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State of Minnesota

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**HOUSE OF REPRESENTATIVES**

**Unofficial Engrossment**

House Engrossment of a Senate File

NINETY-THIRD SESSION

**S. F. No. 4699**

- 05/06/2024 Companion to House File No. 4571. (Authors:Liebling)
- Read First Time and Referred to the Committee on Ways and Means
- 05/07/2024 Adoption of Report: Placed on the General Register as Amended
- Read for the Second Time
- 05/09/2024 Calendar for the Day, Amended
- Read Third Time as Amended
- Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
- 05/13/2024 Refused to concur and a Conference Committee was appointed

1.1 A bill for an act

1.2 relating to state government; modifying provisions for human services health care

1.3 finance, human services health care policy, health care generally, health insurance,

1.4 Department of Health finance, Department of Health policy, emergency medical

1.5 services, pharmacy practice, mental health, Department of Human Services Office

1.6 of Inspector General; imposing penalties; making forecast adjustments; requiring

1.7 reports; appropriating money; amending Minnesota Statutes 2022, sections 62A.28,

1.8 subdivision 2; 62D.02, subdivisions 4, 7; 62D.03, subdivision 1, by adding a

1.9 subdivision; 62D.05, subdivision 1; 62D.12, subdivision 19; 62D.14, subdivision

1.10 1; 62D.19; 62D.20, subdivision 1; 62D.22, subdivision 5, by adding a subdivision;

1.11 62J.49, subdivision 1; 62J.61, subdivision 5; 62M.01, subdivision 3; 62M.02,

1.12 subdivisions 1a, 5, 11, 12, 21, by adding a subdivision; 62M.04, subdivision 1;

1.13 62M.05, subdivision 3a; 62M.07, subdivisions 2, 4, by adding a subdivision;

1.14 62M.10, subdivisions 7, 8; 62M.17, subdivision 2; 62Q.14; 62Q.19, subdivisions

1.15 3, 5, by adding a subdivision; 62Q.73, subdivision 2; 62V.05, subdivision 12;

1.16 62V.08; 62V.11, subdivision 4; 103I.621, subdivisions 1, 2; 144.05, subdivisions

1.17 6, 7; 144.058; 144.0724, subdivisions 2, 3a, 4, 6, 7, 8, 9, 11; 144.1464, subdivisions

1.18 1, 2, 3; 144.1501, subdivision 5; 144.1911, subdivision 2; 144.292, subdivision 6;

1.19 144.293, subdivisions 2, 4, 9, 10; 144.493, by adding a subdivision; 144.494,

1.20 subdivision 2; 144.551, subdivision 1; 144.555, subdivisions 1a, 1b, 2, by adding

1.21 subdivisions; 144.605, by adding a subdivision; 144.7067, subdivision 2; 144A.10,

1.22 subdivisions 15, 16; 144A.471, by adding a subdivision; 144A.474, subdivision

1.23 13; 144A.70, subdivisions 3, 5, 6, 7; 144A.71, subdivision 2, by adding a

1.24 subdivision; 144A.72, subdivision 1; 144A.73; 144E.001, subdivision 3a, by adding

1.25 subdivisions; 144E.101, by adding a subdivision; 144E.16, subdivisions 5, 7;

1.26 144E.19, subdivision 3; 144E.27, subdivisions 3, 5, 6; 144E.28, subdivisions 3,

1.27 5, 6, 8; 144E.285, subdivisions 1, 2, 4, 6, by adding subdivisions; 144E.287;

1.28 144E.305, subdivision 3; 144G.08, subdivision 29; 144G.10, by adding a

1.29 subdivision; 144G.16, subdivision 6; 146B.03, subdivision 7a; 146B.10,

1.30 subdivisions 1, 3; 148F.025, subdivision 2; 149A.02, subdivisions 3, 16, 26a, 27,

1.31 35, 37c, by adding subdivisions; 149A.03; 149A.65; 149A.70, subdivisions 1, 2,

1.32 3, 5; 149A.71, subdivisions 2, 4; 149A.72, subdivisions 3, 9; 149A.73, subdivision

1.33 1; 149A.74, subdivision 1; 149A.93, subdivision 3; 149A.94, subdivisions 1, 3,

1.34 4; 151.01, subdivisions 23, 27; 151.37, by adding a subdivision; 151.74, subdivision

1.35 6; 214.025; 214.04, subdivision 2a; 214.29; 214.31; 214.355; 245.462, subdivision

1.36 6; 245.4663, subdivision 2; 245A.04, by adding a subdivision; 245A.043,

1.37 subdivisions 2, 4, by adding subdivisions; 245A.07, subdivision 6; 245A.52,

1.38 subdivision 2; 245C.05, subdivision 5; 245C.08, subdivision 4; 245C.10,

2.1 subdivision 18; 245C.14, by adding a subdivision; 245C.22, subdivision 4; 245C.24,  
2.2 subdivisions 2, 5, 6; 245C.30, by adding a subdivision; 245F.09, subdivision 2;  
2.3 245F.14, by adding a subdivision; 245F.17; 245G.07, subdivision 4; 245G.08,  
2.4 subdivisions 5, 6; 245G.10, by adding a subdivision; 245G.22, subdivisions 6, 7;  
2.5 245I.02, subdivisions 17, 19; 245I.04, subdivision 6; 245I.10, subdivision 9;  
2.6 245I.11, subdivision 1, by adding a subdivision; 245I.20, subdivision 4; 245I.23,  
2.7 subdivision 14; 256.9657, subdivision 8, by adding a subdivision; 256.969, by  
2.8 adding subdivisions; 256B.056, subdivisions 1a, 10; 256B.0622, subdivisions 2a,  
2.9 3a, 7a, 7d; 256B.0623, subdivision 5; 256B.0625, subdivisions 12, 20, 32, by  
2.10 adding subdivisions; 256B.0757, subdivisions 4a, 4d; 256B.0943, subdivision 12;  
2.11 256B.0947, subdivision 5; 256B.69, by adding a subdivision; 256B.76, subdivision  
2.12 6; 256I.04, subdivision 2f; 256R.02, subdivision 20; 260E.33, subdivision 2, as  
2.13 amended; 317A.811, subdivision 1; 383B.908, subdivision 7, by adding a  
2.14 subdivision; 383B.922; 519.05; 524.3-801, as amended; Minnesota Statutes 2023  
2.15 Supplement, sections 13.46, subdivision 4, as amended; 15A.0815, subdivision 2;  
2.16 43A.08, subdivision 1a; 62Q.46, subdivision 1; 62Q.473, by adding a subdivision;  
2.17 62Q.522, subdivision 1; 62Q.523, subdivision 1; 144.0526, subdivision 1; 144.1501,  
2.18 subdivision 2; 144.1505, subdivision 2; 144.587, subdivisions 1, 4; 144.651,  
2.19 subdivision 10a; 144A.4791, subdivision 10; 144E.101, subdivisions 6, 7, as  
2.20 amended; 145.561, subdivision 4; 145D.01, subdivision 1; 151.555, subdivisions  
2.21 1, 4, 5, 6, 7, 8, 9, 11, 12; 151.74, subdivision 3; 152.126, subdivision 6; 245.4889,  
2.22 subdivision 1; 245.991, subdivision 1; 245A.03, subdivision 2, as amended;  
2.23 245A.043, subdivision 3; 245A.07, subdivision 1, as amended; 245A.11,  
2.24 subdivision 7; 245A.16, subdivision 1, as amended; 245A.211, subdivision 4;  
2.25 245A.242, subdivision 2; 245C.02, subdivision 13e; 245C.033, subdivision 3;  
2.26 245C.08, subdivision 1; 245C.10, subdivision 15; 245G.22, subdivisions 2, 17;  
2.27 254B.04, subdivision 1a; 256.046, subdivision 3; 256.0471, subdivision 1, as  
2.28 amended; 256.9631; 256.969, subdivision 2b; 256B.0622, subdivisions 7b, 8;  
2.29 256B.0625, subdivisions 5m, 13e, as amended, 13f, 16; 256B.064, subdivision 4;  
2.30 256B.0671, subdivision 5; 256B.0701, subdivision 6; 256B.0947, subdivision 7;  
2.31 256B.764; 256D.01, subdivision 1a; 256I.05, subdivisions 1a, 11; 256L.03,  
2.32 subdivision 1; 270A.03, subdivision 2; 342.06; Laws 2020, chapter 73, section 8;  
2.33 Laws 2023, chapter 22, section 4, subdivision 2; Laws 2023, chapter 70, article  
2.34 20, sections 2, subdivisions 5, 7, 29; 3, subdivision 2; 12, as amended; Laws 2024,  
2.35 chapter 80, article 2, sections 6, subdivisions 2, 3, by adding subdivisions; 10,  
2.36 subdivisions 1, 6; proposing coding for new law in Minnesota Statutes, chapters  
2.37 62A; 62C; 62D; 62J; 62M; 62Q; 62V; 144; 144A; 144E; 145D; 149A; 151; 245C;  
2.38 256B; proposing coding for new law as Minnesota Statutes, chapter 332C; repealing  
2.39 Minnesota Statutes 2022, sections 62A.041, subdivision 3; 144.497; 144E.001,  
2.40 subdivision 5; 144E.01; 144E.123, subdivision 5; 144E.27, subdivisions 1, 1a;  
2.41 144E.50, subdivision 3; 151.74, subdivision 16; 245C.125; 256D.19, subdivisions  
2.42 1, 2; 256D.20, subdivisions 1, 2, 3, 4; 256D.23, subdivisions 1, 2, 3; 256R.02,  
2.43 subdivision 46; Minnesota Statutes 2023 Supplement, sections 62J.312, subdivision  
2.44 6; 62Q.522, subdivisions 3, 4; 144.0528, subdivision 5; 245C.08, subdivision 2;  
2.45 Laws 2023, chapter 70, article 20, section 2, subdivision 31, as amended; Laws  
2.46 2023, chapter 75, section 10; Laws 2024, chapter 80, article 2, section 6, subdivision  
2.47 4; Minnesota Rules, part 9502.0425, subpart 5.

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

3.2 **ARTICLE 1**

3.3 **DEPARTMENT OF HUMAN SERVICES HEALTH CARE FINANCE**

3.4 Section 1. **[62V.12] STATE-FUNDED COST-SHARING REDUCTIONS.**

3.5 Subdivision 1. **Establishment.** (a) The board must develop and administer a state-funded  
3.6 cost-sharing reduction program for eligible persons who enroll in a silver level qualified  
3.7 health plan through MNsure. The board must implement the cost-sharing reduction program  
3.8 for plan years beginning on or after January 1, 2027.

3.9 (b) For purposes of this section, an "eligible person" is an individual who meets the  
3.10 eligibility criteria to receive a cost-sharing reduction under Code of Federal Regulations,  
3.11 title 45, section 155.305(g).

3.12 Subd. 2. **Reduction in cost-sharing.** The cost-sharing reduction program must use state  
3.13 money to reduce enrollee cost-sharing by increasing the actuarial value of silver level health  
3.14 plans for eligible persons beyond the 73 percent value established in Code of Federal  
3.15 Regulations, title 45, section 156.420(a)(3)(ii), to an actuarial value of 87 percent.

3.16 Subd. 3. **Administration.** The board, when administering the program, must:

3.17 (1) allow eligible persons to enroll in a silver level health plan with a state-funded  
3.18 cost-sharing reduction;

3.19 (2) modify the MNsure shopping tool to display the total cost-sharing reduction benefit  
3.20 available to individuals eligible under this section; and

3.21 (3) reimburse health carriers on a quarterly basis for the cost to the health plan providing  
3.22 the state-funded cost-sharing reductions.

3.23 Sec. 2. Minnesota Statutes 2023 Supplement, section 256.9631, is amended to read:

3.24 **256.9631 DIRECT PAYMENT SYSTEM ALTERNATIVE CARE DELIVERY**  
3.25 **MODELS FOR MEDICAL ASSISTANCE AND MINNESOTACARE.**

3.26 Subdivision 1. **Direction to the commissioner.** (a) The commissioner, in order to deliver  
3.27 services to eligible individuals, achieve better health outcomes, and reduce the cost of health  
3.28 care for the state, shall develop an implementation plan plans for a direct payment system  
3.29 to deliver services to eligible individuals in order to achieve better health outcomes and  
3.30 reduce the cost of health care for the state. Under this system, at least three care delivery  
3.31 models that:

4.1 (1) are alternatives to the use of commercial managed care plans to deliver health care  
4.2 to Minnesota health care program enrollees; and

4.3 (2) do not shift financial risk to nongovernmental entities.

4.4 (b) One of the alternative models must be a direct payment system under which eligible  
4.5 individuals must receive services through the medical assistance fee-for-service system,  
4.6 county-based purchasing plans, ~~or~~ and county-owned health maintenance organizations. At  
4.7 least one additional model must include county-based purchasing plans and county-owned  
4.8 health maintenance organizations in their design, and must allow these entities to deliver  
4.9 care in geographic areas on a single plan basis, if:

4.10 (1) these entities contract with all providers that agree to contract terms for network  
4.11 participation; and

4.12 (2) the commissioner of human services determines that an entity's provider network is  
4.13 adequate to ensure enrollee access and choice.

4.14 (c) Before determining the alternative models for which implementation plans will be  
4.15 developed, the commissioner shall consult with the chairs and ranking minority members  
4.16 of the legislative committees with jurisdiction over health care finance and policy.

4.17 (d) The commissioner shall present an implementation plan plans for the direct payment  
4.18 system selected models to the chairs and ranking minority members of the legislative  
4.19 committees with jurisdiction over health care finance and policy by January 15, 2026. The  
4.20 commissioner may contract for technical assistance in developing the implementation plan  
4.21 plans and conducting related studies and analyses.

4.22 ~~(b) For the purposes of the direct payment system, the commissioner shall make the~~  
4.23 ~~following assumptions:~~

4.24 ~~(1) health care providers are reimbursed directly for all medical assistance covered~~  
4.25 ~~services provided to eligible individuals, using the fee-for-service payment methods specified~~  
4.26 ~~in chapters 256, 256B, 256R, and 256S;~~

4.27 ~~(2) payments to a qualified hospital provider are equivalent to the payments that would~~  
4.28 ~~have been received based on managed care direct payment arrangements. If necessary, a~~  
4.29 ~~qualified hospital provider may use a county-owned health maintenance organization to~~  
4.30 ~~receive direct payments as described in section 256B.1973; and~~

4.31 ~~(3) county-based purchasing plans and county-owned health maintenance organizations~~  
4.32 ~~must be reimbursed at the capitation rate determined under sections 256B.69 and 256B.692.~~

5.1 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
5.2 meanings given.

5.3 (b) "Eligible individuals" means ~~qualified~~ all medical assistance enrollees, ~~defined as~~  
5.4 ~~persons eligible for medical assistance as families and children and adults without children~~  
5.5 and MinnesotaCare enrollees.

5.6 (c) "Minnesota health care programs" means the medical assistance and MinnesotaCare  
5.7 programs.

5.8 ~~(e)~~ (d) "Qualified hospital provider" means a nonstate government teaching hospital  
5.9 with high medical assistance utilization and a level 1 trauma center, and all of the hospital's  
5.10 owned or affiliated health care professionals, ambulance services, sites, and clinics.

