may be provided in conjunction with room and board according to section 254B.05,  
128.14 subdivision 1a.

128.15 (4) For ASAM level 2.5 partial hospitalization clients, adults must receive 20 hours or  
128.16 more of ~~skilled~~ psychosocial treatment services. Services must be licensed according to  
128.17 section 245G.20 ~~and must meet requirements under section 256B.0759~~. Level 2.5 is for  
128.18 clients who need daily monitoring in a structured setting, as directed by the individual  
128.19 treatment plan and in accordance with the limitations in section 254B.05, subdivision 5,  
128.20 paragraph (h). If clinically indicated on the client's treatment plan, this service may be  
128.21 provided in conjunction with room and board according to section 254B.05, subdivision  
128.22 1a.

128.23 (5) For ASAM level 3.1 clinically managed low-intensity residential clients, programs  
128.24 must provide at least 5 hours of ~~skilled~~ psychosocial treatment services per week according  
128.25 to each client's specific treatment schedule, as directed by the individual treatment plan.  
128.26 Programs must be licensed according to section 245G.20 and must meet requirements under  
128.27 section 256B.0759.

128.28 (6) For ASAM level 3.3 clinically managed population-specific high-intensity residential  
128.29 clients, programs must be licensed according to section 245G.20 and must meet requirements  
128.30 under section 256B.0759. Programs must have 24-hour staffing coverage. Programs must  
128.31 be enrolled as a disability responsive program as described in section 254B.01, subdivision  
128.32 4b, and must specialize in serving persons with a traumatic brain injury or a cognitive  
128.33 impairment so significant, and the resulting level of impairment so great, that outpatient or  
128.34 other levels of residential care would not be feasible or effective. Programs must provide,



129.1 at a minimum, daily ~~skilled~~ psychosocial treatment services seven days a week according  
129.2 to each client's specific treatment schedule, as directed by the individual treatment plan.

129.3 (7) For ASAM level 3.5 clinically managed high-intensity residential clients, services  
129.4 must be licensed according to section 245G.20 and must meet requirements under section  
129.5 256B.0759. Programs must have 24-hour staffing coverage and provide, at a minimum,  
129.6 daily ~~skilled~~ psychosocial treatment services seven days a week according to each client's  
129.7 specific treatment schedule, as directed by the individual treatment plan.

129.8 (8) For ASAM level withdrawal management 3.2 clinically managed clients, withdrawal  
129.9 management must be provided according to chapter 245F.

129.10 (9) For ASAM level withdrawal management 3.7 medically monitored clients, withdrawal  
129.11 management must be provided according to chapter 245F.

129.12 (b) Notwithstanding the minimum daily ~~skilled~~ psychosocial treatment service  
129.13 requirements under paragraph (a), clauses (6) and (7), ASAM level 3.3 and 3.5 vendors  
129.14 must provide each client at least 30 hours of treatment services per week for the period  
129.15 between January 1, 2024, through June 30, 2024.

129.16 Sec. 35. Minnesota Statutes 2024, section 256B.0625, subdivision 5m, is amended to read:

129.17 Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical  
129.18 assistance covers services provided by a not-for-profit certified community behavioral health  
129.19 clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

129.20 (b) The commissioner shall reimburse CCBHCs on a per-day basis for each day that an  
129.21 eligible service is delivered using the CCBHC daily bundled rate system for medical  
129.22 assistance payments as described in paragraph (c). The commissioner shall include a quality  
129.23 incentive payment in the CCBHC daily bundled rate system as described in paragraph (e).  
129.24 There is no county share for medical assistance services when reimbursed through the  
129.25 CCBHC daily bundled rate system.

129.26 (c) The commissioner shall ensure that the CCBHC daily bundled rate system for CCBHC  
129.27 payments under medical assistance meets the following requirements:

129.28 (1) the CCBHC daily bundled rate shall be a provider-specific rate calculated for each  
129.29 CCBHC, based on the daily cost of providing CCBHC services and the total annual allowable  
129.30 CCBHC costs divided by the total annual number of CCBHC visits. For calculating the  
129.31 payment rate, total annual visits include visits covered by medical assistance and visits not  
129.32 covered by medical assistance. Allowable costs include but are not limited to the salaries  
129.33 and benefits of medical assistance providers; the cost of CCBHC services provided under

130.1 section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as  
130.2 insurance or supplies needed to provide CCBHC services;

130.3 (2) payment shall be limited to one payment per day per medical assistance enrollee  
130.4 when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement  
130.5 if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph  
130.6 (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or  
130.7 licensed agency employed by or under contract with a CCBHC;

130.8 (3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735,  
130.9 subdivision 3, shall be established by the commissioner using a provider-specific rate based  
130.10 on the newly certified CCBHC's audited historical cost report data adjusted for the expected  
130.11 cost of delivering CCBHC services. Estimates are subject to review by the commissioner  
130.12 and must include the expected cost of providing the full scope of CCBHC services and the  
130.13 expected number of visits for the rate period;

130.14 (4) the commissioner shall rebase CCBHC rates once every two years following the last  
130.15 rebasing and no less than 12 months following an initial rate or a rate change due to a change  
130.16 in the scope of services. For CCBHCs certified after September 31, 2020, and before January  
130.17 1, 2021, the commissioner shall rebase rates according to this clause for services provided  
130.18 on or after January 1, 2024;

130.19 (5) the commissioner shall provide for a 60-day appeals process after notice of the results  
130.20 of the rebasing;

130.21 (6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal  
130.22 Medicaid rate is not eligible for the CCBHC rate methodology;

130.23 (7) payments for CCBHC services to individuals enrolled in managed care shall be  
130.24 coordinated with the state's phase-out of CCBHC wrap payments. The commissioner shall  
130.25 complete the phase-out of CCBHC wrap payments within 60 days of the implementation  
130.26 of the CCBHC daily bundled rate system in the Medicaid Management Information System  
130.27 (MMIS), for CCBHCs reimbursed under this chapter, with a final settlement of payments  
130.28 due made payable to CCBHCs no later than 18 months thereafter;

130.29 (8) the CCBHC daily bundled rate for each CCBHC shall be updated by trending each  
130.30 provider-specific rate by the Medicare Economic Index for primary care services. This  
130.31 update shall occur each year in between rebasing periods determined by the commissioner  
130.32 in accordance with clause (4). CCBHCs must provide data on costs and visits to the state  
130.33 annually using the CCBHC cost report established by the commissioner; and

131.1 (9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of  
131.2 services when such changes are expected to result in an adjustment to the CCBHC payment  
131.3 rate by 2.5 percent or more. The CCBHC must provide the commissioner with information  
131.4 regarding the changes in the scope of services, including the estimated cost of providing  
131.5 the new or modified services and any projected increase or decrease in the number of visits  
131.6 resulting from the change. Estimated costs are subject to review by the commissioner. Rate  
131.7 adjustments for changes in scope shall occur no more than once per year in between rebasing  
131.8 periods per CCBHC and are effective on the date of the annual CCBHC rate update.

131.9 (d) Managed care plans and county-based purchasing plans shall reimburse CCBHC  
131.10 providers at the CCBHC daily bundled rate. The commissioner shall monitor the effect of  
131.11 this requirement on the rate of access to the services delivered by CCBHC providers. If, for  
131.12 any contract year, federal approval is not received for this paragraph, the commissioner  
131.13 must adjust the capitation rates paid to managed care plans and county-based purchasing  
131.14 plans for that contract year to reflect the removal of this provision. Contracts between  
131.15 managed care plans and county-based purchasing plans and providers to whom this paragraph  
131.16 applies must allow recovery of payments from those providers if capitation rates are adjusted  
131.17 in accordance with this paragraph. Payment recoveries must not exceed the amount equal  
131.18 to any increase in rates that results from this provision. This paragraph expires if federal  
131.19 approval is not received for this paragraph at any time.

131.20 (e) The commissioner shall implement a quality incentive payment program for CCBHCs  
131.21 that meets the following requirements:

131.22 (1) a CCBHC shall receive a quality incentive payment upon meeting specific numeric  
131.23 thresholds for performance metrics established by the commissioner, in addition to payments  
131.24 for which the CCBHC is eligible under the CCBHC daily bundled rate system described in  
131.25 paragraph (c);

131.26 (2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement  
131.27 year to be eligible for incentive payments;

131.28 (3) each CCBHC shall receive written notice of the criteria that must be met in order to  
131.29 receive quality incentive payments at least 90 days prior to the measurement year; and

131.30 (4) a CCBHC must provide the commissioner with data needed to determine incentive  
131.31 payment eligibility within six months following the measurement year. The commissioner  
131.32 shall notify CCBHC providers of their performance on the required measures and the  
131.33 incentive payment amount within 12 months following the measurement year.

132.1 (f) All claims to managed care plans for CCBHC services as provided under this section  
132.2 shall be submitted directly to, and paid by, the commissioner on the dates specified no later  
132.3 than January 1 of the following calendar year, if:

132.4 (1) one or more managed care plans does not comply with the federal requirement for  
132.5 payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42,  
132.6 section 447.45(b), and the managed care plan does not resolve the payment issue within 30  
132.7 days of noncompliance; and

132.8 (2) the total amount of clean claims not paid in accordance with federal requirements  
132.9 by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims  
132.10 eligible for payment by managed care plans.

132.11 If the conditions in this paragraph are met between January 1 and June 30 of a calendar  
132.12 year, claims shall be submitted to and paid by the commissioner beginning on January 1 of  
132.13 the following year. If the conditions in this paragraph are met between July 1 and December  
132.14 31 of a calendar year, claims shall be submitted to and paid by the commissioner beginning  
132.15 on July 1 of the following year.

132.16 (g) Peer services provided by a CCBHC certified under section 245.735 are a covered  
132.17 service under medical assistance when a licensed mental health professional or alcohol and  
132.18 drug counselor determines that peer services are medically necessary. Eligibility under this  
132.19 subdivision for peer services provided by a CCBHC supersede eligibility standards under  
132.20 sections 256B.0615, 256B.0616, and 245G.07, subdivision ~~2~~ 2a, paragraph (b), clause (8)  
132.21 (2).

132.22 Sec. 36. Minnesota Statutes 2024, section 256B.0757, subdivision 4c, is amended to read:

132.23 Subd. 4c. **Behavioral health home services staff qualifications.** (a) A behavioral health  
132.24 home services provider must maintain staff with required professional qualifications  
132.25 appropriate to the setting.

132.26 (b) If behavioral health home services are offered in a mental health setting, the  
132.27 integration specialist must be a licensed nurse, as defined in section 148.171, subdivision  
132.28 9.

132.29 (c) If behavioral health home services are offered in a primary care setting, the integration  
132.30 specialist must be a mental health professional who is qualified according to section 245I.04,  
132.31 subdivision 2.

132.32 (d) If behavioral health home services are offered in either a primary care setting or  
132.33 mental health setting, the systems navigator must be a mental health practitioner who is

133.1 qualified according to section 245I.04, subdivision 4, or a community health worker as  
133.2 defined in section 256B.0625, subdivision 49.

133.3 (e) If behavioral health home services are offered in either a primary care setting or  
133.4 mental health setting, the qualified health home specialist must be one of the following:

133.5 (1) a mental health certified peer specialist who is qualified according to section 245I.04,  
133.6 subdivision 10;

133.7 (2) a mental health certified family peer specialist who is qualified according to section  
133.8 245I.04, subdivision 12;

133.9 (3) a case management associate as defined in section 245.462, subdivision 4, paragraph  
133.10 (g), or 245.4871, subdivision 4, paragraph (j);

133.11 (4) a mental health rehabilitation worker who is qualified according to section 245I.04,  
133.12 subdivision 14;

133.13 (5) a community paramedic as defined in section 144E.28, subdivision 9;

133.14 (6) a peer recovery specialist as defined in section ~~245G.07, subdivision 1, clause (5)~~  
133.15 245G.11, subdivision 8; or

133.16 (7) a community health worker as defined in section 256B.0625, subdivision 49.

133.17 Sec. 37. Minnesota Statutes 2024, section 256B.761, is amended to read:

133.18 **256B.761 REIMBURSEMENT FOR MENTAL HEALTH SERVICES.**

133.19 (a) Effective for services rendered on or after July 1, 2001, payment for medication  
133.20 management provided to psychiatric patients, outpatient mental health services, day treatment  
133.21 services, home-based mental health services, and family community support services shall  
133.22 be paid at the lower of (1) submitted charges, or (2) 75.6 percent of the 50th percentile of  
133.23 1999 charges.

133.24 (b) Effective July 1, 2001, the medical assistance rates for outpatient mental health  
133.25 services provided by an entity that operates: (1) a Medicare-certified comprehensive  
133.26 outpatient rehabilitation facility; and (2) a facility that was certified prior to January 1, 1993,  
133.27 with at least 33 percent of the clients receiving rehabilitation services in the most recent  
133.28 calendar year who are medical assistance recipients, will be increased by 38 percent, when  
133.29 those services are provided within the comprehensive outpatient rehabilitation facility and  
133.30 provided to residents of nursing facilities owned by the entity.

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

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

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

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

135.14 Sec. 38. **DIRECTION TO COMMISSIONER; SUBSTANCE USE DISORDER**  
135.15 **TREATMENT STAFF REPORT AND RECOMMENDATIONS.**

135.16 The commissioner of human services must, in consultation with the Board of Nursing,  
135.17 Board of Behavioral Health and Therapy, and Board of Medical Practice, conduct a study  
135.18 and develop recommendations to the legislature for amendments to Minnesota Statutes,  
135.19 chapter 245G, that would eliminate any limitations on licensed health professionals' ability  
135.20 to provide substance use disorder treatment services while practicing within their licensed  
135.21 or statutory scopes of practice. The commissioner must submit a report on the study and  
135.22 recommendations to the chairs and ranking minority members of the legislative committees  
135.23 with jurisdiction over human services finance and policy by January 15, 2027.

135.24 Sec. 39. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**  
135.25 **SUBSTANCE USE DISORDER TREATMENT BILLING UNITS.**

135.26 The commissioner of human services shall establish six new billing codes for counseling,  
135.27 psychoeducation, and recovery support services. The new billing codes must correspond to  
135.28 a 15-minute unit and become effective for services provided on or after July 1, 2026.

135.29 Sec. 40. **REVISOR INSTRUCTION.**

135.30 The revisor of statutes, in consultation with the House Research Department; the Office  
135.31 of Senate Counsel, Research and Fiscal Analysis; and the Department of Human Services  
135.32 shall make necessary cross-reference changes and remove statutory cross-references in  
135.33 Minnesota Statutes to conform with the renumbering in this act. The revisor may make

136.1 technical and other necessary changes to sentence structure to preserve the meaning of the  
 136.2 text. The revisor may alter the coding in this act to incorporate statutory changes made by  
 136.3 other law in the 2025 regular legislative session or a special session. If a provision stricken  
 136.4 in this act is also amended in the 2025 regular legislative session or a special session by  
 136.5 other law, the revisor shall merge the amendment into the numbering, notwithstanding  
 136.6 Minnesota Statutes, section 645.30.

136.7 Sec. 41. **REVISOR INSTRUCTION.**

136.8 The revisor of statutes shall renumber each provision of Minnesota Statutes listed in  
 136.9 column A as amended in this act to the number listed in column B. The revisor shall also  
 136.10 make necessary cross-reference changes consistent with the renumbering.

136.11 <u>Column A</u>	<u>Column B</u>
136.12 <u>254B.05, subdivision 1, paragraph (a)</u>	<u>254B.0501, subdivision 1</u>
136.13 <u>254B.05, subdivision 1, paragraph (i)</u>	<u>254B.0501, subdivision 2</u>
136.14 <u>254B.05, subdivision 4</u>	<u>254B.0501, subdivision 3</u>
136.15 <u>254B.05, subdivision 1, paragraph (b)</u>	<u>254B.0501, subdivision 4</u>
136.16 <u>254B.05, subdivision 1, paragraph (c)</u>	<u>254B.0501, subdivision 5</u>
136.17 <u>254B.05, subdivision 1, paragraph (d)</u>	<u>254B.0501, subdivision 6, paragraph (a)</u>
136.18 <u>254B.05, subdivision 1, paragraph (e)</u>	<u>254B.0501, subdivision 6, paragraph (b)</u>
136.19 <u>254B.05, subdivision 1, paragraph (f)</u>	<u>254B.0501, subdivision 6, paragraph (c)</u>
136.20 <u>254B.05, subdivision 1, paragraph (g)</u>	<u>254B.0501, subdivision 6, paragraph (d)</u>
136.21 <u>254B.05, subdivision 1, paragraph (h)</u>	<u>254B.0501, subdivision 7</u>
136.22 <u>254B.05, subdivision 1b</u>	<u>254B.0501, subdivision 8</u>
136.23 <u>254B.05, subdivision 2</u>	<u>254B.0501, subdivision 9</u>
136.24 <u>254B.05, subdivision 3</u>	<u>254B.0501, subdivision 10</u>
136.25 <u>254B.05, subdivision 1a, paragraph (a)</u>	<u>254B.0503, subdivision 1, paragraph (a)</u>
136.26 <u>254B.05, subdivision 1a, paragraph (c)</u>	<u>254B.0503, subdivision 1, paragraph (b)</u>
136.27 <u>254B.05, subdivision 1a, paragraph (d)</u>	<u>254B.0503, subdivision 1, paragraph (c)</u>
136.28 <u>254B.05, subdivision 1a, paragraph (e)</u>	<u>254B.0503, subdivision 1, paragraph (d)</u>
136.29 <u>254B.05, subdivision 1a, paragraph (b)</u>	<u>254B.0503, subdivision 2, paragraph (a)</u>
136.30 <u>254B.05, subdivision 1a, paragraph (e)</u>	<u>254B.0503, subdivision 2, paragraph (b)</u>
136.31 <u>254B.05, subdivision 5, paragraph (a)</u>	<u>254B.0505, subdivision 1</u>
136.32 <u>254B.05, subdivision 5, paragraph (c)</u>	<u>254B.0505, subdivision 2</u>
136.33 <u>254B.05, subdivision 5, paragraph (d)</u>	<u>254B.0505, subdivision 3</u>
136.34 <u>254B.05, subdivision 5, paragraph (e)</u>	<u>254B.0505, subdivision 4</u>
136.35 <u>254B.05, subdivision 5, paragraph (f)</u>	<u>254B.0505, subdivision 5</u>
136.36 <u>254B.05, subdivision 5, paragraph (g)</u>	<u>254B.0505, subdivision 6</u>



137.1	<u>254B.05, subdivision 5, paragraph (h)</u>	<u>254B.0505, subdivision 7</u>
137.2	<u>254B.05, subdivision 5, paragraph (i)</u>	<u>254B.0505, subdivision 8</u>
137.3	<u>254B.05, subdivision 5, paragraph (b), first</u>	<u>254B.0507, subdivision 1</u>
137.4	<u>sentence</u>	
137.5	<u>254B.05, subdivision 5, paragraph (b), clause</u>	<u>254B.0507, subdivision 2, paragraph (a)</u>
137.6	<u>(1), items (i) and (ii)</u>	
137.7	<u>254B.05, subdivision 5, paragraph (b), block</u>	<u>254B.0507, subdivision 2, paragraph (b)</u>
137.8	<u>left paragraph</u>	
137.9	<u>254B.05, subdivision 5, paragraph (b), clause</u>	<u>254B.0507, subdivision 3</u>
137.10	<u>(2)</u>	
137.11	<u>254B.05, subdivision 5, paragraph (b), clause</u>	<u>254B.0507, subdivision 4</u>
137.12	<u>(3)</u>	
137.13	<u>254B.05, subdivision 5, paragraph (b), clause</u>	<u>254B.0507, subdivision 5</u>
137.14	<u>(4)</u>	
137.15	<u>254B.05, subdivision 5, paragraph (b), clause</u>	<u>254B.0507, subdivision 6, paragraph (a)</u>
137.16	<u>(5)</u>	
137.17	<u>254B.05, subdivision 5, paragraph (b), clause</u>	<u>254B.0507, subdivision 6, paragraph (b)</u>
137.18	<u>(5), block left paragraph</u>	
137.19	<u>254B.05, subdivision 6, paragraph (a)</u>	<u>254B.0509, subdivision 1</u>
137.20	<u>254B.05, subdivision 6, paragraph (b)</u>	<u>254B.0509, subdivision 2</u>
137.21	<u>254B.05, subdivision 1, paragraph (j)</u>	<u>254B.052, subdivision 4</u>
137.22	<u>254B.05, subdivision 5, paragraph (j)</u>	<u>254B.052, subdivision 5</u>

137.23     Sec. 42. **REVISOR INSTRUCTION.**

137.24     The revisor of statutes shall change the terms "mental health practitioner" and "mental  
137.25 health practitioners" to "behavioral health practitioner" or "behavioral health practitioners"  
137.26 wherever they appear in Minnesota Statutes, chapter 245I.

137.27     Sec. 43. **REPEALER.**

137.28     Minnesota Statutes 2024, sections 245G.01, subdivision 20d; 245G.07, subdivision 2;  
137.29 and 254B.01, subdivision 5, are repealed.

137.30     **EFFECTIVE DATE.** This section is effective July 1, 2025.

**ARTICLE 4****HOUSING SUPPORTS**

Section 1. Minnesota Statutes 2024, section 256I.05, is amended by adding a subdivision to read:

Subd. 1v. **Supplemental rate; Blue Earth County.** Notwithstanding the provisions of subdivisions 1a and 1c, beginning July 1, 2025, a county agency shall negotiate a supplementary rate in addition to the rate specified in subdivision 1, not to exceed \$750 per month, including any legislatively authorized inflationary adjustments, for a housing support provider located in Blue Earth County that operates long-term residential facilities with a total of 20 beds that serve chemically dependent women and provide 24-hour-a-day supervision and other support services.

**ARTICLE 5****HEALTH CARE**

Section 1. Minnesota Statutes 2024, section 256.01, subdivision 29, is amended to read:

**Subd. 29. State medical review team.** (a) To ensure the timely processing of determinations of disability by the commissioner's state medical review team under sections 256B.055, subdivisions 7, paragraph (b), and 12, and 256B.057, subdivision 9, the commissioner shall review all medical evidence and seek information from providers, applicants, and enrollees to support the determination of disability where necessary. Disability shall be determined according to the rules of title XVI and title XIX of the Social Security Act and pertinent rules and policies of the Social Security Administration.

(b) Medical assistance providers must grant the state medical review team access to electronic health records held by the medical assistance providers, when available, to support efficient and accurate disability determinations.

~~(b)~~ (c) Prior to a denial or withdrawal of a requested determination of disability due to insufficient evidence, the commissioner shall (1) ensure that the missing evidence is necessary and appropriate to a determination of disability, and (2) assist applicants and enrollees to obtain the evidence, including, but not limited to, medical examinations and electronic medical records.

~~(c)~~ (d) Any appeal made under section 256.045, subdivision 3, of a disability determination made by the state medical review team must be decided according to the timelines under section 256.0451, subdivision 22, paragraph (a). If a written decision is not

139.1 issued within the timelines under section 256.0451, subdivision 22, paragraph (a), the appeal  
139.2 must be immediately reviewed by the chief human services judge.

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

139.4 Sec. 2. Minnesota Statutes 2024, section 256B.0625, subdivision 17, is amended to read:

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

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

139.12 (c) Medical assistance covers medical transportation costs incurred solely for obtaining  
139.13 emergency medical care or transportation costs incurred by eligible persons in obtaining  
139.14 emergency or nonemergency medical care when paid directly to an ambulance company,  
139.15 nonemergency medical transportation company, or other recognized providers of  
139.16 transportation services. Medical transportation must be provided by:

139.17 (1) nonemergency medical transportation providers who meet the requirements of this  
139.18 subdivision;

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

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

139.21 (4) public transportation, within the meaning of "public transportation" as defined in  
139.22 section 174.22, subdivision 7; or

139.23 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472,  
139.24 subdivision 1, paragraph (p).

139.25 (d) Medical assistance covers nonemergency medical transportation provided by  
139.26 nonemergency medical transportation providers enrolled in the Minnesota health care  
139.27 programs. All nonemergency medical transportation providers must comply with the  
139.28 operating standards for special transportation service as defined in sections 174.29 to 174.30  
139.29 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the  
139.30 commissioner and reported on the claim as the individual who provided the service. All  
139.31 nonemergency medical transportation providers shall bill for nonemergency medical  
139.32 transportation services in accordance with Minnesota health care programs criteria. Publicly

140.1 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the  
140.2 requirements outlined in this paragraph.

140.3 (e) An organization may be terminated, denied, or suspended from enrollment if:

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

140.6 (2) the provider has initiated background studies on the individuals specified in section  
140.7 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

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

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

140.12 (f) The administrative agency of nonemergency medical transportation must:

140.13 (1) adhere to the policies defined by the commissioner;

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

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

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

140.22 (g) Until the commissioner implements the single administrative structure and delivery  
140.23 system under subdivision 18e, clients shall obtain their level-of-service certificate from the  
140.24 commissioner or an entity approved by the commissioner that does not dispatch rides for  
140.25 clients using modes of transportation under paragraph (l), clauses (4), (5), (6), and (7).

140.26 (h) The commissioner may use an order by the recipient's attending physician, advanced  
140.27 practice registered nurse, physician assistant, or a medical or mental health professional to  
140.28 certify that the recipient requires nonemergency medical transportation services.

140.29 Nonemergency medical transportation providers shall perform driver-assisted services for  
140.30 eligible individuals, when appropriate. Driver-assisted service includes passenger pickup  
140.31 at and return to the individual's residence or place of business, assistance with admittance

141.1 of the individual to the medical facility, and assistance in passenger securement or in securing  
141.2 of wheelchairs, child seats, or stretchers in the vehicle.

141.3 (i) Nonemergency medical transportation providers must take clients to the health care  
141.4 provider using the most direct route, and must not exceed 30 miles for a trip to a primary  
141.5 care provider or 60 miles for a trip to a specialty care provider, unless the client receives  
141.6 authorization from the local agency.

141.7 (j) Nonemergency medical transportation providers may not bill for separate base rates  
141.8 for the continuation of a trip beyond the original destination. Nonemergency medical  
141.9 transportation providers must maintain trip logs, which include pickup and drop-off times,  
141.10 signed by the medical provider or client, whichever is deemed most appropriate, attesting  
141.11 to mileage traveled to obtain covered medical services. Clients requesting client mileage  
141.12 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical  
141.13 services.

141.14 (k) The administrative agency shall use the level of service process established by the  
141.15 commissioner to determine the client's most appropriate mode of transportation. If public  
141.16 transit or a certified transportation provider is not available to provide the appropriate service  
141.17 mode for the client, the client may receive a onetime service upgrade.

141.18 (l) The covered modes of transportation are:

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

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

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

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

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

141.32 (6) protected transport, which includes transport provided to a client who has received  
141.33 a prescreening that has deemed other forms of transportation inappropriate and who requires

142.1 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety  
142.2 locks, a video recorder, and a transparent thermoplastic partition between the passenger and  
142.3 the vehicle driver; and (ii) who is certified as a protected transport provider; and

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

142.7 (m) The local agency shall be the single administrative agency and shall administer and  
142.8 reimburse for modes defined in paragraph (l) according to paragraphs (p) and (q) when the  
142.9 commissioner has developed, made available, and funded the web-based single administrative  
142.10 structure, assessment tool, and level of need assessment under subdivision 18e. The local  
142.11 agency's financial obligation is limited to funds provided by the state or federal government.

142.12 (n) The commissioner shall:

142.13 (1) verify that the mode and use of nonemergency medical transportation is appropriate;

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

142.15 (3) investigate all complaints and appeals.

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

142.20 (p) Payments for nonemergency medical transportation must be paid based on the client's  
142.21 assessed mode under paragraph (k), not the type of vehicle used to provide the service. The  
142.22 medical assistance reimbursement rates for nonemergency medical transportation services  
142.23 that are payable by or on behalf of the commissioner for nonemergency medical  
142.24 transportation services are:

142.25 (1) \$0.22 per mile for client reimbursement;

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

142.28 (3) equivalent to the standard fare for unassisted transport when provided by public  
142.29 transit, and \$12.10 for the base rate and \$1.43 per mile when provided by a nonemergency  
142.30 medical transportation provider;

142.31 (4) \$14.30 for the base rate and \$1.43 per mile for assisted transport;

142.32 (5) \$19.80 for the base rate and \$1.70 per mile for lift-equipped/ramp transport;

143.1 (6) \$75 for the base rate for the first 100 miles and an additional \$75 for trips over 100  
143.2 miles and \$2.40 per mile for protected transport; and

143.3 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for  
143.4 an additional attendant if deemed medically necessary.

