

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 3176

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DATE
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6415 Introduction and first reading
Referred to Human Services Reform Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to human services; modifying disability waiver rates to include
1.3 reimbursement for provider costs associated with government mandates; amending
1.4 Minnesota Statutes 2016, section 256B.4914, by adding subdivisions.

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

1.6 Section 1. Minnesota Statutes 2016, section 256B.4914, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 17. **Framework rate adjustments for government mandates.** The commissioner
1.9 shall adjust the disability waiver rate system to ensure that any new costs enacted by the
1.10 legislature or that result from any new requirement imposed by the commissioner on license
1.11 holders are added to the rates generated by the disability waiver rate system.

1.12 Sec. 2. Minnesota Statutes 2016, section 256B.4914, is amended by adding a subdivision
1.13 to read:

1.14 Subd. 18. **Rate add-ons for government mandates.** (a) For costs resulting from state
1.15 or local government mandates other than those described in subdivision 17, the commissioner
1.16 shall provide forms for the optional annual reporting of those costs.

1.17 (b) A license holder may elect to report costs described in paragraph (a) once every 12
1.18 months. The license holder must report these costs on forms provided by the commissioner
1.19 no later than 120 days after the end of the license holder's fiscal year.

1.20 (c) License holders are eligible for a rate add-on under this subdivision if the costs
1.21 reported under paragraph (b):

1.22 (1) are generated by a government ordinance, regulation, or other directive;

- 2.1 (2) are adequately documented;
- 2.2 (3) are known and quantifiable;
- 2.3 (4) are implemented by the license holder;
- 2.4 (5) are definite and not subject to appeal or revision;
- 2.5 (6) are actually incurred;
- 2.6 (7) are not recognized elsewhere by the framework;
- 2.7 (8) are not imposed as a result of a negative licensing or other enforcement action; and
- 2.8 (9) were not incurred in the prior year.
- 2.9 (d) If the commissioner determines that the reported costs qualify for a rate add-on under
- 2.10 this subdivision, the rate add-on shall become effective on the date the costs were initially
- 2.11 incurred.
- 2.12 (e) The commissioner shall make a prospective adjustment to each service recipient's
- 2.13 future rate by allocating the total add-on in proportion to each service recipient's share of
- 2.14 the license holder's total payments. The commissioner shall make a lump-sum payment to
- 2.15 the license holder for any retroactive adjustment.