5.11 Subd. 3. **Implementation ~~plan~~ plans.** (a) ~~The~~ Each implementation plan must include:

5.12 (1) a timeline for the development and recommended implementation date of the ~~direct~~  
5.13 ~~payment system~~ alternative model. In recommending a timeline, the commissioner must  
5.14 consider:

5.15 (i) timelines required by the existing contracts with managed care plans and county-based  
5.16 purchasing plans to sunset existing delivery models;

5.17 (ii) in counties that choose to operate a county-based purchasing plan under section  
5.18 256B.692, timelines for any new procurements required for those counties to establish a  
5.19 new county-based purchasing plan or participate in an existing county-based purchasing  
5.20 plan;

5.21 (iii) in counties that choose to operate a county-owned health maintenance organization  
5.22 under section 256B.69, timelines for any new procurements required for those counties to  
5.23 establish a new county-owned health maintenance organization or to continue serving  
5.24 enrollees through an existing county-owned health maintenance organization; and

5.25 (iv) a recommendation on whether the commissioner should contract with a third-party  
5.26 administrator to administer the ~~direct payment system~~ alternative model, and the timeline  
5.27 needed for procuring an administrator;

5.28 (2) the procedures to be used to ensure continuity of care for enrollees who transition  
5.29 from managed care to fee-for-service and any administrative resources needed to carry out  
5.30 these procedures;

5.31 (3) recommended quality measures for health care service delivery;

6.1 (4) any changes to fee-for-service payment rates that the commissioner determines are  
6.2 necessary to ensure provider access and high-quality care and to reduce health disparities;

6.3 (5) recommendations on ensuring effective care coordination under the ~~direct payment~~  
6.4 ~~system~~ alternative model, especially for enrollees who:

6.5 (i) are age 65 or older, blind, or have disabilities;

6.6 (ii) have complex medical conditions, ~~who;~~

6.7 (iii) face socioeconomic barriers to receiving care, ~~or who;~~ or

6.8 (iv) are from underserved populations that experience health disparities;

6.9 (6) recommendations on ~~whether the direct payment system should provide supplemental~~  
6.10 ~~payments~~ payment arrangements for care coordination, including:

6.11 (i) the provider types eligible for ~~supplemental~~ care coordination payments;

6.12 (ii) procedures to coordinate ~~supplemental~~ care coordination payments with existing  
6.13 supplemental or cost-based payment methods or to replace these existing methods; and

6.14 (iii) procedures to align care coordination initiatives funded ~~through supplemental~~  
6.15 ~~payments~~ under this section the alternative model with existing care coordination initiatives;

6.16 (7) recommendations on whether the ~~direct payment system~~ alternative model should  
6.17 include funding to providers for outreach initiatives to patients who, because of mental  
6.18 illness, homelessness, or other circumstances, are unlikely to obtain needed care and  
6.19 treatment;

6.20 (8) recommendations for a supplemental payment to qualified hospital providers to offset  
6.21 any potential revenue losses resulting from the shift from managed care payments; and

6.22 ~~(9) recommendations on whether and how the direct payment system should be expanded~~  
6.23 ~~to deliver services and care coordination to medical assistance enrollees who are age 65 or~~  
6.24 ~~older, are blind, or have a disability and to persons enrolled in MinnesotaCare; and~~

6.25 ~~(10)~~ (9) recommendations for statutory changes necessary to implement the ~~direct~~  
6.26 ~~payment system~~ alternative model.

6.27 (b) In developing ~~the~~ each implementation plan, the commissioner shall:

6.28 (1) calculate the projected cost of a ~~direct payment system~~ the alternative model relative  
6.29 to the cost of the current system;

6.30 (2) assess gaps in care coordination under the current medical assistance and  
6.31 MinnesotaCare programs;

7.1 (3) evaluate the effectiveness of approaches other states have taken to coordinate care  
7.2 under a fee-for-service system, including the coordination of care provided to persons who  
7.3 are age 65 or older, are blind, or have disabilities;

7.4 (4) estimate the loss of revenue and cost savings from other payment enhancements  
7.5 based on managed care plan directed payments and pass-throughs;

7.6 (5) estimate cost trends under ~~a direct payment system~~ the alternative model for managed  
7.7 care payments to county-based purchasing plans and county-owned health maintenance  
7.8 organizations;

7.9 (6) estimate the impact of ~~a direct payment system~~ the alternative model on other revenue,  
7.10 including taxes, surcharges, or other federally approved in lieu of services and on other  
7.11 arrangements allowed under managed care;

7.12 (7) consider allowing eligible individuals to opt out of managed care as an alternative  
7.13 approach;

7.14 ~~(8) assess the feasibility of a medical assistance outpatient prescription drug benefit~~  
7.15 ~~carve-out under section 256B.69, subdivision 6d, and in consultation with the commissioners~~  
7.16 ~~of commerce and health, assess the feasibility of including MinnesotaCare enrollees and~~  
7.17 ~~private sector enrollees of health plan companies in the drug benefit carve-out. The~~  
7.18 ~~assessment of feasibility must address and include recommendations related to the process~~  
7.19 ~~and terms by which the commissioner would contract with health plan companies to~~  
7.20 ~~administer prescription drug benefits and develop and manage a drug formulary, and the~~  
7.21 ~~impact of the drug benefit carve-out on health care providers, including small pharmacies;~~

7.22 ~~(9)~~ (8) consult with the commissioners of health and commerce and the contractor or  
7.23 contractors analyzing the Minnesota Health Plan ~~under section 19~~ and other health reform  
7.24 models on plan design and assumptions; and

7.25 ~~(10)~~ (9) conduct other analyses necessary to develop the implementation plan.

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

7.27 Sec. 3. Minnesota Statutes 2022, section 256.9657, is amended by adding a subdivision  
7.28 to read:

7.29 **Subd. 2a. Teaching hospital surcharge.** (a) Each teaching hospital shall pay to the  
7.30 medical assistance account a surcharge equal to 0.01 percent of net non-Medicare patient  
7.31 care revenue. The initial surcharge must be paid 60 days after both this subdivision and

8.1 section 256.969, subdivision 2g, have received federal approval, and subsequent surcharge  
8.2 payments must be made annually in the form and manner specified by the commissioner.

8.3 (b) The commissioner shall use revenue from the surcharge only to pay the nonfederal  
8.4 share of the medical assistance supplemental payments described in section 256.969,  
8.5 subdivision 2g, and to supplement, and not supplant, medical assistance reimbursement to  
8.6 teaching hospitals. The surcharge must comply with Code of Federal Regulations, title 42,  
8.7 section 433.68.

8.8 (c) For purposes of this subdivision, "teaching hospital" means any Minnesota hospital,  
8.9 except facilities of the federal Indian Health Service and regional treatment centers, with a  
8.10 Centers for Medicare and Medicaid Services designation of "teaching hospital" as reported  
8.11 on form CMS-2552-10, worksheet S-2, line 56, that is eligible for reimbursement under  
8.12 section 256.969, subdivision 2g.

8.13 **EFFECTIVE DATE.** This section is effective the later of January 1, 2025, or federal  
8.14 approval of this section and sections 4 and 5. The commissioner of human services shall  
8.15 notify the revisor of statutes when federal approval is obtained.

8.16 Sec. 4. Minnesota Statutes 2023 Supplement, section 256.969, subdivision 2b, is amended  
8.17 to read:

8.18 Subd. 2b. **Hospital payment rates.** (a) For discharges occurring on or after November  
8.19 1, 2014, hospital inpatient services for hospitals located in Minnesota shall be paid according  
8.20 to the following:

8.21 (1) critical access hospitals as defined by Medicare shall be paid using a cost-based  
8.22 methodology;

8.23 (2) long-term hospitals as defined by Medicare shall be paid on a per diem methodology  
8.24 under subdivision 25;

8.25 (3) rehabilitation hospitals or units of hospitals that are recognized as rehabilitation  
8.26 distinct parts as defined by Medicare shall be paid according to the methodology under  
8.27 subdivision 12; and

8.28 (4) all other hospitals shall be paid on a diagnosis-related group (DRG) methodology.

8.29 (b) For the period beginning January 1, 2011, through October 31, 2014, rates shall not  
8.30 be rebased, except that a Minnesota long-term hospital shall be rebased effective January  
8.31 1, 2011, based on its most recent Medicare cost report ending on or before September 1,  
8.32 2008, with the provisions under subdivisions 9 and 23, based on the rates in effect on

9.1 December 31, 2010. For rate setting periods after November 1, 2014, in which the base  
9.2 years are updated, a Minnesota long-term hospital's base year shall remain within the same  
9.3 period as other hospitals.

9.4 (c) Effective for discharges occurring on and after November 1, 2014, payment rates  
9.5 for hospital inpatient services provided by hospitals located in Minnesota or the local trade  
9.6 area, except for the hospitals paid under the methodologies described in paragraph (a),  
9.7 clauses (2) and (3), shall be rebased, incorporating cost and payment methodologies in a  
9.8 manner similar to Medicare. The base year or years for the rates effective November 1,  
9.9 2014, shall be calendar year 2012. The rebasing under this paragraph shall be budget neutral,  
9.10 ensuring that the total aggregate payments under the rebased system are equal to the total  
9.11 aggregate payments that were made for the same number and types of services in the base  
9.12 year. Separate budget neutrality calculations shall be determined for payments made to  
9.13 critical access hospitals and payments made to hospitals paid under the DRG system. Only  
9.14 the rate increases or decreases under subdivision 3a or 3c that applied to the hospitals being  
9.15 rebased during the entire base period shall be incorporated into the budget neutrality  
9.16 calculation.

9.17 (d) For discharges occurring on or after November 1, 2014, through the next rebasing  
9.18 that occurs, the rebased rates under paragraph (c) that apply to hospitals under paragraph  
9.19 (a), clause (4), shall include adjustments to the projected rates that result in no greater than  
9.20 a five percent increase or decrease from the base year payments for any hospital. Any  
9.21 adjustments to the rates made by the commissioner under this paragraph and paragraph (e)  
9.22 shall maintain budget neutrality as described in paragraph (c).

9.23 (e) For discharges occurring on or after November 1, 2014, the commissioner may make  
9.24 additional adjustments to the rebased rates, and when evaluating whether additional  
9.25 adjustments should be made, the commissioner shall consider the impact of the rates on the  
9.26 following:

9.27 (1) pediatric services;

9.28 (2) behavioral health services;

9.29 (3) trauma services as defined by the National Uniform Billing Committee;

9.30 (4) transplant services;

9.31 (5) obstetric services, newborn services, and behavioral health services provided by  
9.32 hospitals outside the seven-county metropolitan area;

9.33 (6) outlier admissions;

10.1 (7) low-volume providers; and

10.2 (8) services provided by small rural hospitals that are not critical access hospitals.

10.3 (f) Hospital payment rates established under paragraph (c) must incorporate the following:

10.4 (1) for hospitals paid under the DRG methodology, the base year payment rate per  
10.5 admission is standardized by the applicable Medicare wage index and adjusted by the  
10.6 hospital's disproportionate population adjustment;

10.7 (2) for critical access hospitals, payment rates for discharges between November 1, 2014,  
10.8 and June 30, 2015, shall be set to the same rate of payment that applied for discharges on  
10.9 October 31, 2014;

10.10 (3) the cost and charge data used to establish hospital payment rates must only reflect  
10.11 inpatient services covered by medical assistance; and

10.12 (4) in determining hospital payment rates for discharges occurring on or after the rate  
10.13 year beginning January 1, 2011, through December 31, 2012, the hospital payment rate per  
10.14 discharge shall be based on the cost-finding methods and allowable costs of the Medicare  
10.15 program in effect during the base year or years. In determining hospital payment rates for  
10.16 discharges in subsequent base years, the per discharge rates shall be based on the cost-finding  
10.17 methods and allowable costs of the Medicare program in effect during the base year or  
10.18 years.

10.19 (g) The commissioner shall validate the rates effective November 1, 2014, by applying  
10.20 the rates established under paragraph (c), and any adjustments made to the rates under  
10.21 paragraph (d) or (e), to hospital claims paid in calendar year 2013 to determine whether the  
10.22 total aggregate payments for the same number and types of services under the rebased rates  
10.23 are equal to the total aggregate payments made during calendar year 2013.

10.24 (h) Effective for discharges occurring on or after July 1, 2017, and every two years  
10.25 thereafter, payment rates under this section shall be rebased to reflect only those changes  
10.26 in hospital costs between the existing base year or years and the next base year or years. In  
10.27 any year that inpatient claims volume falls below the threshold required to ensure a  
10.28 statistically valid sample of claims, the commissioner may combine claims data from two  
10.29 consecutive years to serve as the base year. Years in which inpatient claims volume is  
10.30 reduced or altered due to a pandemic or other public health emergency shall not be used as  
10.31 a base year or part of a base year if the base year includes more than one year. Changes in  
10.32 costs between base years shall be measured using the lower of the hospital cost index defined  
10.33 in subdivision 1, paragraph (a), or the percentage change in the case mix adjusted cost per

11.1 claim. The commissioner shall establish the base year for each rebasing period considering  
11.2 the most recent year or years for which filed Medicare cost reports are available, except  
11.3 that the base years for the rebasing effective July 1, 2023, are calendar years 2018 and 2019.  
11.4 The estimated change in the average payment per hospital discharge resulting from a  
11.5 scheduled rebasing must be calculated and made available to the legislature by January 15  
11.6 of each year in which rebasing is scheduled to occur, and must include by hospital the  
11.7 differential in payment rates compared to the individual hospital's costs.

11.8 (i) Effective for discharges occurring on or after July 1, 2015, inpatient payment rates  
11.9 for critical access hospitals located in Minnesota or the local trade area shall be determined  
11.10 using a new cost-based methodology. The commissioner shall establish within the  
11.11 methodology tiers of payment designed to promote efficiency and cost-effectiveness.

11.12 Payment rates for hospitals under this paragraph shall be set at a level that does not exceed  
11.13 the total cost for critical access hospitals as reflected in base year cost reports. Until the  
11.14 next rebasing that occurs, the new methodology shall result in no greater than a five percent  
11.15 decrease from the base year payments for any hospital, except a hospital that had payments  
11.16 that were greater than 100 percent of the hospital's costs in the base year shall have their  
11.17 rate set equal to 100 percent of costs in the base year. The rates paid for discharges on and  
11.18 after July 1, 2016, covered under this paragraph shall be increased by the inflation factor  
11.19 in subdivision 1, paragraph (a). The new cost-based rate shall be the final rate and shall not  
11.20 be settled to actual incurred costs. Hospitals shall be assigned a payment tier based on the  
11.21 following criteria:

11.22 (1) hospitals that had payments at or below 80 percent of their costs in the base year  
11.23 shall have a rate set that equals 85 percent of their base year costs;

11.24 (2) hospitals that had payments that were above 80 percent, up to and including 90  
11.25 percent of their costs in the base year shall have a rate set that equals 95 percent of their  
11.26 base year costs; and

11.27 (3) hospitals that had payments that were above 90 percent of their costs in the base year  
11.28 shall have a rate set that equals 100 percent of their base year costs.

11.29 (j) The commissioner may refine the payment tiers and criteria for critical access hospitals  
11.30 to coincide with the next rebasing under paragraph (h). The factors used to develop the new  
11.31 methodology may include, but are not limited to:

11.32 (1) the ratio between the hospital's costs for treating medical assistance patients and the  
11.33 hospital's charges to the medical assistance program;

12.1 (2) the ratio between the hospital's costs for treating medical assistance patients and the  
12.2 hospital's payments received from the medical assistance program for the care of medical  
12.3 assistance patients;

12.4 (3) the ratio between the hospital's charges to the medical assistance program and the  
12.5 hospital's payments received from the medical assistance program for the care of medical  
12.6 assistance patients;

12.7 (4) the statewide average increases in the ratios identified in clauses (1), (2), and (3);

12.8 (5) the proportion of that hospital's costs that are administrative and trends in  
12.9 administrative costs; and

12.10 (6) geographic location.

12.11 (k) Subject to section 256.969, subdivision 2g, paragraph (i), effective for discharges  
12.12 occurring on or after January 1, 2024, the rates paid to hospitals described in paragraph (a),  
12.13 clauses (2) to (4), must include a rate factor specific to each hospital that qualifies for a  
12.14 medical education and research cost distribution under section 62J.692, subdivision 4,  
12.15 paragraph (a).

12.16 **EFFECTIVE DATE.** This section is effective the later of January 1, 2025, or federal  
12.17 approval of this section and sections 3 and 5. The commissioner of human services shall  
12.18 notify the revisor of statutes when federal approval is obtained.

12.19 Sec. 5. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to  
12.20 read:

12.21 **Subd. 2g. Annual supplemental payments; direct and indirect physician graduate**  
12.22 **medical education.** (a) For discharges occurring on or after January 1, 2025, the  
12.23 commissioner shall determine and pay annual supplemental payments to all eligible hospitals  
12.24 as provided in this subdivision for direct and indirect physician graduate medical education  
12.25 cost reimbursement. A hospital must be an eligible hospital to receive an annual supplemental  
12.26 payment under this subdivision.

12.27 (b) The commissioner must use the following information to calculate the total cost of  
12.28 direct graduate medical education incurred by each eligible hospital:

12.29 (1) the total allowable direct graduate medical education cost, as calculated by adding  
12.30 form CMS-2552-10, worksheet B, part 1, columns 21 and 22, line 202; and

12.31 (2) the Medicaid share of total allowable direct graduate medical education cost  
12.32 percentage, representing the allocation of total graduate medical education costs to Medicaid

13.1 based on the share of all Medicaid inpatient days, as reported on form CMS-2552-10,  
13.2 worksheets S-2 and S-3, divided by the hospital's total inpatient days, as reported on  
13.3 worksheet S-3.

13.4 (c) The commissioner may obtain the information in paragraph (b) from an eligible  
13.5 hospital upon request by the commissioner or from the eligible hospital's most recently filed  
13.6 form CMS-2552-10.