143.5 (q) The base rate for nonemergency medical transportation services in areas defined  
143.6 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in  
143.7 paragraph (p), clauses (1) to (7). The mileage rate for nonemergency medical transportation  
143.8 services in areas defined under RUCA to be rural or super rural areas is:

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

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

143.13 (r) For purposes of reimbursement rates for nonemergency medical transportation services  
143.14 under paragraphs (p) and (q), the zip code of the recipient's place of residence shall determine  
143.15 whether the urban, rural, or super rural reimbursement rate applies.

143.16 (s) The commissioner, when determining reimbursement rates for nonemergency medical  
143.17 transportation under paragraphs (p) and (q), shall exempt all modes of transportation listed  
143.18 under paragraph (l) from Minnesota Rules, part 9505.0445, item R, subitem (2).

143.19 (t) Effective for the first day of each calendar quarter in which the price of gasoline as  
143.20 posted publicly by the United States Energy Information Administration exceeds \$3.00 per  
143.21 gallon, the commissioner shall adjust the rate paid per mile in paragraph (p) by one percent  
143.22 up or down for every increase or decrease of ten cents for the price of gasoline. The increase  
143.23 or decrease must be calculated using a base gasoline price of \$3.00. The percentage increase  
143.24 or decrease must be calculated using the average of the most recently available price of all  
143.25 grades of gasoline for Minnesota as posted publicly by the United States Energy Information  
143.26 Administration.

143.27 **EFFECTIVE DATE.** This section is effective January 1, 2026.

144.1 **ARTICLE 6**

144.2 **DIRECT CARE AND TREATMENT**

144.3 Section 1. **[246.0142] FREE COMMUNICATION SERVICES FOR PATIENTS AND**  
144.4 **CLIENTS.**

144.5 Subdivision 1. **Free communication services.** The commissioner of human services  
144.6 and the Direct Care and Treatment executive board and all facilities, settings, and programs  
144.7 owned, operated, or under the programmatic or fiscal control of the commissioner of human  
144.8 services or the Direct Care and Treatment executive board are subject to section 241.252.  
144.9 The commissioner and executive board must not include the cost of voice or other  
144.10 communication services in the cost of care as defined under section 246.50 or 246B.01.

144.11 Subd. 2. **Communication service restrictions.** Notwithstanding section 241.252,  
144.12 subdivisions 2 and 4, nothing in this section entitles a civilly committed person to  
144.13 communication services restricted or limited under section 253B.03, subdivision 3, or  
144.14 253D.19.

144.15 Sec. 2. Minnesota Statutes 2024, section 256G.08, subdivision 1, is amended to read:

144.16 Subdivision 1. **Commitment and competency proceedings.** In cases of voluntary  
144.17 admission, ~~or~~ commitment to state or other institutions, or criminal orders for inpatient  
144.18 examination or participation in a competency attainment program under chapter 611, the  
144.19 committing county or the county from which the first criminal order for inpatient examination  
144.20 or order for participation in a competency attainment program under chapter 611 is issued  
144.21 shall initially pay for all costs. This includes the expenses of the taking into custody,  
144.22 confinement, emergency holds under sections 253B.051, subdivisions 1 and 2, and 253B.07,  
144.23 examination, commitment, conveyance to the place of detention, rehearing, and hearings  
144.24 under ~~section~~ sections 253B.092 and 611.47, including hearings held under ~~that section~~  
144.25 ~~which~~ those sections that are venued outside the county of commitment or the county of  
144.26 the chapter 611 competency proceedings order.

144.27 Sec. 3. Minnesota Statutes 2024, section 256G.08, subdivision 2, is amended to read:

144.28 Subd. 2. **Responsibility for nonresidents.** If a person committed, ~~or~~ voluntarily admitted  
144.29 to a state institution, or ordered for inpatient examination or participation in a competency  
144.30 attainment program under chapter 611 has no residence in this state, financial responsibility  
144.31 belongs to the county of commitment or the county from which the first criminal order for  
144.32 inpatient examination or order for participation in a competency attainment program under  
144.33 chapter 611 was issued.



145.1 Sec. 4. Minnesota Statutes 2024, section 256G.09, subdivision 1, is amended to read:

145.2 Subdivision 1. **General procedures.** If upon investigation the local agency decides that  
145.3 the application, ~~or~~ commitment, or first criminal order under chapter 611 was not filed in  
145.4 the county of financial responsibility as defined by this chapter, but that the applicant is  
145.5 otherwise eligible for assistance, it shall send a copy of the application, ~~or~~ commitment  
145.6 claim, or chapter 611 claim together with the record of any investigation it has made, to the  
145.7 county it believes is financially responsible. The copy and record must be sent within 60  
145.8 days of the date the application was approved or the claim was paid. The first local agency  
145.9 shall provide assistance to the applicant until financial responsibility is transferred under  
145.10 this section.

145.11 The county receiving the transmittal has 30 days to accept or reject financial  
145.12 responsibility. A failure to respond within 30 days establishes financial responsibility by  
145.13 the receiving county.

145.14 Sec. 5. Minnesota Statutes 2024, section 256G.09, subdivision 2, is amended to read:

145.15 Subd. 2. **Financial disputes.** (a) If the county receiving the transmittal does not believe  
145.16 it is financially responsible, it should provide to the commissioner of human services and  
145.17 the initially responsible county a statement of all facts and documents necessary for the  
145.18 commissioner to make the requested determination of financial responsibility. The submission  
145.19 must clearly state the program area in dispute and must state the specific basis upon which  
145.20 the submitting county is denying financial responsibility.

145.21 (b) The initially responsible county then has 15 calendar days to submit its position and  
145.22 any supporting evidence to the commissioner. The absence of a submission by the initially  
145.23 responsible county does not limit the right of the commissioner of human services or Direct  
145.24 Care and Treatment executive board to issue a binding opinion based on the evidence actually  
145.25 submitted.

145.26 (c) A case must not be submitted until the local agency taking the application, ~~or~~ making  
145.27 the commitment, or residing in the county from which the first criminal order under chapter  
145.28 611 was issued has made an initial determination about eligibility and financial responsibility,  
145.29 and services have been initiated. This paragraph does not prohibit the submission of closed  
145.30 cases that otherwise meet the applicable statute of limitations.

146.1 Sec. 6. Minnesota Statutes 2024, section 611.43, is amended by adding a subdivision to  
146.2 read:

146.3 Subd. 5. **Costs related to confined treatment.** (a) When a defendant is ordered to  
146.4 participate in an examination in a treatment facility, a locked treatment facility, or a  
146.5 state-operated treatment facility under subdivision 1, paragraph (b), the facility shall bill  
146.6 the responsible health plan first. The county in which the criminal charges are filed is  
146.7 responsible to pay any charges not covered by the health plan, including co-pays and  
146.8 deductibles. If the defendant has health plan coverage and is confined in a hospital, but the  
146.9 hospitalization does not meet the criteria in section 62M.07, subdivision 2, clause (1);  
146.10 62Q.53; 62Q.535, subdivision 1; or 253B.045, subdivision 6, the county in which criminal  
146.11 charges are filed is responsible for payment.

146.12 (b) The Direct Care and Treatment executive board shall determine the cost of  
146.13 confinement in a state-operated treatment facility based on the executive board's  
146.14 determination of cost of care pursuant to section 246.50, subdivision 5.

146.15 Sec. 7. Minnesota Statutes 2024, section 611.46, subdivision 1, is amended to read:

146.16 Subdivision 1. **Order to competency attainment program.** (a) If the court finds the  
146.17 defendant incompetent and the charges have not been dismissed, the court shall order the  
146.18 defendant to participate in a program to assist the defendant in attaining competency. The  
146.19 court may order participation in a competency attainment program provided outside of a  
146.20 jail, a jail-based competency attainment program, or an alternative program. The court must  
146.21 determine the least-restrictive program appropriate to meet the defendant's needs and public  
146.22 safety. In making this determination, the court must consult with the forensic navigator and  
146.23 consider any recommendations of the court examiner. The court shall not order a defendant  
146.24 to participate in a jail-based program or a state-operated treatment program if the highest  
146.25 criminal charge is a targeted misdemeanor.

146.26 (b) If the court orders the defendant to a locked treatment facility or jail-based program,  
146.27 the court must calculate the defendant's custody credit and cannot order the defendant to a  
146.28 locked treatment facility or jail-based program for a period that would cause the defendant's  
146.29 custody credit to exceed the maximum sentence for the underlying charge.

146.30 (c) The court may only order the defendant to participate in competency attainment at  
146.31 an inpatient or residential treatment program under this section if the head of the treatment  
146.32 program determines that admission to the program is clinically appropriate and consents to  
146.33 the defendant's admission. The court may only order the defendant to participate in  
146.34 competency attainment at a state-operated treatment facility under this section if the Direct

147.1 Care and Treatment executive board or a designee determines that admission of the defendant  
147.2 is clinically appropriate and consents to the defendant's admission. The court may require  
147.3 a competency program that qualifies as a locked facility or a state-operated treatment program  
147.4 to notify the court in writing of the basis for refusing consent for admission of the defendant  
147.5 in order to ensure transparency and maintain an accurate record. The court may not require  
147.6 personal appearance of any representative of a competency program. The court shall send  
147.7 a written request for notification to the locked facility or state-operated treatment program  
147.8 and the locked facility or state-operated treatment program shall provide a written response  
147.9 to the court within ten days of receipt of the court's request.

147.10 (d) If the defendant is confined in jail and has not received competency attainment  
147.11 services within 30 days of the finding of incompetency, the court shall review the case with  
147.12 input from the prosecutor and defense counsel and may:

147.13 (1) order the defendant to participate in an appropriate competency attainment program  
147.14 that takes place outside of a jail;

147.15 (2) order a conditional release of the defendant with conditions that include but are not  
147.16 limited to a requirement that the defendant participate in a competency attainment program  
147.17 when one becomes available and accessible;

147.18 (3) make a determination as to whether the defendant is likely to attain competency in  
147.19 the reasonably foreseeable future and proceed under section 611.49; or

147.20 (4) upon a motion, dismiss the charges in the interest of justice.

147.21 (e) The court may order any hospital, treatment facility, or correctional facility that has  
147.22 provided care or supervision to a defendant in the previous two years to provide copies of  
147.23 the defendant's medical records to the competency attainment program or alternative program  
147.24 in which the defendant was ordered to participate. This information shall be provided in a  
147.25 consistent and timely manner and pursuant to all applicable laws.

147.26 (f) If at any time the defendant refuses to participate in a competency attainment program  
147.27 or an alternative program, the head of the program shall notify the court and any entity  
147.28 responsible for supervision of the defendant.

147.29 (g) At any time, the head of the program may discharge the defendant from the program  
147.30 or facility. The head of the program must notify the court, prosecutor, defense counsel, and  
147.31 any entity responsible for the supervision of the defendant prior to any planned discharge.  
147.32 Absent emergency circumstances, this notification shall be made five days prior to the  
147.33 discharge if the defendant is not being discharged to jail or a correctional facility. Upon the

148.1 receipt of notification of discharge or upon the request of either party in response to  
148.2 notification of discharge, the court may order that a defendant who is subject to bail or  
148.3 unmet conditions of release be returned to jail upon being discharged from the program or  
148.4 facility. If the court orders a defendant returned to jail, the court shall notify the parties and  
148.5 head of the program at least one day before the defendant's planned discharge, except in  
148.6 the event of an emergency discharge where one day notice is not possible. The court must  
148.7 hold a review hearing within seven days of the defendant's return to jail. The forensic  
148.8 navigator must be given notice of the hearing and be allowed to participate.

148.9 (h) If the defendant is discharged from the program or facility under emergency  
148.10 circumstances, notification of emergency discharge shall include a description of the  
148.11 emergency circumstances and may include a request for emergency transportation. The  
148.12 court shall make a determination on a request for emergency transportation within 24 hours.  
148.13 Nothing in this section prohibits a law enforcement agency from transporting a defendant  
148.14 pursuant to any other authority.

148.15 (i) If the defendant is ordered to participate in an inpatient or residential competency  
148.16 attainment or alternative program, the program or facility must notify the court, prosecutor,  
148.17 defense counsel, forensic navigator, and any entity responsible for the supervision of the  
148.18 defendant if the defendant is placed on a leave or elopement status from the program and  
148.19 if the defendant returns to the program from a leave or elopement status.

148.20 (j) Defense counsel, prosecutors, and forensic navigators must have access to information  
148.21 relevant to a defendant's participation and treatment in a competency attainment program  
148.22 or alternative program, including but not limited to discharge planning.

148.23 Sec. 8. Minnesota Statutes 2024, section 611.55, is amended by adding a subdivision to  
148.24 read:

148.25 Subd. 5. **Data access.** Forensic navigators must have access to all data collected, created,  
148.26 or maintained by a competency attainment program or an alternative program regarding a  
148.27 defendant in order for navigators to carry out their duties under this section. A competency  
148.28 attainment program or alternative program may request a copy of the court order appointing  
148.29 the forensic navigator before disclosing any private information about a defendant.

## ARTICLE 7

## DEPARTMENT OF DIRECT CARE AND TREATMENT ESTABLISHMENT

Section 1. Minnesota Statutes 2024, section 10.65, subdivision 2, is amended to read:

Subd. 2. **Definitions.** As used in this section, the following terms have the meanings given:

(1) "agency" means the Department of Administration; Department of Agriculture; Department of Children, Youth, and Families; Department of Commerce; Department of Corrections; Department of Direct Care and Treatment; Department of Education; Department of Employment and Economic Development; Department of Health; Office of Higher Education; Housing Finance Agency; Department of Human Rights; Department of Human Services; Department of Information Technology Services; Department of Iron Range Resources and Rehabilitation; Department of Labor and Industry; Minnesota Management and Budget; Bureau of Mediation Services; Department of Military Affairs; Metropolitan Council; Department of Natural Resources; Pollution Control Agency; Department of Public Safety; Department of Revenue; Department of Transportation; Department of Veterans Affairs; ~~Direct Care and Treatment~~; Gambling Control Board; Racing Commission; the Minnesota Lottery; the Animal Health Board; the Public Utilities Commission; and the Board of Water and Soil Resources;

(2) "consultation" means the direct and interactive involvement of the Minnesota Tribal governments in the development of policy on matters that have Tribal implications. Consultation is the proactive, affirmative process of identifying and seeking input from appropriate Tribal governments and considering their interest as a necessary and integral part of the decision-making process. This definition adds to statutorily mandated notification procedures. During a consultation, the burden is on the agency to show that it has made a good faith effort to elicit feedback. Consultation is a formal engagement between agency officials and the governing body or bodies of an individual Minnesota Tribal government that the agency or an individual Tribal government may initiate. Formal meetings or communication between top agency officials and the governing body of a Minnesota Tribal government is a necessary element of consultation;

(3) "matters that have Tribal implications" means rules, legislative proposals, policy statements, or other actions that have substantial direct effects on one or more Minnesota Tribal governments, or on the distribution of power and responsibilities between the state and Minnesota Tribal governments;

150.1 (4) "Minnesota Tribal governments" means the federally recognized Indian Tribes located  
150.2 in Minnesota including: Bois Forte Band; Fond Du Lac Band; Grand Portage Band; Leech  
150.3 Lake Band; Mille Lacs Band; White Earth Band; Red Lake Nation; Lower Sioux Indian  
150.4 Community; Prairie Island Indian Community; Shakopee Mdewakanton Sioux Community;  
150.5 and Upper Sioux Community; and

150.6 (5) "timely and meaningful" means done or occurring at a favorable or useful time that  
150.7 allows the result of consultation to be included in the agency's decision-making process for  
150.8 a matter that has Tribal implications.

150.9 Sec. 2. Minnesota Statutes 2024, section 15.01, is amended to read:

150.10 **15.01 DEPARTMENTS OF THE STATE.**

150.11 The following agencies are designated as the departments of the state government: the  
150.12 Department of Administration; the Department of Agriculture; the Department of Children,  
150.13 Youth, and Families; the Department of Commerce; the Department of Corrections; the  
150.14 Department of Direct Care and Treatment; the Department of Education; the Department  
150.15 of Employment and Economic Development; the Department of Health; the Department of  
150.16 Human Rights; the Department of Human Services; the Department of Information  
150.17 Technology Services; the Department of Iron Range Resources and Rehabilitation; the  
150.18 Department of Labor and Industry; the Department of Management and Budget; the  
150.19 Department of Military Affairs; the Department of Natural Resources; the Department of  
150.20 Public Safety; the Department of Revenue; the Department of Transportation; the Department  
150.21 of Veterans Affairs; and their successor departments.

150.22 Sec. 3. Minnesota Statutes 2024, section 15.06, subdivision 1, is amended to read:

150.23 Subdivision 1. **Applicability.** This section applies to the following departments or  
150.24 agencies: the Departments of Administration; Agriculture; Children, Youth, and Families;  
150.25 Commerce; Corrections; Direct Care and Treatment; Education; Employment and Economic  
150.26 Development; Health; Human Rights; Human Services; Iron Range Resources and  
150.27 Rehabilitation; Labor and Industry; Management and Budget; Natural Resources; Public  
150.28 Safety; Revenue; Transportation; and Veterans Affairs; the Housing Finance and Pollution  
150.29 Control Agencies; the Department of Information Technology Services; the Bureau of  
150.30 Mediation Services; and their successor departments and agencies. The heads of the foregoing  
150.31 departments or agencies are "commissioners."

151.1 Sec. 4. Minnesota Statutes 2024, section 43A.241, is amended to read:

151.2 **43A.241 INSURANCE CONTRIBUTIONS; FORMER EMPLOYEES.**

151.3 (a) This section applies to a person who:

151.4 (1) was employed by the commissioner of corrections, the commissioner of human  
151.5 services, or the commissioner of direct care and treatment ~~executive board~~;

151.6 (2) was covered by the correctional employee retirement plan under section 352.91 or  
151.7 the general state employees retirement plan of the Minnesota State Retirement System as  
151.8 defined in section 352.021;

151.9 (3) while employed under clause (1), was assaulted by:

151.10 (i) a person under correctional supervision for a criminal offense; or

151.11 (ii) a client or patient at the Minnesota Sex Offender Program, or at a state-operated  
151.12 forensic services program as defined in section 352.91, subdivision 3j; and

151.13 (4) as a direct result of the assault under clause (3), was determined to be totally and  
151.14 permanently physically disabled under laws governing the Minnesota State Retirement  
151.15 System.

151.16 (b) For a person to whom this section applies, the commissioner of corrections, the  
151.17 commissioner of human services, or the commissioner of direct care and treatment ~~executive~~  
151.18 ~~board~~, using existing budget resources, must continue to make the employer contribution  
151.19 for medical and dental benefits under the State Employee Group Insurance Program after  
151.20 the person terminates state service. If the person had dependent coverage at the time of  
151.21 terminating state service, employer contributions for dependent coverage also must continue  
151.22 under this section. The employer contributions must be in the amount of the employer  
151.23 contribution for active state employees at the time each payment is made. The employer  
151.24 contributions must continue until the person reaches age 65, provided the person makes the  
151.25 required employee contributions, in the amount required of an active state employee, at the  
151.26 time and in the manner specified by the commissioner ~~or executive board~~.

151.27 Sec. 5. Minnesota Statutes 2024, section 246C.01, is amended to read:

151.28 **246C.01 TITLE.**

151.29 This chapter may be cited as the "Department of Direct Care and Treatment Act."

152.1 Sec. 6. Minnesota Statutes 2024, section 246C.015, subdivision 3, is amended to read:

152.2 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of ~~human services~~  
152.3 direct care and treatment.

152.4 Sec. 7. Minnesota Statutes 2024, section 246C.015, is amended by adding a subdivision  
152.5 to read:

152.6 Subd. 5b. **Department.** "Department" means the Department of Direct Care and  
152.7 Treatment.

152.8 Sec. 8. Minnesota Statutes 2024, section 246C.02, subdivision 1, is amended to read:

152.9 Subdivision 1. **Establishment.** The Department of Direct Care and Treatment is created  
152.10 as an agency headed by an executive board established.

152.11 Sec. 9. Minnesota Statutes 2024, section 246C.04, subdivision 2, is amended to read:

152.12 Subd. 2. **Transfer of custody of civilly committed persons.** The commissioner of  
152.13 human services shall continue to exercise all authority and responsibility for and retain  
152.14 custody of persons subject to civil commitment under chapter 253B or 253D until July 1,  
152.15 2025. Effective July 1, 2025, custody of persons subject to civil commitment under chapter  
152.16 253B or 253D and in the custody of the commissioner of human services as of that date is  
152.17 hereby transferred to the ~~executive board~~ commissioner without any further act or proceeding.  
152.18 Authority and responsibility for the commitment of such persons is transferred to the  
152.19 ~~executive board~~ commissioner July 1, 2025.

152.20 Sec. 10. Minnesota Statutes 2024, section 246C.04, subdivision 3, is amended to read:

152.21 Subd. 3. **Control of direct care and treatment.** The commissioner of human services  
152.22 shall continue to exercise all authorities and responsibilities under this chapter and chapters  
152.23 13, 245, 246, 246B, 252, 253, 253B, 253C, 253D, 254A, 254B, and 256, with reference to  
152.24 any state-operated service, program, or facility subject to transfer under Laws 2024, chapter  
152.25 79; Laws 2024, chapter 125, article 5; and Laws 2024, chapter 127, article 50, until July 1,  
152.26 2025. Effective July 1, 2025, the powers and duties vested in or imposed upon the  
152.27 commissioner of human services with reference to any state-operated service, program, or  
152.28 facility are hereby transferred to, vested in, and imposed upon the ~~executive board~~  
152.29 commissioner according to this chapter and applicable state law. Effective July 1, 2025, the  
152.30 ~~executive board~~ commissioner has the exclusive power of administration and management  
152.31 of all state hospitals for persons with a developmental disability, mental illness, or substance



153.1 use disorder. Effective July 1, 2025, the ~~executive board~~ commissioner has the power and  
153.2 authority to determine all matters relating to the development of all of the foregoing  
153.3 institutions and of such other institutions vested in the ~~executive board~~ commissioner.  
153.4 Effective July 1, 2025, the powers, functions, and authority vested in the commissioner of  
153.5 human services relative to such state institutions are transferred to the ~~executive board~~  
153.6 commissioner according to this chapter and applicable state law.

153.7 Sec. 11. Minnesota Statutes 2024, section 246C.07, subdivision 1, is amended to read:

153.8 Subdivision 1. **Generally.** (a) The ~~executive board~~ commissioner must operate the  
153.9 ~~agency department~~ according to this chapter and applicable state and federal law. The overall  
153.10 management and control of the ~~agency department~~ is vested in the ~~executive board~~  
153.11 commissioner in accordance with this chapter.

153.12 (b) The ~~executive board~~ commissioner must appoint a chief executive officer according  
153.13 to section 246C.08. The chief executive officer is responsible for the administrative and  
153.14 operational duties of the Department of Direct Care and Treatment in accordance with this  
153.15 chapter and serves as the deputy commissioner for the purposes of section 15.06 and as  
153.16 deputy agency head for the purposes of section 43A.08.

153.17 (c) The ~~executive board~~ commissioner may delegate duties imposed by this chapter and  
153.18 under applicable state and federal law as deemed appropriate by the ~~board~~ commissioner  
153.19 and in accordance with this chapter. Any delegation of a specified statutory duty or power  
153.20 to an employee of the Department of Direct Care and Treatment other than the chief executive  
153.21 officer must be made by written order and filed with the secretary of state. Only the chief  
153.22 executive officer shall have the powers and duties of the ~~executive board~~ commissioner as  
153.23 specified in section 246C.08.

153.24 Sec. 12. Minnesota Statutes 2024, section 246C.07, subdivision 2, is amended to read:

153.25 Subd. 2. **Principles.** The ~~executive board~~ commissioner, in undertaking ~~its~~ the  
153.26 commissioner's duties and responsibilities and within the Department of Direct Care and  
153.27 Treatment resources, shall act according to the following principles:

153.28 (1) prevent the waste or unnecessary spending of public money;

153.29 (2) use innovative fiscal and human resource practices to manage the state's resources  
153.30 and operate the ~~agency department~~ as efficiently as possible;

153.31 (3) coordinate Department of Direct Care and Treatment activities wherever appropriate  
153.32 with the activities of other governmental agencies;

154.1 (4) use technology where appropriate to increase ~~agency~~ department productivity, improve  
154.2 customer service, increase public access to information about government, and increase  
154.3 public participation in the business of government; and

154.4 (5) utilize constructive and cooperative labor management practices to the extent  
154.5 otherwise required by chapter 43A or 179A.

154.6 Sec. 13. Minnesota Statutes 2024, section 246C.07, subdivision 8, is amended to read:

154.7 Subd. 8. **Biennial estimates; suggestions for legislation.** The ~~executive board~~  
154.8 commissioner shall prepare, for the use of the legislature, biennial estimates of appropriations  
154.9 necessary or expedient to be made for the support of the institutions and for extraordinary  
154.10 and special expenditures for buildings and other improvements. The ~~executive board~~  
154.11 commissioner shall make suggestions relative to legislation for the benefit of the institutions.  
154.12 The ~~executive board~~ commissioner shall report the estimates and suggestions to the legislature  
154.13 on or before November 15 in each even-numbered year. ~~A designee of the executive board~~  
154.14 The commissioner on request shall appear before any legislative committee and furnish any  
154.15 required information in regard to the condition of any such institution.

154.16 Sec. 14. **[246C.075] ADVISORY COUNCIL ON DIRECT CARE AND TREATMENT.**

154.17 Subdivision 1. Establishment. An Advisory Council on Direct Care and Treatment is  
154.18 established.

154.19 Subd. 2. Membership. (a) The Advisory Council on Direct Care and Treatment must  
154.20 consist of no more than 15 members appointed as provided in section 15.0597. The advisory  
154.21 council must include:

154.22 (1) one member who is a licensed physician with experience serving behavioral health  
154.23 patients or a licensed psychiatrist, appointed by the commissioner;

154.24 (2) two members with executive management experience at a hospital or health care  
154.25 system, or experience serving on the board of a hospital or health care system, appointed  
154.26 by the commissioner;

154.27 (3) three members, each appointed by the commissioner, who have experience working:

154.28 (i) in the delivery of behavioral health services;

154.29 (ii) in care coordination;

154.30 (iii) in traditional healing practices;

154.31 (iv) as a licensed health care professional;

- 155.1 (v) within health care administration; or
- 155.2 (vi) with residential services;
- 155.3 (4) one member appointed by the Association of Counties;
- 155.4 (5) one member who has an active role as a union representative representing staff at
- 155.5 the Department of Direct Care and Treatment appointed by joint representatives of the
- 155.6 following unions: American Federation of State, County, and Municipal Employees
- 155.7 (AFSCME); Minnesota Association of Professional Employees (MAPE); Minnesota Nurses
- 155.8 Association (MNA); Middle Management Association (MMA); and State Residential
- 155.9 Schools Education Association (SRSEA);
- 155.10 (6) one member appointed by the National Alliance on Mental Illness Minnesota;
- 155.11 (7) two members representing people with lived experience being served by state-operated
- 155.12 treatment programs or their families, appointed by the commissioner;
- 155.13 (8) one member appointed by the Minnesota Disability Law Center; and
- 155.14 (9) up to three additional members appointed by the commissioner reflecting community
- 155.15 interests or perspectives the commissioner deems valuable.
- 155.16 (b) Membership on the advisory council must include representation from outside the
- 155.17 seven-county metropolitan area, as defined in section 473.121, subdivision 2.
- 155.18 (c) Appointing authorities under paragraph (a) must make initial appointments by
- 155.19 September 1, 2025.
- 155.20 **Subd. 3. Terms; compensation; removal; vacancies; expiration.** (a) The membership
- 155.21 terms, compensation, removal of members, and filling of vacancies of members are as
- 155.22 provided in section 15.059, except that council members shall not receive a per diem.
- 155.23 (b) The advisory council does not expire.
- 155.24 **Subd. 4. Meetings.** (a) The members of the advisory council shall elect a chair from
- 155.25 among their membership at the first meeting and annually thereafter or upon a vacancy in
- 155.26 the chair. The advisory council shall meet at the call of the commissioner, the call of the
- 155.27 chair, or upon the call of a majority of members.
- 155.28 (b) The first meeting of the advisory council must be held no later than September 15,
- 155.29 2025.
- 155.30 **Subd. 5. Duties.** The advisory council shall advise the commissioner regarding the
- 155.31 operations of the Department of Direct Care and Treatment, the clinical standards of care

156.1 for patients and clients of state-operated programs, and provide recommendations to the  
156.2 commissioner for improving the department's role in the state's mental health care system.

156.3 Sec. 15. Minnesota Statutes 2024, section 246C.08, is amended to read:

156.4 **246C.08 CHIEF EXECUTIVE OFFICER; SERVICE; DUTIES.**

156.5 Subdivision 1. **Service.** (a) The direct care and treatment chief executive officer is  
156.6 appointed by the ~~executive board, in consultation with the governor, and serves at the~~  
156.7 ~~pleasure of the executive board, with the advice and consent of the senate~~ commissioner,  
156.8 and is the deputy commissioner for the purposes of section 15.06.

156.9 (b) The chief executive officer shall serve in the unclassified service in accordance with  
156.10 section 43A.08. The Compensation Council under section 15A.082 shall establish the salary  
156.11 of the chief executive officer.

156.12 Subd. 2. **Powers and duties.** (a) The chief executive officer's primary duty is to assist  
156.13 the ~~executive board~~ commissioner. The chief executive officer is responsible for the  
156.14 administrative and operational management of the agency.

156.15 ~~(b) The chief executive officer shall have all the powers of the executive board unless~~  
156.16 ~~the executive board directs otherwise. The chief executive officer shall have the authority~~  
156.17 ~~to speak for the executive board and Direct Care and Treatment within and outside the~~  
156.18 ~~agency.~~

156.19 ~~(e)~~ (b) In the event that a vacancy occurs for any reason within the chief executive officer  
156.20 position, the executive medical director appointed under section 246C.09 shall immediately  
156.21 become the temporary chief executive officer until the ~~executive board~~ commissioner  
156.22 appoints a new chief executive officer. During this period, the executive medical director  
156.23 shall have all the powers and authority delegated to the chief executive officer by the ~~board~~  
156.24 commissioner and specified in this chapter.

156.25 Subd. 3. **Minimum qualifications.** The chief executive officer must be selected by the  
156.26 commissioner without regard to political affiliation and must have wide and successful  
156.27 administrative experience in and understanding of health care, preferably behavioral health  
156.28 care, including clinical and operational needs of a large health care service and delivery  
156.29 organization.

156.30 Sec. 16. Minnesota Statutes 2024, section 246C.09, subdivision 3, is amended to read:

156.31 Subd. 3. **Duties.** The executive medical director shall:

157.1 (1) oversee the clinical provision of inpatient mental health services provided in the  
157.2 state's regional treatment centers;

157.3 (2) recruit and retain psychiatrists to serve on the ~~Direct Care and Treatment~~ department  
157.4 medical staff established in subdivision 4;

157.5 (3) consult with the ~~executive board, the chief executive officer,~~ commissioner, the chief  
157.6 executive officer, and community mental health center directors to develop standards for  
157.7 treatment and care of patients in state-operated service programs;

157.8 (4) develop and oversee a continuing education program for members of the medical  
157.9 staff; and

157.10 (5) participate and cooperate in the development and maintenance of a quality assurance  
157.11 program for state-operated services that assures that residents receive continuous quality  
157.12 inpatient, outpatient, and postdischarge care.

157.13 Sec. 17. Minnesota Statutes 2024, section 246C.091, subdivision 2, is amended to read:

157.14 Subd. 2. **Facilities management account.** A facilities management account is created  
157.15 in the special revenue fund of the state treasury. Beginning July 1, 2025, money in the  
157.16 account is appropriated to the commissioner of direct care and treatment ~~executive board~~  
157.17 and may be used to maintain buildings, acquire facilities, renovate existing buildings, or  
157.18 acquire land for the design and construction of buildings for ~~Direct Care and Treatment~~  
157.19 department use. Money received for maintaining state property under control of the ~~executive~~  
157.20 ~~board~~ commissioner may be deposited into this account.

157.21 Sec. 18. Minnesota Statutes 2024, section 246C.091, subdivision 3, is amended to read:

157.22 Subd. 3. **Direct care and treatment systems account.** (a) The direct care and treatment  
157.23 systems account is created in the special revenue fund of the state treasury. Beginning July  
157.24 1, 2025, money in the account is appropriated to the commissioner of direct care and  
157.25 ~~treatment executive board~~ and may be used for security systems and information technology  
157.26 projects, services, and support under the control of the ~~executive board~~ commissioner.

157.27 (b) The commissioner of human services shall transfer all money allocated to the direct  
157.28 care and treatment systems projects under section 256.014 to the direct care and treatment  
157.29 systems account under this section by June 30, 2026.

158.1 Sec. 19. Minnesota Statutes 2024, section 246C.091, subdivision 4, is amended to read:

158.2 Subd. 4. **Cemetery maintenance account.** The cemetery maintenance account is created  
158.3 in the special revenue fund of the state treasury. Money in the account is appropriated to  
158.4 the ~~executive board~~ commissioner of direct care and treatment for the maintenance of  
158.5 cemeteries under control of the ~~executive board~~ commissioner. Money allocated to ~~Direct~~  
158.6 ~~Care and Treatment~~ department cemeteries may be transferred to this account.

158.7 Sec. 20. Laws 2024, chapter 127, article 50, section 41, subdivision 2, is amended to read:

158.8 Subd. 2. **Chief executive officer.** (a) The commissioner of direct care and treatment  
158.9 ~~executive board~~ must appoint as the initial chief executive officer for direct care and treatment  
158.10 under Minnesota Statutes, section ~~246C.07~~ 246C.08, the chief executive officer of the direct  
158.11 care and treatment division of the Department of Human Services holding that position at  
158.12 the time the initial appointment is made by the ~~board~~ commissioner. The initial appointment  
158.13 of the chief executive officer must be made by the ~~executive board~~ commissioner by July  
158.14 1, 2025. ~~The initial appointment of the chief executive officer is subject to confirmation by~~  
158.15 ~~the senate.~~

158.16 (b) In its report issued April 1, 2025, the Compensation Council under Minnesota Statutes,  
158.17 section 15A.082, must establish the salary of the chief executive officer at an amount equal  
158.18 to or greater than the amount paid to the chief executive officer of the direct care and  
158.19 treatment division of the Department of Human Services as of the date of initial appointment.  
158.20 The salary of the chief executive officer shall become effective July 1, 2025, pursuant to  
158.21 Minnesota Statutes, section 15A.082, subdivision 3. Notwithstanding Minnesota Statutes,  
158.22 sections 15A.082 and 246C.08, subdivision 1, if the initial appointment of the chief executive  
158.23 officer occurs prior to the effective date of the salary specified by the Compensation Council  
158.24 in its April 1, 2025, report, the salary of the chief executive officer must equal the amount  
158.25 paid to the chief executive officer of the direct care and treatment division of the Department  
158.26 of Human Services as of the date of initial appointment.

158.27 Sec. 21. **INITIAL APPOINTMENT OF COMMISSIONER OF DIRECT CARE**  
158.28 **AND TREATMENT.**

158.29 The initial appointment of a commissioner of direct care and treatment or initial  
158.30 designation of a temporary commissioner of direct care and treatment by the governor under  
158.31 Minnesota Statutes, section 15.06, must be made by July 1, 2025. Notwithstanding Minnesota  
158.32 Statutes, section 15.066, subdivision 2, clause (4), the initial appointment of a commissioner

159.1 of direct care and treatment or initial designation of a temporary commissioner of direct  
159.2 care and treatment is effective no earlier than July 1, 2025.

159.3     Sec. 22. **SALARY FOR THE COMMISSIONER OF THE DEPARTMENT OF**  
159.4 **DIRECT CARE AND TREATMENT.**

159.5     If the initial appointment of the commissioner of the Department of Direct Care and  
159.6 Treatment occurs prior to the commissioner's salary being determined by the Compensation  
159.7 Council under Minnesota Statutes, section 15A.082, the commissioner's salary must equal  
159.8 the salary of the chief executive officer of direct care and treatment, as determined under  
159.9 Minnesota Statutes, section 15A.0815, subdivision 2.

159.10     **EFFECTIVE DATE.** This section is effective the day following final enactment and  
159.11 expires upon adoption by the Compensation Council of a salary for the position of  
159.12 commissioner of the Department of Direct Care and Treatment.

159.13     Sec. 23. **DISSOLUTION OF THE DIRECT CARE AND TREATMENT EXECUTIVE**  
159.14 **BOARD.**

159.15     Subdivision 1. **Dissolution of executive board.** Upon the effective date of this section,  
159.16 the direct care and treatment executive board under Minnesota Statutes, section 246C.06,  
159.17 is dissolved.

159.18     Subd. 2. **Transfer of duties.** (a) Any authorities and responsibilities that were vested  
159.19 in the executive board prior to July 1, 2025, are transferred to the commissioner of human  
159.20 services. Minnesota Statutes, section 15.039, applies to the transfer of responsibilities from  
159.21 the direct care and treatment executive board to the commissioner of human services between  
159.22 the effective date of this section and July 1, 2025.

159.23     (b) Minnesota Statutes, section 246C.04, governs the transfer of authority and  
159.24 responsibility on July 1, 2025, from the commissioner of human services to the commissioner  
159.25 of direct care and treatment.

159.26     Sec. 24. **REVISOR INSTRUCTION.**

159.27     (a) The revisor of statutes shall change the term "Direct Care and Treatment" to "the  
159.28 Department of Direct Care and Treatment" and "agency" to "department" wherever the  
159.29 terms appear in respect to the governmental entity with programmatic direction and fiscal  
159.30 control over state-operated services, programs, or facilities under Minnesota Statutes, chapter  
159.31 246C. The revisor may make technical and other necessary changes to sentence structure  
159.32 to preserve the meaning of the text.

(b) The revisor of statutes shall change the term "executive board" to "commissioner" and "Direct Care and Treatment executive board" to "commissioner of direct care and treatment" wherever the terms appear in respect to the head of the governmental entity with programmatic direction and fiscal control over state-operated services, programs, or facilities under Minnesota Statutes, chapter 246C. The revisor may make technical and other necessary changes to sentence structure to preserve the meaning of the text.

Sec. 25. **REVISOR INSTRUCTION.**

The revisor of statutes, in consultation with the House Research Department; the Office of Senate Counsel, Research and Fiscal Analysis; the Department of Human Services; and the Department of Direct Care and Treatment, shall make necessary cross-reference changes to conform with this act. The revisor may make technical and other necessary changes to sentence structure to preserve the meaning of the text. The revisor may alter the coding in this act to incorporate statutory changes made by other law in the 2025 regular legislative session.

Sec. 26. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 246C.06, subdivision 11, as Minnesota Statutes, section 246C.07, subdivision 4a, and correct all cross-references.

Sec. 27. **REPEALER.**

(a) Minnesota Statutes 2024, sections 246C.015, subdivisions 5a and 6; 246C.06, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; and 246C.07, subdivisions 4 and 5, are repealed.

(b) Laws 2024, chapter 79, article 1, section 20, is repealed.

(c) Laws 2024, chapter 125, article 5, sections 40; and 41; and Laws 2024, chapter 127, article 50, sections 40; and 41, subdivisions 1, and 3, are repealed retroactive to July 1, 2024.

Sec. 28. **EFFECTIVE DATE.**

This article is effective the day following final enactment.



**ARTICLE 8****DEPARTMENT OF DIRECT CARE AND TREATMENT CONFORMING CHANGES**

Section 1. Minnesota Statutes 2024, section 15A.0815, subdivision 2, is amended to read:

Subd. 2. **Agency head salaries.** The salary for a position listed in this subdivision shall be determined by the Compensation Council under section 15A.082. The commissioner of management and budget must publish the salaries on the department's website. This subdivision applies to the following positions:

Commissioner of administration;

Commissioner of agriculture;

Commissioner of education;

Commissioner of children, youth, and families;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of health;

Commissioner, Minnesota Office of Higher Education;

Commissioner, Minnesota IT Services;

Commissioner, Housing Finance Agency;

Commissioner of human rights;

Commissioner of human services;

Commissioner of labor and industry;

Commissioner of management and budget;

Commissioner of natural resources;

Commissioner, Pollution Control Agency;

Commissioner of public safety;

Commissioner of revenue;

Commissioner of employment and economic development;

Commissioner of transportation;

Commissioner of veterans affairs;

- 162.1 Commissioner of direct care and treatment;
- 162.2 Executive director of the Gambling Control Board;
- 162.3 Executive director of the Minnesota State Lottery;
- 162.4 Executive director of the Office of Cannabis Management;
- 162.5 Commissioner of Iron Range resources and rehabilitation;
- 162.6 Commissioner, Bureau of Mediation Services;
- 162.7 Ombudsman for mental health and developmental disabilities;
- 162.8 Ombudsperson for corrections;
- 162.9 Chair, Metropolitan Council;
- 162.10 Chair, Metropolitan Airports Commission;
- 162.11 School trust lands director;
- 162.12 Executive director of pari-mutuel racing;
- 162.13 Commissioner, Public Utilities Commission;
- 162.14 ~~Chief Executive Officer, Direct Care and Treatment;~~ and
- 162.15 Director of the Office of Emergency Medical Services.

162.16 Sec. 2. Minnesota Statutes 2024, section 15A.082, subdivision 1, is amended to read:

162.17 Subdivision 1. **Creation.** A Compensation Council is created each odd-numbered year  
162.18 to establish the compensation of constitutional officers and the heads of state and metropolitan  
162.19 agencies identified in section 15A.0815; and to assist the legislature in establishing the  
162.20 compensation of justices of the supreme court and judges of the court of appeals and district  
162.21 court, ~~and to determine the daily compensation for voting members of the Direct Care and~~  
162.22 ~~Treatment executive board.~~

162.23 Sec. 3. Minnesota Statutes 2024, section 15A.082, subdivision 3, is amended to read:

162.24 Subd. 3. **Submission of recommendations and determination.** (a) By April 1 in each  
162.25 odd-numbered year, the Compensation Council shall submit to the speaker of the house and  
162.26 the president of the senate salary recommendations for justices of the supreme court, and  
162.27 judges of the court of appeals and district court. The recommended salaries take effect on  
162.28 July 1 of that year and July 1 of the subsequent even-numbered year and at whatever interval  
162.29 the council recommends thereafter, unless the legislature by law provides otherwise. The

163.1 salary recommendations take effect if an appropriation of money to pay the recommended  
163.2 salaries is enacted after the recommendations are submitted and before their effective date.  
163.3 Recommendations may be expressly modified or rejected.

163.4 (b) By April 1 in each odd-numbered year, the Compensation Council must prescribe  
163.5 salaries for constitutional officers, and for the agency and metropolitan agency heads  
163.6 identified in section 15A.0815. The prescribed salary for each office must take effect July  
163.7 1 of that year and July 1 of the subsequent even-numbered year and at whatever interval  
163.8 the council determines thereafter, unless the legislature by law provides otherwise. An  
163.9 appropriation by the legislature to fund the relevant office, branch, or agency of an amount  
163.10 sufficient to pay the salaries prescribed by the council constitutes a prescription by law as  
163.11 provided in the Minnesota Constitution, article V, sections 4 and 5.

163.12 ~~(c) By April 1 in each odd-numbered year, the Compensation Council must prescribe~~  
163.13 ~~daily compensation for voting members of the Direct Care and Treatment executive board.~~  
163.14 ~~The recommended daily compensation takes effect on July 1 of that year and July 1 of the~~  
163.15 ~~subsequent even-numbered year and at whatever interval the council recommends thereafter,~~  
163.16 ~~unless the legislature by law provides otherwise.~~

163.17 Sec. 4. Minnesota Statutes 2024, section 15A.082, subdivision 7, is amended to read:

163.18 Subd. 7. **No ex parte communications.** Members may not have any communication  
163.19 with a constitutional officer, a head of a state agency, or a member of the judiciary, ~~or a~~  
163.20 ~~member of the Direct Care and Treatment executive board~~ during the period after the first  
163.21 meeting is convened under this section and the date the prescribed and recommended salaries  
163.22 ~~and daily compensation~~ are submitted under subdivision 3.

163.23 Sec. 5. Minnesota Statutes 2024, section 43A.08, subdivision 1, is amended to read:

163.24 Subdivision 1. **Unclassified positions.** Unclassified positions are held by employees  
163.25 who are:

163.26 (1) chosen by election or appointed to fill an elective office;

163.27 (2) heads of agencies required by law to be appointed by the governor or other elective  
163.28 officers, and the executive or administrative heads of departments, bureaus, divisions, and  
163.29 institutions specifically established by law in the unclassified service;

163.30 (3) deputy and assistant agency heads and one confidential secretary in the agencies  
163.31 listed in subdivision 1a;

164.1 (4) the confidential secretary to each of the elective officers of this state and, for the  
164.2 secretary of state and state auditor, an additional deputy, clerk, or employee;

164.3 (5) intermittent help employed by the commissioner of public safety to assist in the  
164.4 issuance of vehicle licenses;

164.5 (6) employees in the offices of the governor and of the lieutenant governor and one  
164.6 confidential employee for the governor in the Office of the Adjutant General;

164.7 (7) employees of the Washington, D.C., office of the state of Minnesota;

164.8 (8) employees of the legislature and of legislative committees or commissions; provided  
164.9 that employees of the Legislative Audit Commission, except for the legislative auditor, the  
164.10 deputy legislative auditors, and their confidential secretaries, shall be employees in the  
164.11 classified service;

164.12 (9) presidents, vice-presidents, deans, other managers and professionals in academic  
164.13 and academic support programs, administrative or service faculty, teachers, research  
164.14 assistants, and student employees eligible under terms of the federal Economic Opportunity  
164.15 Act work study program in the Perpich Center for Arts Education and the Minnesota State  
164.16 Colleges and Universities, but not the custodial, clerical, or maintenance employees, or any  
164.17 professional or managerial employee performing duties in connection with the business  
164.18 administration of these institutions;

164.19 (10) officers and enlisted persons in the National Guard;

164.20 (11) attorneys, legal assistants, and three confidential employees appointed by the attorney  
164.21 general or employed with the attorney general's authorization;

164.22 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and  
164.23 notaries public, except referees and adjusters employed by the Department of Labor and  
164.24 Industry;

164.25 (13) members of the State Patrol; provided that selection and appointment of State Patrol  
164.26 troopers must be made in accordance with applicable laws governing the classified service;

164.27 (14) examination monitors and intermittent training instructors employed by the  
164.28 Departments of Management and Budget and Commerce and by professional examining  
164.29 boards and intermittent staff employed by the technical colleges for the administration of  
164.30 practical skills tests and for the staging of instructional demonstrations;

164.31 (15) student workers;

165.1 (16) executive directors or executive secretaries appointed by and reporting to any  
165.2 policy-making board or commission established by statute;

165.3 (17) employees unclassified pursuant to other statutory authority;

165.4 (18) intermittent help employed by the commissioner of agriculture to perform duties  
165.5 relating to pesticides, fertilizer, and seed regulation;

165.6 (19) the administrators and the deputy administrators at the State Academies for the  
165.7 Deaf and the Blind; and

165.8 (20) the chief executive officer of Direct Care and Treatment who serves as the deputy  
165.9 agency head.

165.10 Sec. 6. Minnesota Statutes 2024, section 43A.08, subdivision 1a, is amended to read:

165.11 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following  
165.12 agencies may designate additional unclassified positions according to this subdivision: the  
165.13 Departments of Administration; Agriculture; Children, Youth, and Families; Commerce;  
165.14 Corrections; Direct Care and Treatment; Education; Employment and Economic  
165.15 Development; Explore Minnesota Tourism; Management and Budget; Health; Human  
165.16 Rights; Human Services; Labor and Industry; Natural Resources; Public Safety; Revenue;  
165.17 Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies;  
165.18 the State Lottery; the State Board of Investment; the Office of Administrative Hearings; the  
165.19 Department of Information Technology Services; the Offices of the Attorney General,  
165.20 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the  
165.21 Minnesota Office of Higher Education; the Perpich Center for Arts Education; ~~Direct Care~~  
165.22 ~~and Treatment~~; the Minnesota Zoological Board; and the Office of Emergency Medical  
165.23 Services.

165.24 A position designated by an appointing authority according to this subdivision must  
165.25 meet the following standards and criteria:

165.26 (1) the designation of the position would not be contrary to other law relating specifically  
165.27 to that agency;

165.28 (2) the person occupying the position would report directly to the agency head or deputy  
165.29 agency head and would be designated as part of the agency head's management team;

165.30 (3) the duties of the position would involve significant discretion and substantial  
165.31 involvement in the development, interpretation, and implementation of agency policy;

166.1 (4) the duties of the position would not require primarily personnel, accounting, or other  
166.2 technical expertise where continuity in the position would be important;

166.3 (5) there would be a need for the person occupying the position to be accountable to,  
166.4 loyal to, and compatible with, the governor and the agency head, the employing statutory  
166.5 board or commission, or the employing constitutional officer;

166.6 (6) the position would be at the level of division or bureau director or assistant to the  
166.7 agency head; and

166.8 (7) the commissioner has approved the designation as being consistent with the standards  
166.9 and criteria in this subdivision.

166.10 Sec. 7. Minnesota Statutes 2024, section 245.021, is amended to read:

166.11 **245.021 DEFINITIONS DEFINITION.**

166.12 (a) For the purposes of this chapter, the ~~definitions~~ definition in this section ~~have~~ has  
166.13 the ~~meanings~~ meaning given ~~them~~.

166.14 (b) "Commissioner" means the commissioner of human services.

166.15 ~~(c) "Executive board" has the meaning given in section 246C.015.~~

166.16 Sec. 8. Minnesota Statutes 2024, section 245.073, is amended to read:

166.17 **245.073 TECHNICAL TRAINING; COMMUNITY-BASED PROGRAMS.**

166.18 (a) In conjunction with the discharge of persons from regional treatment centers and  
166.19 their admission to state-operated and privately operated community-based programs, the  
166.20 commissioner may provide technical training assistance to the community-based programs.  
166.21 The commissioner may apply for and accept money from any source including reimbursement  
166.22 charges from the community-based programs for reasonable costs of training. Money  
166.23 received must be deposited in the general fund and is appropriated annually to the  
166.24 commissioner of human services for training under this section.

166.25 (b) The commissioner must coordinate with the ~~executive board~~ commissioner of direct  
166.26 care and treatment or the commissioner's designee to provide technical training assistance  
166.27 to community-based programs under this section and section 246C.11, subdivision 5.

167.1 Sec. 9. Minnesota Statutes 2024, section 246.13, subdivision 1, is amended to read:

167.2 Subdivision 1. ~~Executive board~~ **Record responsibilities.** (a) The chief executive officer  
167.3 or a designee shall have, accessible only by consent of the ~~executive board~~ commissioner  
167.4 or on the order of a judge or court of record, a record showing:

167.5 (1) the residence, sex, age, nativity, occupation, civil condition, and date of entrance or  
167.6 commitment of every person, in the state-operated services facilities as defined under section  
167.7 246C.02 under exclusive control of the ~~executive board~~ commissioner;

167.8 (2) the date of discharge of any such person and whether such discharge was final;

167.9 (3) the condition of the person when the person left the state-operated services facility;

167.10 (4) the vulnerable adult abuse prevention associated with the person; and

167.11 (5) the date and cause of any death of such person.

167.12 (b) The record in paragraph (a) must state every transfer of a person from one  
167.13 state-operated services facility to another, naming each state-operated services facility. The  
167.14 head of each facility or a designee must provide this transfer information to the ~~executive~~  
167.15 ~~board~~ commissioner, along with other obtainable facts as the ~~executive board~~ commissioner  
167.16 requests.

167.17 (c) The head of the state-operated services facility or designee shall inform the ~~executive~~  
167.18 ~~board~~ commissioner of any discharge, transfer, or death of a person in that facility within  
167.19 ten days of the date of discharge, transfer, or death in a manner determined by the ~~executive~~  
167.20 ~~board~~ commissioner.

167.21 (d) The ~~executive board~~ commissioner shall maintain an adequate system of records and  
167.22 statistics for all basic record forms, including patient personal records and medical record  
167.23 forms. The use and maintenance of such records must be consistent throughout all  
167.24 state-operated services facilities.

167.25 Sec. 10. Minnesota Statutes 2024, section 246B.01, is amended by adding a subdivision  
167.26 to read:

167.27 Subd. 2e. **Commissioner.** "Commissioner" means the commissioner of direct care and  
167.28 treatment.

167.29 Sec. 11. Minnesota Statutes 2024, section 252.021, is amended by adding a subdivision  
167.30 to read:

167.31 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of human services.

168.1 Sec. 12. Minnesota Statutes 2024, section 252.50, subdivision 5, is amended to read:

168.2 Subd. 5. **Location of programs.** (a) In determining the location of state-operated,  
168.3 community-based programs, the needs of the individual client shall be paramount. The  
168.4 ~~executive board~~ commissioner of direct care and treatment shall also take into account:

168.5 (1) prioritization of beds in state-operated, community-based programs for individuals  
168.6 with complex behavioral needs that cannot be met by private community-based providers;

168.7 (2) choices made by individuals who chose to move to a more integrated setting, and  
168.8 shall coordinate with the lead agency to ensure that appropriate person-centered transition  
168.9 plans are created;

168.10 (3) the personal preferences of the persons being served and their families as determined  
168.11 by Minnesota Rules, parts 9525.0004 to 9525.0036;

168.12 (4) the location of the support services established by the individual service plans of the  
168.13 persons being served;

168.14 (5) the appropriate grouping of the persons served;

168.15 (6) the availability of qualified staff;

168.16 (7) the need for state-operated, community-based programs in the geographical region  
168.17 of the state; and

168.18 (8) a reasonable commuting distance from a regional treatment center or the residences  
168.19 of the program staff.

168.20 (b) The ~~executive board~~ commissioner of direct care and treatment must locate  
168.21 state-operated, community-based programs in coordination with the commissioner of human  
168.22 services according to section 252.28.

168.23 Sec. 13. Minnesota Statutes 2024, section 253.195, is amended by adding a subdivision  
168.24 to read:

168.25 Subd. 2a. **Commissioner.** "Commissioner" means the commissioner of direct care and  
168.26 treatment.

168.27 Sec. 14. Minnesota Statutes 2024, section 253B.02, is amended by adding a subdivision  
168.28 to read:

168.29 Subd. 2a. **Commissioner.** "Commissioner" means the commissioner of direct care and  
168.30 treatment.



169.1 Sec. 15. Minnesota Statutes 2024, section 253B.02, subdivision 3, is amended to read:

169.2 Subd. 3. **Commissioner of human services.** "Commissioner of human services" means  
169.3 the commissioner of human services or the commissioner's designee.

169.4 Sec. 16. Minnesota Statutes 2024, section 253B.02, subdivision 4c, is amended to read:

169.5 Subd. 4c. **County of financial responsibility.** (a) "County of financial responsibility"  
169.6 has the meaning specified in chapter 256G. This definition does not require that the person  
169.7 qualifies for or receives any other form of financial, medical, or social service assistance  
169.8 in addition to the services under this chapter. Disputes about the county of financial  
169.9 responsibility shall be submitted for determination to the ~~executive board~~ commissioner  
169.10 through the commissioner of human services in the manner prescribed in section 256G.09.

169.11 (b) For purposes of proper venue for filing a petition pursuant to section 253B.064,  
169.12 subdivision 1, paragraph (a); 253B.07, subdivision 1, paragraph (a); or 253D.07, where the  
169.13 designated agency of a county has determined that it is the county of financial responsibility,  
169.14 then that county is the county of financial responsibility until a different determination is  
169.15 made by the appropriate county agencies or the commissioner of human services pursuant  
169.16 to chapter 256G.