13.7 (d) The commissioner must use the following information to calculate the total allowable  
13.8 indirect cost of graduate medical education incurred by each eligible hospital:

13.9 (1) for eligible hospitals that are not children's hospitals, the indirect graduate medical  
13.10 education amount attributable to Medicaid, calculated based on form CMS-2552-10,  
13.11 worksheet E, part A, including:

13.12 (i) the Medicare indirect medical education formula, using Medicaid variables;

13.13 (ii) Medicaid payments for inpatient services under fee-for-service and managed care,  
13.14 as determined by the commissioner in consultation with each eligible hospital;

13.15 (iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet E, part  
13.16 A, line 4; and

13.17 (iv) full-time employees, as determined by adding form CMS-2552-10, worksheet E,  
13.18 part A, lines 10 and 11; and

13.19 (2) for eligible hospitals that are children's hospitals:

13.20 (i) the Medicare indirect medical education formula, using Medicaid variables;

13.21 (ii) Medicaid payments for inpatient services under fee-for-service and managed care,  
13.22 as determined by the commissioner in consultation with each eligible hospital;

13.23 (iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet S-3,  
13.24 part 1; and

13.25 (iv) full-time equivalent interns and residents, as determined by adding form  
13.26 CMS-2552-10, worksheet E-4, lines 6, 10.01, and 15.01.

13.27 (e) The commissioner shall determine each eligible hospital's maximum allowable  
13.28 Medicaid direct graduate medical education supplemental payment amount by calculating  
13.29 the sum of:

14.1 (1) the total allowable direct graduate medical education costs determined under paragraph  
14.2 (b), clause (1), multiplied by the Medicaid share of total allowable direct graduate medical  
14.3 education cost percentage in paragraph (b), clause (2); and

14.4 (2) the total allowable direct graduate medical education costs determined under paragraph  
14.5 (b), clause (1), multiplied by the most recently updated Medicaid utilization percentage  
14.6 from form CMS-2552-10, as submitted to Medicare by each eligible hospital.

14.7 (f) The commissioner shall determine each eligible hospital's indirect graduate medical  
14.8 education supplemental payment amount by multiplying the total allowable indirect cost  
14.9 of graduate medical education amount calculated in paragraph (d) by:

14.10 (1) 0.95 for prospective payment system, for hospitals that are not children's hospitals  
14.11 and have fewer than 50 full-time equivalent trainees;

14.12 (2) 1.0 for prospective payment system, for hospitals that are not children's hospitals  
14.13 and have equal to or greater than 50 full-time equivalent trainees; and

14.14 (3) 1.05 for children's hospitals.

14.15 (g) An eligible hospital's annual supplemental payment under this subdivision equals  
14.16 the sum of the amount calculated for the eligible hospital under paragraph (e) and the amount  
14.17 calculated for the eligible hospital under paragraph (f).

14.18 (h) The annual supplemental payments under this subdivision are contingent upon federal  
14.19 approval and must conform with the requirements for permissible supplemental payments  
14.20 for direct and indirect graduate medical education under all applicable federal laws.

14.21 (i) An eligible hospital is only eligible for reimbursement under section 62J.692 for  
14.22 nonphysician graduate medical education training costs that are not accounted for in the  
14.23 calculation of an annual supplemental payment under this section. An eligible hospital must  
14.24 not accept reimbursement under section 62J.692 for physician graduate medical education  
14.25 training costs that are accounted for in the calculation of an annual supplemental payment  
14.26 under this section.

14.27 (j) For purposes of this subdivision, "children's hospital" means a Minnesota hospital  
14.28 designated as a children's hospital under Medicare.

14.29 (k) For purposes of this subdivision, "eligible hospital" means a hospital located in  
14.30 Minnesota:

14.31 (1) participating in Minnesota's medical assistance program;

15.1 (2) that has received fee-for-service medical assistance payments in the payment year;  
15.2 and

15.3 (3) that is either:

15.4 (i) eligible to receive graduate medical education payments from the Medicare program  
15.5 under Code of Federal Regulations, title 42, section 413.75; or

15.6 (ii) a children's hospital.

15.7 **EFFECTIVE DATE.** This section is effective the later of January 1, 2025, or federal  
15.8 approval of this section and sections 3 and 4. The commissioner of human services shall  
15.9 notify the revisor of statutes when federal approval is obtained.

15.10 Sec. 6. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to  
15.11 read:

15.12 Subd. 2h. **Alternate inpatient payment rate for a discharge.** (a) Effective retroactively  
15.13 from January 1, 2024, in any rate year in which a children's hospital discharge is included  
15.14 in the federally required disproportionate share hospital payment audit where the patient  
15.15 discharged had resided in a children's hospital for over 20 years, the commissioner shall  
15.16 compute an alternate inpatient rate for the children's hospital. The alternate payment rate  
15.17 must be the rate computed under this section excluding the disproportionate share hospital  
15.18 payment under subdivision 9, paragraph (d), clause (1), increased by an amount equal to  
15.19 99 percent of what the disproportionate share hospital payment would have been under  
15.20 subdivision 9, paragraph (d), clause (1), had the discharge been excluded.

15.21 (b) In any rate year in which payment to a children's hospital is made using this alternate  
15.22 payment rate, payments must not be made to the hospital under subdivisions 2e, 2f, and 9.

15.23 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner  
15.24 of human services shall notify the revisor of statutes when federal approval is obtained.

15.25 Sec. 7. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13e, as  
15.26 amended by Laws 2024, chapter 85, section 66, is amended to read:

15.27 Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall  
15.28 be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the  
15.29 usual and customary price charged to the public. The usual and customary price means the  
15.30 lowest price charged by the provider to a patient who pays for the prescription by cash,  
15.31 check, or charge account and includes prices the pharmacy charges to a patient enrolled in  
15.32 a prescription savings club or prescription discount club administered by the pharmacy or

16.1 pharmacy chain. The amount of payment basis must be reduced to reflect all discount  
16.2 amounts applied to the charge by any third-party provider/insurer agreement or contract for  
16.3 submitted charges to medical assistance programs. The net submitted charge may not be  
16.4 greater than the patient liability for the service. The professional dispensing fee shall be  
16.5 ~~\$10.77~~ \$11.55 for prescriptions filled with legend drugs meeting the definition of "covered  
16.6 outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The  
16.7 dispensing fee for intravenous solutions that must be compounded by the pharmacist shall  
16.8 be ~~\$10.77~~ \$11.55 per claim. The professional dispensing fee for prescriptions filled with  
16.9 over-the-counter drugs meeting the definition of covered outpatient drugs shall be ~~\$10.77~~  
16.10 \$11.55 for dispensed quantities equal to or greater than the number of units contained in  
16.11 the manufacturer's original package. The professional dispensing fee shall be prorated based  
16.12 on the percentage of the package dispensed when the pharmacy dispenses a quantity less  
16.13 than the number of units contained in the manufacturer's original package. The pharmacy  
16.14 dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered  
16.15 outpatient drugs shall be \$3.65 for quantities equal to or greater than the number of units  
16.16 contained in the manufacturer's original package and shall be prorated based on the  
16.17 percentage of the package dispensed when the pharmacy dispenses a quantity less than the  
16.18 number of units contained in the manufacturer's original package. The National Average  
16.19 Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug.  
16.20 For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient  
16.21 cost at the wholesale acquisition cost minus two percent. The ingredient cost of a drug for  
16.22 a provider participating in the federal 340B Drug Pricing Program shall be either the 340B  
16.23 Drug Pricing Program ceiling price established by the Health Resources and Services  
16.24 Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as  
16.25 the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in  
16.26 the United States, not including prompt pay or other discounts, rebates, or reductions in  
16.27 price, for the most recent month for which information is available, as reported in wholesale  
16.28 price guides or other publications of drug or biological pricing data. The maximum allowable  
16.29 cost of a multisource drug may be set by the commissioner and it shall be comparable to  
16.30 the actual acquisition cost of the drug product and no higher than the NADAC of the generic  
16.31 product. Establishment of the amount of payment for drugs shall not be subject to the  
16.32 requirements of the Administrative Procedure Act.

16.33 (b) Pharmacies dispensing prescriptions to residents of long-term care facilities using  
16.34 an automated drug distribution system meeting the requirements of section 151.58, or a  
16.35 packaging system meeting the packaging standards set forth in Minnesota Rules, part  
16.36 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ

17.1 retrospective billing for prescription drugs dispensed to long-term care facility residents. A  
17.2 retrospectively billing pharmacy must submit a claim only for the quantity of medication  
17.3 used by the enrolled recipient during the defined billing period. A retrospectively billing  
17.4 pharmacy must use a billing period not less than one calendar month or 30 days.

17.5 (c) A pharmacy provider using packaging that meets the standards set forth in Minnesota  
17.6 Rules, part 6800.2700, is required to credit the department for the actual acquisition cost  
17.7 of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective  
17.8 billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that  
17.9 is less than a 30-day supply.

17.10 (d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC  
17.11 of the generic product or the maximum allowable cost established by the commissioner  
17.12 unless prior authorization for the brand name product has been granted according to the  
17.13 criteria established by the Drug Formulary Committee as required by subdivision 13f,  
17.14 paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in  
17.15 a manner consistent with section 151.21, subdivision 2.

17.16 (e) The basis for determining the amount of payment for drugs administered in an  
17.17 outpatient setting shall be the lower of the usual and customary cost submitted by the  
17.18 provider, 106 percent of the average sales price as determined by the United States  
17.19 Department of Health and Human Services pursuant to title XVIII, section 1847a of the  
17.20 federal Social Security Act, the specialty pharmacy rate, or the maximum allowable cost  
17.21 set by the commissioner. If average sales price is unavailable, the amount of payment must  
17.22 be lower of the usual and customary cost submitted by the provider, the wholesale acquisition  
17.23 cost, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner.  
17.24 The commissioner shall discount the payment rate for drugs obtained through the federal  
17.25 340B Drug Pricing Program by 28.6 percent. The payment for drugs administered in an  
17.26 outpatient setting shall be made to the administering facility or practitioner. A retail or  
17.27 specialty pharmacy dispensing a drug for administration in an outpatient setting is not  
17.28 eligible for direct reimbursement.

17.29 (f) The commissioner may establish maximum allowable cost rates for specialty pharmacy  
17.30 products that are lower than the ingredient cost formulas specified in paragraph (a). The  
17.31 commissioner may require individuals enrolled in the health care programs administered  
17.32 by the department to obtain specialty pharmacy products from providers with whom the  
17.33 commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are  
17.34 defined as those used by a small number of recipients or recipients with complex and chronic  
17.35 diseases that require expensive and challenging drug regimens. Examples of these conditions

18.1 include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C,  
18.2 growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of  
18.3 cancer. Specialty pharmaceutical products include injectable and infusion therapies,  
18.4 biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that  
18.5 require complex care. The commissioner shall consult with the Formulary Committee to  
18.6 develop a list of specialty pharmacy products subject to maximum allowable cost  
18.7 reimbursement. In consulting with the Formulary Committee in developing this list, the  
18.8 commissioner shall take into consideration the population served by specialty pharmacy  
18.9 products, the current delivery system and standard of care in the state, and access to care  
18.10 issues. The commissioner shall have the discretion to adjust the maximum allowable cost  
18.11 to prevent access to care issues.

18.12 (g) Home infusion therapy services provided by home infusion therapy pharmacies must  
18.13 be paid at rates according to subdivision 8d.

18.14 (h) The commissioner shall contract with a vendor to conduct a cost of dispensing survey  
18.15 for all pharmacies that are physically located in the state of Minnesota that dispense outpatient  
18.16 drugs under medical assistance. The commissioner shall ensure that the vendor has prior  
18.17 experience in conducting cost of dispensing surveys. Each pharmacy enrolled with the  
18.18 department to dispense outpatient prescription drugs to fee-for-service members must  
18.19 respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under  
18.20 section 256B.064 for failure to respond. The commissioner shall require the vendor to  
18.21 measure a single statewide cost of dispensing for specialty prescription drugs and a single  
18.22 statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies  
18.23 to measure the mean, mean weighted by total prescription volume, mean weighted by  
18.24 medical assistance prescription volume, median, median weighted by total prescription  
18.25 volume, and median weighted by total medical assistance prescription volume. The  
18.26 commissioner shall post a copy of the final cost of dispensing survey report on the  
18.27 department's website. The initial survey must be completed no later than January 1, 2021,  
18.28 and repeated every three years. The commissioner shall provide a summary of the results  
18.29 of each cost of dispensing survey and provide recommendations for any changes to the  
18.30 dispensing fee to the chairs and ranking minority members of the legislative committees  
18.31 with jurisdiction over medical assistance pharmacy reimbursement. Notwithstanding section  
18.32 256.01, subdivision 42, this paragraph does not expire.

18.33 (i) The commissioner shall increase the ingredient cost reimbursement calculated in  
18.34 paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to  
18.35 the wholesale drug distributor tax under section 295.52.

19.1 **EFFECTIVE DATE.** This section is effective July 1, 2024.

19.2 Sec. 8. Minnesota Statutes 2022, section 256B.69, is amended by adding a subdivision to  
19.3 read:

19.4 Subd. 38. **Reimbursement of network providers.** (a) A managed care plan that is a  
19.5 staff model health plan company, when reimbursing network providers for services provided  
19.6 to medical assistance and MinnesotaCare enrollees, must not reimburse network providers  
19.7 who are employees at a higher rate than network providers who provide services under  
19.8 contract for each separate service or grouping of services. This requirement does not apply  
19.9 to reimbursement:

19.10 (1) of network providers when participating in value-based purchasing models that are  
19.11 intended to recognize value or outcomes over volume of services, including:

19.12 (i) total cost of care and risk/gain sharing arrangements under section 256B.0755; and

19.13 (ii) other pay-for-performance arrangements or service payments, as long as the terms  
19.14 and conditions of the value-based purchasing model are applied uniformly to all participating  
19.15 network providers; and

19.16 (2) for services furnished by providers who are out-of-network.

19.17 (b) Any contract or agreement between a managed care plan and a network administrator,  
19.18 for purposes of delivering services to medical assistance and MinnesotaCare enrollees, must  
19.19 require the network administrator to comply with the requirements that apply to a managed  
19.20 care plan that is a staff model health plan company under paragraph (a) when reimbursing  
19.21 providers who are employees of the network administrator and providers who provide  
19.22 services under contract with the network administrator. This provision applies whether or  
19.23 not the managed care plan, network administrator, and providers are under the same corporate  
19.24 ownership.

19.25 (c) For purposes of this subdivision, "network provider" has the meaning specified in  
19.26 subdivision 37. For purposes of this subdivision, "network administrator" means any entity  
19.27 that furnishes a provider network for a managed care plan company, or furnishes individual  
19.28 health care providers or provider groups to a managed care plan for inclusion in the managed  
19.29 care plan's provider network.

19.30 Sec. 9. **COUNTY-ADMINISTERED MEDICAL ASSISTANCE MODEL.**

19.31 Subdivision 1. **Model development.** (a) The commissioner of human services, in  
19.32 collaboration with the Association of Minnesota Counties and county-based purchasing

20.1 plans, shall develop a county-administered medical assistance (CAMA) model and a detailed  
20.2 plan for implementing the CAMA model.

20.3 (b) The CAMA model must be designed to achieve the following objectives:

20.4 (1) provide a distinct county owned and administered alternative to the prepaid medical  
20.5 assistance program;

20.6 (2) facilitate greater integration of health care and social services to address social  
20.7 determinants of health in rural and nonrural communities, with the degree of integration of  
20.8 social services varying with each county's needs and resources;

20.9 (3) account for differences between counties in the number of medical assistance enrollees  
20.10 and locally available providers of behavioral health, oral health, specialty and tertiary care,  
20.11 nonemergency medical transportation, and other health care services in rural communities;  
20.12 and

20.13 (4) promote greater accountability for health outcomes, health equity, customer service,  
20.14 community outreach, and cost of care.

20.15 Subd. 2. **County participation.** (a) The CAMA model must give each rural and nonrural  
20.16 county the option of applying to participate in the CAMA model as an alternative to  
20.17 participation in the prepaid medical assistance program. The CAMA model must include a  
20.18 process for the commissioner to determine whether and how a county can participate.

20.19 (b) The CAMA model may allow a county-administered managed care organization to  
20.20 deliver care on a single-plan basis to all medical assistance enrollees residing in a county  
20.21 if:

20.22 (1) the managed care organization contracts with all health care providers that agree to  
20.23 accept the contract terms for network participation; and

20.24 (2) the commissioner determines that the health care provider network of the managed  
20.25 care organization is adequate to ensure enrollee access to care and enrollee choice of  
20.26 providers.

20.27 Subd. 3. **Report to the legislature.** (a) The commissioner shall report recommendations  
20.28 and an implementation plan for the CAMA model to the chairs and ranking minority members  
20.29 of the legislative committees with jurisdiction over health care policy and finance by January  
20.30 15, 2025. The CAMA model and implementation plan must address the issues and consider  
20.31 the recommendations identified in the document titled "Recommendations Not Contingent  
20.32 on Outcome(s) of Current Litigation," attached to the September 13, 2022, e-filing to the  
20.33 Second Judicial District Court (Correspondence for Judicial Approval Index #102), that

21.1 relates to the final contract decisions of the commissioner of human services regarding  
21.2 *South Country Health Alliance v. Minnesota Department of Human Services*, No.  
21.3 62-CV-22-907 (Ramsey Cnty. Dist. Ct. 2022).

21.4 (b) The report must also identify the clarifications, approvals, and waivers that are needed  
21.5 from the Centers for Medicare and Medicaid Services and include any draft legislation  
21.6 necessary to implement the CAMA model.

21.7 Sec. 10. **REVISOR INSTRUCTION.**

21.8 When the proposed rule published at Federal Register, volume 88, page 25313, becomes  
21.9 effective, the revisor of statutes must change: (1) the reference in Minnesota Statutes, section  
21.10 256B.06, subdivision 4, paragraph (d), from Code of Federal Regulations, title 8, section  
21.11 103.12, to Code of Federal Regulations, title 42, section 435.4; and (2) the reference in  
21.12 Minnesota Statutes, section 256L.04, subdivision 10, paragraph (a), from Code of Federal  
21.13 Regulations, title 8, section 103.12, to Code of Federal Regulations, title 45, section 155.20.  
21.14 The commissioner of human services shall notify the revisor of statutes when the proposed  
21.15 rule published at Federal Register, volume 88, page 25313, becomes effective.

## ARTICLE 2

### DEPARTMENT OF HUMAN SERVICES HEALTH CARE POLICY

21.18 Section 1. Minnesota Statutes 2023 Supplement, section 256.0471, subdivision 1, as  
21.19 amended by Laws 2024, chapter 80, article 1, section 76, is amended to read:

21.20 Subdivision 1. **Qualifying overpayment.** Any overpayment for state-funded medical  
21.21 assistance under chapter 256B and state-funded MinnesotaCare under chapter 256L granted  
21.22 pursuant to section 256.045, subdivision 10; ~~chapter 256B for state-funded medical~~  
21.23 ~~assistance; and for assistance granted under chapters 256D, 256I, and 256K, and 256L for~~  
21.24 ~~state-funded MinnesotaCare~~ except agency error claims, become a judgment by operation  
21.25 of law 90 days after the notice of overpayment is personally served upon the recipient in a  
21.26 manner that is sufficient under rule 4.03(a) of the Rules of Civil Procedure for district courts,  
21.27 or by certified mail, return receipt requested. This judgment shall be entitled to full faith  
21.28 and credit in this and any other state.

21.29 **EFFECTIVE DATE.** This section is effective July 1, 2024.

22.1 Sec. 2. Minnesota Statutes 2022, section 256.9657, subdivision 8, is amended to read:

22.2 Subd. 8. **Commissioner's duties.** ~~(a) Beginning October 1, 2023, the commissioner of~~  
22.3 ~~human services shall annually report to the chairs and ranking minority members of the~~  
22.4 ~~legislative committees with jurisdiction over health care policy and finance regarding the~~  
22.5 ~~provider surcharge program. The report shall include information on total billings, total~~  
22.6 ~~collections, and administrative expenditures for the previous fiscal year. This paragraph~~  
22.7 ~~expires January 1, 2032.~~

22.8 ~~(b)~~ (a) The surcharge shall be adjusted by inflationary and caseload changes in future  
22.9 bienniums to maintain reimbursement of health care providers in accordance with the  
22.10 requirements of the state and federal laws governing the medical assistance program,  
22.11 including the requirements of the Medicaid moratorium amendments of 1991 found in  
22.12 Public Law No. 102-234.

22.13 ~~(e)~~ (b) The commissioner shall request the Minnesota congressional delegation to support  
22.14 a change in federal law that would prohibit federal disallowances for any state that makes  
22.15 a good faith effort to comply with Public Law 102-234 by enacting conforming legislation  
22.16 prior to the issuance of federal implementing regulations.

22.17 Sec. 3. Minnesota Statutes 2022, section 256B.056, subdivision 1a, is amended to read:

22.18 Subd. 1a. **Income and assets generally.** (a)(1) Unless specifically required by state law  
22.19 or rule or federal law or regulation, the methodologies used in counting income and assets  
22.20 to determine eligibility for medical assistance for persons whose eligibility category is based  
22.21 on blindness, disability, or age of 65 or more years, the methodologies for the Supplemental  
22.22 Security Income program shall be used, except as provided ~~under~~ in clause (2) and  
22.23 subdivision 3, paragraph (a), clause (6).

22.24 (2) State tax credits, rebates, and refunds must not be counted as income. State tax credits,  
22.25 rebates, and refunds must not be counted as assets for a period of 12 months after the month  
22.26 of receipt.

22.27 ~~(2)~~ (3) Increases in benefits under title II of the Social Security Act shall not be counted  
22.28 as income for purposes of this subdivision until July 1 of each year. Effective upon federal  
22.29 approval, for children eligible under section 256B.055, subdivision 12, or for home and  
22.30 community-based waiver services whose eligibility for medical assistance is determined  
22.31 without regard to parental income, child support payments, including any payments made  
22.32 by an obligor in satisfaction of or in addition to a temporary or permanent order for child  
22.33 support, and Social Security payments are not counted as income.

23.1 (b)(1) The modified adjusted gross income methodology as defined in United States  
23.2 Code, title 42, section 1396a(e)(14), shall be used for eligibility categories based on:

23.3 (i) children under age 19 and their parents and relative caretakers as defined in section  
23.4 256B.055, subdivision 3a;

23.5 (ii) children ages 19 to 20 as defined in section 256B.055, subdivision 16;

23.6 (iii) pregnant women as defined in section 256B.055, subdivision 6;

23.7 (iv) infants as defined in sections 256B.055, subdivision 10, and 256B.057, subdivision  
23.8 1; and

23.9 (v) adults without children as defined in section 256B.055, subdivision 15.

23.10 For these purposes, a "methodology" does not include an asset or income standard, or  
23.11 accounting method, or method of determining effective dates.

23.12 (2) For individuals whose income eligibility is determined using the modified adjusted  
23.13 gross income methodology in clause (1):

23.14 (i) the commissioner shall subtract from the individual's modified adjusted gross income  
23.15 an amount equivalent to five percent of the federal poverty guidelines; and

23.16 (ii) the individual's current monthly income and household size is used to determine  
23.17 eligibility for the 12-month eligibility period. If an individual's income is expected to vary  
23.18 month to month, eligibility is determined based on the income predicted for the 12-month  
23.19 eligibility period.

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

23.21 Sec. 4. Minnesota Statutes 2022, section 256B.056, subdivision 10, is amended to read:

23.22 Subd. 10. **Eligibility verification.** (a) The commissioner shall require women who are  
23.23 applying for the continuation of medical assistance coverage following the end of the  
23.24 12-month postpartum period to update their income and asset information and to submit  
23.25 any required income or asset verification.

23.26 (b) The commissioner shall determine the eligibility of private-sector health care coverage  
23.27 for infants less than one year of age eligible under section 256B.055, subdivision 10, or  
23.28 256B.057, subdivision 1, paragraph (c), and shall pay for private-sector coverage if this is  
23.29 determined to be cost-effective.

23.30 (c) The commissioner shall verify assets and income for all applicants, and for all  
23.31 recipients upon renewal.

24.1 (d) The commissioner shall utilize information obtained through the electronic service  
24.2 established by the secretary of the United States Department of Health and Human Services  
24.3 and other available electronic data sources in Code of Federal Regulations, title 42, sections  
24.4 435.940 to 435.956, to verify eligibility requirements. The commissioner shall establish  
24.5 standards to define when information obtained electronically is reasonably compatible with  
24.6 information provided by applicants and enrollees, including use of self-attestation, to  
24.7 accomplish real-time eligibility determinations and maintain program integrity.

24.8 (e) Each person applying for or receiving medical assistance under section 256B.055,  
24.9 subdivision 7, and any other person whose resources are required by law to be disclosed to  
24.10 determine the applicant's or recipient's eligibility must authorize the commissioner to obtain  
24.11 information from financial institutions to ~~identify unreported accounts~~ verify assets as  
24.12 required in section 256.01, subdivision 18f. If a person refuses or revokes the authorization,  
24.13 the commissioner may determine that the applicant or recipient is ineligible for medical  
24.14 assistance. For purposes of this paragraph, an authorization to ~~identify unreported accounts~~  
24.15 verify assets meets the requirements of the Right to Financial Privacy Act, United States  
24.16 Code, title 12, chapter 35, and need not be furnished to the financial institution.

24.17 (f) County and tribal agencies shall comply with the standards established by the  
24.18 commissioner for appropriate use of the asset verification system specified in section 256.01,  
24.19 subdivision 18f.

24.20 Sec. 5. Minnesota Statutes 2023 Supplement, section 256B.0701, subdivision 6, is amended  
24.21 to read:

24.22 Subd. 6. **Recuperative care facility rate.** (a) The recuperative care facility rate is for  
24.23 facility costs and must be paid from state money in an amount equal to the ~~medical assistance~~  
24.24 ~~room and board~~ MSA equivalent rate as defined in section 256I.03, subdivision 11a, at the  
24.25 time the recuperative care services were provided. The eligibility standards in chapter 256I  
24.26 do not apply to the recuperative care facility rate. The recuperative care facility rate is only  
24.27 paid when the recuperative care services rate is paid to a provider. Providers may opt to  
24.28 only receive the recuperative care services rate.

24.29 (b) Before a recipient is discharged from a recuperative care setting, the provider must  
24.30 ensure that the recipient's medical condition is stabilized or that the recipient is being  
24.31 discharged to a setting that is able to meet that recipient's needs.

25.1 Sec. 6. Minnesota Statutes 2022, section 256B.0757, subdivision 4a, is amended to read:

25.2 Subd. 4a. **Behavioral health home services provider requirements.** A behavioral  
25.3 health home services provider must:

25.4 (1) be an enrolled Minnesota Health Care Programs provider;

25.5 (2) provide a medical assistance covered primary care or behavioral health service;

25.6 (3) utilize an electronic health record;

25.7 (4) utilize an electronic patient registry that contains data elements required by the  
25.8 commissioner;

25.9 (5) demonstrate the organization's capacity to administer screenings approved by the  
25.10 commissioner for substance use disorder or alcohol and tobacco use;

25.11 (6) demonstrate the organization's capacity to refer an individual to resources appropriate  
25.12 to the individual's screening results;

25.13 (7) have policies and procedures to track referrals to ensure that the referral met the  
25.14 individual's needs;

25.15 (8) conduct a brief needs assessment when an individual begins receiving behavioral  
25.16 health home services. The brief needs assessment must be completed with input from the  
25.17 individual and the individual's identified supports. The brief needs assessment must address  
25.18 the individual's immediate safety and transportation needs and potential barriers to  
25.19 participating in behavioral health home services;

25.20 (9) conduct a health wellness assessment within 60 days after intake that contains all  
25.21 required elements identified by the commissioner;

25.22 (10) conduct a health action plan that contains all required elements identified by the  
25.23 commissioner. The plan must be completed within 90 days after intake and must be updated  
25.24 at least once every six months, or more frequently if significant changes to an individual's  
25.25 needs or goals occur;

25.26 (11) agree to cooperate with and participate in the state's monitoring and evaluation of  
25.27 behavioral health home services; and

25.28 (12) obtain the individual's ~~written~~ consent to begin receiving behavioral health home  
25.29 services using a form approved by the commissioner.

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

26.1 Sec. 7. Minnesota Statutes 2022, section 256B.0757, subdivision 4d, is amended to read:

26.2 Subd. 4d. **Behavioral health home services delivery standards.** (a) A behavioral health  
26.3 home services provider must meet the following service delivery standards:

26.4 (1) establish and maintain processes to support the coordination of an individual's primary  
26.5 care, behavioral health, and dental care;

26.6 (2) maintain a team-based model of care, including regular coordination and  
26.7 communication between behavioral health home services team members;

26.8 (3) use evidence-based practices that recognize and are tailored to the medical, social,  
26.9 economic, behavioral health, functional impairment, cultural, and environmental factors  
26.10 affecting the individual's health and health care choices;

26.11 (4) use person-centered planning practices to ensure the individual's health action plan  
26.12 accurately reflects the individual's preferences, goals, resources, and optimal outcomes for  
26.13 the individual and the individual's identified supports;

26.14 (5) use the patient registry to identify individuals and population subgroups requiring  
26.15 specific levels or types of care and provide or refer the individual to needed treatment,  
26.16 intervention, or services;

26.17 (6) ~~utilize the Department of Human Services Partner Portal to~~ identify past and current  
26.18 treatment or services and identify potential gaps in care using a tool approved by the  
26.19 commissioner;

26.20 (7) deliver services consistent with the standards for frequency and face-to-face contact  
26.21 required by the commissioner;

26.22 (8) ensure that a diagnostic assessment is completed for each individual receiving  
26.23 behavioral health home services within six months of the start of behavioral health home  
26.24 services;

26.25 (9) deliver services in locations and settings that meet the needs of the individual;

26.26 (10) provide a central point of contact to ensure that individuals and the individual's  
26.27 identified supports can successfully navigate the array of services that impact the individual's  
26.28 health and well-being;

26.29 (11) have capacity to assess an individual's readiness for change and the individual's  
26.30 capacity to integrate new health care or community supports into the individual's life;

27.1 (12) offer or facilitate the provision of wellness and prevention education on  
27.2 evidenced-based curriculums specific to the prevention and management of common chronic  
27.3 conditions;

27.4 (13) help an individual set up and prepare for medical, behavioral health, social service,  
27.5 or community support appointments, including accompanying the individual to appointments  
27.6 as appropriate, and providing follow-up with the individual after these appointments;

27.7 (14) offer or facilitate the provision of health coaching related to chronic disease  
27.8 management and how to navigate complex systems of care to the individual, the individual's  
27.9 family, and identified supports;

27.10 (15) connect an individual, the individual's family, and identified supports to appropriate  
27.11 support services that help the individual overcome access or service barriers, increase  
27.12 self-sufficiency skills, and improve overall health;

27.13 (16) provide effective referrals and timely access to services; and

27.14 (17) establish a continuous quality improvement process for providing behavioral health  
27.15 home services.

27.16 (b) The behavioral health home services provider must also create a plan, in partnership  
27.17 with the individual and the individual's identified supports, to support the individual after  
27.18 discharge from a hospital, residential treatment program, or other setting. The plan must  
27.19 include protocols for:

27.20 (1) maintaining contact between the behavioral health home services team member, the  
27.21 individual, and the individual's identified supports during and after discharge;

27.22 (2) linking the individual to new resources as needed;

27.23 (3) reestablishing the individual's existing services and community and social supports;  
27.24 and

27.25 (4) following up with appropriate entities to transfer or obtain the individual's service  
27.26 records as necessary for continued care.

27.27 (c) If the individual is enrolled in a managed care plan, a behavioral health home services  
27.28 provider must:

27.29 (1) notify the behavioral health home services contact designated by the managed care  
27.30 plan within 30 days of when the individual begins behavioral health home services; and

27.31 (2) adhere to the managed care plan communication and coordination requirements  
27.32 described in the behavioral health home services manual.

28.1 (d) Before terminating behavioral health home services, the behavioral health home  
28.2 services provider must:

28.3 (1) provide a 60-day notice of termination of behavioral health home services to all  
28.4 individuals receiving behavioral health home services, the commissioner, and managed care  
28.5 plans, if applicable; and

28.6 (2) refer individuals receiving behavioral health home services to a new behavioral  
28.7 health home services provider.

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

28.9 Sec. 8. Minnesota Statutes 2023 Supplement, section 256B.764, is amended to read:

28.10 **256B.764 REIMBURSEMENT FOR FAMILY PLANNING SERVICES.**

28.11 (a) Effective for services rendered on or after July 1, 2007, payment rates for family  
28.12 planning services shall be increased by 25 percent over the rates in effect June 30, 2007,  
28.13 when these services are provided by a community clinic as defined in section 145.9268,  
28.14 subdivision 1.