169.17 Sec. 17. Minnesota Statutes 2024, section 253B.03, subdivision 7, is amended to read:

169.18 Subd. 7. **Treatment plan.** A patient receiving services under this chapter has the right  
169.19 to receive proper care and treatment, best adapted, according to contemporary professional  
169.20 standards, to rendering further supervision unnecessary. The treatment facility, state-operated  
169.21 treatment program, or community-based treatment program shall devise a written treatment  
169.22 plan for each patient which describes in behavioral terms the case problems, the precise  
169.23 goals, including the expected period of time for treatment, and the specific measures to be  
169.24 employed. The development and review of treatment plans must be conducted as required  
169.25 under the license or certification of the treatment facility, state-operated treatment program,  
169.26 or community-based treatment program. If there are no review requirements under the  
169.27 license or certification, the treatment plan must be reviewed quarterly. The treatment plan  
169.28 shall be devised and reviewed with the designated agency and with the patient. The clinical  
169.29 record shall reflect the treatment plan review. If the designated agency or the patient does  
169.30 not participate in the planning and review, the clinical record shall include reasons for  
169.31 nonparticipation and the plans for future involvement. The commissioner of human services  
169.32 shall monitor the treatment plan and review process for state-operated treatment programs  
169.33 to ensure compliance with the provisions of this subdivision.

170.1 Sec. 18. Minnesota Statutes 2024, section 253B.041, subdivision 4, is amended to read:

170.2 Subd. 4. **Evaluation.** Counties may, but are not required to, provide engagement services.  
170.3 The commissioner of human services may conduct a pilot project evaluating the impact of  
170.4 engagement services in decreasing commitments, increasing engagement in treatment, and  
170.5 other measures.

170.6 Sec. 19. Minnesota Statutes 2024, section 253B.09, subdivision 3a, is amended to read:

170.7 Subd. 3a. **Reporting judicial commitments; private treatment program or**  
170.8 **facility.** Notwithstanding section 253B.23, subdivision 9, when a court commits a patient  
170.9 to a non-state-operated treatment facility or program, the court shall report the commitment  
170.10 to the commissioner through the supreme court information system for purposes of providing  
170.11 commitment information for firearm background checks under section 246C.15. If the  
170.12 patient is committed to a state-operated treatment program, the court shall send a copy of  
170.13 the commitment order to the commissioner ~~and the executive board~~.

170.14 Sec. 20. Minnesota Statutes 2024, section 253B.18, subdivision 6, is amended to read:

170.15 Subd. 6. **Transfer.** (a) A patient who is a person who has a mental illness and is  
170.16 dangerous to the public shall not be transferred out of a secure treatment facility unless it  
170.17 appears to the satisfaction of the ~~executive board~~ commissioner, after a hearing and favorable  
170.18 recommendation by a majority of the special review board, that the transfer is appropriate.  
170.19 Transfer may be to another state-operated treatment program. In those instances where a  
170.20 commitment also exists to the Department of Corrections, transfer may be to a facility  
170.21 designated by the commissioner of corrections.

170.22 (b) The following factors must be considered in determining whether a transfer is  
170.23 appropriate:

170.24 (1) the person's clinical progress and present treatment needs;

170.25 (2) the need for security to accomplish continuing treatment;

170.26 (3) the need for continued institutionalization;

170.27 (4) which facility can best meet the person's needs; and

170.28 (5) whether transfer can be accomplished with a reasonable degree of safety for the  
170.29 public.

171.1 (c) If a committed person has been transferred out of a secure treatment facility pursuant  
171.2 to this subdivision, that committed person may voluntarily return to a secure treatment  
171.3 facility for a period of up to 60 days with the consent of the head of the treatment facility.

171.4 (d) If the committed person is not returned to the original, nonsecure transfer facility  
171.5 within 60 days of being readmitted to a secure treatment facility, the transfer is revoked and  
171.6 the committed person must remain in a secure treatment facility. The committed person  
171.7 must immediately be notified in writing of the revocation.

171.8 (e) Within 15 days of receiving notice of the revocation, the committed person may  
171.9 petition the special review board for a review of the revocation. The special review board  
171.10 shall review the circumstances of the revocation and shall recommend to the commissioner  
171.11 whether or not the revocation should be upheld. The special review board may also  
171.12 recommend a new transfer at the time of the revocation hearing.

171.13 (f) No action by the special review board is required if the transfer has not been revoked  
171.14 and the committed person is returned to the original, nonsecure transfer facility with no  
171.15 substantive change to the conditions of the transfer ordered under this subdivision.

171.16 (g) The head of the treatment facility may revoke a transfer made under this subdivision  
171.17 and require a committed person to return to a secure treatment facility if:

171.18 (1) remaining in a nonsecure setting does not provide a reasonable degree of safety to  
171.19 the committed person or others; or

171.20 (2) the committed person has regressed clinically and the facility to which the committed  
171.21 person was transferred does not meet the committed person's needs.

171.22 (h) Upon the revocation of the transfer, the committed person must be immediately  
171.23 returned to a secure treatment facility. A report documenting the reasons for revocation  
171.24 must be issued by the head of the treatment facility within seven days after the committed  
171.25 person is returned to the secure treatment facility. Advance notice to the committed person  
171.26 of the revocation is not required.

171.27 (i) The committed person must be provided a copy of the revocation report and informed,  
171.28 orally and in writing, of the rights of a committed person under this section. The revocation  
171.29 report must be served upon the committed person, the committed person's counsel, and the  
171.30 designated agency. The report must outline the specific reasons for the revocation, including  
171.31 but not limited to the specific facts upon which the revocation is based.

171.32 (j) If a committed person's transfer is revoked, the committed person may re-petition for  
171.33 transfer according to subdivision 5.

(k) A committed person aggrieved by a transfer revocation decision may petition the special review board within seven business days after receipt of the revocation report for a review of the revocation. The matter must be scheduled within 30 days. The special review board shall review the circumstances leading to the revocation and, after considering the factors in paragraph (b), shall recommend to the commissioner whether or not the revocation shall be upheld. The special review board may also recommend a new transfer out of a secure treatment facility at the time of the revocation hearing.

Sec. 21. Minnesota Statutes 2024, section 253B.19, subdivision 2, is amended to read:

**Subd. 2. Petition; hearing.** (a) A patient committed as a person who has a mental illness and is dangerous to the public under section 253B.18, or the county attorney of the county from which the patient was committed or the county of financial responsibility, may petition the judicial appeal panel for a rehearing and reconsideration of a decision by the commissioner under section 253B.18, subdivision 5. The judicial appeal panel must not consider petitions for relief other than those considered by the ~~executive board~~ commissioner from which the appeal is taken. The petition must be filed with the supreme court within 30 days after the decision of the ~~executive board~~ commissioner is signed. The hearing must be held within 45 days of the filing of the petition unless an extension is granted for good cause.

(b) For an appeal under paragraph (a), the supreme court shall refer the petition to the chief judge of the judicial appeal panel. The chief judge shall notify the patient, the county attorney of the county of commitment, the designated agency, the ~~executive board~~ commissioner, the head of the facility or program to which the patient was committed, any interested person, and other persons the chief judge designates, of the time and place of the hearing on the petition. The notice shall be given at least 14 days prior to the date of the hearing.

(c) Any person may oppose the petition. The patient, the patient's counsel, the county attorney of the committing county or the county of financial responsibility, and the ~~executive board~~ commissioner shall participate as parties to the proceeding pending before the judicial appeal panel and shall, except when the patient is committed solely as a person who has a mental illness and is dangerous to the public, no later than 20 days before the hearing on the petition, inform the judicial appeal panel and the opposing party in writing whether they support or oppose the petition and provide a summary of facts in support of their position. The judicial appeal panel may appoint court examiners and may adjourn the hearing from time to time. It shall hear and receive all relevant testimony and evidence and make a record

173.1 of all proceedings. The patient, the patient's counsel, and the county attorney of the  
173.2 committing county or the county of financial responsibility have the right to be present and  
173.3 may present and cross-examine all witnesses and offer a factual and legal basis in support  
173.4 of their positions. The petitioning party seeking discharge or provisional discharge bears  
173.5 the burden of going forward with the evidence, which means presenting a prima facie case  
173.6 with competent evidence to show that the person is entitled to the requested relief. If the  
173.7 petitioning party has met this burden, the party opposing discharge or provisional discharge  
173.8 bears the burden of proof by clear and convincing evidence that the discharge or provisional  
173.9 discharge should be denied. A party seeking transfer under section 253B.18, subdivision 6,  
173.10 must establish by a preponderance of the evidence that the transfer is appropriate.

173.11 Sec. 22. Minnesota Statutes 2024, section 253B.20, subdivision 2, is amended to read:

173.12 Subd. 2. **Necessities.** (a) The state-operated treatment program shall make necessary  
173.13 arrangements at the expense of the state to insure that no patient is discharged or provisionally  
173.14 discharged without suitable clothing. The head of the state-operated treatment program  
173.15 shall, if necessary, provide the patient with a sufficient sum of money to secure transportation  
173.16 home, or to another destination of the patient's choice, if the destination is located within a  
173.17 reasonable distance of the state-operated treatment program.

173.18 (b) The commissioner of human services shall establish procedures by rule to help the  
173.19 patient receive all public assistance benefits provided by state or federal law to which the  
173.20 patient is entitled by residence and circumstances. The rule shall be uniformly applied in  
173.21 all counties. All counties shall provide temporary relief whenever necessary to meet the  
173.22 intent of this subdivision.

173.23 (c) The commissioner of human services and the ~~executive board~~ commissioner may  
173.24 adopt joint rules necessary to accomplish the requirements under paragraph (b).

173.25 Sec. 23. Minnesota Statutes 2024, section 253D.02, is amended by adding a subdivision  
173.26 to read:

173.27 Subd. 2a. **Commissioner.** "Commissioner" means the commissioner of direct care and  
173.28 treatment.

173.29 Sec. 24. Minnesota Statutes 2024, section 253D.02, subdivision 3, is amended to read:

173.30 Subd. 3. **Commissioner of corrections.** "Commissioner of corrections" means the  
173.31 commissioner of corrections or the commissioner's designee.

174.1 Sec. 25. Minnesota Statutes 2024, section 254B.05, subdivision 4, is amended to read:

174.2 Subd. 4. **Regional treatment centers.** Regional treatment center substance use disorder  
174.3 treatment units are eligible vendors. The ~~executive board~~ commissioner of direct care and  
174.4 treatment may expand the capacity of substance use disorder treatment units beyond the  
174.5 capacity funded by direct legislative appropriation to serve individuals who are referred for  
174.6 treatment by counties and whose treatment will be paid for by funding under this chapter  
174.7 or other funding sources. Notwithstanding the provisions of sections 254B.03 to 254B.04,  
174.8 payment for any person committed at county request to a regional treatment center under  
174.9 chapter 253B for chemical dependency treatment and determined to be ineligible under the  
174.10 behavioral health fund, shall become the responsibility of the county.

174.11 Sec. 26. Minnesota Statutes 2024, section 256.045, is amended by adding a subdivision  
174.12 to read:

174.13 Subd. 1b. **Commissioner.** For purposes of this section, "commissioner" means the  
174.14 commissioner of human services.

174.15 Sec. 27. Minnesota Statutes 2024, section 256.045, subdivision 6, is amended to read:

174.16 Subd. 6. **Additional powers of commissioner; subpoenas.** (a) The commissioner of  
174.17 human services, the commissioner of health for matters within the commissioner's jurisdiction  
174.18 under subdivision 3b, or the ~~Direct Care and Treatment executive board~~ commissioner of  
174.19 direct care and treatment for matters within the commissioner's jurisdiction ~~of the executive~~  
174.20 ~~board~~ under subdivision 5a, may initiate a review of any action or decision of a county  
174.21 agency and direct that the matter be presented to a state human services judge for a hearing  
174.22 held under subdivision 3, 3a, 3b, or 4a. In all matters dealing with human services committed  
174.23 by law to the discretion of the county agency, the judgment of the applicable commissioner  
174.24 ~~or executive board~~ may be substituted for that of the county agency. The applicable  
174.25 commissioner ~~or executive board~~ may order an independent examination when appropriate.

174.26 (b) Any party to a hearing held pursuant to subdivision 3, 3a, 3b, or 4a may request that  
174.27 the applicable commissioner ~~or executive board~~ issue a subpoena to compel the attendance  
174.28 of witnesses and the production of records at the hearing. A local agency may request that  
174.29 the applicable commissioner ~~or executive board~~ issue a subpoena to compel the release of  
174.30 information from third parties prior to a request for a hearing under section 256.046 upon  
174.31 a showing of relevance to such a proceeding. The issuance, service, and enforcement of  
174.32 subpoenas under this subdivision is governed by section 357.22 and the Minnesota Rules  
174.33 of Civil Procedure.

175.1 (c) The commissioner of human services may issue a temporary order staying a proposed  
175.2 demission by a residential facility licensed under chapter 245A:

175.3 (1) while an appeal by a recipient under subdivision 3 is pending;

175.4 (2) for the period of time necessary for the case management provider to implement the  
175.5 commissioner's order; or

175.6 (3) for appeals under subdivision 3, paragraph (a), clause (11), when the individual is  
175.7 seeking a temporary stay of demission on the basis that the county has not yet finalized an  
175.8 alternative arrangement for a residential facility, a program, or services that will meet the  
175.9 assessed needs of the individual by the effective date of the service termination, a temporary  
175.10 stay of demission may be issued for no more than 30 calendar days to allow for such  
175.11 arrangements to be finalized.

175.12 Sec. 28. Minnesota Statutes 2024, section 256.045, subdivision 7, is amended to read:

175.13 Subd. 7. **Judicial review.** Except for a prepaid health plan, any party who is aggrieved  
175.14 by an order of the commissioner of human services; the commissioner of health; or the  
175.15 commissioner of children, youth, and families in appeals within the commissioner's  
175.16 jurisdiction under subdivision 3b; or the ~~Direct Care and Treatment executive board~~  
175.17 commissioner of direct care and treatment in appeals within the commissioner's jurisdiction  
175.18 ~~of the executive board~~ under subdivision 5a may appeal the order to the district court of the  
175.19 county responsible for furnishing assistance, or, in appeals under subdivision 3b, the county  
175.20 where the maltreatment occurred, by serving a written copy of a notice of appeal upon the  
175.21 applicable commissioner ~~or executive board~~ and any adverse party of record within 30 days  
175.22 after the date the commissioner ~~or executive board~~ issued the order, the amended order, or  
175.23 order affirming the original order, and by filing the original notice and proof of service with  
175.24 the court administrator of the district court. Service may be made personally or by mail;  
175.25 service by mail is complete upon mailing; no filing fee shall be required by the court  
175.26 administrator in appeals taken pursuant to this subdivision, with the exception of appeals  
175.27 taken under subdivision 3b. The applicable commissioner ~~or executive board~~ may elect to  
175.28 become a party to the proceedings in the district court. Except for appeals under subdivision  
175.29 3b, any party may demand that the applicable commissioner ~~or executive board~~ furnish all  
175.30 parties to the proceedings with a copy of the decision, and a transcript of any testimony,  
175.31 evidence, or other supporting papers from the hearing held before the human services judge,  
175.32 by serving a written demand upon the applicable commissioner ~~or executive board~~ within  
175.33 30 days after service of the notice of appeal. Any party aggrieved by the failure of an adverse  
175.34 party to obey an order issued by the applicable commissioner ~~or executive board~~ under

176.1 subdivision 5 or 5a may compel performance according to the order in the manner prescribed  
176.2 in sections 586.01 to 586.12.

176.3 Sec. 29. Minnesota Statutes 2024, section 256G.09, subdivision 3, is amended to read:

176.4 Subd. 3. **Commissioner obligations.** (a) Except as provided in paragraph (b) for matters  
176.5 under the jurisdiction of the ~~Direct Care and Treatment executive board~~ commissioner of  
176.6 direct care and treatment, the commissioner shall then promptly decide any question of  
176.7 financial responsibility as outlined in this chapter and make an order referring the application  
176.8 to the local agency of the proper county for further action. Further action may include  
176.9 reimbursement by that county of assistance that another county has provided to the applicant  
176.10 under this subdivision. The commissioner shall decide disputes within 60 days of the last  
176.11 county evidentiary submission and shall issue an immediate opinion.

176.12 (b) For disputes regarding financial responsibility relating to matters under the jurisdiction  
176.13 of the ~~direct care and treatment executive board~~ commissioner of direct care and treatment,  
176.14 the commissioner shall promptly issue an advisory opinion on any question of financial  
176.15 responsibility as outlined in this chapter and recommend to the ~~executive board~~ commissioner  
176.16 of direct care and treatment an order referring the application to the local agency of the  
176.17 proper county for further action. Further action may include reimbursement by that county  
176.18 of assistance that another county has provided to the applicant under this subdivision. The  
176.19 commissioner shall provide an advisory opinion and recommended order to the ~~executive~~  
176.20 ~~board~~ commissioner of direct care and treatment within 30 days of the last county evidentiary  
176.21 submission. The ~~executive board~~ commissioner of direct care and treatment shall decide to  
176.22 accept or reject the commissioner's advisory opinion and recommended order within 60  
176.23 days of the last county evidentiary submission and shall issue an immediate opinion stating  
176.24 the reasons for accepting or rejecting the commissioner's recommendation.

176.25 (c) The commissioner may make any investigation ~~if the commissioner~~ if the commissioner considers proper  
176.26 before making a decision or a recommendation to the ~~executive board~~ commissioner of  
176.27 direct care and treatment. The commissioner may prescribe rules ~~if the commissioner~~  
176.28 considers necessary to carry out this subdivision except that the commissioner must not  
176.29 create rules purporting to bind the ~~executive board's decision~~ of the commissioner of direct  
176.30 care and treatment on any advisory opinion or recommended order under paragraph (b).

176.31 (d) Except as provided in paragraph (e) for matters under the jurisdiction of the ~~executive~~  
176.32 ~~board~~ commissioner of direct care and treatment, the order of the commissioner binds the  
176.33 local agency involved and the applicant or recipient. That agency shall comply with the



177.1 order unless reversed on appeal as provided in section 256.045, subdivision 7. The agency  
177.2 shall comply with the order pending the appeal.

177.3 (e) For disputes regarding financial responsibility relating to matters under the jurisdiction  
177.4 of the ~~Direct Care and Treatment executive board~~ commissioner of direct care and treatment,  
177.5 the order of the ~~executive board~~ commissioner of direct care and treatment binds the local  
177.6 agency involved and the applicant or recipient. That agency shall comply with the order of  
177.7 the ~~executive board~~ commissioner of direct care and treatment unless the order is reversed  
177.8 on appeal as provided in section 256.045, subdivision 7. The agency shall comply with the  
177.9 order of the ~~executive board~~ commissioner of direct care and treatment pending the appeal.

177.10 Sec. 30. Minnesota Statutes 2024, section 352.91, subdivision 2a, is amended to read:

177.11 Subd. 2a. **Special teachers.** "Covered correctional service" also means service rendered  
177.12 by a state employee as a special teacher employed by the Department of Corrections or by  
177.13 the Department of Direct Care and Treatment at a security unit, provided that at least 75  
177.14 percent of the employee's working time is spent in direct contact with inmates or patients  
177.15 and the fact of this direct contact is certified to the executive director by the appropriate  
177.16 commissioner ~~or executive board~~, unless the person elects to retain the current retirement  
177.17 coverage under Laws 1996, chapter 408, article 8, section 21.

177.18 Sec. 31. Minnesota Statutes 2024, section 352.91, subdivision 3c, is amended to read:

177.19 Subd. 3c. **Nursing personnel.** (a) "Covered correctional service" means service by a  
177.20 state employee in one of the employment positions at a correctional facility, in the  
177.21 state-operated forensic services program, or in the Minnesota Sex Offender Program that  
177.22 are specified in paragraph (b) if at least 75 percent of the employee's working time is spent  
177.23 in direct contact with inmates or patients and the fact of this direct contact is certified to the  
177.24 executive director by the appropriate commissioner ~~or executive board~~.

177.25 (b) The employment positions are as follows:

177.26 (1) registered nurse - senior;

177.27 (2) registered nurse;

177.28 (3) registered nurse - principal;

177.29 (4) licensed practical nurse;

177.30 (5) registered nurse advance practice; and

177.31 (6) psychiatric advance practice registered nurse.

178.1 Sec. 32. Minnesota Statutes 2024, section 352.91, subdivision 3d, is amended to read:

178.2 Subd. 3d. **Other correctional personnel.** (a) "Covered correctional service" means  
178.3 service by a state employee in one of the employment positions at a correctional facility or  
178.4 in the state-operated forensic services program specified in paragraph (b) if at least 75  
178.5 percent of the employee's working time is spent in direct contact with inmates or patients  
178.6 and the fact of this direct contact is certified to the executive director by the appropriate  
178.7 commissioner ~~or executive board~~.

178.8 (b) The employment positions are:

178.9 (1) automotive mechanic;

178.10 (2) baker;

178.11 (3) central services administrative specialist, intermediate;

178.12 (4) central services administrative specialist, principal;

178.13 (5) chaplain;

178.14 (6) chief cook;

178.15 (7) clinical program therapist 1;

178.16 (8) clinical program therapist 2;

178.17 (9) clinical program therapist 3;

178.18 (10) clinical program therapist 4;

178.19 (11) cook;

178.20 (12) cook coordinator;

178.21 (13) corrections inmate program coordinator;

178.22 (14) corrections transitions program coordinator;

178.23 (15) corrections security caseworker;

178.24 (16) corrections security caseworker career;

178.25 (17) corrections teaching assistant;

178.26 (18) delivery van driver;

178.27 (19) dentist;

178.28 (20) electrician supervisor;

- 179.1 (21) general maintenance worker lead;
- 179.2 (22) general repair worker;
- 179.3 (23) library/information research services specialist;
- 179.4 (24) library/information research services specialist senior;
- 179.5 (25) library technician;
- 179.6 (26) painter lead;
- 179.7 (27) plant maintenance engineer lead;
- 179.8 (28) plumber supervisor;
- 179.9 (29) psychologist 1;
- 179.10 (30) psychologist 3;
- 179.11 (31) recreation therapist;
- 179.12 (32) recreation therapist coordinator;
- 179.13 (33) recreation program assistant;
- 179.14 (34) recreation therapist senior;
- 179.15 (35) sports medicine specialist;
- 179.16 (36) work therapy assistant;
- 179.17 (37) work therapy program coordinator; and
- 179.18 (38) work therapy technician.

179.19 Sec. 33. Minnesota Statutes 2024, section 352.91, subdivision 4a, is amended to read:

179.20 Subd. 4a. **Process for evaluating and recommending potential employment positions**  
179.21 **for membership inclusion.** (a) The Department of Corrections and the Department of  
179.22 Direct Care and Treatment must establish a procedure for evaluating periodic requests by  
179.23 department and agency employees for qualification for recommendation by the applicable  
179.24 commissioner or executive board for inclusion of the employment position in the correctional  
179.25 facility or direct care and treatment facility in the correctional retirement plan and for  
179.26 periodically determining employment positions that no longer qualify for continued  
179.27 correctional retirement plan coverage.

179.28 (b) The procedure must provide for an evaluation of the extent of the employee's working  
179.29 time spent in direct contact with patients or inmates, the extent of the physical hazard that

180.1 the employee is routinely subjected to in the course of employment, and the extent of  
180.2 intervention routinely expected of the employee in the event of a facility incident. The  
180.3 percentage of routine direct contact with inmates or patients may not be less than 75 percent.

180.4 (c) The applicable commissioner ~~or executive board~~ shall notify the employee of the  
180.5 determination of the appropriateness of recommending the employment position for inclusion  
180.6 in the correctional retirement plan, if the evaluation procedure results in a finding that the  
180.7 employee:

180.8 (1) routinely spends 75 percent of the employee's time in direct contact with inmates or  
180.9 patients; and

180.10 (2) is regularly engaged in the rehabilitation, treatment, custody, or supervision of inmates  
180.11 or patients.

180.12 (d) After providing the affected employee an opportunity to dispute or clarify any  
180.13 evaluation determinations, if the applicable commissioner ~~or executive board~~ determines  
180.14 that the employment position is appropriate for inclusion in the correctional retirement plan,  
180.15 the commissioner ~~or executive board~~ shall forward that recommendation and supporting  
180.16 documentation to the chair of the Legislative Commission on Pensions and Retirement, the  
180.17 chair of the State and Local Governmental Operations Committee of the senate, the chair  
180.18 of the Governmental Operations and Veterans Affairs Policy Committee of the house of  
180.19 representatives, and the executive director of the Legislative Commission on Pensions and  
180.20 Retirement in the form of the appropriate proposed legislation. The recommendation must  
180.21 be forwarded to the legislature before January 15 for the recommendation to be considered  
180.22 in that year's legislative session.

180.23 Sec. 34. Minnesota Statutes 2024, section 524.3-801, is amended to read:

180.24 **524.3-801 NOTICE TO CREDITORS.**

180.25 (a) Unless notice has already been given under this section, upon appointment of a  
180.26 general personal representative in informal proceedings or upon the filing of a petition for  
180.27 formal appointment of a general personal representative, notice thereof, in the form prescribed  
180.28 by court rule, shall be given under the direction of the court administrator by publication  
180.29 once a week for two successive weeks in a legal newspaper in the county wherein the  
180.30 proceedings are pending giving the name and address of the general personal representative  
180.31 and notifying creditors of the estate to present their claims within four months after the date  
180.32 of the court administrator's notice which is subsequently published or be forever barred,  
180.33 unless they are entitled to further service of notice under paragraph (b) or (c).

181.1 (b) The personal representative shall, within three months after the date of the first  
181.2 publication of the notice, serve a copy of the notice upon each then known and identified  
181.3 creditor in the manner provided in paragraph (c). If the decedent or a predeceased spouse  
181.4 of the decedent received assistance for which a claim could be filed under section 246.53,  
181.5 256B.15, 256D.16, or 261.04, notice to the commissioner of human services or ~~Direct Care~~  
181.6 ~~and Treatment executive board~~ the commissioner of direct care and treatment, as applicable,  
181.7 must be given under paragraph (d) instead of under this paragraph or paragraph (c). A  
181.8 creditor is "known" if: (i) the personal representative knows that the creditor has asserted  
181.9 a claim that arose during the decedent's life against either the decedent or the decedent's  
181.10 estate; (ii) the creditor has asserted a claim that arose during the decedent's life and the fact  
181.11 is clearly disclosed in accessible financial records known and available to the personal  
181.12 representative; or (iii) the claim of the creditor would be revealed by a reasonably diligent  
181.13 search for creditors of the decedent in accessible financial records known and available to  
181.14 the personal representative. Under this section, a creditor is "identified" if the personal  
181.15 representative's knowledge of the name and address of the creditor will permit service of  
181.16 notice to be made under paragraph (c).

181.17 (c) Unless the claim has already been presented to the personal representative or paid,  
181.18 the personal representative shall serve a copy of the notice required by paragraph (b) upon  
181.19 each creditor of the decedent who is then known to the personal representative and identified  
181.20 either by delivery of a copy of the required notice to the creditor, or by mailing a copy of  
181.21 the notice to the creditor by certified, registered, or ordinary first class mail addressed to  
181.22 the creditor at the creditor's office or place of residence.

181.23 (d)(1) Effective for decedents dying on or after July 1, 1997, if the decedent or a  
181.24 predeceased spouse of the decedent received assistance for which a claim could be filed  
181.25 under section 246.53, 256B.15, 256D.16, or 261.04, the personal representative or the  
181.26 attorney for the personal representative shall serve the commissioner of human services or  
181.27 ~~executive board~~ the commissioner of direct care and treatment, as applicable, with notice  
181.28 in the manner prescribed in paragraph (c), or electronically in a manner prescribed by the  
181.29 applicable commissioner or executive board, as soon as practicable after the appointment  
181.30 of the personal representative. The notice must state the decedent's full name, date of birth,  
181.31 and Social Security number and, to the extent then known after making a reasonably diligent  
181.32 inquiry, the full name, date of birth, and Social Security number for each of the decedent's  
181.33 predeceased spouses. The notice may also contain a statement that, after making a reasonably  
181.34 diligent inquiry, the personal representative has determined that the decedent did not have  
181.35 any predeceased spouses or that the personal representative has been unable to determine

182.1 one or more of the previous items of information for a predeceased spouse of the decedent.  
182.2 A copy of the notice to creditors must be attached to and be a part of the notice to the  
182.3 applicable commissioner ~~or executive board~~.