28.15 (b) Effective for services rendered on or after July 1, 2013, payment rates for family  
28.16 planning services shall be increased by 20 percent over the rates in effect June 30, 2013,  
28.17 when these services are provided by a community clinic as defined in section 145.9268,  
28.18 subdivision 1. The commissioner shall adjust capitation rates to managed care and  
28.19 county-based purchasing plans to reflect this increase, and shall require plans to pass on the  
28.20 full amount of the rate increase to eligible community clinics, in the form of higher payment  
28.21 rates for family planning services.

28.22 (c) Effective for services provided on or after January 1, 2024, payment rates for family  
28.23 planning, when such services are provided by an eligible community clinic as defined in  
28.24 section 145.9268, subdivision 1, and abortion services shall be increased by 20 percent.  
28.25 This increase does not apply to federally qualified health centers, rural health centers, or  
28.26 Indian health services.

28.27 Sec. 9. Minnesota Statutes 2023 Supplement, section 256L.03, subdivision 1, is amended  
28.28 to read:

28.29 Subdivision 1. **Covered health services.** (a) "Covered health services" means the health  
28.30 services reimbursed under chapter 256B, with the exception of special education services,  
28.31 home care nursing services, ~~adult dental care services other than services covered under~~  
28.32 ~~section 256B.0625, subdivision 9, orthodontic services,~~ nonemergency medical transportation

29.1 services, personal care assistance and case management services, community first services  
29.2 and supports under section 256B.85, behavioral health home services under section  
29.3 256B.0757, housing stabilization services under section 256B.051, and nursing home or  
29.4 intermediate care facilities services.

29.5 (b) Covered health services shall be expanded as provided in this section.

29.6 (c) For the purposes of covered health services under this section, "child" means an  
29.7 individual younger than 19 years of age.

29.8 Sec. 10. Minnesota Statutes 2022, section 524.3-801, as amended by Laws 2024, chapter  
29.9 79, article 9, section 20, is amended to read:

29.10 **524.3-801 NOTICE TO CREDITORS.**

29.11 (a) Unless notice has already been given under this section, upon appointment of a  
29.12 general personal representative in informal proceedings or upon the filing of a petition for  
29.13 formal appointment of a general personal representative, notice thereof, in the form prescribed  
29.14 by court rule, shall be given under the direction of the court administrator by publication  
29.15 once a week for two successive weeks in a legal newspaper in the county wherein the  
29.16 proceedings are pending giving the name and address of the general personal representative  
29.17 and notifying creditors of the estate to present their claims within four months after the date  
29.18 of the court administrator's notice which is subsequently published or be forever barred,  
29.19 unless they are entitled to further service of notice under paragraph (b) or (c).

29.20 (b) The personal representative shall, within three months after the date of the first  
29.21 publication of the notice, serve a copy of the notice upon each then known and identified  
29.22 creditor in the manner provided in paragraph (c). If the decedent or a predeceased spouse  
29.23 of the decedent received assistance for which a claim could be filed under section 246.53,  
29.24 256B.15, 256D.16, or 261.04, notice to the commissioner of human services or direct care  
29.25 and treatment executive board, as applicable, must be given under paragraph (d) instead of  
29.26 under this paragraph or paragraph (c). A creditor is "known" if: (i) the personal representative  
29.27 knows that the creditor has asserted a claim that arose during the decedent's life against  
29.28 either the decedent or the decedent's estate; (ii) the creditor has asserted a claim that arose  
29.29 during the decedent's life and the fact is clearly disclosed in accessible financial records  
29.30 known and available to the personal representative; or (iii) the claim of the creditor would  
29.31 be revealed by a reasonably diligent search for creditors of the decedent in accessible  
29.32 financial records known and available to the personal representative. Under this section, a  
29.33 creditor is "identified" if the personal representative's knowledge of the name and address  
29.34 of the creditor will permit service of notice to be made under paragraph (c).

30.1 (c) Unless the claim has already been presented to the personal representative or paid,  
30.2 the personal representative shall serve a copy of the notice required by paragraph (b) upon  
30.3 each creditor of the decedent who is then known to the personal representative and identified  
30.4 either by delivery of a copy of the required notice to the creditor, or by mailing a copy of  
30.5 the notice to the creditor by certified, registered, or ordinary first class mail addressed to  
30.6 the creditor at the creditor's office or place of residence.

30.7 (d)(1) Effective for decedents dying on or after July 1, 1997, if the decedent or a  
30.8 predeceased spouse of the decedent received assistance for which a claim could be filed  
30.9 under section 246.53, 256B.15, 256D.16, or 261.04, the personal representative or the  
30.10 attorney for the personal representative shall serve the commissioner or executive board,  
30.11 as applicable, with notice in the manner prescribed in paragraph (c), or electronically in a  
30.12 manner prescribed by the commissioner, as soon as practicable after the appointment of the  
30.13 personal representative. The notice must state the decedent's full name, date of birth, and  
30.14 Social Security number and, to the extent then known after making a reasonably diligent  
30.15 inquiry, the full name, date of birth, and Social Security number for each of the decedent's  
30.16 predeceased spouses. The notice may also contain a statement that, after making a reasonably  
30.17 diligent inquiry, the personal representative has determined that the decedent did not have  
30.18 any predeceased spouses or that the personal representative has been unable to determine  
30.19 one or more of the previous items of information for a predeceased spouse of the decedent.  
30.20 A copy of the notice to creditors must be attached to and be a part of the notice to the  
30.21 commissioner or executive board.

30.22 (2) Notwithstanding a will or other instrument or law to the contrary, except as allowed  
30.23 in this paragraph, no property subject to administration by the estate may be distributed by  
30.24 the estate or the personal representative until 70 days after the date the notice is served on  
30.25 the commissioner or executive board as provided in paragraph (c), unless the local agency  
30.26 consents as provided for in clause (6). This restriction on distribution does not apply to the  
30.27 personal representative's sale of real or personal property, but does apply to the net proceeds  
30.28 the estate receives from these sales. The personal representative, or any person with personal  
30.29 knowledge of the facts, may provide an affidavit containing the description of any real or  
30.30 personal property affected by this paragraph and stating facts showing compliance with this  
30.31 paragraph. If the affidavit describes real property, it may be filed or recorded in the office  
30.32 of the county recorder or registrar of titles for the county where the real property is located.  
30.33 This paragraph does not apply to proceedings under sections 524.3-1203 and 525.31, or  
30.34 when a duly authorized agent of a county is acting as the personal representative of the  
30.35 estate.

31.1 (3) At any time before an order or decree is entered under section 524.3-1001 or  
31.2 524.3-1002, or a closing statement is filed under section 524.3-1003, the personal  
31.3 representative or the attorney for the personal representative may serve an amended notice  
31.4 on the commissioner or executive board to add variations or other names of the decedent  
31.5 or a predeceased spouse named in the notice, the name of a predeceased spouse omitted  
31.6 from the notice, to add or correct the date of birth or Social Security number of a decedent  
31.7 or predeceased spouse named in the notice, or to correct any other deficiency in a prior  
31.8 notice. The amended notice must state the decedent's name, date of birth, and Social Security  
31.9 number, the case name, case number, and district court in which the estate is pending, and  
31.10 the date the notice being amended was served on the commissioner or executive board. If  
31.11 the amendment adds the name of a predeceased spouse omitted from the notice, it must also  
31.12 state that spouse's full name, date of birth, and Social Security number. The amended notice  
31.13 must be served on the commissioner or executive board in the same manner as the original  
31.14 notice. Upon service, the amended notice relates back to and is effective from the date the  
31.15 notice it amends was served, and the time for filing claims arising under section 246.53,  
31.16 256B.15, 256D.16 or 261.04 is extended by 60 days from the date of service of the amended  
31.17 notice. Claims filed during the 60-day period are undischarged and unbarred claims, may  
31.18 be prosecuted by the entities entitled to file those claims in accordance with section  
31.19 524.3-1004, and the limitations in section 524.3-1006 do not apply. The personal  
31.20 representative or any person with personal knowledge of the facts may provide and file or  
31.21 record an affidavit in the same manner as provided for in clause (1).

31.22 (4) Within one year after the date an order or decree is entered under section 524.3-1001  
31.23 or 524.3-1002 or a closing statement is filed under section 524.3-1003, any person who has  
31.24 an interest in property that was subject to administration by the estate may serve an amended  
31.25 notice on the commissioner or executive board to add variations or other names of the  
31.26 decedent or a predeceased spouse named in the notice, the name of a predeceased spouse  
31.27 omitted from the notice, to add or correct the date of birth or Social Security number of a  
31.28 decedent or predeceased spouse named in the notice, or to correct any other deficiency in  
31.29 a prior notice. The amended notice must be served on the commissioner or executive board  
31.30 in the same manner as the original notice and must contain the information required for  
31.31 amendments under clause (3). If the amendment adds the name of a predeceased spouse  
31.32 omitted from the notice, it must also state that spouse's full name, date of birth, and Social  
31.33 Security number. Upon service, the amended notice relates back to and is effective from  
31.34 the date the notice it amends was served. If the amended notice adds the name of an omitted  
31.35 predeceased spouse or adds or corrects the Social Security number or date of birth of the  
31.36 decedent or a predeceased spouse already named in the notice, then, notwithstanding any

32.1 other laws to the contrary, claims against the decedent's estate on account of those persons  
32.2 resulting from the amendment and arising under section 246.53, 256B.15, 256D.16, or  
32.3 261.04 are undischarged and unbarred claims, may be prosecuted by the entities entitled to  
32.4 file those claims in accordance with section 524.3-1004, and the limitations in section  
32.5 524.3-1006 do not apply. The person filing the amendment or any other person with personal  
32.6 knowledge of the facts may provide and file or record an affidavit describing affected real  
32.7 or personal property in the same manner as clause (1).

32.8 (5) After one year from the date an order or decree is entered under section 524.3-1001  
32.9 or 524.3-1002, or a closing statement is filed under section 524.3-1003, no error, omission,  
32.10 or defect of any kind in the notice to the commissioner or executive board required under  
32.11 this paragraph or in the process of service of the notice on the commissioner or executive  
32.12 board, or the failure to serve the commissioner or executive board with notice as required  
32.13 by this paragraph, makes any distribution of property by a personal representative void or  
32.14 voidable. The distributee's title to the distributed property shall be free of any claims based  
32.15 upon a failure to comply with this paragraph.

32.16 (6) The local agency may consent to a personal representative's request to distribute  
32.17 property subject to administration by the estate to distributees during the 70-day period after  
32.18 service of notice on the commissioner or executive board. The local agency may grant or  
32.19 deny the request in whole or in part and may attach conditions to its consent as it deems  
32.20 appropriate. When the local agency consents to a distribution, it shall give the estate a written  
32.21 certificate evidencing its consent to the early distribution of assets at no cost. The certificate  
32.22 must include the name, case number, and district court in which the estate is pending, the  
32.23 name of the local agency, describe the specific real or personal property to which the consent  
32.24 applies, state that the local agency consents to the distribution of the specific property  
32.25 described in the consent during the 70-day period following service of the notice on the  
32.26 commissioner or executive board, state that the consent is unconditional or list all of the  
32.27 terms and conditions of the consent, be dated, and may include other contents as may be  
32.28 appropriate. The certificate must be signed by the director of the local agency or the director's  
32.29 designees and is effective as of the date it is dated unless it provides otherwise. The signature  
32.30 of the director or the director's designee does not require any acknowledgment. The certificate  
32.31 shall be prima facie evidence of the facts it states, may be attached to or combined with a  
32.32 deed or any other instrument of conveyance and, when so attached or combined, shall  
32.33 constitute a single instrument. If the certificate describes real property, it shall be accepted  
32.34 for recording or filing by the county recorder or registrar of titles in the county in which the  
32.35 property is located. If the certificate describes real property and is not attached to or combined

33.1 with a deed or other instrument of conveyance, it shall be accepted for recording or filing  
33.2 by the county recorder or registrar of titles in the county in which the property is located.  
33.3 The certificate constitutes a waiver of the 70-day period provided for in clause (2) with  
33.4 respect to the property it describes and is prima facie evidence of service of notice on the  
33.5 commissioner or executive board. The certificate is not a waiver or relinquishment of any  
33.6 claims arising under section 246.53, 256B.15, 256D.16, or 261.04, and does not otherwise  
33.7 constitute a waiver of any of the personal representative's duties under this paragraph.  
33.8 Distributees who receive property pursuant to a consent to an early distribution shall remain  
33.9 liable to creditors of the estate as provided for by law.

33.10 (7) All affidavits provided for under this paragraph:

33.11 (i) shall be provided by persons who have personal knowledge of the facts stated in the  
33.12 affidavit;

33.13 (ii) may be filed or recorded in the office of the county recorder or registrar of titles in  
33.14 the county in which the real property they describe is located for the purpose of establishing  
33.15 compliance with the requirements of this paragraph; and

33.16 (iii) are prima facie evidence of the facts stated in the affidavit.

33.17 (8) This paragraph applies to the estates of decedents dying on or after July 1, 1997.  
33.18 Clause (5) also applies with respect to all notices served on the commissioner of human  
33.19 services before July 1, 1997, under Laws 1996, chapter 451, article 2, section 55. All notices  
33.20 served on the commissioner before July 1, 1997, pursuant to Laws 1996, chapter 451, article  
33.21 2, section 55, shall be deemed to be legally sufficient for the purposes for which they were  
33.22 intended, notwithstanding any errors, omissions or other defects.

33.23 **ARTICLE 3**

33.24 **HEALTH CARE**

33.25 Section 1. **[62J.805] DEFINITIONS.**

33.26 Subdivision 1. **Application.** For purposes of sections 62J.805 to 62J.808, the following  
33.27 terms have the meanings given.

33.28 Subd. 2. **Billing error.** "Billing error" means an error in a bill from a health care provider  
33.29 to a patient for health treatment or services that affects the amount owed by the patient  
33.30 according to that bill. Billing error includes but is not limited to miscoding of a health  
33.31 treatment or service, an error in whether a health treatment or service is covered under the  
33.32 patient's health plan, or an error in determining the cost-sharing owed by the patient.

34.1 Subd. 3. **Group practice.** "Group practice" has the meaning given to health care provider  
34.2 group practice in section 145D.01, subdivision 1.

34.3 Subd. 4. **Health care provider.** "Health care provider" means:

34.4 (1) a health professional who is licensed or registered by the state to provide health  
34.5 treatment and services within the professional's scope of practice and in accordance with  
34.6 state law;

34.7 (2) a group practice; or

34.8 (3) a hospital.

34.9 Subd. 5. **Health plan.** "Health plan" has the meaning given in section 62A.011,  
34.10 subdivision 3.

34.11 Subd. 6. **Hospital.** "Hospital" means a health care facility licensed as a hospital under  
34.12 sections 144.50 to 144.56.

34.13 Subd. 7. **Medically necessary.** "Medically necessary" means:

34.14 (1) safe and effective;

34.15 (2) not experimental or investigational, except as provided in Code of Federal Regulations,  
34.16 title 42, section 411.15(o);

34.17 (3) furnished in accordance with acceptable medical standards of medical practice for  
34.18 the diagnosis or treatment of the patient's condition or to improve the function of a malformed  
34.19 body member;

34.20 (4) furnished in a setting appropriate to the patient's medical need and condition;

34.21 (5) ordered and furnished by qualified personnel;

34.22 (6) meets, but does not exceed, the patient's medical need; and

34.23 (7) is at least as beneficial as an existing and available medically appropriate alternative.

34.24 Subd. 8. **Payment.** "Payment" includes co-payments and coinsurance and deductible  
34.25 payments made by a patient.

34.26 Sec. 2. **[62J.806] POLICY FOR COLLECTION OF MEDICAL DEBT.**

34.27 Subdivision 1. **Requirement.** Each health care provider must make available to the  
34.28 public the health care provider's policy for the collection of medical debt from patients. This  
34.29 policy must be made available by:

35.1 (1) clearly posting it on the health care provider's website or, for health professionals,  
35.2 on the website of the health clinic, group practice, or hospital at which the health professional  
35.3 is employed or under contract; and

35.4 (2) providing a copy of the policy to any individual who requests it.

35.5 Subd. 2. **Content.** A policy made available under this section must at least specify the  
35.6 procedures followed by the health care provider for:

35.7 (1) communicating with patients about the medical debt owed and collecting medical  
35.8 debt;

35.9 (2) referring medical debt to a collection agency or law firm for collection; and

35.10 (3) identifying medical debt as uncollectible or satisfied, and ending collection activities.