182.4 (2) Notwithstanding a will or other instrument or law to the contrary, except as allowed  
182.5 in this paragraph, no property subject to administration by the estate may be distributed by  
182.6 the estate or the personal representative until 70 days after the date the notice is served on  
182.7 the commissioner of human services or ~~executive board~~ commissioner of direct care and  
182.8 treatment as provided in paragraph (c), unless the local agency consents as provided for in  
182.9 clause (6). This restriction on distribution does not apply to the personal representative's  
182.10 sale of real or personal property, but does apply to the net proceeds the estate receives from  
182.11 these sales. The personal representative, or any person with personal knowledge of the facts,  
182.12 may provide an affidavit containing the description of any real or personal property affected  
182.13 by this paragraph and stating facts showing compliance with this paragraph. If the affidavit  
182.14 describes real property, it may be filed or recorded in the office of the county recorder or  
182.15 registrar of titles for the county where the real property is located. This paragraph does not  
182.16 apply to proceedings under sections 524.3-1203 and 525.31, or when a duly authorized  
182.17 agent of a county is acting as the personal representative of the estate.

182.18 (3) At any time before an order or decree is entered under section 524.3-1001 or  
182.19 524.3-1002, or a closing statement is filed under section 524.3-1003, the personal  
182.20 representative or the attorney for the personal representative may serve an amended notice  
182.21 on the commissioner of human services or ~~executive board~~ commissioner of direct care and  
182.22 treatment to add variations or other names of the decedent or a predeceased spouse named  
182.23 in the notice, the name of a predeceased spouse omitted from the notice, to add or correct  
182.24 the date of birth or Social Security number of a decedent or predeceased spouse named in  
182.25 the notice, or to correct any other deficiency in a prior notice. The amended notice must  
182.26 state the decedent's name, date of birth, and Social Security number, the case name, case  
182.27 number, and district court in which the estate is pending, and the date the notice being  
182.28 amended was served on the applicable commissioner ~~or executive board~~. If the amendment  
182.29 adds the name of a predeceased spouse omitted from the notice, it must also state that  
182.30 spouse's full name, date of birth, and Social Security number. The amended notice must be  
182.31 served on the applicable commissioner ~~or executive board~~ in the same manner as the original  
182.32 notice. Upon service, the amended notice relates back to and is effective from the date the  
182.33 notice it amends was served, and the time for filing claims arising under section 246.53,  
182.34 256B.15, 256D.16 or 261.04 is extended by 60 days from the date of service of the amended  
182.35 notice. Claims filed during the 60-day period are undischarged and unbarred claims, may

183.1 be prosecuted by the entities entitled to file those claims in accordance with section  
183.2 524.3-1004, and the limitations in section 524.3-1006 do not apply. The personal  
183.3 representative or any person with personal knowledge of the facts may provide and file or  
183.4 record an affidavit in the same manner as provided for in clause (1).

183.5 (4) Within one year after the date an order or decree is entered under section 524.3-1001  
183.6 or 524.3-1002 or a closing statement is filed under section 524.3-1003, any person who has  
183.7 an interest in property that was subject to administration by the estate may serve an amended  
183.8 notice on the commissioner of human services or ~~executive board~~ commissioner of direct  
183.9 care and treatment to add variations or other names of the decedent or a predeceased spouse  
183.10 named in the notice, the name of a predeceased spouse omitted from the notice, to add or  
183.11 correct the date of birth or Social Security number of a decedent or predeceased spouse  
183.12 named in the notice, or to correct any other deficiency in a prior notice. The amended notice  
183.13 must be served on the applicable commissioner or ~~executive board~~ in the same manner as  
183.14 the original notice and must contain the information required for amendments under clause  
183.15 (3). If the amendment adds the name of a predeceased spouse omitted from the notice, it  
183.16 must also state that spouse's full name, date of birth, and Social Security number. Upon  
183.17 service, the amended notice relates back to and is effective from the date the notice it amends  
183.18 was served. If the amended notice adds the name of an omitted predeceased spouse or adds  
183.19 or corrects the Social Security number or date of birth of the decedent or a predeceased  
183.20 spouse already named in the notice, then, notwithstanding any other laws to the contrary,  
183.21 claims against the decedent's estate on account of those persons resulting from the amendment  
183.22 and arising under section 246.53, 256B.15, 256D.16, or 261.04 are undischarged and  
183.23 unbarred claims, may be prosecuted by the entities entitled to file those claims in accordance  
183.24 with section 524.3-1004, and the limitations in section 524.3-1006 do not apply. The person  
183.25 filing the amendment or any other person with personal knowledge of the facts may provide  
183.26 and file or record an affidavit describing affected real or personal property in the same  
183.27 manner as clause (1).

183.28 (5) After one year from the date an order or decree is entered under section 524.3-1001  
183.29 or 524.3-1002, or a closing statement is filed under section 524.3-1003, no error, omission,  
183.30 or defect of any kind in the notice to the commissioner of human services or ~~executive board~~  
183.31 commissioner of direct care and treatment required under this paragraph or in the process  
183.32 of service of the notice on the applicable commissioner or ~~executive board~~, or the failure  
183.33 to serve the applicable commissioner or ~~executive board~~ with notice as required by this  
183.34 paragraph, makes any distribution of property by a personal representative void or voidable.

184.1 The distributee's title to the distributed property shall be free of any claims based upon a  
184.2 failure to comply with this paragraph.

184.3 (6) The local agency may consent to a personal representative's request to distribute  
184.4 property subject to administration by the estate to distributees during the 70-day period after  
184.5 service of notice on the applicable commissioner ~~or executive board~~. The local agency may  
184.6 grant or deny the request in whole or in part and may attach conditions to its consent as it  
184.7 deems appropriate. When the local agency consents to a distribution, it shall give the estate  
184.8 a written certificate evidencing its consent to the early distribution of assets at no cost. The  
184.9 certificate must include the name, case number, and district court in which the estate is  
184.10 pending, the name of the local agency, describe the specific real or personal property to  
184.11 which the consent applies, state that the local agency consents to the distribution of the  
184.12 specific property described in the consent during the 70-day period following service of the  
184.13 notice on the applicable commissioner ~~or executive board~~, state that the consent is  
184.14 unconditional or list all of the terms and conditions of the consent, be dated, and may include  
184.15 other contents as may be appropriate. The certificate must be signed by the director of the  
184.16 local agency or the director's designees and is effective as of the date it is dated unless it  
184.17 provides otherwise. The signature of the director or the director's designee does not require  
184.18 any acknowledgment. The certificate shall be prima facie evidence of the facts it states,  
184.19 may be attached to or combined with a deed or any other instrument of conveyance and,  
184.20 when so attached or combined, shall constitute a single instrument. If the certificate describes  
184.21 real property, it shall be accepted for recording or filing by the county recorder or registrar  
184.22 of titles in the county in which the property is located. If the certificate describes real property  
184.23 and is not attached to or combined with a deed or other instrument of conveyance, it shall  
184.24 be accepted for recording or filing by the county recorder or registrar of titles in the county  
184.25 in which the property is located. The certificate constitutes a waiver of the 70-day period  
184.26 provided for in clause (2) with respect to the property it describes and is prima facie evidence  
184.27 of service of notice on the applicable commissioner ~~or executive board~~. The certificate is  
184.28 not a waiver or relinquishment of any claims arising under section 246.53, 256B.15, 256D.16,  
184.29 or 261.04, and does not otherwise constitute a waiver of any of the personal representative's  
184.30 duties under this paragraph. Distributees who receive property pursuant to a consent to an  
184.31 early distribution shall remain liable to creditors of the estate as provided for by law.

184.32 (7) All affidavits provided for under this paragraph:

184.33 (i) shall be provided by persons who have personal knowledge of the facts stated in the  
184.34 affidavit;



185.1 (ii) may be filed or recorded in the office of the county recorder or registrar of titles in  
185.2 the county in which the real property they describe is located for the purpose of establishing  
185.3 compliance with the requirements of this paragraph; and

185.4 (iii) are prima facie evidence of the facts stated in the affidavit.

185.5 (8) This paragraph applies to the estates of decedents dying on or after July 1, 1997.  
185.6 Clause (5) also applies with respect to all notices served on the commissioner of human  
185.7 services before July 1, 1997, under Laws 1996, chapter 451, article 2, section 55. All notices  
185.8 served on the commissioner of human services before July 1, 1997, pursuant to Laws 1996,  
185.9 chapter 451, article 2, section 55, shall be deemed to be legally sufficient for the purposes  
185.10 for which they were intended, notwithstanding any errors, omissions or other defects.

185.11 Sec. 35. Minnesota Statutes 2024, section 611.57, subdivision 2, is amended to read:

185.12 Subd. 2. **Membership.** (a) The Certification Advisory Committee consists of the  
185.13 following members:

185.14 (1) a mental health professional, as defined in section 245I.02, subdivision 27, with  
185.15 community behavioral health experience, appointed by the governor;

185.16 (2) a board-certified forensic psychiatrist with experience in competency evaluations,  
185.17 providing competency attainment services, or both, appointed by the governor;

185.18 (3) a board-certified forensic psychologist with experience in competency evaluations,  
185.19 providing competency attainment services, or both, appointed by the governor;

185.20 (4) the president of the Minnesota Corrections Association or a designee;

185.21 (5) the ~~direct care and treatment deputy commissioner~~ chief executive officer of direct  
185.22 care and treatment or a designee;

185.23 (6) the president of the Minnesota Association of County Social Service Administrators  
185.24 or a designee;

185.25 (7) the president of the Minnesota Association of Community Mental Health Providers  
185.26 or a designee;

185.27 (8) the president of the Minnesota Sheriffs' Association or a designee; and

185.28 (9) the executive director of the National Alliance on Mental Illness Minnesota or a  
185.29 designee.

(b) Members of the advisory committee serve without compensation and at the pleasure of the appointing authority. Vacancies shall be filled by the appointing authority consistent with the qualifications of the vacating member required by this subdivision.

Sec. 36. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber each provision of Minnesota Statutes listed in column A to the number listed in column B.

<u>Column A</u>	<u>Column B</u>
<u>246B.01, subdivision 2b</u>	<u>246B.01, subdivision 2f</u>
<u>246B.01, subdivision 2c</u>	<u>246B.01, subdivision 2g</u>
<u>246B.01, subdivision 2d</u>	<u>246B.01, subdivision 2h</u>

Sec. 37. **REPEALER.**

Minnesota Statutes 2024, sections 246B.01, subdivision 2; 252.021, subdivision 2; 253.195, subdivision 2; 253B.02, subdivision 7b; 253D.02, subdivision 7a; 254B.01, subdivision 15; 256.045, subdivision 1a; and 256G.02, subdivision 5a, are repealed.

Sec. 38. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

**ARTICLE 9**  
**DEPARTMENT OF HEALTH**

Section 1. Minnesota Statutes 2024, section 144A.474, subdivision 11, is amended to read:

Subd. 11. **Fines.** (a) Fines and enforcement actions under this subdivision may be assessed based on the level and scope of the violations described in paragraph (b) and imposed immediately with no opportunity to correct the violation first as follows:

- (1) Level 1, no fines or enforcement;
- (2) Level 2, a fine of \$500 per violation, in addition to any of the enforcement mechanisms authorized in section 144A.475 for widespread violations;
- (3) Level 3, a fine of \$3,000 per incident, in addition to any of the enforcement mechanisms authorized in section 144A.475;

187.1 (4) Level 4, a fine of \$5,000 per incident, in addition to any of the enforcement  
187.2 mechanisms authorized in section 144A.475;

187.3 (5) for maltreatment violations for which the licensee was determined to be responsible  
187.4 for the maltreatment under section 626.557, subdivision 9c, paragraph (c), a fine of \$1,000.  
187.5 A fine of \$5,000 may be imposed if the commissioner determines the licensee is responsible  
187.6 for maltreatment consisting of sexual assault, death, or abuse resulting in serious injury;  
187.7 and

187.8 (6) the fines in clauses (1) to (4) are increased and immediate fine imposition is authorized  
187.9 for both surveys and investigations conducted.

187.10 When a fine is assessed against a facility for substantiated maltreatment, the commissioner  
187.11 shall not also impose an immediate fine under this chapter for the same circumstance.

187.12 (b) Correction orders for violations are categorized by both level and scope and fines  
187.13 shall be assessed as follows:

187.14 (1) level of violation:

187.15 (i) Level 1 is a violation that has no potential to cause more than a minimal impact on  
187.16 the client and does not affect health or safety;

187.17 (ii) Level 2 is a violation that did not harm a client's health or safety but had the potential  
187.18 to have harmed a client's health or safety, but was not likely to cause serious injury,  
187.19 impairment, or death;

187.20 (iii) Level 3 is a violation that harmed a client's health or safety, not including serious  
187.21 injury, impairment, or death, or a violation that has the potential to lead to serious injury,  
187.22 impairment, or death; and

187.23 (iv) Level 4 is a violation that results in serious injury, impairment, or death;

187.24 (2) scope of violation:

187.25 (i) isolated, when one or a limited number of clients are affected or one or a limited  
187.26 number of staff are involved or the situation has occurred only occasionally;

187.27 (ii) pattern, when more than a limited number of clients are affected, more than a limited  
187.28 number of staff are involved, or the situation has occurred repeatedly but is not found to be  
187.29 pervasive; and

187.30 (iii) widespread, when problems are pervasive or represent a systemic failure that has  
187.31 affected or has the potential to affect a large portion or all of the clients.

188.1 (c) If the commissioner finds that the applicant or a home care provider has not corrected  
188.2 violations by the date specified in the correction order or conditional license resulting from  
188.3 a survey or complaint investigation, the commissioner shall provide a notice of  
188.4 noncompliance with a correction order by email to the applicant's or provider's last known  
188.5 email address. The noncompliance notice must list the violations not corrected.

188.6 (d) For every violation identified by the commissioner, the commissioner shall issue an  
188.7 immediate fine pursuant to paragraph (a), clause (6). The license holder must still correct  
188.8 the violation in the time specified. The issuance of an immediate fine can occur in addition  
188.9 to any enforcement mechanism authorized under section 144A.475. The immediate fine  
188.10 may be appealed as allowed under this subdivision.

188.11 (e) The license holder must pay the fines assessed on or before the payment date specified.  
188.12 If the license holder fails to fully comply with the order, the commissioner may issue a  
188.13 second fine or suspend the license until the license holder complies by paying the fine. A  
188.14 timely appeal shall stay payment of the fine until the commissioner issues a final order.

188.15 (f) A license holder shall promptly notify the commissioner in writing when a violation  
188.16 specified in the order is corrected. If upon reinspection the commissioner determines that  
188.17 a violation has not been corrected as indicated by the order, the commissioner may issue a  
188.18 second fine. The commissioner shall notify the license holder by mail to the last known  
188.19 address in the licensing record that a second fine has been assessed. The license holder may  
188.20 appeal the second fine as provided under this subdivision.

188.21 (g) A home care provider that has been assessed a fine under this subdivision has a right  
188.22 to a reconsideration or a hearing under this section and chapter 14.

188.23 (h) When a fine has been assessed, the license holder may not avoid payment by closing,  
188.24 selling, or otherwise transferring the licensed program to a third party. In such an event, the  
188.25 license holder shall be liable for payment of the fine.

188.26 (i) In addition to any fine imposed under this section, the commissioner may assess a  
188.27 penalty amount based on costs related to an investigation that results in a final order assessing  
188.28 a fine or other enforcement action authorized by this chapter.

188.29 (j) Fines collected under paragraph (a), clauses (1) to (4), shall be deposited in a dedicated  
188.30 special revenue account. On an annual basis, the balance in the special revenue account  
188.31 shall be appropriated to the commissioner to implement the recommendations of the advisory  
188.32 council established in section 144A.4799. The commissioner must publish on the department's  
188.33 website an annual report on the fines assessed and collected, and how the appropriated  
188.34 money was allocated.

~~(k) Fines collected under paragraph (a), clause (5), shall be deposited in a dedicated special revenue account and appropriated to the commissioner to provide compensation according to subdivision 14 to clients subject to maltreatment. A client may choose to receive compensation from this fund, not to exceed \$5,000 for each substantiated finding of maltreatment, or take civil action. This paragraph expires July 31, 2021.~~

Sec. 2. Minnesota Statutes 2024, section 144A.4799, is amended to read:

**144A.4799 DEPARTMENT OF HEALTH LICENSED HOME CARE PROVIDER AND ASSISTED LIVING ADVISORY COUNCIL.**

Subdivision 1. **Membership.** The commissioner of health shall appoint ~~13~~ 14 persons to a home care and assisted living ~~program~~ advisory council consisting of the following:

(1) ~~two~~ four public members as defined in section 214.02 ~~who shall be persons who are currently receiving home care services, persons who have received home care services within five years of the application date, persons who have family members receiving home care services, or persons who have family members who have received home care services within five years of the application date,~~ one of whom must be a person who either is receiving or has received home care services preferably within the five years prior to initial appointment, one of whom must be a person who has or had a family member receiving home care services preferably within the five years prior to initial appointment, one of whom must be a person who either is or has been a resident in an assisted living facility preferably within the five years prior to initial appointment, and one of whom must be a person who has or had a family member residing in an assisted living facility preferably within the five years prior to initial appointment;

(2) two Minnesota home care licensees representing basic and comprehensive levels of licensure who may be a managerial official, an administrator, a supervising registered nurse, or an unlicensed personnel performing home care tasks;

(3) one member representing the Minnesota Board of Nursing;

(4) one member representing the Office of Ombudsman for Long-Term Care;

(5) one member representing the Office of Ombudsman for Mental Health and Developmental Disabilities;

(6) ~~beginning July 1, 2021,~~ one member of a county health and human services or county adult protection office;

(7) two Minnesota assisted living facility licensees representing assisted living facilities and assisted living facilities with dementia care levels of licensure who may be the facility's assisted living director, managerial official, or clinical nurse supervisor;

(8) one organization representing long-term care providers, home care providers, and assisted living providers in Minnesota; and

~~(9) two public members as defined in section 214.02. One public member shall be a person who either is or has been a resident in an assisted living facility and one public member shall be a person who has or had a family member living in an assisted living facility setting~~ one representative of a consumer advocacy organization representing individuals receiving long-term care from licensed home care or assisted living providers.

**Subd. 2. Organizations and meetings.** The advisory council shall be organized and administered under section 15.059 with per diems and costs paid within the limits of available appropriations. Meetings will be held quarterly and hosted by the department. Subcommittees may be developed as necessary by the commissioner. Advisory council meetings are subject to the Open Meeting Law under chapter 13D.

**Subd. 3. Duties.** (a) At the commissioner's request, the advisory council shall provide advice regarding regulations of Department of Health licensed assisted living and home care providers in this chapter and chapter 144G, including advice on the following:

(1) community standards for home care practices;

(2) enforcement of licensing standards and whether certain disciplinary actions are appropriate;

(3) ways of distributing information to licensees and consumers of home care and assisted living services defined under chapter 144G;

(4) training standards;

(5) identifying emerging issues and opportunities in home care and assisted living services defined under chapter 144G;

(6) identifying the use of technology in home and telehealth capabilities;

(7) allowable home care licensing modifications and exemptions, including a method for an integrated license with an existing license for rural licensed nursing homes to provide limited home care services in an adjacent independent living apartment building owned by the licensed nursing home; and

191.1 (8) recommendations for studies using the data in section 62U.04, subdivision 4, including  
191.2 but not limited to studies concerning costs related to dementia and chronic disease among  
191.3 an elderly population over 60 and additional long-term care costs, ~~as described in section~~  
191.4 ~~62U.10, subdivision 6.~~

191.5 (b) The advisory council shall perform other duties as directed by the commissioner.

191.6 (c) The advisory council shall ~~annually~~ make recommendations annually to the  
191.7 commissioner for the purposes of allocating the appropriation in section sections 144A.474,  
191.8 subdivision 11, paragraph (i) (j), and 144G.31, subdivision 8. The commissioner shall act  
191.9 upon the recommendations of the advisory council within one year of the advisory council  
191.10 submitting its recommendations to the commissioner. The recommendations shall address  
191.11 ways the commissioner may improve protection of the public under existing statutes and  
191.12 laws and improve quality of care. The council's recommendations may include but are not  
191.13 limited to special projects or initiatives that:

191.14 (1) create and administer training of licensees and ongoing training for their employees  
191.15 to improve clients' and residents' lives, supporting ways that support licensees, can improve  
191.16 and enhance quality care, and ways to provide technical assistance to licensees to improve  
191.17 compliance;

191.18 (2) develop and implement information technology and data projects that analyze and  
191.19 communicate information about trends ~~of~~ in violations or lead to ways of improving resident  
191.20 and client care;

191.21 (3) improve communications strategies to licensees and the public;

191.22 (4) recruit and retain direct care staff;

191.23 (5) recommend education related to the care of vulnerable adults in professional nursing  
191.24 programs, nurse aide programs, and home health aide programs; and

191.25 (6) ~~other projects or pilots that~~ benefit residents, clients, families, and the public in other  
191.26 ways.

191.27 **EFFECTIVE DATE.** This section is effective July 1, 2025, and the amendments to  
191.28 subdivision 1, clause (1), apply to members whose initial appointment occurs on or after  
191.29 that date.

191.30 Sec. 3. Minnesota Statutes 2024, section 144G.31, subdivision 8, is amended to read:

191.31 Subd. 8. **Deposit of fines.** Fines collected under this section shall be deposited in a  
191.32 dedicated special revenue account. On an annual basis, the balance in the special revenue

192.1 account shall be appropriated to the commissioner for special projects to improve resident  
192.2 quality of care and outcomes in assisted living facilities licensed under this chapter in  
192.3 Minnesota as recommended by the advisory council established in section 144A.4799. The  
192.4 commissioner must publish on the department's website an annual report on the fines assessed  
192.5 and collected, and how the appropriated money was allocated.

192.6 Sec. 4. Minnesota Statutes 2024, section 144G.52, subdivision 1, is amended to read:

192.7 Subdivision 1. **Definition.** For purposes of sections 144G.52 to 144G.55, "termination"  
192.8 means:

192.9 (1) a facility-initiated termination of ~~housing provided to the resident under the contract~~  
192.10 an assisted living contract; or

192.11 (2) a facility-initiated termination ~~or nonrenewal~~ of all assisted living services the resident  
192.12 receives from the facility under the assisted living contract.

192.13 Sec. 5. Minnesota Statutes 2024, section 144G.52, subdivision 2, is amended to read:

192.14 Subd. 2. **Prerequisite to termination of a contract.** (a) Before issuing a notice of  
192.15 termination of an assisted living contract, a facility must schedule and participate in a meeting  
192.16 with the resident and the resident's legal representative and designated representative. The  
192.17 purposes of the meeting are to:

192.18 (1) explain in detail the reasons for the proposed termination; and

192.19 (2) identify and offer reasonable accommodations or modifications, interventions, or  
192.20 alternatives to avoid the termination or enable the resident to remain in the facility, including  
192.21 but not limited to securing services from another provider of the resident's choosing that  
192.22 may allow the resident to avoid the termination. A facility is not required to offer  
192.23 accommodations, modifications, interventions, or alternatives that fundamentally alter the  
192.24 nature of the operation of the facility.

192.25 (b) For a termination pursuant to subdivision 3 or 4, the meeting must be scheduled to  
192.26 take place at least seven days before a notice of termination is issued. The facility must  
192.27 make reasonable efforts to ensure that the resident, legal representative, and designated  
192.28 representative are able to attend the meeting.

192.29 (c) For a termination pursuant to subdivision 5, the meeting must be scheduled to take  
192.30 place at least 24 hours before a notice of termination is issued. The facility must make  
192.31 reasonable efforts to ensure that the resident, legal representative, and designated



193.1 representative are able to attend the meeting. Notice of the meeting must be provided at  
193.2 least 24 hours prior to the meeting.

193.3 (d) The facility must notify the resident that the resident may invite family members,  
193.4 relevant health professionals, a representative of the Office of Ombudsman for Long-Term  
193.5 Care, a representative of the Office of Ombudsman for Mental Health and Developmental  
193.6 Disabilities, or other persons of the resident's choosing to participate in the meeting. For  
193.7 residents who receive home and community-based waiver services under chapter 256S and  
193.8 section 256B.49, the facility must notify the resident's case manager of the meeting.

193.9 ~~(d)~~ (e) In the event of an emergency relocation under subdivision 9, where the facility  
193.10 intends to issue a notice of termination and an in-person meeting is impractical or impossible,  
193.11 the facility must use telephone, video, or other electronic means to conduct and participate  
193.12 in the meeting required under this subdivision and rules within Minnesota Rules, chapter  
193.13 4659.

193.14 Sec. 6. Minnesota Statutes 2024, section 144G.52, subdivision 3, is amended to read:

193.15 Subd. 3. **Termination for nonpayment.** (a) A facility may initiate a termination of  
193.16 ~~housing~~ an assisted living contract because of nonpayment of rent or a termination of services  
193.17 because of nonpayment for services. Upon issuance of a notice of termination for  
193.18 nonpayment, the facility must inform the resident that public benefits may be available and  
193.19 must provide contact information for the Senior LinkAge Line under section 256.975,  
193.20 subdivision 7, or the Disability Hub under section 256.01, subdivision 24.

193.21 (b) An interruption to a resident's public benefits that lasts for no more than 60 days  
193.22 does not constitute nonpayment.

193.23 Sec. 7. Minnesota Statutes 2024, section 144G.52, subdivision 5, is amended to read:

193.24 Subd. 5. **Expedited termination.** ~~(a)~~ A facility may initiate an expedited termination  
193.25 of ~~housing or services~~ an assisted living contract, including both the housing and assisted  
193.26 living services provided thereunder, or of assisted living services if:

193.27 (1) the resident has engaged in conduct that substantially interferes with the rights, health,  
193.28 or safety of other residents;

193.29 (2) the resident has engaged in conduct that substantially and intentionally interferes  
193.30 with the safety or physical health of facility staff; ~~or~~

193.31 (3) the resident has committed an act listed in section 504B.171 that substantially  
193.32 interferes with the rights, health, or safety of other residents;

194.1 ~~(b) A facility may initiate an expedited termination of services if:~~

194.2 ~~(1) the resident has engaged in conduct that substantially interferes with the resident's~~  
194.3 ~~health or safety;~~

194.4 ~~(2)~~ (4) the resident's assessed needs exceed the scope of services agreed upon in the  
194.5 assisted living contract and are not included in the services the facility disclosed in the  
194.6 uniform checklist; or

194.7 ~~(3)~~ (5) extraordinary circumstances exist, causing the facility to be unable to provide  
194.8 the resident with the services disclosed in the uniform checklist that are necessary to meet  
194.9 the resident's needs.

194.10 Sec. 8. Minnesota Statutes 2024, section 144G.52, subdivision 7, is amended to read:

194.11 Subd. 7. **Notice of contract termination required.** (a) A facility terminating a contract  
194.12 must issue a written notice of termination according to this section. The facility must also  
194.13 send a copy of the termination notice to the Office of Ombudsman for Long-Term Care  
194.14 and, for residents who receive home and community-based waiver services under chapter  
194.15 256S and section 256B.49, to the resident's case manager, as soon as practicable after  
194.16 providing notice to the resident. A facility may terminate an assisted living contract only  
194.17 as permitted under subdivisions 3, 4, and 5.

194.18 (b) A facility terminating a contract under subdivision 3 or 4 must provide a written  
194.19 termination notice at least 30 days before the effective date of the termination to the resident,  
194.20 legal representative, and designated representative.

194.21 (c) A facility terminating a contract under subdivision 5 must provide a written  
194.22 termination notice at least ~~15~~ seven days before the effective date of the termination to the  
194.23 resident, legal representative, and designated representative.

194.24 (d) If a resident moves out of a facility or cancels services received from the facility,  
194.25 nothing in this section prohibits a facility from enforcing against the resident any notice  
194.26 periods with which the resident must comply under the assisted living contract.

194.27 Sec. 9. Minnesota Statutes 2024, section 144G.52, subdivision 8, is amended to read:

194.28 Subd. 8. **Content of notice of termination.** (a) The notice required under subdivision  
194.29 7 must contain, at a minimum:

194.30 (1) the effective date of the termination of the assisted living contract;

195.1 (2) a detailed explanation of the basis for the termination, including the clinical or other  
195.2 supporting rationale;

195.3 (3) a detailed explanation of the conditions under which a new or amended contract may  
195.4 be executed;

195.5 (4) a statement that the resident has the right to appeal the termination by requesting a  
195.6 hearing, and information concerning the time frame within which the request must be  
195.7 submitted and the contact information for the agency to which the request must be submitted;

195.8 (5) a statement that the facility must participate in a coordinated move to another provider  
195.9 or caregiver, as required under section 144G.55;

195.10 (6) the name and contact information of the person employed by the facility with whom  
195.11 the resident may discuss the notice of termination;

195.12 (7) information on how to contact the Office of Ombudsman for Long-Term Care and  
195.13 the Office of Ombudsman for Mental Health and Developmental Disabilities to request an  
195.14 advocate to assist regarding the termination;

195.15 (8) information on how to contact the Senior LinkAge Line under section 256.975,  
195.16 subdivision 7, or the Disability Hub under section 256.01, subdivision 24, and an explanation  
195.17 that the Senior LinkAge Line and the Disability Hub may provide information about other  
195.18 available housing or service options; and

195.19 (9) if the termination is only for services, a statement that the resident may remain in  
195.20 the facility and may secure any necessary services from another provider of the resident's  
195.21 choosing.

195.22 (b) When a facility used good faith efforts to substantially comply with the content or  
195.23 timing requirements of this subdivision or corresponding rules, and the noncompliance did  
195.24 not prejudice the resident, a failure to comply does not invalidate the termination process  
195.25 and is not permissible grounds for appeal of a termination under section 144G.54, subdivision  
195.26 2.

195.27 Sec. 10. Minnesota Statutes 2024, section 144G.52, subdivision 9, is amended to read:

195.28 Subd. 9. **Emergency relocation.** (a) A facility may remove a resident from the facility  
195.29 in an emergency if necessary due to a resident's urgent medical needs or an imminent risk  
195.30 the resident poses to the health or safety of another facility resident or facility staff member.  
195.31 An emergency relocation is not a termination. An emergency relocation does not occur  
195.32 when a resident or the resident's representative requests or consents to be transported to the

196.1 emergency room or hospital regardless of whether the facility initiates communications  
196.2 regarding the need to relocate the resident.

196.3 (b) In the event of an emergency relocation, the facility must provide a written notice  
196.4 that contains, at a minimum:

196.5 (1) the reason for the relocation;

196.6 (2) the name and contact information for the location to which the resident has been  
196.7 relocated and any new service provider;

196.8 (3) contact information for the Office of Ombudsman for Long-Term Care and the Office  
196.9 of Ombudsman for Mental Health and Developmental Disabilities;

196.10 (4) if known and applicable, the approximate date or range of dates within which the  
196.11 resident is expected to return to the facility, or a statement that a return date is not currently  
196.12 known; and

196.13 (5) a statement that, if the facility refuses to provide housing or services after a relocation,  
196.14 the resident has the right to appeal under section 144G.54. The facility must provide contact  
196.15 information for the agency to which the resident may submit an appeal.

196.16 (c) The notice required under paragraph (b) must be delivered as soon as practicable to:

196.17 (1) the resident, legal representative, and designated representative;

196.18 (2) for residents who receive home and community-based waiver services under chapter  
196.19 256S and section 256B.49, the resident's case manager; and

196.20 (3) the Office of Ombudsman for Long-Term Care if the resident has been relocated  
196.21 and has not returned to the facility within four days.

196.22 (d) Following an emergency relocation, a facility's refusal to provide housing or services  
196.23 constitutes a termination and triggers the termination process in this section.

196.24 (e) In the event of an emergency relocation during which a resident is removed by law  
196.25 enforcement, ambulance personnel, or other first responders, the notice required under  
196.26 paragraph (b) may be provided retroactively but in no event no more than 72 hours after  
196.27 the emergency relocation.

196.28 Sec. 11. Minnesota Statutes 2024, section 144G.52, subdivision 10, is amended to read:

196.29 Subd. 10. **Right to return.** (a) If a resident is absent from a facility for any reason,  
196.30 including an emergency relocation, the facility shall not refuse to allow a resident to return  
196.31 if a termination of ~~housing~~ the assisted living contract has not been effectuated.

- 197.1 (b) Notwithstanding paragraph (a), a facility may refuse to allow a resident to return if:  
197.2 (1) another resident or employee of the facility has obtained a harassment restraining  
197.3 order, order for protection, or similar court order seeking to protect them from the resident;  
197.4 or  
197.5 (2) the resident has been charged with a crime where the alleged victim is another resident  
197.6 or employee of the facility.

197.7 Sec. 12. Minnesota Statutes 2024, section 144G.53, is amended to read:

197.8 **144G.53 NONRENEWAL OF HOUSING ASSISTED LIVING CONTRACT**  
197.9 **NONRENEWAL.**

- 197.10 (a) If a facility decides to not renew a resident's ~~housing under a contract~~ assisted living  
197.11 contract, including both the housing and assisted living services provided thereunder, the  
197.12 facility must either (1) provide the resident with 60 calendar days' notice of the nonrenewal  
197.13 and assistance with relocation planning, or (2) follow the termination procedure under  
197.14 section 144G.52. A facility may not decline to renew only the assisted living services  
197.15 provided to a resident under the resident's assisted living contract.

- 197.16 (b) The notice must include the reason for the nonrenewal and contact information of  
197.17 the Office of Ombudsman for Long-Term Care and the Office of Ombudsman for Mental  
197.18 Health and Developmental Disabilities.

- 197.19 (c) A facility must:

- 197.20 (1) provide notice of the nonrenewal to the Office of Ombudsman for Long-Term Care;  
197.21 (2) for residents who receive home and community-based waiver services under chapter  
197.22 256S and section 256B.49, provide notice to the resident's case manager;

- 197.23 (3) ensure a coordinated move to a safe location, as defined in section 144G.55,  
197.24 subdivision 2, that is appropriate for the resident;

- 197.25 (4) ensure a coordinated move to an appropriate service provider identified by the facility,  
197.26 if services are still needed and desired by the resident;

- 197.27 (5) consult and cooperate with the resident, legal representative, designated representative,  
197.28 case manager for a resident who receives home and community-based waiver services under  
197.29 chapter 256S and section 256B.49, relevant health professionals, and any other persons of  
197.30 the resident's choosing to make arrangements to move the resident, including consideration  
197.31 of the resident's goals; and

198.1 (6) prepare a written plan to prepare for the move.

198.2 (d) A resident may decline to move to the location the facility identifies or to accept  
198.3 services from a service provider the facility identifies, and may instead choose to move to  
198.4 a location of the resident's choosing or receive services from a service provider of the  
198.5 resident's choosing within the timeline prescribed in the nonrenewal notice.

198.6 Sec. 13. Minnesota Statutes 2024, section 144G.54, subdivision 2, is amended to read:

198.7 Subd. 2. **Permissible grounds to appeal termination.** (a) A resident may appeal a  
198.8 termination initiated under section 144G.52, subdivision 3, 4, or 5, on the ground that:

198.9 (1) there is a factual dispute as to whether the facility had a permissible basis to initiate  
198.10 the termination;

198.11 (2) the termination would result in great harm or the potential for great harm to the  
198.12 resident as determined by the totality of the circumstances, except in circumstances where  
198.13 there is a greater risk of harm to other residents or staff at the facility;

198.14 (3) the resident has cured or demonstrated the ability to cure the reasons for the  
198.15 termination, or has identified a reasonable accommodation or modification, intervention,  
198.16 or alternative to the termination; or

198.17 (4) the facility has terminated the contract in violation of state or federal law.

198.18 (b) When submitting an appeal, a resident must specify which permissible grounds under  
198.19 paragraph (a) are grounds for the appeal.

198.20 (c) The resident or resident's representative must provide the facility a copy of all appeals  
198.21 within three calendar days of filing them.

198.22 Sec. 14. Minnesota Statutes 2024, section 144G.54, subdivision 3, is amended to read:

198.23 Subd. 3. **Appeals process.** (a) The Office of Administrative Hearings must conduct an  
198.24 expedited hearing as soon as practicable under this section, but in no event later than 14  
198.25 calendar days after the office receives the request, unless the parties agree otherwise or the  
198.26 chief administrative law judge deems the timing to be unreasonable, given the complexity  
198.27 of the issues presented. For terminations initiated pursuant to section 144G.52, subdivision  
198.28 5, the Office of Administrative Hearings must conduct an expedited hearing as soon as  
198.29 practicable but in no event later than seven calendar days after the office receives the request.

198.30 (b) The hearing must be held at the facility where the resident lives, unless holding the  
198.31 hearing at that location is impractical, the parties agree to hold the hearing at a different

199.1 location, or the chief administrative law judge grants a party's request to appear at another  
199.2 location or by telephone or interactive video.

199.3 (c) The hearing is not a formal contested case proceeding, except when determined  
199.4 necessary by the chief administrative law judge.

199.5 (d) Parties may but are not required to be represented by counsel. The appearance of a  
199.6 party without counsel does not constitute the unauthorized practice of law.

199.7 (e) Parties may provide the administrative law judge relevant evidence in the form of  
199.8 in-person or sworn written testimony, including that of other residents of the facility,  
199.9 representatives of other residents of the facility, facility staff, or individuals representing  
199.10 the interests of other residents of the facility.

199.11 (f) The hearing shall be limited to the amount of time necessary for the participants to  
199.12 expeditiously present the facts about the proposed termination. The administrative law judge  
199.13 shall issue a recommendation to the commissioner as soon as practicable, but in no event  
199.14 later than ten business days after the hearing related to a termination issued under section  
199.15 144G.52, subdivision 3 or 4, or five business days for a hearing related to a termination  
199.16 issued under section 144G.52, subdivision 5.

199.17 Sec. 15. Minnesota Statutes 2024, section 144G.54, subdivision 7, is amended to read:

199.18 Subd. 7. **Application of chapter 504B to appeals of terminations.** A resident may not  
199.19 bring an action under chapter 504B to challenge a termination that has occurred and ~~been~~  
199.20 ~~upheld under this section~~ for which an appeal under this section was not requested or for  
199.21 which an appeal under this section was requested, but the termination was upheld in  
199.22 accordance with this section. If a facility prevails in a challenged termination under this  
199.23 section, the facility is entitled to a writ of recovery and order to vacate pursuant to section  
199.24 504B.361.

199.25 Sec. 16. Minnesota Statutes 2024, section 144G.55, subdivision 1, is amended to read:

199.26 Subdivision 1. **Duties of facility.** (a) If a facility terminates an assisted living contract,  
199.27 reduces services to the extent that a resident needs to move or obtain a new service provider  
199.28 or the facility has its license restricted under section 144G.20, or the facility conducts a  
199.29 planned closure under section 144G.57, the facility:

199.30 (1) must ensure, subject to paragraph (c), a coordinated move to a safe location that is  
199.31 appropriate for the resident and that is identified by the facility prior to any hearing under  
199.32 section 144G.54;

200.1 (2) must ensure a coordinated move of the resident to an appropriate service provider  
200.2 identified by the facility prior to any hearing under section 144G.54, provided services are  
200.3 still needed and desired by the resident; and

200.4 (3) must consult and cooperate with the resident, legal representative, designated  
200.5 representative, case manager for a resident who receives home and community-based waiver  
200.6 services under chapter 256S and section 256B.49, relevant health professionals, and any  
200.7 other persons of the resident's choosing to make arrangements to move the resident, including  
200.8 consideration of the resident's goals.

200.9 (b) A facility may satisfy the requirements of paragraph (a), clauses (1) and (2), by  
200.10 moving the resident to a different location within the same facility, if appropriate for the  
200.11 resident.

200.12 (c) A resident may decline to move to the location the facility identifies or to accept  
200.13 services from a service provider the facility identifies, and may choose instead to move to  
200.14 a location of the resident's choosing or receive services from a service provider of the  
200.15 resident's choosing within the timeline prescribed in the termination notice.

200.16 (d) A facility has met its obligations under this section, following a termination completed  
200.17 in accordance with section 144G.52 if:

200.18 (1) for residents receiving services under the home and community-based waiver services  
200.19 for the elderly under chapter 256S, waived services under community access for disability  
200.20 inclusion waiver under section 256B.49, or the brain injury waived services under section  
200.21 256B.49, the resident or the resident's designated representative reject two or more options  
200.22 presented by the lead agency or the resident's waiver case manager; or

200.23 (2) for all other residents, the resident or the resident's designated representative reject  
200.24 two or more other facilities that are able to meet the individual's service needs, have an  
200.25 immediate opening, and are located within a reasonable geographic proximity. The absence  
200.26 of nearby facilities able to meet the individual's service needs and with immediate openings  
200.27 may increase what may be considered a reasonable geographic proximity.

200.28 (e) Sixty days before the facility plans to reduce or eliminate one or more services for  
200.29 a particular resident, the facility must provide written notice of the reduction that includes:

200.30 (1) a detailed explanation of the reasons for the reduction and the date of the reduction;

200.31 (2) the contact information for the Office of Ombudsman for Long-Term Care, the Office  
200.32 of Ombudsman for Mental Health and Developmental Disabilities, and the name and contact



201.1 information of the person employed by the facility with whom the resident may discuss the  
201.2 reduction of services;

201.3 (3) a statement that if the services being reduced are still needed by the resident, the  
201.4 resident may remain in the facility and seek services from another provider; and

201.5 (4) a statement that if the reduction makes the resident need to move, the facility must  
201.6 participate in a coordinated move of the resident to another provider or caregiver, as required  
201.7 under this section.

201.8 ~~(e)~~ (f) In the event of an unanticipated reduction in services caused by extraordinary  
201.9 circumstances, the facility must provide the notice required under paragraph ~~(d)~~ (e) as soon  
201.10 as possible.

201.11 ~~(f)~~ (g) If the facility, a resident, a legal representative, or a designated representative  
201.12 determines that a reduction in services will make a resident need to move to a new location,  
201.13 the facility must ensure a coordinated move in accordance with this section, and must provide  
201.14 notice to the Office of Ombudsman for Long-Term Care.

201.15 ~~(g)~~ (h) Nothing in this section affects a resident's right to remain in the facility and seek  
201.16 services from another provider.

201.17 Sec. 17. Minnesota Statutes 2024, section 144G.55, subdivision 2, is amended to read:

201.18 Subd. 2. **Safe location.** A safe location is not a private home where the occupant is  
201.19 unwilling or unable to care for the resident, a homeless shelter, a hotel, or a motel. A facility  
201.20 may not terminate a resident's housing or services if the resident will, as the result of the  
201.21 termination, become homeless, as that term is defined in section 116L.361, subdivision 5,  
201.22 or if an adequate and safe discharge location or adequate and needed service provider has  
201.23 not been identified, unless the resident declines to move to the identified safe location or  
201.24 needed service provider or chooses to become homeless. This subdivision does not preclude  
201.25 a resident from declining to move to the location the facility identifies.

201.26 Sec. 18. **DIRECTION TO COMMISSIONER; PROVISIONAL OR TRANSITIONAL**  
201.27 **LICENSURE.**

201.28 (a) The commissioner of human services and the commissioner of health must convene  
201.29 a group of interested parties to examine the relationship between the costs incurred to comply  
201.30 with the licensing requirements under Minnesota Statutes, chapter 144G, and reimbursement  
201.31 rates for providing customized living services under Minnesota Statutes, chapter 256S, and  
201.32 section 256B.4914, subdivision 6d. The commissioners must include among the interested

202.1 parties the Long-Term Care Imperative, the Residential Providers Association of Minnesota,  
202.2 the Minnesota Association of County Social Service Administrators, and people with  
202.3 disabilities currently receiving customized living services under the federally approved  
202.4 brain injury, community access for disability inclusion, and elderly waiver plans.

202.5 (b) The commissioners of human services and health must develop draft legislative  
202.6 language to better align the licensing requirements and reimbursement framework so that  
202.7 the costs incurred to comply with licensing requirements and fees are adequately reimbursed  
202.8 through the rates paid for providing customized living services.

202.9 (c) The commissioners must submit the draft legislation to the chairs and ranking minority  
202.10 members of the legislative committees with jurisdiction over health and human services  
202.11 policy and finance by January 1, 2026.

202.12 **Sec. 19. DIRECTION TO THE COMMISSIONER OF HEALTH; COMMUNITY**  
202.13 **CARE HUB GRANT.**

202.14 Subdivision 1. **Establishment.** The commissioner of health shall establish a single grant  
202.15 to expand and strengthen the community care hub model in Minnesota by organizing and  
202.16 supporting a network of health and social care service providers to address health-related  
202.17 social needs.

202.18 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
202.19 meanings given.

202.20 (b) "Community-based organization" means a public or private nonprofit organization  
202.21 of demonstrated effectiveness that is representative of a community or significant segments  
202.22 of a community and provides services that address the social drivers of health, education,  
202.23 or related services to individuals in the community.

202.24 (c) "Community care hub" means a nonprofit organization that provides a centralized  
202.25 administrative and operational interface between health care institutions and a network of  
202.26 community-based organizations that provide health promotion and social care services.

202.27 (d) "Health-related social needs" means the individual-level, adverse social conditions  
202.28 that can negatively impact a person's health or health care, such as poor health literacy, food  
202.29 insecurity, housing instability, and lack of access to transportation.

202.30 (e) "Social care services" means culturally informed services to address health-related  
202.31 social needs and community-informed health promotion programs.

203.1 Subd. 3. **Eligible applicants.** To be eligible for the single grant available under this  
203.2 section, a grant applicant must:

203.3 (1) be recognized as a selected community care hub by the federal Administration for  
203.4 Community Living and the Centers for Disease Control and Prevention;

203.5 (2) be the recipient of the community care hub planning grant under Laws 2024, chapter  
203.6 127, article 53, section 3, subdivision 2, paragraph (a);

203.7 (3) hold contracts with health plans within Minnesota that allow the applicant to provide  
203.8 social care services to a plan's covered member population; and

203.9 (4) demonstrate active engagement in providing, coordinating, and aiding health care  
203.10 and social care services at the community level.

203.11 Subd. 4. **Eligible uses.** The grantee must use awarded money to:

203.12 (1) engage and organize community-based organizations to deliver social care services;

203.13 (2) expand the reach and scope of social care services;

203.14 (3) centralize administrative functions and operational infrastructure of community care  
203.15 hubs related to:

203.16 (i) contracting with health care organizations;

203.17 (ii) payment operations;

203.18 (iii) management of referrals;

203.19 (iv) service delivery fidelity and compliance;

203.20 (v) quality improvement;

203.21 (vi) technology;

203.22 (vii) information security; and

203.23 (viii) data collection, data analysis, and reporting; and

203.24 (4) create sustainable financial pathways for services that address health-related social  
203.25 needs throughout the state of Minnesota.

203.26 Subd. 5. **Grantee report.** The grantee must report community care hub initiative  
203.27 outcomes as determined by the commissioner of health to the commissioner on the forms  
203.28 and according to the timelines established by the commissioner.

Subd. 6. **Evaluation.** The commissioner of health shall design, conduct, and evaluate the community care hub initiative implemented by the grantee using measures to assess cost savings, impact, and health impact outcomes.

**EFFECTIVE DATE.** This section is effective July 1, 2025.

**ARTICLE 10**  
**MISCELLANEOUS**

Section 1. Laws 2023, chapter 61, article 1, section 61, subdivision 4, is amended to read:

**Subd. 4. Evaluation and report.** By December 1, 2024, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services finance and policy an interim report on the impact and outcomes of the grants, including the number of grants awarded and the organizations receiving the grants. The interim report must include any available evidence of how grantees were able to increase utilization of supported decision making and reduce or avoid more restrictive forms of decision making such as guardianship and conservatorship. By December 1, ~~2025~~ 2026, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services finance and policy a final report on the impact and outcomes of the grants, including any updated information from the interim report and the total number of people served by the grants. The final report must also detail how the money was used to achieve the requirements in subdivision 3, paragraph (b).

**ARTICLE 11**  
**DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS**

Section 1. **HUMAN SERVICES APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the commissioner of human services and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

<u><b>APPROPRIATIONS</b></u>	
<u><b>Available for the Year</b></u>	
<u><b>Ending June 30</b></u>	
<u><b>2026</b></u>	<u><b>2027</b></u>

205.1	Sec. 2. <u>TOTAL APPROPRIATION</u>	\$	<u>7,767,480,000</u>	\$	<u>7,917,705,000</u>
205.2	<u>Subdivision 1. Appropriations by Fund</u>				
205.3	<u>Appropriations by Fund</u>				
205.4		<u>2026</u>	<u>2027</u>		
205.5	<u>General</u>	<u>7,765,519,000</u>	<u>7,915,516,000</u>		
205.6	<u>Lottery Prize</u>	<u>1,733,000</u>	<u>1,733,000</u>		
205.7	<u>State Government</u>				
205.8	<u>Special Revenue</u>				
205.9	<u>Fund</u>	<u>228,000</u>	<u>456,000</u>		
205.10	<u>The amounts that may be spent for each</u>				
205.11	<u>purpose are specified in the following sections.</u>				
205.12	<u>Subd. 2. Information Technology Appropriations</u>				
205.13	<u>(a) IT Appropriations Generally</u>				
205.14	<u>This appropriation includes funds for</u>				
205.15	<u>information technology projects, services, and</u>				
205.16	<u>support. Notwithstanding Minnesota Statutes,</u>				
205.17	<u>section 16E.0466, funding for information</u>				
205.18	<u>technology project costs must be incorporated</u>				
205.19	<u>into the service-level agreement and paid to</u>				
205.20	<u>Minnesota IT Services by the Department of</u>				
205.21	<u>Human Services under the rates and</u>				
205.22	<u>mechanism specified in that agreement.</u>				
205.23	<u>(b) Receipts for Systems Project</u>				
205.24	<u>Appropriations and federal receipts for</u>				
205.25	<u>information technology systems projects for</u>				
205.26	<u>MMIS and METS must be deposited in the</u>				
205.27	<u>state systems account authorized in Minnesota</u>				
205.28	<u>Statutes, section 256.014. Money appropriated</u>				
205.29	<u>for information technology projects approved</u>				
205.30	<u>by the commissioner of Minnesota IT</u>				
205.31	<u>Services, funded by the legislature, and</u>				
205.32	<u>approved by the commissioner of management</u>				
205.33	<u>and budget may be transferred from one</u>				
205.34	<u>project to another and from development to</u>				

206.1 operations as the commissioner of human  
206.2 services deems necessary. Any unexpended  
206.3 balance in the appropriation for these projects  
206.4 does not cancel and is available for ongoing  
206.5 development and operations.

206.6	<b>Sec. 3. <u>CENTRAL OFFICE; OPERATIONS</u></b>	<b>\$</b>	<b><u>3,452,000</u></b>	<b>\$</b>	<b><u>4,056,000</u></b>
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206.7 The general fund base for this section is  
206.8 \$2,435,000 in fiscal year 2028 and \$2,251,000  
206.9 in fiscal year 2029.

206.10	<b>Sec. 4. <u>CENTRAL OFFICE; HEALTH CARE</u></b>	<b>\$</b>	<b>887,000</b>	<b>\$</b>	<b>1,017,000</b>
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206.11	<b>Sec. 5. <u>CENTRAL OFFICE; AGING AND</u></b>			
206.12	<b>DISABILITY SERVICES</b>	<b>\$</b>	<b>4,981,000</b>	<b>\$ 3,022,000</b>

206.13 Subdivision 1. Provisional or Transitional  
206.14 Approval of Integrated Community Services  
206.15 Settings

206.16 \$150,000 in fiscal year 2026 is to develop  
206.17 draft legislative language to improve the  
206.18 process for approving integrated community  
206.19 support settings. This is a onetime  
206.20 appropriation.

**206.21 Subd. 2. Positive Supports Competency Program**

206.22 \$1,000,000 in fiscal year 2026 is for the  
206.23 positive supports competency program. This  
206.24 is a onetime appropriation and is available  
206.25 until June 30, 2029.

206.26 **Subd. 3. Cost Reporting Improvement and Direct**  
206.27 **Care Staff Review**

206.28 \$150,000 in fiscal year 2026 is to complete a  
206.29 cost reporting improvement study and direct  
206.30 care staffing review. This is a onetime  
206.31 appropriation.