35.11 Sec. 3. **[62J.807] DENIAL OF HEALTH TREATMENT OR SERVICES DUE TO**  
35.12 **OUTSTANDING MEDICAL DEBT.**

35.13 (a) A health care provider must not deny medically necessary health treatment or services  
35.14 to a patient or any member of the patient's family or household because of current or previous  
35.15 outstanding medical debt owed by the patient or any member of the patient's family or  
35.16 household to the health care provider, regardless of whether the health treatment or service  
35.17 may be available from another health care provider.

35.18 (b) As a condition of providing medically necessary health treatment or services in the  
35.19 circumstances described in paragraph (a), a health care provider may require the patient to  
35.20 enroll in a payment plan for the outstanding medical debt owed to the health care provider.  
35.21 The payment plan must be reasonable and must take into account any information disclosed  
35.22 by the patient regarding the patient's ability to pay. Before entering into the payment plan,  
35.23 a health care provider must notify the patient that if the patient is unable to make all or part  
35.24 of the agreed-upon installment payments, the patient must communicate the patient's situation  
35.25 to the health care provider and must pay an amount the patient can afford.

35.26 Sec. 4. **[62J.808] BILLING ERRORS; HEALTH TREATMENT OR SERVICES.**

35.27 Subdivision 1. **Billing and acceptance of payment.** (a) If a health care provider or  
35.28 health plan company determines or receives notice from a patient or other person that a bill  
35.29 from the health care provider to a patient for health treatment or services may contain one  
35.30 or more billing errors, the health care provider or health plan company must review the bill  
35.31 and correct any billing errors found. While the review is being conducted, the health care  
35.32 provider must not bill the patient for any health treatment or service subject to review for

36.1 potential billing errors. A health care provider may bill the patient for the health treatment  
36.2 and services that were reviewed for potential billing errors under this subdivision only after  
36.3 the review is complete, any billing errors are corrected, and a notice of completed review  
36.4 required under subdivision 3 is transmitted to the patient.

36.5 (b) If, after completing the review under paragraph (a) and correcting any billing errors,  
36.6 a health care provider or health plan company determines the patient overpaid the health  
36.7 care provider under that bill, the health care provider must refund to the patient, within 30  
36.8 days after completing the review, the amount the patient overpaid under that bill.

36.9 Subd. 2. **Notice to patient of potential billing error.** (a) If a health care provider or  
36.10 health plan company determines or receives notice from a patient or other person that a bill  
36.11 from the health care provider to a patient for health treatment or services may contain one  
36.12 or more billing errors, the health care provider or health plan company must notify the  
36.13 patient:

36.14 (1) of the potential billing error;

36.15 (2) that the health care provider or health plan company will review the bill and correct  
36.16 any billing errors found; and

36.17 (3) that while the review is being conducted, the health care provider will not bill the  
36.18 patient for any health treatment or service subject to review for potential billing errors.

36.19 (b) The notice required under this subdivision must be transmitted to the patient within  
36.20 30 days after the health care provider or health plan company determines or receives notice  
36.21 that the patient's bill may contain one or more billing errors.

36.22 Subd. 3. **Notice to patient of completed review.** When a health care provider or health  
36.23 plan company completes a review of a bill for potential billing errors, the health care provider  
36.24 or health plan company must notify the patient that the review is complete, explain in detail  
36.25 how any identified billing errors were corrected or explain in detail why the health care  
36.26 provider or health plan company did not modify the bill as requested by the patient or other  
36.27 person, and include applicable coding guidelines, references to health records, and other  
36.28 relevant information. This notice must be transmitted to the patient within 30 days after the  
36.29 health care provider or health plan company completes the review.

36.30 Sec. 5. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 1, is amended  
36.31 to read:

36.32 Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this section  
36.33 and sections 144.588 to 144.589.

37.1 (b) "Charity care" means the provision of free or discounted care to a patient according  
37.2 to a hospital's financial assistance policies.

37.3 (c) "Hospital" means a private, nonprofit, or municipal hospital licensed under sections  
37.4 144.50 to 144.56.

37.5 (d) "Insurance affordability program" has the meaning given in section 256B.02,  
37.6 subdivision 19.

37.7 (e) "Navigator" has the meaning given in section 62V.02, subdivision 9.

37.8 (f) "Presumptive eligibility" has the meaning given in section 256B.057, subdivision  
37.9 12.

37.10 ~~(g) "Revenue recapture" means the use of the procedures in chapter 270A to collect debt.~~

37.11 ~~(h)~~ (g) "Uninsured service or treatment" means any service or treatment that is not  
37.12 covered by:

37.13 (1) a health plan, contract, or policy that provides health coverage to a patient; or

37.14 (2) any other type of insurance coverage, including but not limited to no-fault automobile  
37.15 coverage, workers' compensation coverage, or liability coverage.

37.16 ~~(i)~~ (h) "Unreasonable burden" includes requiring a patient to apply for enrollment in a  
37.17 state or federal program for which the patient is obviously or categorically ineligible or has  
37.18 been found to be ineligible in the previous 12 months.

37.19 Sec. 6. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 4, is amended  
37.20 to read:

37.21 Subd. 4. **Prohibited actions.** (a) A hospital must not initiate one or more of the following  
37.22 actions until the hospital determines that the patient is ineligible for charity care or denies  
37.23 an application for charity care:

37.24 (1) offering to enroll or enrolling the patient in a payment plan;

37.25 (2) changing the terms of a patient's payment plan;

37.26 (3) offering the patient a loan or line of credit, application materials for a loan or line of  
37.27 credit, or assistance with applying for a loan or line of credit, for the payment of medical  
37.28 debt;

37.29 (4) referring a patient's debt for collections, including in-house collections, third-party  
37.30 collections, ~~revenue recapture~~, or any other process for the collection of debt; or

38.1 ~~(5) denying health care services to the patient or any member of the patient's household~~  
38.2 ~~because of outstanding medical debt, regardless of whether the services are deemed necessary~~  
38.3 ~~or may be available from another provider; or~~

38.4 ~~(6) (5) accepting a credit card payment of over \$500 for the medical debt owed to the~~  
38.5 ~~hospital.~~

38.6 (b) A violation of section 62J.807 is a violation of this subdivision.

38.7 Sec. 7. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 1, is amended  
38.8 to read:

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

38.11 (b) "Central repository" means a wholesale distributor that meets the requirements under  
38.12 subdivision 3 and enters into a contract with the Board of Pharmacy in accordance with this  
38.13 section.

38.14 (c) "Distribute" means to deliver, other than by administering or dispensing.

38.15 (d) "Donor" means:

38.16 (1) ~~a health care facility as defined in this subdivision~~ an individual at least 18 years of  
38.17 age, provided that the drug or medical supply that is donated was obtained legally and meets  
38.18 the requirements of this section for donation; or

38.19 (2) ~~a skilled nursing facility licensed under chapter 144A;~~ any entity legally authorized  
38.20 to possess medicine with a license or permit in good standing in the state in which it is  
38.21 located, without further restrictions, including but not limited to a health care facility, skilled  
38.22 nursing facility, assisted living facility, pharmacy, wholesaler, and drug manufacturer.

38.23 (3) ~~an assisted living facility licensed under chapter 144G;~~

38.24 (4) ~~a pharmacy licensed under section 151.19, and located either in the state or outside~~  
38.25 ~~the state;~~

38.26 (5) ~~a drug wholesaler licensed under section 151.47;~~

38.27 (6) ~~a drug manufacturer licensed under section 151.252; or~~

38.28 (7) ~~an individual at least 18 years of age, provided that the drug or medical supply that~~  
38.29 ~~is donated was obtained legally and meets the requirements of this section for donation.~~

38.30 (e) "Drug" means any prescription drug that has been approved for medical use in the  
38.31 United States, is listed in the United States Pharmacopoeia or National Formulary, and

39.1 meets the criteria established under this section for donation; or any over-the-counter  
39.2 medication that meets the criteria established under this section for donation. This definition  
39.3 includes cancer drugs and antirejection drugs, but does not include controlled substances,  
39.4 as defined in section 152.01, subdivision 4, or a prescription drug that can only be dispensed  
39.5 to a patient registered with the drug's manufacturer in accordance with federal Food and  
39.6 Drug Administration requirements.

39.7 (f) "Health care facility" means:

39.8 (1) a physician's office or health care clinic where licensed practitioners provide health  
39.9 care to patients;

39.10 (2) a hospital licensed under section 144.50;

39.11 (3) a pharmacy licensed under section 151.19 and located in Minnesota; or

39.12 (4) a nonprofit community clinic, including a federally qualified health center; a rural  
39.13 health clinic; public health clinic; or other community clinic that provides health care utilizing  
39.14 a sliding fee scale to patients who are low-income, uninsured, or underinsured.

39.15 (g) "Local repository" means a health care facility that elects to accept donated drugs  
39.16 and medical supplies and meets the requirements of subdivision 4.

39.17 (h) "Medical supplies" or "supplies" means any prescription or nonprescription medical  
39.18 supplies needed to administer a drug.

39.19 (i) "Original, sealed, unopened, tamper-evident packaging" means packaging that is  
39.20 sealed, unopened, and tamper-evident, including a manufacturer's original unit dose or  
39.21 unit-of-use container, a repackager's original unit dose or unit-of-use container, or unit-dose  
39.22 packaging prepared by a licensed pharmacy according to the standards of Minnesota Rules,  
39.23 part 6800.3750.

39.24 (j) "Practitioner" has the meaning given in section 151.01, subdivision 23, except that  
39.25 it does not include a veterinarian.

39.26 Sec. 8. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 4, is amended  
39.27 to read:

39.28 Subd. 4. **Local repository requirements.** (a) To be eligible for participation in the  
39.29 medication repository program, a health care facility must agree to comply with all applicable  
39.30 federal and state laws, rules, and regulations pertaining to the medication repository program,  
39.31 drug storage, and dispensing. The facility must also agree to maintain in good standing any  
39.32 required state license or registration that may apply to the facility.

40.1 (b) A local repository may elect to participate in the program by submitting the following  
40.2 information to the central repository on a form developed by the board and made available  
40.3 on the board's website:

40.4 (1) the name, street address, and telephone number of the health care facility and any  
40.5 state-issued license or registration number issued to the facility, including the issuing state  
40.6 agency;

40.7 (2) the name and telephone number of a responsible pharmacist or practitioner who is  
40.8 employed by or under contract with the health care facility; and

40.9 (3) a statement signed and dated by the responsible pharmacist or practitioner indicating  
40.10 that the health care facility meets the eligibility requirements under this section and agrees  
40.11 to comply with this section.

40.12 (c) Participation in the medication repository program is voluntary. A local repository  
40.13 may withdraw from participation in the medication repository program at any time by  
40.14 providing written notice to the central repository on a form developed by the board and  
40.15 made available on the board's website. ~~The central repository shall provide the board with~~  
40.16 ~~a copy of the withdrawal notice within ten business days from the date of receipt of the~~  
40.17 ~~withdrawal notice.~~

40.18 Sec. 9. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 5, is amended  
40.19 to read:

40.20 Subd. 5. **Individual eligibility and application requirements.** ~~(a) To be eligible for~~  
40.21 ~~the medication repository program~~ At the time of or before receiving donated drugs or  
40.22 supplies as a new eligible patient, an individual must submit to a local repository an electronic  
40.23 or physical intake application form that is signed by the individual and attests that the  
40.24 individual:

40.25 (1) is a resident of Minnesota;

40.26 (2) is uninsured ~~and is not enrolled in the medical assistance program under chapter~~  
40.27 ~~256B or the MinnesotaCare program under chapter 256L~~, has no prescription drug coverage,  
40.28 or is underinsured;

40.29 (3) acknowledges that the drugs or medical supplies to be received through the program  
40.30 may have been donated; and

40.31 (4) consents to a waiver of the child-resistant packaging requirements of the federal  
40.32 Poison Prevention Packaging Act.

41.1 ~~(b) Upon determining that an individual is eligible for the program, the local repository~~  
41.2 ~~shall furnish the individual with an identification card. The card shall be valid for one year~~  
41.3 ~~from the date of issuance and may be used at any local repository. A new identification card~~  
41.4 ~~may be issued upon expiration once the individual submits a new application form.~~

41.5 ~~(e)~~ (b) The local repository shall send a copy of the intake application form to the central  
41.6 repository by regular mail, facsimile, or secured email within ten days from the date the  
41.7 application is approved by the local repository.

41.8 ~~(d)~~ (c) The board shall develop and make available on the board's website an application  
41.9 form ~~and the format for the identification card.~~

41.10 Sec. 10. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 6, is amended  
41.11 to read:

41.12 Subd. 6. **Standards and procedures for accepting donations of drugs and supplies.** (a)  
41.13 Notwithstanding any other law or rule, a donor may donate drugs or medical supplies to  
41.14 the central repository or a local repository if the drug or supply meets the requirements of  
41.15 this section as determined by a pharmacist or practitioner who is employed by or under  
41.16 contract with the central repository or a local repository.

41.17 (b) A drug is eligible for donation under the medication repository program if the  
41.18 following requirements are met:

41.19 ~~(1) the donation is accompanied by a medication repository donor form described under~~  
41.20 ~~paragraph (d) that is signed by an individual who is authorized by the donor to attest to the~~  
41.21 ~~donor's knowledge in accordance with paragraph (d);~~

41.22 ~~(2)~~ (1) the drug's expiration date is at least six months after the date the drug was donated.  
41.23 If a donated drug bears an expiration date that is less than six months from the donation  
41.24 date, the drug may be accepted and distributed if the drug is in high demand and can be  
41.25 dispensed for use by a patient before the drug's expiration date;

41.26 ~~(3)~~ (2) the drug is in its original, sealed, unopened, tamper-evident packaging that includes  
41.27 the expiration date. Single-unit-dose drugs may be accepted if the single-unit-dose packaging  
41.28 is unopened;

41.29 ~~(4)~~ (3) the drug or the packaging does not have any physical signs of tampering,  
41.30 misbranding, deterioration, compromised integrity, or adulteration;

41.31 ~~(5)~~ (4) the drug does not require storage temperatures other than normal room temperature  
41.32 as specified by the manufacturer or United States Pharmacopoeia, unless the drug is being

42.1 donated directly by its manufacturer, a wholesale drug distributor, or a pharmacy located  
42.2 in Minnesota; and

42.3 ~~(6)~~ (5) the drug is not a controlled substance.

42.4 (c) A medical supply is eligible for donation under the medication repository program  
42.5 if the following requirements are met:

42.6 (1) the supply has no physical signs of tampering, misbranding, or alteration and there  
42.7 is no reason to believe it has been adulterated, tampered with, or misbranded;

42.8 (2) the supply is in its original, unopened, sealed packaging; and

42.9 ~~(3) the donation is accompanied by a medication repository donor form described under~~  
42.10 ~~paragraph (d) that is signed by an individual who is authorized by the donor to attest to the~~  
42.11 ~~donor's knowledge in accordance with paragraph (d); and~~

42.12 ~~(4)~~ (3) if the supply bears an expiration date, the date is at least six months later than  
42.13 the date the supply was donated. If the donated supply bears an expiration date that is less  
42.14 than six months from the date the supply was donated, the supply may be accepted and  
42.15 distributed if the supply is in high demand and can be dispensed for use by a patient before  
42.16 the supply's expiration date.

42.17 (d) The board shall develop the medication repository donor form and make it available  
42.18 on the board's website. ~~The form must state that to the best of the donor's knowledge the~~  
42.19 ~~donated drug or supply has been properly stored under appropriate temperature and humidity~~  
42.20 ~~conditions and that the drug or supply has never been opened, used, tampered with,~~  
42.21 ~~adulterated, or misbranded.~~ Prior to the first donation from a new donor, a central repository  
42.22 or local repository shall verify and record the following information on the donor form:

42.23 (1) the donor's name, address, phone number, and license number, if applicable;

42.24 (2) that the donor will only make donations in accordance with the program;

42.25 (3) to the best of the donor's knowledge, only drugs or supplies that have been properly  
42.26 stored under appropriate temperature and humidity conditions will be donated; and

42.27 (4) to the best of the donor's knowledge, only drugs or supplies that have never been  
42.28 opened, used, tampered with, adulterated, or misbranded will be donated.

42.29 (e) Notwithstanding any other law or rule, a central repository or a local repository may  
42.30 receive donated drugs from donors. Donated drugs and supplies may be shipped or delivered  
42.31 to the premises of the central repository or a local repository, and shall be inspected by a  
42.32 pharmacist or an authorized practitioner who is employed by or under contract with the

43.1 repository and who has been designated by the repository ~~to accept donations~~ prior to  
43.2 dispensing. A drop box must not be used to deliver or accept donations.