207.1	<b><u>Subd. 4. Assisted Living Licensure and Disability</u></b>			
207.2	<b><u>Waiver Rate Study And Draft Legislation</u></b>			
207.3	<u>\$100,000 in fiscal year 2026 is to complete a</u>			
207.4	<u>study on assisted living licensure and disability</u>			
207.5	<u>waiver reimbursement rates and to draft</u>			
207.6	<u>proposed legislation. This is a onetime</u>			
207.7	<u>appropriation.</u>			
207.8	<b><u>Subd. 5. Base Level Adjustment</u></b>			
207.9	<u>The general fund base for this section is</u>			
207.10	<u>\$3,164,000 in fiscal year 2028 and \$3,164,000</u>			
207.11	<u>in fiscal year 2029.</u>			
207.12	<b><u>Sec. 6. CENTRAL OFFICE; BEHAVIORAL</u></b>			
207.13	<b><u>HEALTH</u></b>	<b><u>\$</u></b>	<b><u>193,000</u></b>	<b><u>\$</u></b> <b><u>244,000</u></b>
207.14	<b><u>Subdivision 1. Substance Use Disorder</u></b>			
207.15	<b><u>Treatment Staff Report and Recommendations</u></b>			
207.16	<u>\$100,000 in fiscal year 2026 and \$50,000 in</u>			
207.17	<u>fiscal year 2027 are for a substance use</u>			
207.18	<u>disorder treatment staff report and</u>			
207.19	<u>recommendations. This is a onetime</u>			
207.20	<u>appropriation.</u>			
207.21	<b><u>Subd. 2. Base Level Adjustment</u></b>			
207.22	<u>The general fund base for this section is</u>			
207.23	<u>\$194,000 in fiscal year 2028 and \$194,000 in</u>			
207.24	<u>fiscal year 2029.</u>			
207.25	<b><u>Sec. 7. CENTRAL OFFICE; OFFICE OF</u></b>			
207.26	<b><u>INSPECTOR GENERAL</u></b>	<b><u>\$</u></b>	<b><u>4,113,000</u></b>	<b><u>\$</u></b> <b><u>4,853,000</u></b>
207.27	<b><u>Subdivision 1. Appropriations by Fund</u></b>			
207.28	<u>Appropriations by Fund</u>			
207.29		<u>2026</u>	<u>2027</u>	
207.30	<u>General</u>	<u>3,885,000</u>	<u>4,397,000</u>	
207.31	<u>State Government</u>			
207.32	<u>Special Revenue</u>	<u>228,000</u>	<u>456,000</u>	

208.1	<u>Subd. 2. <b>Base Level Adjustment</b></u>				
208.2	<u>The general fund base for this section is</u>				
208.3	<u>\$4,396,000 in fiscal year 2028 and \$4,396,000</u>				
208.4	<u>in fiscal year 2029.</u>				
208.5	<u>Sec. 8. <b>FORECASTED PROGRAMS;</b></u>				
208.6	<u><b>HOUSING SUPPORT</b></u>	\$	<u>180,000</u>	\$	<u>180,000</u>
208.7	<u>Sec. 9. <b>FORECASTED PROGRAMS;</b></u>				
208.8	<u><b>MEDICAL ASSISTANCE</b></u>	\$	<u>7,440,006,000</u>	\$	<u>7,652,756,000</u>
208.9	<u>Sec. 10. <b>FORECASTED PROGRAMS;</b></u>				
208.10	<u><b>ALTERNATIVE CARE</b></u>	\$	<u>55,694,000</u>	\$	<u>56,354,000</u>
208.11	<u>Any money allocated to the alternative care</u>				
208.12	<u>program that is not spent for the purposes</u>				
208.13	<u>indicated does not cancel but must be</u>				
208.14	<u>transferred to the medical assistance account.</u>				
208.15	<u>Sec. 11. <b>FORECASTED PROGRAMS;</b></u>				
208.16	<u><b>BEHAVIORAL HEALTH FUND</b></u>	\$	<u>138,575,000</u>	\$	<u>118,318,000</u>
208.17	<u>Sec. 12. <b>GRANT PROGRAMS; CHILD AND</b></u>				
208.18	<u><b>COMMUNITY SERVICE GRANTS</b></u>	\$	<u>(5,155,000)</u>	\$	<u>(5,155,000)</u>
208.19	<u>Subdivision 1. <b>Seeds Worth Sowing</b></u>				
208.20	<u>\$500,000 in fiscal year 2026 and \$500,000 in</u>				
208.21	<u>fiscal year 2027 are for a grant to Seeds Worth</u>				
208.22	<u>Sowing to provide culturally specific supports</u>				
208.23	<u>for African American Native and African</u>				
208.24	<u>immigrant mothers, children, and families in</u>				
208.25	<u>Minnesota. Money must be used to deliver</u>				
208.26	<u>family-centered, community-based services</u>				
208.27	<u>that promote early intervention, caregiver</u>				
208.28	<u>support, health and developmental well-being,</u>				
208.29	<u>and connection to home and community-based</u>				
208.30	<u>services. Activities may include culturally</u>				
208.31	<u>grounded parenting education, caregiver</u>				
208.32	<u>training, peer support, and programs that</u>				
208.33	<u>strengthen family stability, child development,</u>				
208.34	<u>and community connectedness. Priority must</u>				
208.35	<u>be given to programs serving families</u>				



209.1	<u>impacted by poverty, disability, or systemic</u>			
209.2	<u>barriers to care.</u>			
209.3	<b>Sec. 13. <u>GRANT PROGRAMS; OTHER</u></b>			
209.4	<b><u>LONG-TERM CARE GRANTS</u></b>	<b>\$</b>	<b><u>3,197,000</u></b>	<b>\$ <u>1,925,000</u></b>
209.5	<b><u>Health Awareness Hub Pilot Project</u></b>			
209.6	<u>\$450,000 in fiscal year 2026 is for a payment</u>			
209.7	<u>to the Organization for Liberians in Minnesota</u>			
209.8	<u>for a health awareness hub pilot project. The</u>			
209.9	<u>pilot project must seek to address health care</u>			
209.10	<u>education and the physical and mental</u>			
209.11	<u>wellness needs of elderly individuals within</u>			
209.12	<u>the African immigrant community by offering</u>			
209.13	<u>culturally relevant support, resources, and</u>			
209.14	<u>preventive care education from medical</u>			
209.15	<u>practitioners who have a similar background</u>			
209.16	<u>and by making appropriate referrals to</u>			
209.17	<u>culturally competent programs, supports, and</u>			
209.18	<u>medical care. Within six months of the</u>			
209.19	<u>conclusion of the pilot project, the</u>			
209.20	<u>Organization for Liberians in Minnesota must</u>			
209.21	<u>provide the commissioner with an evaluation</u>			
209.22	<u>of the project as determined by the</u>			
209.23	<u>commissioner. This is a onetime appropriation</u>			
209.24	<u>and is available until June 30, 2027.</u>			
209.25	<b>Sec. 14. <u>GRANT PROGRAMS; AGING AND</u></b>			
209.26	<b><u>ADULT SERVICES GRANTS</u></b>	<b>\$</b>	<b><u>43,880,000</u></b>	<b>\$ <u>43,631,000</u></b>
209.27	<b><u>Subdivision 1. Age-Friendly Community Grants</u></b>			
209.28	<u>\$882,000 in fiscal year 2026 and \$882,000 in</u>			
209.29	<u>fiscal year 2027 are for age-friendly</u>			
209.30	<u>community grants under Minnesota Statutes,</u>			
209.31	<u>section 256.9747, subdivision 1.</u>			
209.32	<b><u>Subd. 2. Age-Friendly Technical Assistance</u></b>			
209.33	<b><u>Grants</u></b>			
209.34	<u>\$507,000 in fiscal year 2026 and \$507,000 in</u>			
209.35	<u>fiscal year 2027 are for age-friendly technical</u>			

210.1	<u>assistance grants under Minnesota Statutes,</u>			
210.2	<u>section 256.9747, subdivision 2.</u>			
210.3	<u>Subd. 3. <b>Minnesota Board on Aging</b></u>			
210.4	<u>\$1,575,000 in fiscal year 2026 and \$1,575,000</u>			
210.5	<u>in fiscal year 2027 are for the Minnesota</u>			
210.6	<u>Board on Aging under Minnesota Statutes,</u>			
210.7	<u>section 256.975, to add 18 additional staff</u>			
210.8	<u>positions for the area agencies on aging</u>			
210.9	<u>contact centers to support senior LinkAge Line</u>			
210.10	<u>operations.</u>			
210.11	<u>Subd. 4. <b>Boundary Waters Care Center</b></u>			
210.12	<u>\$250,000 in fiscal year 2026 is for a</u>			
210.13	<u>sole-source grant to Boundary Waters Care</u>			
210.14	<u>Center in Ely, Minnesota. This is a onetime</u>			
210.15	<u>appropriation.</u>			
210.16	<u>Subd. 5. <b>Dementia Grants</b></u>			
210.17	<u>\$750,000 in fiscal year 2026 and \$750,000 in</u>			
210.18	<u>fiscal year 2027 are for regional and local</u>			
210.19	<u>dementia grants administered by the</u>			
210.20	<u>Minnesota Board on Aging under Minnesota</u>			
210.21	<u>Statutes, section 256.975, subdivision 11.</u>			
210.22	<u>Subd. 6. <b>Senior Dining Program</b></u>			
210.23	<u>\$400,000 in fiscal year 2026 and \$400,000 in</u>			
210.24	<u>fiscal year 2027 are for a grant to Catholic</u>			
210.25	<u>Charities of the Diocese of St. Cloud to</u>			
210.26	<u>operate its senior dining program.</u>			
210.27	<u>Sec. 15. <b>DEAF, DEAFBLIND, AND HARD OF</b></u>			
210.28	<u><b>HEARING GRANTS</b></u>	<u>\$</u>	<u>2,886,000</u>	<u>\$ 2,886,000</u>
210.29	<u>Sec. 16. <b>GRANT PROGRAMS; DISABILITY</b></u>			
210.30	<u><b>GRANTS</b></u>	<u>\$</u>	<u>68,415,000</u>	<u>\$ 28,793,000</u>

- 211.1 Subdivision 1. Self-Directed Bargaining  
211.2 Agreement; Orientation Start-Up Funds
- 211.3 \$3,000,000 in fiscal year 2026 is for  
211.4 orientation program start-up costs as defined  
211.5 by the SEIU collective bargaining agreement.  
211.6 This is a onetime appropriation.
- 211.7 Subd. 2. Self-Directed Bargaining Agreement;  
211.8 Orientation Ongoing Funds
- 211.9 \$2,000,000 in fiscal year 2026 and \$500,000  
211.10 in fiscal year 2027 are for ongoing costs  
211.11 related to the orientation program as defined  
211.12 by the SEIU collective bargaining agreement.
- 211.13 Subd. 3. Self-Directed Bargaining Agreement;  
211.14 Training Stipends
- 211.15 \$2,250,000 in fiscal year 2026 is for onetime  
211.16 stipends of \$750 for collective bargaining unit  
211.17 members for training. This is a onetime  
211.18 appropriation.
- 211.19 Subd. 4. Self-Directed Bargaining Agreement;  
211.20 Retirement Trust Funds
- 211.21 \$350,000 in fiscal year 2026 is for a vendor  
211.22 to create a retirement trust, as defined by the  
211.23 SEIU collective bargaining agreement. This  
211.24 is a onetime appropriation.
- 211.25 Subd. 5. Self-Directed Bargaining Agreement;  
211.26 Health Care Stipends
- 211.27 \$30,750,000 in fiscal year 2026 is for stipends  
211.28 of \$1,200 for each collective bargaining unit  
211.29 member for retention and defraying any health  
211.30 insurance costs the member may incur.  
211.31 Stipends are available once per fiscal year per  
211.32 member for fiscal year 2026 and fiscal year  
211.33 2027. Of this amount, \$30,000,000 in fiscal  
211.34 year 2026 is for stipends and \$750,000 in  
211.35 fiscal year 2026 is for administration. This is

- 212.1 a onetime appropriation and is available until  
212.2 June 30, 2027.
- 212.3 **Subd. 6. Disability Services Technology And**  
212.4 **Advocacy Expansion Grant**
- 212.5 (a) \$226,000 in fiscal year 2026 and \$220,000  
212.6 in fiscal year 2027 are for the disability  
212.7 services technology and advocacy grant under  
212.8 Minnesota Statutes, section 256.4768. The  
212.9 general fund base for this purpose is \$220,000  
212.10 in fiscal year 2028, \$220,000 in fiscal year  
212.11 2029, \$220,000 in fiscal year 2030, and \$0 in  
212.12 fiscal year 2031.
- 212.13 (b) This subdivision expires June 30, 2030.
- 212.14 **Subd. 7. Disability Inclusion Pilot Project**
- 212.15 (a) \$1,000,000 in fiscal year 2026 is for a  
212.16 payment to Lifeworks Services, Inc., for a  
212.17 statewide disability inclusion pilot project.  
212.18 This is a onetime appropriation.
- 212.19 (b) The pilot project must:
- 212.20 (1) persuade employers to diversify their  
212.21 workforces by hiring people with disabilities;
- 212.22 (2) educate businesses on the economic  
212.23 benefits of inclusive employment and provide  
212.24 coaching on affordable accommodations;
- 212.25 (3) educate Minnesotans with disabilities and  
212.26 their families on navigating services and  
212.27 achieving inclusion in both work and  
212.28 community settings;
- 212.29 (4) build capacity and support for culturally  
212.30 specific services by rural, Black, Indigenous,  
212.31 or People of Color entrepreneurs;
- 212.32 (5) pilot community-requested support  
212.33 services;

213.1 (6) invest in safe community-focused spaces  
213.2 to host trainings and requested support  
213.3 services; and

213.4 (7) launch a statewide disability inclusion  
213.5 assessment for businesses and community  
213.6 spaces to improve accessibility and inclusion.

213.7 (c) The pilot project must reach all six  
213.8 Minnesota planning areas to ensure equal  
213.9 access to the pilot project activities in rural  
213.10 and Tribal regions.

213.11 Subd. 8. **Family Residential Service Provider**  
213.12 **Grants**

213.13 \$500,000 in fiscal year 2026 and \$500,000 is  
213.14 fiscal year 2027 are for grants to providers of  
213.15 family residential services reimbursed under  
213.16 Minnesota Statutes, section 256B.4914, who  
213.17 demonstrate in a form and manner determined  
213.18 by the commissioner of human services that  
213.19 the total net income of the family residential  
213.20 service provider is not generating sufficient  
213.21 revenue to cover the operating expenses of the  
213.22 provider incurred on or after January 1, 2026,  
213.23 and the family foster care setting is financially  
213.24 distressed and at risk of closure. This is a  
213.25 onetime appropriation and is available until  
213.26 June 30, 2029.

213.27 Subd. 9. **Minnesota Ethnic Providers Network**

213.28 (a) \$239,000 in fiscal year 2026 is for a grant  
213.29 to the Minnesota Ethnic Providers Network  
213.30 to:

213.31 (1) develop curriculum for a pretraining  
213.32 program tailored to the educational needs of  
213.33 potential direct support professionals;

214.1 (2) provide workforce readiness training for  
214.2 individuals entering the field of direct care  
214.3 and support services;

214.4 (3) expand recruitment efforts to increase  
214.5 direct support professional workforce capacity,  
214.6 particularly among diverse and  
214.7 underrepresented communities; and

214.8 (4) collaborate with community-based  
214.9 organizations, educational institutions, and  
214.10 providers to support the long-term  
214.11 development of the direct support  
214.12 professionals workforce.

214.13 (b) This is a onetime appropriation.

214.14 Subd. 10. **Maangaar Voices**

214.15 \$200,000 in fiscal year 2026 is for a grant to  
214.16 Maangaar Voices to conduct education  
214.17 activities and trainings for Minnesota families  
214.18 related to county services and educational  
214.19 services available for individuals with autism  
214.20 and to conduct family support group  
214.21 workshops. This is a onetime appropriation  
214.22 and is available until June 30, 2027.

214.23 Subd. 11. **Base Level Adjustments**

214.24 The general fund base for this section is  
214.25 \$28,293,000 in fiscal year 2028 and  
214.26 \$28,293,000 in fiscal year 2029.

214.27	<u>Sec. 17. <b>GRANT PROGRAMS; ADULT</b></u>			
214.28	<u><b>MENTAL HEALTH GRANTS</b></u>	<u>\$</u>	<u>650,000</u>	<u>\$</u>
				<u>-0-</u>

214.29 Subdivision 1. **Isuroon Sexual and Domestic**  
214.30 **Violence Program**

214.31 \$450,000 in fiscal year 2026 is for a grant to  
214.32 Isuroon for its sexual and domestic violence  
214.33 program that provides essential culturally and  
214.34 linguistically specific and trauma-informed

215.1 services to immigrant, refugee, and ethnic  
215.2 women and their families in Minnesota who  
215.3 are survivors of sexual and domestic violence.  
215.4 Eligible uses of grant money under this  
215.5 subdivision include maintaining a 24-hour  
215.6 crisis line for immediate support and referral,  
215.7 rental assistance to ensure safe and stable  
215.8 housing, legal support and advocacy to assist  
215.9 with legal proceedings, and home visiting  
215.10 services to provide in-home support and  
215.11 counseling. This is a onetime appropriation  
215.12 and is available until June 30, 2027.

215.13 **Subd. 2. Somali Youth Development Network**

215.14 \$200,000 in fiscal year 2026 is for a grant to  
215.15 The Somali Youth Development Network to  
215.16 further its mission to provide accessible,  
215.17 high-quality services such as counseling and  
215.18 therapy, mentorship, educational support, skill  
215.19 development, and community engagement  
215.20 initiatives to at-risk youth and families  
215.21 affected by trauma, with a specific focus on  
215.22 gun violence prevention. The grant money  
215.23 must be used to enhance and expand The  
215.24 Somali Youth Development Network's  
215.25 existing services and to invest in critical  
215.26 resources such as staff training, counseling  
215.27 facilities, mentorship programs, educational  
215.28 materials, community outreach initiatives, and  
215.29 comprehensive support programs. This is a  
215.30 onetime appropriation and is available until  
215.31 June 30, 2027.

215.32 **Sec. 18. GRANT PROGRAMS; CHEMICAL**  
215.33 **DEPENDENCY TREATMENT SUPPORT**  
215.34 **GRANTS**

\$	<u>5,526,000</u>	\$	<u>4,825,000</u>
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216.1     Subdivision 1. Appropriations by Fund

216.2                     Appropriations by Fund

216.3		<u>2026</u>	<u>2027</u>
216.4	<u>General</u>	<u>3,793,000</u>	<u>3,092,000</u>
216.5	<u>Lottery Prize</u>	<u>1,733,000</u>	<u>1,733,000</u>

216.6     Subd. 2. Problem Gambling

216.7     \$225,000 in fiscal year 2026 and \$225,000 in

216.8     fiscal year 2027 are from the lottery prize fund

216.9     for a grant to a state affiliate recognized by

216.10    the National Council on Problem Gambling.

216.11    The affiliate must provide services to increase

216.12    public awareness of problem gambling,

216.13    education, training for individuals and

216.14    organizations that provide effective treatment

216.15    services to problem gamblers and their

216.16    families, and research related to problem

216.17    gambling.

216.18    Subd. 3. Generation Hope

216.19    (a) \$500,000 in fiscal year 2026 is from the

216.20    general fund for a grant to Generation Hope.

216.21    Money must be used to enhance culturally

216.22    specific peer recovery and outreach programs,

216.23    including:

216.24    (1) expanding culturally relevant peer recovery

216.25    support services to meet the diverse needs of

216.26    individuals in recovery;

216.27    (2) conducting targeted outreach to

216.28    underserved communities to increase access

216.29    to recovery resources;

216.30    (3) providing training and professional

216.31    development for peer recovery specialists to

216.32    ensure culturally informed care; and



217.1 (4) partnering with community-based  
217.2 organizations to strengthen connections and  
217.3 provide wraparound support services for  
217.4 participants.

217.5 (b) This is a onetime appropriation.

217.6 Subd. 4. **Restoration for All, Inc.**

217.7 \$435,000 in fiscal year 2026 and \$434,000 in  
217.8 fiscal year 2027 are from the general fund for  
217.9 a grant to Restoration for All, Inc. Awarded  
217.10 grant money must be used for activities  
217.11 designed to enhance culturally relevant  
217.12 services and resources for Minnesota's African  
217.13 immigrant refugee community related to  
217.14 mental health, substance use disorder, and  
217.15 suicide prevention. Awarded grant money may  
217.16 also be used to address the physical and mental  
217.17 wellness needs of the elderly and mental health  
217.18 support and suicide prevention for  
217.19 underrepresented students in higher education.  
217.20 This is a onetime appropriation and is  
217.21 available until June 30, 2027.

217.22 Subd. 5. **Change the Outcome Ongoing Funding**

217.23 \$425,000 in fiscal year 2026 and \$425,000 in  
217.24 fiscal year 2027 are from the general fund for  
217.25 a grant to Change the Outcome to provide:

217.26 (1) data-centered learning opportunities on the  
217.27 dangers of opioid use in middle and high  
217.28 schools and communities in Minnesota;

217.29 (2) instruction on prevention strategies,  
217.30 assessing personal risk, and how to recognize  
217.31 overdose;

218.1 (3) information on emerging drug trends,  
218.2 including but not limited to fentanyl, xylazine,  
218.3 and pressed pills; and

218.4 (4) access to resources, including support for  
218.5 those struggling with substance use disorders.

218.6 **Subd. 6. Twin Cities Recovery Project**

218.7 \$50,000 in fiscal year 2026 and \$50,000 in  
218.8 fiscal year 2027 are from the general fund for  
218.9 a grant to Twin Cities Recovery Project, a  
218.10 recovery community organization. Grant  
218.11 money must be used to:

218.12 (1) provide geographically or culturally  
218.13 specific peer recovery services and education  
218.14 aimed at addressing disparities in  
218.15 posttreatment substance use disorder and  
218.16 mental health support; and

218.17 (2) expand access to posttreatment recovery  
218.18 support for high-need populations.

218.19 **Subd. 7. Niyyah Recovery Initiative**

218.20 \$200,000 in fiscal year 2026 is from the  
218.21 general fund for a grant to Niyyah Recovery  
218.22 Initiative to fund support program costs,  
218.23 community engagement, staffing, and targeted  
218.24 high-impact outreach to expand recovery  
218.25 services and provide critical support to  
218.26 individuals affected by substance use. This is  
218.27 a onetime appropriation and is available until  
218.28 June 30, 2027.

218.29 **Subd. 8. Wellness in the Woods**

218.30 \$300,000 in fiscal year 2026 and \$300,000 in  
218.31 fiscal year 2027 are from the general fund for  
218.32 a grant to Wellness in the Woods for daily  
218.33 peer support and special sessions for

219.1 individuals who are in substance use recovery,  
219.2 are transitioning out of incarceration, or have  
219.3 experienced trauma.

219.4 **Subd. 9. Base Level Adjustment**

219.5 The general fund base for this section is  
219.6 \$2,658,000 in fiscal year 2028 and \$2,658,000  
219.7 in fiscal year 2029.

219.8 **Sec. 19. TRANSFERS AND GRANT CANCELLATIONS AND ELIMINATIONS.**

219.9 Subdivision 1. Local planning grant elimination. The fiscal year 2026 and fiscal year  
219.10 2027 general fund base appropriations for local planning grants for creating alternatives to  
219.11 congregate living for individuals with lower needs first established under Laws 2011, First  
219.12 Special Session chapter 9, article 10, section 3, subdivision 4, paragraph (k) are reduced  
219.13 from \$254,000 to \$0.

219.14 Subd. 2. CD peer specialists grant elimination. The fiscal year 2026 and fiscal year  
219.15 2027 general fund base appropriations for grants for peer specialists first established under  
219.16 Laws 2016, chapter 189, article 23, section 2, subdivision 4, paragraph (f) are reduced from  
219.17 \$1,364,000 to \$0.

219.18 Subd. 3. Community residential setting Transitional grant cancellation. Any  
219.19 unencumbered and unexpended amount of the fiscal year 2024 appropriation referenced in  
219.20 Laws 2023, chapter 61, article 9, section 2, subdivision 16, paragraph (a) for grants to assist  
219.21 small customized living providers to transition to community residential services licensure  
219.22 or integrated community supports licensure, estimated to be \$5,450,000, is canceled.

219.23 Subd. 4. Retention bonus cancellation. Any unencumbered and unexpended amount  
219.24 of the fiscal year 2024 appropriation referenced in Laws 2023, chapter 61, article 9, section  
219.25 2, subdivision 16, paragraph (g), for retention bonuses, estimated to be \$27,000,000, is  
219.26 canceled.

219.27 Subd. 5. Orientation payments cancellation. Any unencumbered and unexpended  
219.28 amount of the fiscal year 2024 appropriation referenced in Laws 2023, chapter 61, article  
219.29 9, section 2, subdivision 16, paragraph (i), for orientation payments, estimated to be  
219.30 \$1,750,000, is canceled.

219.31 Subd. 6. Safe recovery site grant cancellation. Any unencumbered and unexpended  
219.32 amount of the fiscal year 2024 appropriation referenced in Laws 2023, chapter 61, article

220.1 9, section 2, subdivision 18, paragraph (b), for grants to establish safe recovery sites,  
220.2 estimated to be \$13,528,000, is canceled.

220.3 Subd. 7. **Harm reduction grant cancellation.** Any unencumbered and unexpended  
220.4 amount of the fiscal year 2024 appropriation referenced in Laws 2023, chapter 61, article  
220.5 9, section 2, subdivision 18, paragraph (e), for grants to purchase syringes, testing supplies,  
220.6 and opiate antagonists, estimated to be \$7,597,000, is canceled.

220.7 Subd. 8. **Nursing facility payment program cancellation.** Any unencumbered and  
220.8 unexpended amount of the fiscal year 2024 appropriation referenced in Laws 2023, chapter  
220.9 74, article 1, section 6, subdivision 2, for payments to nursing facilities, estimated to be  
220.10 \$1,416,000, is canceled.

220.11 Subd. 9. **Advisory committee for direct care and treatment funding cancellation.** Any  
220.12 unencumbered and unexpended amount of the fiscal year 2025 appropriation referenced in  
220.13 laws 2024, chapter 127, article 53, section 2, subdivision 20, paragraph (d) for the direct  
220.14 care and treatment advisory committee, estimated to be \$482,000, is canceled.

220.15 Subd. 10. **Cancellation and transfer of the human services response contingency**  
220.16 **account balance.** (a) The remaining unencumbered balance in the human services response  
220.17 contingency account established under Minnesota Statutes, section 256.044, estimated to  
220.18 be \$2,500,000, is canceled to the special revenue fund.

220.19 (b) An amount equal to the amount canceled under paragraph (a) is transferred from the  
220.20 special revenue fund to the general fund.

220.21 Subd. 11. **Cancellation and transfer of family and medical benefit funding (a)**  
220.22 \$20,000,000 in fiscal year 2026 is canceled from the family and medical benefit account to  
220.23 the family and medical benefit insurance fund.

220.24 (b) An amount equal to the amount canceled under paragraph (a) is transferred from the  
220.25 family and medical benefit insurance fund to the general fund.

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

220.27 Sec. 20. **TRANSFERS.**

220.28 Subdivision 1. **Grants.** The commissioner of human services, with the advance approval  
220.29 of the commissioner of management and budget, may transfer unencumbered appropriation  
220.30 balances for the biennium ending June 30, 2027, within fiscal years among general assistance,  
220.31 medical assistance, MinnesotaCare, the Minnesota supplemental aid program, the housing  
220.32 support program, and the entitlement portion of the behavioral health fund between fiscal

221.1 years of the biennium. The commissioner shall report to the chairs and ranking minority  
221.2 members of the legislative committees with jurisdiction over health and human services  
221.3 quarterly about transfers made under this subdivision.

221.4     Subd. 2. **Administration.** Positions, salary money, and nonsalary administrative money  
221.5 may be transferred within the Department of Human Services as the commissioner deems  
221.6 necessary, with the advance approval of the commissioner of management and budget. The  
221.7 commissioner shall report to the chairs and ranking minority members of the legislative  
221.8 committees with jurisdiction over health and human services finance quarterly about transfers  
221.9 made under this section.

221.10     Sec. 21. Laws 2023, chapter 61, article 9, section 2, subdivision 13, is amended to read:

221.11	Subd. 13. <b>Grant Programs; Other Long-Term</b>		
221.12	<b>Care Grants</b>	152,387,000	1,925,000

221.13     **(a) Provider Capacity Grant for Rural and**  
221.14 **Underserved Communities.** \$17,148,000 in  
221.15 fiscal year 2024 is for provider capacity grants  
221.16 for rural and underserved communities.  
221.17 Notwithstanding Minnesota Statutes, section  
221.18 16A.28, this appropriation is available until  
221.19 June 30, 2027. This is a onetime appropriation.

221.20     **(b) New American Legal, Social Services,**  
221.21 **and Long-Term Care Grant Program.**  
221.22 \$28,316,000 in fiscal year 2024 is for  
221.23 long-term care workforce grants for new  
221.24 Americans. Notwithstanding Minnesota  
221.25 Statutes, section 16A.28, this appropriation is  
221.26 available until June 30, 2027. This is a onetime  
221.27 appropriation.

221.28     **(c) Supported Decision Making Programs.**  
221.29 \$4,000,000 in fiscal year 2024 is for supported  
221.30 decision making grants. This is a onetime  
221.31 appropriation and is available until June 30,  
221.32 2025 2026.

221.33     **(d) Direct Support Professionals**  
221.34 **Employee-Owned Cooperative Program.**

222.1 \$350,000 in fiscal year 2024 is for a grant to  
222.2 the Metropolitan Consortium of Community  
222.3 Developers for the Direct Support  
222.4 Professionals Employee-Owned Cooperative  
222.5 program. The grantee must use the grant  
222.6 amount for outreach and engagement,  
222.7 managing a screening and selection process,  
222.8 providing one-on-one technical assistance,  
222.9 developing and providing training curricula  
222.10 related to cooperative development and home  
222.11 and community-based waiver services,  
222.12 administration, reporting, and program  
222.13 evaluation. This is a onetime appropriation  
222.14 and is available until June 30, 2025.

222.15 **(e) Long-Term Services and Supports**  
222.16 **Workforce Incentive Grants.** \$83,560,000  
222.17 in fiscal year 2024 is for long-term services  
222.18 and supports workforce incentive grants  
222.19 administered according to Minnesota Statutes,  
222.20 section 256.4764. Notwithstanding Minnesota  
222.21 Statutes, section 16A.28, this appropriation is  
222.22 available until June 30, 2029. This is a onetime  
222.23 appropriation.

222.24 **(f) Base Level Adjustment.** The general fund  
222.25 base is \$3,949,000 in fiscal year 2026 and  
222.26 \$3,949,000 in fiscal year 2027. Of these  
222.27 amounts, \$2,024,000 in fiscal year 2026 and  
222.28 \$2,024,000 in fiscal year 2027 are for PCA  
222.29 background study grants.

222.30 Sec. 22. Laws 2023, chapter 61, article 9, section 2, subdivision 16, as amended by Laws  
222.31 2023, chapter 70, article 15, section 8, and Laws 2024, chapter 127, article 53, section 14,  
222.32 subdivision 16, is amended to read:

222.33 Subd. 16. <b>Grant Programs; Disabilities Grants</b>	113,684,000	30,377,000
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223.1 **(a) Temporary Grants for Small**  
223.2 **Customized Living Providers.** \$5,450,000  
223.3 in fiscal year 2024 is for grants to assist small  
223.4 customized living providers to transition to  
223.5 community residential services licensure or  
223.6 integrated community supports licensure.  
223.7 Notwithstanding Minnesota Statutes, section  
223.8 16A.28, this appropriation is available until  
223.9 June 30, 2027. This is a onetime appropriation.

223.10 **(b) Lead Agency Capacity Building Grants.**  
223.11 \$444,000 in fiscal year 2024 and \$2,396,000  
223.12 in fiscal year 2025 are for grants to assist  
223.13 organizations, counties, and Tribes to build  
223.14 capacity for employment opportunities for  
223.15 people with disabilities. The base for this  
223.16 appropriation is \$2,413,000 in fiscal year 2026  
223.17 and \$2,411,000 in fiscal year 2027.