43.3 (f) The central repository and local repository shall maintain a written or electronic  
43.4 inventory of all drugs and supplies donated to the repository upon acceptance of each drug  
43.5 or supply. For each drug, the inventory must include the drug's name, strength, quantity,  
43.6 manufacturer, expiration date, and the date the drug was donated. For each medical supply,  
43.7 the inventory must include a description of the supply, its manufacturer, the date the supply  
43.8 was donated, and, if applicable, the supply's brand name and expiration date. The board  
43.9 may waive the requirement under this paragraph if an entity is under common ownership  
43.10 or control with a central repository or local repository and either the entity or the repository  
43.11 maintains an inventory containing all the information required under this paragraph.

43.12 Sec. 11. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 7, is amended  
43.13 to read:

43.14 Subd. 7. **Standards and procedures for inspecting and storing donated drugs and**  
43.15 **supplies.** (a) A pharmacist or authorized practitioner who is employed by or under contract  
43.16 with the central repository or a local repository shall inspect all donated drugs and supplies  
43.17 before the drug or supply is dispensed to determine, to the extent reasonably possible in the  
43.18 professional judgment of the pharmacist or practitioner, that the drug or supply is not  
43.19 adulterated or misbranded, has not been tampered with, is safe and suitable for dispensing,  
43.20 has not been subject to a recall, and meets the requirements for donation. ~~The pharmacist~~  
43.21 ~~or practitioner who inspects the drugs or supplies shall sign an inspection record stating that~~  
43.22 ~~the requirements for donation have been met.~~ If a local repository receives drugs and supplies  
43.23 from the central repository, the local repository does not need to reinspect the drugs and  
43.24 supplies.

43.25 (b) The central repository and local repositories shall store donated drugs and supplies  
43.26 in a secure storage area under environmental conditions appropriate for the drug or supply  
43.27 being stored. Donated drugs and supplies may not be stored with nondonated inventory.

43.28 (c) The central repository and local repositories shall dispose of all drugs and medical  
43.29 supplies that are not suitable for donation in compliance with applicable federal and state  
43.30 statutes, regulations, and rules concerning hazardous waste.

43.31 (d) In the event that controlled substances or drugs that can only be dispensed to a patient  
43.32 registered with the drug's manufacturer are shipped or delivered to a central or local repository  
43.33 for donation, the shipment delivery must be documented by the repository and returned  
43.34 immediately to the donor or the donor's representative that provided the drugs.

44.1 (e) Each repository must develop drug and medical supply recall policies and procedures.  
44.2 If a repository receives a recall notification, the repository shall destroy all of the drug or  
44.3 medical supply in its inventory that is the subject of the recall and complete a record of  
44.4 destruction form in accordance with paragraph (f). If a drug or medical supply that is the  
44.5 subject of a Class I or Class II recall has been dispensed, the repository shall immediately  
44.6 notify the recipient of the recalled drug or medical supply. A drug that potentially is subject  
44.7 to a recall need not be destroyed if its packaging bears a lot number and that lot of the drug  
44.8 is not subject to the recall. If no lot number is on the drug's packaging, it must be destroyed.

44.9 (f) A record of destruction of donated drugs and supplies that are not dispensed under  
44.10 subdivision 8, are subject to a recall under paragraph (e), or are not suitable for donation  
44.11 shall be maintained by the repository for at least two years. For each drug or supply destroyed,  
44.12 the record shall include the following information:

44.13 (1) the date of destruction;

44.14 (2) the name, strength, and quantity of the drug destroyed; and

44.15 (3) the name of the person or firm that destroyed the drug.

44.16 No other record of destruction is required.

44.17 Sec. 12. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 8, is amended  
44.18 to read:

44.19 Subd. 8. **Dispensing requirements.** (a) Donated prescription drugs and supplies may  
44.20 be dispensed if the drugs or supplies are prescribed by a practitioner for use by an eligible  
44.21 individual and are dispensed by a pharmacist or practitioner. A repository shall dispense  
44.22 drugs and supplies to eligible individuals in the following priority order: (1) individuals  
44.23 who are uninsured; (2) individuals with no prescription drug coverage; and (3) individuals  
44.24 who are underinsured. A repository shall dispense donated drugs in compliance with  
44.25 applicable federal and state laws and regulations for dispensing drugs, including all  
44.26 requirements relating to packaging, labeling, record keeping, drug utilization review, and  
44.27 patient counseling.

44.28 (b) Before dispensing or administering a drug or supply, the pharmacist or practitioner  
44.29 shall visually inspect the drug or supply for adulteration, misbranding, tampering, and date  
44.30 of expiration. Drugs or supplies that have expired or appear upon visual inspection to be  
44.31 adulterated, misbranded, or tampered with in any way must not be dispensed or administered.

44.32 (c) Before a the first drug or supply is dispensed or administered to an individual, the  
44.33 individual must sign a an electronic or physical drug repository recipient form acknowledging

45.1 that the individual understands ~~the information stated on the form. The board shall develop~~  
45.2 ~~the form and make it available on the board's website. The form must include the following~~  
45.3 ~~information:~~

45.4 (1) that the drug or supply being dispensed or administered has been donated and may  
45.5 have been previously dispensed;

45.6 (2) that a visual inspection has been conducted by the pharmacist or practitioner to ensure  
45.7 that the drug or supply has not expired, has not been adulterated or misbranded, and is in  
45.8 its original, unopened packaging; and

45.9 (3) that the dispensing pharmacist, the dispensing or administering practitioner, the  
45.10 central repository or local repository, the Board of Pharmacy, and any other participant of  
45.11 the medication repository program cannot guarantee the safety of the drug or medical supply  
45.12 being dispensed or administered and that the pharmacist or practitioner has determined that  
45.13 the drug or supply is safe to dispense or administer based on the accuracy of the donor's  
45.14 form submitted with the donated drug or medical supply and the visual inspection required  
45.15 to be performed by the pharmacist or practitioner before dispensing or administering.

45.16 Sec. 13. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 9, is amended  
45.17 to read:

45.18 Subd. 9. **Handling fees.** (a) The central or local repository may charge the individual  
45.19 receiving a drug or supply a handling fee of no more than 250 percent of the medical  
45.20 assistance program dispensing fee for each drug or medical supply dispensed or administered  
45.21 by that repository.

45.22 (b) A repository that dispenses or administers a drug or medical supply through the  
45.23 medication repository program shall not receive reimbursement under the medical assistance  
45.24 program or the MinnesotaCare program for that dispensed or administered drug or supply.

45.25 (c) A supply or handling fee must not be charged to an individual enrolled in the medical  
45.26 assistance or MinnesotaCare program.

45.27 Sec. 14. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 11, is amended  
45.28 to read:

45.29 Subd. 11. **Forms and record-keeping requirements.** (a) The following forms developed  
45.30 for the administration of this program ~~shall be utilized by the participants of the program~~  
45.31 ~~and~~ shall be available on the board's website:

45.32 (1) intake application form described under subdivision 5;

46.1 (2) local repository participation form described under subdivision 4;

46.2 (3) local repository withdrawal form described under subdivision 4;

46.3 (4) medication repository donor form described under subdivision 6;

46.4 (5) record of destruction form described under subdivision 7; and

46.5 (6) medication repository recipient form described under subdivision 8.

46.6 Participants may use substantively similar electronic or physical forms.

46.7 (b) All records, including drug inventory, ~~inspection~~, and disposal of donated drugs and  
46.8 medical supplies, must be maintained by a repository for a minimum of two years. Records  
46.9 required as part of this program must be maintained pursuant to all applicable practice acts.

46.10 (c) Data collected by the medication repository program from all local repositories shall  
46.11 be submitted quarterly or upon request to the central repository. Data collected may consist  
46.12 of the information, records, and forms required to be collected under this section.

46.13 (d) The central repository shall submit reports to the board as required by the contract  
46.14 or upon request of the board.

46.15 Sec. 15. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 12, is amended  
46.16 to read:

46.17 Subd. 12. **Liability.** (a) The manufacturer of a drug or supply is not subject to criminal  
46.18 or civil liability for injury, death, or loss to a person or to property for causes of action  
46.19 described in clauses (1) and (2). A manufacturer is not liable for:

46.20 (1) the intentional or unintentional alteration of the drug or supply by a party not under  
46.21 the control of the manufacturer; or

46.22 (2) the failure of a party not under the control of the manufacturer to transfer or  
46.23 communicate product or consumer information or the expiration date of the donated drug  
46.24 or supply.

46.25 (b) A health care facility participating in the program, a pharmacist dispensing a drug  
46.26 or supply pursuant to the program, a practitioner dispensing or administering a drug or  
46.27 supply pursuant to the program, ~~or a donor of a drug or medical supply, or a person or entity~~  
46.28 that facilitates any of the above is immune from civil liability for an act or omission that  
46.29 causes injury to or the death of an individual to whom the drug or supply is dispensed and  
46.30 no disciplinary action by a health-related licensing board shall be taken against a ~~pharmacist~~  
46.31 ~~or practitioner~~ person or entity so long as the drug or supply is donated, accepted, distributed,

47.1 and dispensed according to the requirements of this section. This immunity does not apply  
47.2 if the act or omission involves reckless, wanton, or intentional misconduct, or malpractice  
47.3 unrelated to the quality of the drug or medical supply.

47.4 Sec. 16. Minnesota Statutes 2023 Supplement, section 151.74, subdivision 3, is amended  
47.5 to read:

47.6 Subd. 3. **Access to urgent-need insulin.** (a) MNsure shall develop an application form  
47.7 to be used by an individual who is in urgent need of insulin. The application must ask the  
47.8 individual to attest to the eligibility requirements described in subdivision 2. The form shall  
47.9 be accessible through MNsure's website. MNsure shall also make the form available to  
47.10 pharmacies and health care providers who prescribe or dispense insulin, hospital emergency  
47.11 departments, urgent care clinics, and community health clinics. By submitting a completed,  
47.12 signed, and dated application to a pharmacy, the individual attests that the information  
47.13 contained in the application is correct.

47.14 (b) If the individual is in urgent need of insulin, the individual may present a completed,  
47.15 signed, and dated application form to a pharmacy. The individual must also:

47.16 (1) have a valid insulin prescription; and

47.17 (2) present the pharmacist with identification indicating Minnesota residency in the form  
47.18 of a valid Minnesota identification card, driver's license or permit, individual taxpayer  
47.19 identification number, or Tribal identification card as defined in section 171.072, paragraph

47.20 (b). If the individual in urgent need of insulin is under the age of 18, the individual's parent  
47.21 or legal guardian must provide the pharmacist with proof of residency.

47.22 (c) Upon receipt of a completed and signed application, the pharmacist shall dispense  
47.23 the prescribed insulin in an amount that will provide the individual with a 30-day supply.  
47.24 The pharmacy must notify the health care practitioner who issued the prescription order no  
47.25 later than 72 hours after the insulin is dispensed.

47.26 (d) The pharmacy may submit to the manufacturer of the dispensed insulin product or  
47.27 to the manufacturer's vendor a claim for payment that is in accordance with the National  
47.28 Council for Prescription Drug Program standards for electronic claims processing, unless  
47.29 the manufacturer agrees to send to the pharmacy a replacement supply of the same insulin  
47.30 as dispensed in the amount dispensed. If the pharmacy submits an electronic claim to the  
47.31 manufacturer or the manufacturer's vendor, the manufacturer or vendor shall reimburse the  
47.32 pharmacy in an amount that covers the pharmacy's acquisition cost.

48.1 (e) The pharmacy may collect an insulin co-payment from the individual to cover the  
48.2 pharmacy's costs of processing and dispensing in an amount not to exceed \$35 for the 30-day  
48.3 supply of insulin dispensed.

48.4 (f) The pharmacy shall also provide each eligible individual with the information sheet  
48.5 described in subdivision 7 and a list of trained navigators provided by the Board of Pharmacy  
48.6 for the individual to contact if the individual ~~is in need of~~ accessing needs to access ongoing  
48.7 insulin coverage options, including assistance in:

48.8 (1) applying for medical assistance or MinnesotaCare;

48.9 (2) applying for a qualified health plan offered through MNsure, subject to open and  
48.10 special enrollment periods;

48.11 (3) accessing information on providers who participate in prescription drug discount  
48.12 programs, including providers who are authorized to participate in the 340B program under  
48.13 section 340b of the federal Public Health Services Act, United States Code, title 42, section  
48.14 256b; and

48.15 (4) accessing insulin manufacturers' patient assistance programs, co-payment assistance  
48.16 programs, and other foundation-based programs.

48.17 (g) The pharmacist shall retain a copy of the application form submitted by the individual  
48.18 to the pharmacy for reporting and auditing purposes.

48.19 (h) A manufacturer may submit to the commissioner of administration a request for  
48.20 reimbursement in an amount not to exceed \$35 for each 30-day supply of insulin the  
48.21 manufacturer provides under paragraph (d). The commissioner of administration shall  
48.22 determine the manner and format for submitting and processing requests for reimbursement.  
48.23 After receiving a reimbursement request, the commissioner of administration shall reimburse  
48.24 the manufacturer in an amount not to exceed \$35 for each 30-day supply of insulin the  
48.25 manufacturer provided under paragraph (d).

48.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

48.27 Sec. 17. Minnesota Statutes 2022, section 151.74, subdivision 6, is amended to read:

48.28 Subd. 6. **Continuing safety net program; process.** (a) The individual shall submit to  
48.29 a pharmacy the statement of eligibility provided by the manufacturer under subdivision 5,  
48.30 paragraph (b). Upon receipt of an individual's eligibility status, the pharmacy shall submit  
48.31 an order containing the name of the insulin product and the daily dosage amount as contained  
48.32 in a valid prescription to the product's manufacturer.

49.1 (b) The pharmacy must include with the order to the manufacturer the following  
49.2 information:

49.3 (1) the pharmacy's name and shipping address;

49.4 (2) the pharmacy's office telephone number, fax number, email address, and contact  
49.5 name; and

49.6 (3) any specific days or times when deliveries are not accepted by the pharmacy.

49.7 (c) Upon receipt of an order from a pharmacy and the information described in paragraph  
49.8 (b), the manufacturer shall send to the pharmacy a 90-day supply of insulin as ordered,  
49.9 unless a lesser amount is requested in the order, at no charge to the individual or pharmacy.

49.10 (d) Except as authorized under paragraph (e), the pharmacy shall provide the insulin to  
49.11 the individual at no charge to the individual. The pharmacy shall not provide insulin received  
49.12 from the manufacturer to any individual other than the individual associated with the specific  
49.13 order. The pharmacy shall not seek reimbursement for the insulin received from the  
49.14 manufacturer or from any third-party payer.

49.15 (e) The pharmacy may collect a co-payment from the individual to cover the pharmacy's  
49.16 costs for processing and dispensing in an amount not to exceed \$50 for each 90-day supply  
49.17 if the insulin is sent to the pharmacy.

49.18 (f) The pharmacy may submit to a manufacturer a reorder for an individual if the  
49.19 individual's eligibility statement has not expired. Upon receipt of a reorder from a pharmacy,  
49.20 the manufacturer must send to the pharmacy an additional 90-day supply of the product,  
49.21 unless a lesser amount is requested, at no charge to the individual or pharmacy if the  
49.22 individual's eligibility statement has not expired.

49.23 (g) Notwithstanding paragraph (c), a manufacturer may send the insulin as ordered  
49.24 directly to the individual if the manufacturer provides a mail order service option.

49.25 (h) A manufacturer may submit to the commissioner of administration a request for  
49.26 reimbursement in an amount not to exceed \$105 for each 90-day supply of insulin the  
49.27 manufacturer provides under paragraphs (c) and (f). The commissioner of administration  
49.28 shall determine the manner and format for submitting and processing requests for  
49.29 reimbursement. After receiving a reimbursement request, the commissioner of administration  
49.30 shall reimburse the manufacturer in an amount not to exceed \$105 for each 90-day supply  
49.31 of insulin the manufacturer provided under paragraphs (c) and (f). If the manufacturer  
49.32 provides less than a 90-day supply of insulin under paragraphs (c) and (f), the manufacturer

50.1 may submit a request for reimbursement not to exceed \$35 for each 30-day supply of insulin  
50.2 provided.

50.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

50.4 Sec. 18. **[151.741] INSULIN MANUFACTURER REGISTRATION FEE.**

50.5 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
50.6 the meanings given.

50.7 (b) "Board" means the Minnesota Board of Pharmacy under section 151.02.

50.8 (c) "Manufacturer" means a manufacturer licensed under section 151.252 and engaged  
50.9 in the manufacturing of prescription insulin.

50.10 Subd. 2. **Assessment of registration fee.** (a) The board shall assess each manufacturer  
50.11 an annual registration fee of \$100,000, except as provided in paragraph (b). The board shall  
50.12 notify each manufacturer of this requirement beginning November 1, 2024, and each  
50.13 November 1 thereafter.