223.18 **(c) Employment and Technical Assistance**  
223.19 **Center Grants.** \$450,000 in fiscal year 2024  
223.20 and \$1,800,000 in fiscal year 2025 are for  
223.21 employment and technical assistance grants  
223.22 to assist organizations and employers in  
223.23 promoting a more inclusive workplace for  
223.24 people with disabilities.

223.25 **(d) Case Management Training Grants.**  
223.26 \$37,000 in fiscal year 2024 and \$123,000 in  
223.27 fiscal year 2025 are for grants to provide case  
223.28 management training to organizations and  
223.29 employers to support the state's disability  
223.30 employment supports system. The base for  
223.31 this appropriation is \$45,000 in fiscal year  
223.32 2026 and \$45,000 in fiscal year 2027.

223.33 **(e) Self-Directed Bargaining Agreement;**  
223.34 **Electronic Visit Verification Stipends.**  
223.35 \$6,095,000 in fiscal year 2024 is for onetime

224.1 stipends of \$200 to bargaining members to  
224.2 offset the potential costs related to people  
224.3 using individual devices to access the  
224.4 electronic visit verification system. Of this  
224.5 amount, \$5,600,000 is for stipends and  
224.6 \$495,000 is for administration. This is a  
224.7 onetime appropriation and is available until  
224.8 June 30, 2025.

224.9 **(f) Self-Directed Collective Bargaining**  
224.10 **Agreement; Temporary Rate Increase**  
224.11 **Memorandum of Understanding.** \$1,600,000  
224.12 in fiscal year 2024 is for onetime stipends for  
224.13 individual providers covered by the SEIU  
224.14 collective bargaining agreement based on the  
224.15 memorandum of understanding related to the  
224.16 temporary rate increase in effect between  
224.17 December 1, 2020, and February 7, 2021. Of  
224.18 this amount, \$1,400,000 of the appropriation  
224.19 is for stipends and \$200,000 is for  
224.20 administration. This is a onetime  
224.21 appropriation.

224.22 **(g) Self-Directed Collective Bargaining**  
224.23 **Agreement; Retention Bonuses.** \$50,750,000  
224.24 in fiscal year 2024 is for onetime retention  
224.25 bonuses covered by the SEIU collective  
224.26 bargaining agreement. Of this amount,  
224.27 \$50,000,000 is for retention bonuses and  
224.28 \$750,000 is for administration of the bonuses.  
224.29 This is a onetime appropriation and is  
224.30 available until June 30, 2025.

224.31 **(h) Self-Directed Bargaining Agreement;**  
224.32 **Training Stipends.** \$2,100,000 in fiscal year  
224.33 2024 and \$100,000 in fiscal year 2025 are for  
224.34 onetime stipends of \$500 for collective  
224.35 bargaining unit members who complete



225.1 designated, voluntary trainings made available  
225.2 through or recommended by the State Provider  
225.3 Cooperation Committee. Of this amount,  
225.4 \$2,000,000 in fiscal year 2024 is for stipends,  
225.5 and \$100,000 in fiscal year 2024 and \$100,000  
225.6 in fiscal year 2025 are for administration. This  
225.7 is a onetime appropriation.

225.8 **(i) Self-Directed Bargaining Agreement;**  
225.9 **Orientation Program.** \$2,000,000 in fiscal  
225.10 year 2024 and \$2,000,000 in fiscal year 2025  
225.11 are for onetime \$100 payments to collective  
225.12 bargaining unit members who complete  
225.13 voluntary orientation requirements. Of this  
225.14 amount, \$1,500,000 in fiscal year 2024 and  
225.15 \$1,500,000 in fiscal year 2025 are for the  
225.16 onetime \$100 payments, and \$500,000 in  
225.17 fiscal year 2024 and \$500,000 in fiscal year  
225.18 2025 are for orientation-related costs. This is  
225.19 a onetime appropriation.

225.20 **(j) Self-Directed Bargaining Agreement;**  
225.21 **Home Care Orientation Trust.** \$1,000,000  
225.22 in fiscal year 2024 is for the Home Care  
225.23 Orientation Trust under Minnesota Statutes,  
225.24 section 179A.54, subdivision 11. The  
225.25 commissioner shall disburse the appropriation  
225.26 to the board of trustees of the Home Care  
225.27 Orientation Trust for deposit into an account  
225.28 designated by the board of trustees outside the  
225.29 state treasury and state's accounting system.  
225.30 This is a onetime appropriation and is  
225.31 available until June 30, 2025.

225.32 **(k) HIV/AIDS Supportive Services.**  
225.33 \$12,100,000 in fiscal year 2024 is for grants  
225.34 to community-based HIV/AIDS supportive  
225.35 services providers as defined in Minnesota

226.1 Statutes, section 256.01, subdivision 19, and  
226.2 for payment of allowed health care costs as  
226.3 defined in Minnesota Statutes, section  
226.4 256.9365. This is a onetime appropriation and  
226.5 is available until June 30, 2025.

226.6 **(l) Motion Analysis Advancements Clinical**  
226.7 **Study and Patient Care.** \$400,000 ~~is~~ in fiscal  
226.8 year 2024 is for a grant to the Mayo Clinic  
226.9 Motion Analysis Laboratory and Limb Lab  
226.10 for continued research in motion analysis  
226.11 advancements and patient care. This is a  
226.12 onetime appropriation and is available through  
226.13 June 30, ~~2025~~ 2027.

226.14 **(m) Grant to Family Voices in Minnesota.**  
226.15 \$75,000 in fiscal year 2024 and \$75,000 in  
226.16 fiscal year 2025 are for a grant to Family  
226.17 Voices in Minnesota under Minnesota  
226.18 Statutes, section 256.4776.

226.19 **(n) Parent-to-Parent Programs.**  
226.20 **(1)** \$550,000 in fiscal year 2024 and \$550,000  
226.21 in fiscal year 2025 are for grants to  
226.22 organizations that provide services to  
226.23 underserved communities with a high  
226.24 prevalence of autism spectrum disorder. This  
226.25 is a onetime appropriation and is available  
226.26 until June 30, 2025.

226.27 **(2)** The commissioner shall give priority to  
226.28 organizations that provide culturally specific  
226.29 and culturally responsive services.

226.30 **(3)** Eligible organizations must:

226.31 **(i)** conduct outreach and provide support to  
226.32 newly identified parents or guardians of a child  
226.33 with special health care needs;

227.1 (ii) provide training to educate parents and  
227.2 guardians in ways to support their child and  
227.3 navigate the health, education, and human  
227.4 services systems;

227.5 (iii) facilitate ongoing peer support for parents  
227.6 and guardians from trained volunteer support  
227.7 parents; and

227.8 (iv) communicate regularly with other  
227.9 parent-to-parent programs and national  
227.10 organizations to ensure that best practices are  
227.11 implemented.

227.12 (4) Grant recipients must use grant money for  
227.13 the activities identified in clause (3).

227.14 (5) For purposes of this paragraph, "special  
227.15 health care needs" means disabilities, chronic  
227.16 illnesses or conditions, health-related  
227.17 educational or behavioral problems, or the risk  
227.18 of developing disabilities, illnesses, conditions,  
227.19 or problems.

227.20 (6) Each grant recipient must report to the  
227.21 commissioner of human services annually by  
227.22 January 15 with measurable outcomes from  
227.23 programs and services funded by this  
227.24 appropriation the previous year including the  
227.25 number of families served and the number of  
227.26 volunteer support parents trained by the  
227.27 organization's parent-to-parent program.

227.28 **(o) Self-Advocacy Grants for Persons with**  
227.29 **Intellectual and Developmental Disabilities.**  
227.30 \$323,000 in fiscal year 2024 and \$323,000 in  
227.31 fiscal year 2025 are for self-advocacy grants  
227.32 under Minnesota Statutes, section 256.477.  
227.33 This is a onetime appropriation. Of these  
227.34 amounts, \$218,000 in fiscal year 2024 and

228.1   \$218,000 in fiscal year 2025 are for the

228.2   activities under Minnesota Statutes, section

228.3   256.477, subdivision 1, paragraph (a), clauses

228.4   (5) to (7), and for administrative costs, and

228.5   \$105,000 in fiscal year 2024 and \$105,000 in

228.6   fiscal year 2025 are for the activities under

228.7   Minnesota Statutes, section 256.477,

228.8   subdivision 2.

228.9   

**(p) Technology for Home Grants.** \$300,000

228.10   in fiscal year 2024 and \$300,000 in fiscal year

228.11   2025 are for technology for home grants under

228.12   Minnesota Statutes, section 256.4773.

228.13   

**(q) Community Residential Setting**

228.14   **Transition.** \$500,000 in fiscal year 2024 is

228.15   for a grant to Hennepin County to expedite

228.16   approval of community residential setting

228.17   licenses subject to the corporate foster care

228.18   moratorium exception under Minnesota

228.19   Statutes, section 245A.03, subdivision 7,

228.20   paragraph (a), clause (5).

228.21   

**(r) Base Level Adjustment.** The general fund

228.22   base is \$27,343,000 in fiscal year 2026 and

228.23   \$27,016,000 in fiscal year 2027.

228.24   Sec. 23. Laws 2024, chapter 127, article 53, section 2, subdivision 15, is amended to read:

228.25   Subd. 15. **Grant Programs; Adult Mental Health**

228.26   **Grants** (8,900,000) 2,364,000

228.27   

**(a) Locked Intensive Residential Treatment**

228.28   **Services.** \$1,000,000 in fiscal year 2025 is for

228.29   start-up funds to intensive residential treatment

228.30   services providers to provide treatment in

228.31   locked facilities for patients meeting medical

228.32   necessity criteria and who may also be referred

228.33   for competency attainment or a competency

228.34   examination under Minnesota Statutes,

229.1 sections 611.40 to 611.59. This is a onetime  
229.2 appropriation. Notwithstanding Minnesota  
229.3 Statutes, section 16A.28, subdivision 3, this  
229.4 appropriation is available until June 30, 2027.

229.5 **(b) Engagement Services Pilot Grants.**  
229.6 \$1,500,000 in fiscal year 2025 is for  
229.7 engagement services pilot grants. Of this  
229.8 amount, \$250,000 in fiscal year 2025 is for an  
229.9 engagement services pilot grant to Otter Tail  
229.10 County. This is a onetime appropriation.  
229.11 Notwithstanding Minnesota Statutes, section  
229.12 16A.28, subdivision 3, this appropriation is  
229.13 available until June 30, ~~2026~~ 2028.

229.14 **(c) Mental Health Innovation Grant**  
229.15 **Program.** \$1,321,000 in fiscal year 2025 is  
229.16 for the mental health innovation grant program  
229.17 under Minnesota Statutes, section 245.4662.  
229.18 This is a onetime appropriation.  
229.19 Notwithstanding Minnesota Statutes, section  
229.20 16A.28, subdivision 3, this appropriation is  
229.21 available until June 30, 2026.

229.22 **(d) Behavioral Health Services For**  
229.23 **Immigrant And Refugee Communities.**  
229.24 \$354,000 in fiscal year 2025 is for a payment  
229.25 to African Immigrant Community Services to  
229.26 provide culturally and linguistically  
229.27 appropriate services to new Americans with  
229.28 disabilities, mental health needs, and substance  
229.29 use disorders and to connect such individuals  
229.30 with appropriate alternative service providers  
229.31 to ensure continuity of care. This is a onetime  
229.32 appropriation. Notwithstanding Minnesota  
229.33 Statutes, section 16A.28, subdivision 3, this  
229.34 appropriation is available until June 30, 2027.

230.1 (e) **Base Level Adjustment.** The general fund  
230.2 base is decreased by \$1,811,000 in fiscal year  
230.3 2026 and decreased by \$1,811,000 in fiscal  
230.4 year 2027.

230.5 Sec. 24. **GRANT ADMINISTRATION.**

230.6 Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner  
230.7 of human services must not use any of the grant amounts appropriated under this article for  
230.8 administrative costs.

230.9 Sec. 25. **APPROPRIATIONS GIVEN EFFECT ONCE.**

230.10 If an appropriation or transfer in this article is enacted more than once during the 2025  
230.11 regular session, the appropriation or transfer must be given effect once.

230.12 Sec. 26. **EXPIRATION OF UNCODIFIED LANGUAGE.**

230.13 All uncodified language contained in this article expires on June 30, 2027, unless a  
230.14 different expiration date is explicit.

230.15 Sec. 27. **EFFECTIVE DATE.**

230.16 This article is effective July 1, 2025, unless a different effective date is specified.

230.17 **ARTICLE 12**  
230.18 **DIRECT CARE AND TREATMENT APPROPRIATIONS**

230.19 Section 1. **DIRECT CARE AND TREATMENT APPROPRIATIONS.**

230.20 The sums shown in the columns marked "Appropriations" are appropriated to the  
230.21 executive board of direct care and treatment and for the purposes specified in this article.  
230.22 The appropriations are from the general fund, or another named fund, and are available for  
230.23 the fiscal years indicated for each purpose. The figures "2026" and "2027" used in this  
230.24 article mean that the appropriations listed under them are available for the fiscal year ending  
230.25 June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The  
230.26 second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

230.27	<b><u>APPROPRIATIONS</u></b>	
230.28	<b><u>Available for the Year</u></b>	
230.29	<b><u>Ending June 30</u></b>	
230.30	<b><u>2026</u></b>	<b><u>2027</u></b>

231.1	Sec. 2. <u>EXECUTIVE BOARD OF DIRECT</u>			
231.2	<u>CARE AND TREATMENT; TOTAL</u>			
231.3	<u>APPROPRIATION</u>	\$	<u>577,884,000</u>	\$ <u>603,230,000</u>
231.4	<u>The amounts that may be spent for each</u>			
231.5	<u>purpose are specified in the following sections.</u>			
231.6	Sec. 3. <u>MENTAL HEALTH AND SUBSTANCE</u>			
231.7	<u>ABUSE</u>	\$	<u>189,761,000</u>	\$ <u>194,840,000</u>
231.8	Sec. 4. <u>COMMUNITY-BASED SERVICES</u>	\$	<u>13,927,000</u>	\$ <u>14,170,000</u>
231.9	Sec. 5. <u>FORENSIC SERVICES</u>	\$	<u>160,239,000</u>	\$ <u>164,094,000</u>
231.10	Sec. 6. <u>SEX OFFENDER PROGRAM</u>	\$	<u>128,050,000</u>	\$ <u>131,351,000</u>
231.11	Sec. 7. <u>ADMINISTRATION</u>	\$	<u>85,907,000</u>	\$ <u>98,775,000</u>
231.12	<u>Locked Psychiatric Residential Treatment</u>			
231.13	<u>Facility Planning</u>			
231.14	<u>(a) \$100,000 in fiscal year 2026 is for planning</u>			
231.15	<u>a build out of a locked psychiatric residential</u>			
231.16	<u>treatment facility operated by Direct Care and</u>			
231.17	<u>Treatment. This is a onetime appropriation</u>			
231.18	<u>and is available until June 30, 2027.</u>			
231.19	<u>(b) By March 1, 2026, the executive board</u>			
231.20	<u>must report to the chairs and ranking minority</u>			
231.21	<u>members of the legislative committees with</u>			
231.22	<u>jurisdiction over human services finance and</u>			
231.23	<u>policy on the plan developed using the</u>			
231.24	<u>appropriation in this section to build out a</u>			
231.25	<u>locked psychiatric residential treatment facility</u>			
231.26	<u>(PRTF) operated by Direct Care and</u>			
231.27	<u>Treatment.</u>			
231.28	<u>(c) The report must include but is not limited</u>			
231.29	<u>to the following information:</u>			
231.30	<u>(1) the risks and benefits of locating the locked</u>			
231.31	<u>PRTF in a metropolitan or rural location;</u>			
231.32	<u>(2) the estimated cost for the build out of the</u>			
231.33	<u>locked PRTF;</u>			

232.1 (3) the estimated ongoing cost of maintaining  
232.2 the locked PRTF; and  
232.3 (4) the estimated amount of costs that can be  
232.4 recouped from medical assistance,  
232.5 MinnesotaCare, and private insurance  
232.6 payments.

232.7 Sec. 8. **TRANSFER AUTHORITY.**

232.8 (a) Money appropriated for budget programs in this article may be transferred between  
232.9 budget programs and between years of the biennium with the approval of the commissioner  
232.10 of management and budget.

232.11 (b) Positions, salary money, and nonsalary administrative money may be transferred  
232.12 within Direct Care and Treatment as the executive board considers necessary, with the  
232.13 advance approval of the commissioner of management and budget. The executive board  
232.14 shall report to the chairs and ranking minority members of the legislative committees with  
232.15 jurisdiction over Direct Care and Treatment quarterly about transfers made under this section.

232.16 (c) Beginning July 1, 2025, and until September 30, 2025, administrative money may  
232.17 be transferred between Direct Care and Treatment and the Department of Human Services  
232.18 as the commissioners deem necessary, with advance approval of the commission of  
232.19 management and budget. The executive board shall report to the chairs and ranking minority  
232.20 members of the legislative committees with jurisdiction over Direct Care and Treatment  
232.21 about transfers made under this section.

232.22 Sec. 9. **APPROPRIATIONS GIVEN EFFECT ONCE.**

232.23 If an appropriation or transfer in this article is enacted more than once during the 2025  
232.24 regular session, the appropriation or transfer must be given effect once.

232.25 Sec. 10. **EXPIRATION OF UNCODIFIED LANGUAGE.**

232.26 All uncodified language contained in this article expires on June 30, 2027, unless a  
232.27 different expiration date is explicit.

232.28 Sec. 11. **EFFECTIVE DATE.**

232.29 This article is effective July 1, 2025, unless a different effective date is specified.



233.1

ARTICLE 13

233.2

APPROPRIATIONS; HEALTH

233.3

Section 1. HEALTH APPROPRIATIONS.

233.4

The sums shown in the columns marked "Appropriations" are appropriated to the agencies

233.5

and for the purposes specified in this article. The appropriations are from the general fund,

233.6

or another named fund, and are available for the fiscal years indicated for each purpose.

233.7

The figures "2026" and "2027" used in this article mean that the appropriations listed under

233.8

them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.

233.9

"The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"

233.10

is fiscal years 2026 and 2027.

233.11

APPROPRIATIONS

233.12

Available for the Year

233.13

Ending June 30

233.14

20262027

233.15

Sec. 2. COMMISSIONER OF HEALTH;

233.16

TOTAL APPROPRIATION \$2,431,000 \$2,339,000

233.17

The amounts that may be spent for each

233.18

purpose are specified in the following sections.

233.19

Sec. 3. HEALTH IMPROVEMENT \$2,336,000 \$2,336,000

233.20

Community Care Hub Grant

233.21

\$2,240,000 in fiscal year 2026 and \$2,240,000

233.22

in fiscal year 2027 are for the community care

233.23

hub grant.

233.24

Sec. 4. HEALTH PROTECTION \$95,000 \$3,000

233.25

This appropriation is from the state

233.26

government special revenue fund.

233.27

Sec. 5. GRANT ADMINISTRATION.

233.28

Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner

233.29

of health must not use any of the grant amounts appropriated under this article for

233.30

administrative costs.

234.1 **Sec. 6. APPROPRIATIONS GIVEN EFFECT ONCE.**

235.1	Sec. 3. <b><u>OFFICE OF THE OMBUDSMAN FOR</u></b>			
235.2	<b><u>MENTAL HEALTH AND DEVELOPMENTAL</u></b>			
235.3	<b><u>DISABILITIES</u></b>	\$	<u>3,706,000</u>	\$ <u>3,765,000</u>
235.4	Sec. 4. <b><u>OFFICE OF ADMINISTRATIVE</u></b>			
235.5	<b><u>HEARINGS</u></b>	\$	<u>272,000</u>	\$ <u>262,000</u>
235.6	Sec. 5. <b><u>MINNESOTA HUMANITIES CENTER</u></b>	\$	<u>68,000</u>	\$ <u>-0-</u>
235.7	<b><u>YouLead2025</u></b>			
235.8	<u>\$68,000 in fiscal year 2026 is for a grant to</u>			
235.9	<u>Global Synergy Group, a 501(c)(3) nonprofit</u>			
235.10	<u>organization, to operate the YouLead2025</u>			
235.11	<u>program. This is a onetime appropriation.</u>			
235.12	<u>Notwithstanding Minnesota Statutes, section</u>			
235.13	<u>16B.98, subdivision 14, the Board of Directors</u>			
235.14	<u>of the Minnesota Humanities Center must not</u>			
235.15	<u>use any of the grant amounts for administrative</u>			
235.16	<u>lists.</u>			
235.17	Sec. 6. <b><u>BOARD OF BEHAVIORAL HEALTH</u></b>			
235.18	<b><u>AND THERAPY</u></b>	\$	<u>2,000</u>	\$ <u>1,000</u>
235.19	<u>The general fund base for this section is \$0 in</u>			
235.20	<u>fiscal year 2028 and \$0 in fiscal year 2029.</u>			
235.21	Sec. 7. <b><u>BOARD OF MEDICAL PRACTICE</u></b>	\$	<u>3,000</u>	\$ <u>1,000</u>
235.22	<u>The general fund base for this section is \$0 in</u>			
235.23	<u>fiscal year 2028 and \$0 in fiscal year 2029.</u>			
235.24	Sec. 8. <b><u>BOARD OF NURSING</u></b>	\$	<u>4,000</u>	\$ <u>2,000</u>
235.25	<u>The general fund base for this section is \$0 in</u>			
235.26	<u>fiscal year 2028 and \$0 in fiscal year 2029.</u>			
235.27	Sec. 9. <b><u>APPROPRIATIONS GIVEN EFFECT ONCE.</u></b>			
235.28	<u>If an appropriation or transfer in this article is enacted more than once during the 2025</u>			
235.29	<u>regular session, the appropriation or transfer must be given effect once.</u>			
235.30	Sec. 10. <b><u>EXPIRATION OF UNCODIFIED LANGUAGE.</u></b>			
235.31	<u>All uncodified language contained in this article expires on June 30, 2027, unless a</u>			
235.32	<u>different expiration date is explicit.</u>			

236.1      **Sec. 11. EFFECTIVE DATE.**

236.2 This article is effective July 1, 2025, unless a different effective date is specified.

236.3 Delete the title and insert:

236.4 "A bill for an act

relating to human services; modifying provisions relating to aging and older adult services, disability services, substance use disorder treatment, housing supports, health care, direct care and treatment services, and the Department of Health; establishing the Department of Direct Care and Treatment and the Advisory Council on Direct Care and Treatment; dissolving the Direct Care and Treatment executive board; establishing the Minnesota Caregiver Retirement Fund Trust; creating early intensive developmental and behavioral intervention provisional licensure; modifying the Home Care and Assisted Living Advisory Council; establishing the Age-Friendly Minnesota Council; requiring a patient driving payment model phase-in; creating a rate add-on for workforce standards; making conforming changes; establishing grants; requiring reports; appropriating money; amending Minnesota Statutes 2024, sections 10.65, subdivision 2; 15.01; 15.06, subdivision 1; 15A.0815, subdivision 2; 15A.082, subdivisions 1, 3, 7; 43A.08, subdivisions 1, 1a; 43A.241; 144A.071, subdivisions 4a, 4c, 4d; 144A.161, subdivision 10; 144A.1888; 144A.351, subdivision 1; 144A.474, subdivision 11; 144A.4799; 144G.31, subdivision 8; 144G.52, subdivisions 1, 2, 3, 5, 7, 8, 9, 10; 144G.53; 144G.54, subdivisions 2, 3, 7; 144G.55, subdivisions 1, 2; 179A.54, by adding a subdivision; 245.021; 245.073; 245C.16, subdivision 1; 245D.091, subdivisions 2, 3; 245D.12; 245G.01, subdivision 13b, by adding subdivisions; 245G.02, subdivision 2; 245G.05, subdivision 1; 245G.07, subdivisions 1, 3, 4, by adding subdivisions; 245G.11, subdivisions 6, 7, by adding a subdivision; 245G.22, subdivisions 11, 15; 246.13, subdivision 1; 246B.01, by adding a subdivision; 246C.01; 246C.015, subdivision 3, by adding a subdivision; 246C.02, subdivision 1; 246C.04, subdivisions 2, 3; 246C.07, subdivisions 1, 2, 8; 246C.08; 246C.09, subdivision 3; 246C.091, subdivisions 2, 3, 4; 252.021, by adding a subdivision; 252.50, subdivision 5; 253.195, by adding a subdivision; 253B.02, subdivisions 3, 4c, by adding a subdivision; 253B.03, subdivision 7; 253B.041, subdivision 4; 253B.09, subdivision 3a; 253B.18, subdivision 6; 253B.19, subdivision 2; 253B.20, subdivision 2; 253D.02, subdivision 3, by adding a subdivision; 254A.19, subdivision 4; 254B.01, subdivision 10; 254B.02, subdivision 5; 254B.03, subdivisions 1, 3; 254B.04, subdivisions 1a, 5, 6, 6a; 254B.05, subdivisions 1, 4, 5, by adding a subdivision; 254B.06, by adding a subdivision; 254B.09, subdivision 2; 254B.19, subdivision 1; 256.01, subdivision 29; 256.045, subdivisions 6, 7, by adding a subdivision; 256.9657, subdivision 1; 256B.04, subdivision 21; 256B.0625, subdivisions 5m, 17; 256B.0659, subdivision 17a; 256B.0757, subdivision 4c; 256B.0911, subdivisions 24, 26, by adding subdivisions; 256B.0924, subdivision 6; 256B.0949, subdivisions 2, 15, 16, 16a, by adding a subdivision; 256B.19, subdivision 1; 256B.431, subdivision 30; 256B.434, subdivision 4; 256B.4914, subdivisions 3, 5, 5a, 5b, 6a, 6b, 6c, 7a, 7b, 7c, 8, 9, by adding subdivisions; 256B.761; 256B.85, subdivisions 7a, 8, 16; 256B.851, subdivisions 5, 6, 7, by adding subdivisions; 256G.08, subdivisions 1, 2; 256G.09, subdivisions 1, 2, 3; 256I.05, by adding a subdivision; 256R.02, subdivisions 18, 19, 22, by adding subdivisions; 256R.10, subdivision 8; 256R.23, subdivisions 5, 7, 8; 256R.24, subdivision 3; 256R.25; 256R.26, subdivision 9; 256R.27, subdivisions 2, 3; 256R.43; 260E.14, subdivision 1; 352.91, subdivisions 2a, 3c, 3d, 4a; 524.3-801; 611.43, by adding a subdivision; 611.46, subdivision 1; 611.55, by adding a subdivision; 611.57, subdivision 2; 626.5572, subdivision 13; Laws 2021, chapter 30, article 12, section 5, as amended; Laws 2021, First Special Session chapter 7, article 13, sections 73; 75, subdivision 6, as amended; Laws 2023, chapter 61, article 1, section 61, subdivision 4; article 9, section 2, subdivisions 13, 16, as

237.1 amended; Laws 2024, chapter 127, article 50, section 41, subdivision 2; article  
237.2 53, section 2, subdivision 15; proposing coding for new law in Minnesota Statutes,  
237.3 chapters 245A; 245D; 246; 246C; 256; 256R; repealing Minnesota Statutes 2024,  
237.4 sections 245G.01, subdivision 20d; 245G.07, subdivision 2; 246B.01, subdivision  
237.5 2; 246C.015, subdivisions 5a, 6; 246C.06, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10;  
237.6 246C.07, subdivisions 4, 5; 252.021, subdivision 2; 253.195, subdivision 2;  
237.7 253B.02, subdivision 7b; 253D.02, subdivision 7a; 254B.01, subdivisions 5, 15;  
237.8 256.045, subdivision 1a; 256G.02, subdivision 5a; 256R.02, subdivision 38;  
237.9 256R.12, subdivision 10; 256R.23, subdivision 6; 256R.36; 256R.40; 256R.41;  
237.10 256R.481; Laws 2024, chapter 79, article 1, section 20; Laws 2024, chapter 125,  
237.11 article 5, sections 40; 41; Laws 2024, chapter 127, article 46, section 39; article  
237.12 50, sections 40; 41, subdivisions 1, 3."