50.14 (b) A manufacturer may request an exemption from the annual registration fee. The  
50.15 board shall exempt a manufacturer from the annual registration fee if the manufacturer can  
50.16 demonstrate to the board, in the form and manner specified by the board, that sales of  
50.17 prescription insulin produced by that manufacturer and sold or delivered within or into the  
50.18 state totaled \$2,000,000 or less in the previous calendar year.

50.19 Subd. 3. **Payment of the registration fee; deposit of fee.** (a) Each manufacturer must  
50.20 pay the registration fee by March 1, 2025, and by each March 1 thereafter. In the event of  
50.21 a change in ownership of the manufacturer, the new owner must pay the registration fee  
50.22 that the original owner would have been assessed had the original owner retained ownership.  
50.23 The board may assess a late fee of ten percent per month or any portion of a month that the  
50.24 registration fee is paid after the due date.

50.25 (b) The registration fee, including any late fees, must be deposited in the insulin safety  
50.26 net program account.

50.27 Subd. 4. **Insulin safety net program account.** The insulin safety net program account  
50.28 is established in the special revenue fund in the state treasury. Money in the account is  
50.29 appropriated each fiscal year to:

50.30 (1) the MNsure board in an amount sufficient to carry out assigned duties under section  
50.31 151.74, subdivision 7; and

51.1 (2) the Board of Pharmacy in an amount sufficient to cover costs incurred by the board  
51.2 in assessing and collecting the registration fee under this section and in administering the  
51.3 insulin safety net program under section 151.74.

51.4 Subd. 5. **Insulin repayment account; annual transfer from health care access fund.** (a)  
51.5 The insulin repayment account is established in the special revenue fund in the state treasury.  
51.6 Money in the account is appropriated each fiscal year to the commissioner of administration  
51.7 in an amount sufficient for the commissioner to reimburse manufacturers for insulin dispensed  
51.8 under the insulin safety net program in section 151.74, in accordance with section 151.74,  
51.9 subdivisions 3, paragraph (h), and 6, paragraph (h), and to cover costs incurred by the  
51.10 commissioner in providing these reimbursement payments.

51.11 (b) The commissioner of management and budget shall transfer from the health care  
51.12 access fund to the insulin repayment account, beginning July 1, 2025, and each July 1  
51.13 thereafter, an amount sufficient for the commissioner of administration to implement  
51.14 paragraph (a).

51.15 Subd. 6. **Contingent transfer by commissioner.** If subdivisions 2 and 3, or the  
51.16 application of subdivisions 2 and 3 to any person or circumstance, are held invalid for any  
51.17 reason in a court of competent jurisdiction, the validity of subdivisions 2 and 3 does not  
51.18 affect other provisions of this act, and the commissioner of management and budget shall  
51.19 annually transfer from the health care access fund to the insulin safety net program account  
51.20 an amount sufficient to implement subdivision 4.

51.21 **EFFECTIVE DATE.** This section is effective July 1, 2024.

51.22 Sec. 19. Minnesota Statutes 2023 Supplement, section 270A.03, subdivision 2, is amended  
51.23 to read:

51.24 Subd. 2. **Claimant agency.** "Claimant agency" means any state agency, as defined by  
51.25 section 14.02, subdivision 2, the regents of the University of Minnesota, any district court  
51.26 of the state, any county, any statutory or home rule charter city, including a city that is  
51.27 presenting a claim for a ~~municipal hospital~~ or a public library or a ~~municipal ambulance~~  
51.28 ~~service, a hospital district, any ambulance service licensed under chapter 144E,~~ any public  
51.29 agency responsible for child support enforcement, any public agency responsible for the  
51.30 collection of court-ordered restitution, and any public agency established by general or  
51.31 special law that is responsible for the administration of a low-income housing program.

52.1 Sec. 20. **[332C.01] DEFINITIONS.**

52.2 Subdivision 1. **Application.** For purposes of this chapter, the following terms have the  
52.3 meanings given.

52.4 Subd. 2. **Collecting party.** "Collecting party" means a party engaged in the collection  
52.5 of medical debt. Collecting party does not include banks, credit unions, public officers,  
52.6 garnishees, and other parties complying with a court order or statutory obligation to garnish  
52.7 or levy a debtor's property.

52.8 Subd. 3. **Debtor.** "Debtor" means a person obligated or alleged to be obligated to pay  
52.9 any debt.

52.10 Subd. 4. **Medical debt.** (a) "Medical debt" means debt incurred primarily for medically  
52.11 necessary health treatment or services. Medical debt includes debt charged to any credit  
52.12 card or other credit instrument under an open-end or closed-end credit plan:

52.13 (1) offered solely for the payment of health care; or

52.14 (2) advertised, promoted, or offered for the payment of health care at the facility in which  
52.15 the credit card or other credit instrument is advertised, promoted, or offered.

52.16 (b) Medical debt does not include:

52.17 (1) debt charged to a credit card that is not advertised, promoted, or offered expressly  
52.18 for the payment of health care and is intended, advertised, promoted, or offered to make  
52.19 credit purchases for personal, family, or household purposes;

52.20 (2) debt incurred for veterinary services;

52.21 (3) debt incurred for dental services; or

52.22 (4) debt charged to a home equity line of credit.

52.23 Subd. 5. **Medically necessary.** "Medically necessary" has the meaning given in section  
52.24 62J.805, subdivision 7.

52.25 Subd. 6. **Person.** "Person" means any individual, partnership, association, or corporation.

52.26 Sec. 21. **[332C.02] PROHIBITED PRACTICES.**

52.27 No collecting party shall:

52.28 (1) in a collection letter, publication, invoice, or any oral or written communication,  
52.29 threaten wage garnishment or legal suit by a particular lawyer, unless the collecting party  
52.30 has actually retained the lawyer to do so;

53.1 (2) use or employ sheriffs or any other officer authorized to serve legal papers in  
53.2 connection with the collection of a claim, except when performing their legally authorized  
53.3 duties;

53.4 (3) use or threaten to use methods of collection which violate Minnesota law;

53.5 (4) furnish legal advice to debtors or represent that the collecting party is competent or  
53.6 able to furnish legal advice to debtors;

53.7 (5) communicate with debtors in a misleading or deceptive manner by falsely using the  
53.8 stationery of a lawyer, forms or instruments which only lawyers are authorized to prepare,  
53.9 or instruments which simulate the form and appearance of judicial process;

53.10 (6) publish or cause to be published any list of debtors, use shame cards or shame  
53.11 automobiles, advertise or threaten to advertise for sale any claim as a means of forcing  
53.12 payment thereof, or use similar devices or methods of intimidation;

53.13 (7) operate under a name or in a manner which falsely implies the collecting party is a  
53.14 branch of or associated with any department of federal, state, county, or local government  
53.15 or an agency thereof;

53.16 (8) transact business or hold itself out as a debt settlement company, debt management  
53.17 company, debt adjuster, or any person who settles, adjusts, prorates, pools, liquidates, or  
53.18 pays the indebtedness of a debtor, unless there is no charge to the debtor, or the pooling or  
53.19 liquidation is done pursuant to court order or under the supervision of a creditor's committee;

53.20 (9) unless an exemption in the law exists, violate Code of Federal Regulations, title 12,  
53.21 part 1006, while attempting to collect on any account, bill, or other indebtedness. For  
53.22 purposes of this section, Public Law 95-109 and Code of Federal Regulations, title 12, part  
53.23 1006, apply to collecting parties other than health care providers collecting medical debt in  
53.24 their own name;

53.25 (10) communicate with a debtor about medical debt by use of an automatic telephone  
53.26 dialing system or an artificial or prerecorded voice after the debtor expressly informs the  
53.27 collecting party to cease communication utilizing an automatic telephone dialing system or  
53.28 an artificial or prerecorded voice. For purposes of this clause, an automatic telephone dialing  
53.29 system or an artificial or prerecorded voice includes but is not limited to (i) artificial  
53.30 intelligence chat bots, and (ii) the usage of the term under the Telephone Consumer Protection  
53.31 Act, United States Code, title 47, section 227(b)(1)(A);

54.1 (11) in collection letters or publications, or in any oral or written communication, imply  
54.2 or suggest that medically necessary health treatment or services will be denied as a result  
54.3 of a medical debt;

54.4 (12) when a debtor has a listed telephone number, enlist the aid of a neighbor or third  
54.5 party to request that the debtor contact the collecting party, except a person who resides  
54.6 with the debtor or a third party with whom the debtor has authorized with the collecting  
54.7 party to place the request. This clause does not apply to a call back message left at the  
54.8 debtor's place of employment which is limited solely to the collecting party's telephone  
54.9 number and name;

54.10 (13) when attempting to collect a medical debt, fail to provide the debtor with the full  
54.11 name of the collecting party, as registered with the secretary of state;

54.12 (14) fail to return any amount of overpayment from a debtor to the debtor or to the state  
54.13 of Minnesota pursuant to the requirements of chapter 345;

54.14 (15) accept currency or coin as payment for a medical debt without issuing an original  
54.15 receipt to the debtor and maintaining a duplicate receipt in the debtor's payment records;

54.16 (16) except for court costs for filing a civil action with the court and service of process,  
54.17 attempt to collect any interest, fee, charge, or expense incidental to the charge-off obligation  
54.18 from a debtor unless the amount is expressly authorized by the agreement creating the  
54.19 medical debt or is otherwise permitted by law;

54.20 (17) falsify any documents with the intent to deceive;

54.21 (18) when initially contacting a Minnesota debtor by mail to collect a medical debt, fail  
54.22 to include a disclosure on the contact notice, in a type size or font which is equal to or larger  
54.23 than the largest other type of type size or font used in the text of the notice, that includes  
54.24 and identifies the Office of the Minnesota Attorney General's general telephone number,  
54.25 and states: "You have the right to hire your own attorney to represent you in this matter.";

54.26 (19) commence legal action to collect a medical debt outside the limitations period set  
54.27 forth in section 541.053;

54.28 (20) report to a credit reporting agency any medical debt which the collecting party  
54.29 knows or should know is or was originally owed to a health care provider, as defined in  
54.30 section 62J.805, subdivision 4; or

54.31 (21) challenge a debtor's claim of exemption to garnishment or levy in a manner that is  
54.32 baseless, frivolous, or otherwise in bad faith.

55.1 Sec. 22. **[332C.03] MEDICAL DEBT REPORTING PROHIBITED.**

55.2 (a) A collecting party is prohibited from reporting medical debt to a consumer reporting  
55.3 agency.

55.4 (b) A consumer reporting agency is prohibited from making a consumer report containing  
55.5 an item of information that the consumer reporting agency knows or should know concerns  
55.6 medical debt.

55.7 (c) For purposes of this section, "consumer report" and "consumer reporting agency"  
55.8 have the meanings given in the Fair Credit Reporting Act, United States Code, title 15,  
55.9 section 1681a.

55.10 (d) This section also applies to collection agencies and debt buyers licensed under chapter  
55.11 332.

55.12 Sec. 23. **[332C.04] DEFENDING MEDICAL DEBT CASES.**

55.13 A debtor who successfully defends against a claim for payment of medical debt that is  
55.14 alleged by a collecting party must be awarded the debtor's costs and a reasonable attorney  
55.15 fee, as determined by the court, incurred in defending against the collecting party's claim  
55.16 for debt payment. For purposes of this section, a resolution mutually agreed upon by the  
55.17 debtor and collecting party is not a successful defense subject to an additional award of an  
55.18 attorney fee.

55.19 Sec. 24. **[332C.05] ENFORCEMENT.**

55.20 (a) The attorney general may enforce this chapter under section 8.31.

55.21 (b) A collecting party that violates this chapter is strictly liable to the debtor in question  
55.22 for the sum of:

55.23 (1) actual damage sustained by the debtor as a result of the violation;

55.24 (2) additional damages as the court may allow, but not exceeding \$1,000 per violation;  
55.25 and

55.26 (3) in the case of any successful action to enforce the foregoing, the costs of the action,  
55.27 together with a reasonable attorney fee as determined by the court.

55.28 (c) A collecting party that willfully and maliciously violates this chapter is strictly liable  
55.29 to the debtor for three times the sums allowable under paragraph (b), clauses (1) and (2).

56.1 (d) The dollar amount limit under paragraph (b), clause (2), changes on July 1 of each  
56.2 even-numbered year in an amount equal to changes made in the Consumer Price Index,  
56.3 compiled by the United States Bureau of Labor Statistics. The Consumer Price Index for  
56.4 December 2024 is the reference base index. If the Consumer Price Index is revised, the  
56.5 percentage of change made under this section must be calculated on the basis of the revised  
56.6 Consumer Price Index. If a Consumer Price Index revision changes the reference base index,  
56.7 a revised reference base index must be determined by multiplying the reference base index  
56.8 that is effective at the time by the rebasing factor furnished by the Bureau of Labor Statistics.

56.9 (e) If the Consumer Price Index is superseded, the Consumer Price Index referred to in  
56.10 this section is the Consumer Price Index represented by the Bureau of Labor Statistics as  
56.11 most accurately reflecting changes in the prices paid by consumers for consumer goods and  
56.12 services.

56.13 (f) The attorney general must publish the base reference index under paragraph (d) in  
56.14 the State Register no later than September 1, 2024. The attorney general must calculate and  
56.15 then publish the revised Consumer Price Index under paragraph (d) in the State Register no  
56.16 later than September 1 each even-numbered year.

56.17 (g) A collecting party must not be held liable in any action brought under this section if  
56.18 the collecting party shows by a preponderance of evidence that the violation:

56.19 (1) was not intentional and resulted from a bona fide error made notwithstanding the  
56.20 maintenance of procedures reasonably adopted to avoid any such error; or

56.21 (2) was the result of inaccurate or incorrect information provided to the collecting party  
56.22 by a health care provider as defined in section 62J.805, subdivision 4; a health carrier as  
56.23 defined in section 62A.011, subdivision 2; or another collecting party currently or previously  
56.24 engaged in collection of the medical debt in question.

56.25 Sec. 25. Minnesota Statutes 2022, section 519.05, is amended to read:

56.26 **519.05 LIABILITY OF HUSBAND AND WIFE SPOUSES.**

56.27 (a) A spouse is not liable to a creditor for any debts of the other spouse. ~~Where husband~~  
56.28 ~~and wife are living together, they~~ Spouses shall be jointly and severally liable for ~~necessary~~  
56.29 ~~medical services that have been furnished to either spouse, including~~ any claims arising  
56.30 under section ~~246.53, 256B.15, 256D.16, or 261.04, and necessary household articles and~~  
56.31 ~~supplies furnished to and used by the family.~~ Notwithstanding this paragraph, in a proceeding  
56.32 under chapter 518 the court may apportion such debt between the spouses.

57.1 (b) Either spouse may close a credit card account or other unsecured consumer line of  
57.2 credit on which both spouses are contractually liable, by giving written notice to the creditor.

57.3 (c) Nothing in this section prevents a creditor's claim against a decedent's estate.

57.4 Sec. 26. Laws 2020, chapter 73, section 8, is amended to read:

57.5 Sec. 8. **APPROPRIATIONS.**

57.6 (a) \$297,000 is appropriated in fiscal year 2020 from the health care access fund to the  
57.7 Board of Directors of MNsure ~~to train navigators to assist individuals and provide~~  
57.8 ~~compensation as required~~ for the insulin safety net program under Minnesota Statutes,  
57.9 section 151.74, ~~subdivision 7. Of this appropriation, \$108,000 is for implementing the~~  
57.10 ~~training requirements for navigators and \$189,000 is for application assistance bonus~~  
57.11 ~~payments. This is a onetime appropriation and is available until December 31, 2024~~ June  
57.12 30, 2027.

57.13 (b) \$250,000 is appropriated in fiscal year 2020 from the health care access fund to the  
57.14 Board of Directors of MNsure for a public awareness campaign for the insulin safety net  
57.15 program established under Minnesota Statutes, section 151.74. This is a onetime appropriation  
57.16 and is available until December 31, 2024.

57.17 (c) \$76,000 is appropriated in fiscal year 2021 from the health care access fund to the  
57.18 Board of Pharmacy to implement Minnesota Statutes, section 151.74. The base for this  
57.19 appropriation is \$76,000 in fiscal year 2022; \$76,000 in fiscal year 2023; \$76,000 in fiscal  
57.20 year 2024; \$38,000 in fiscal year 2025; and \$0 in fiscal year 2026.

57.21 (d) \$136,000 in fiscal year 2021 is appropriated from the health care access fund to the  
57.22 commissioner of health to implement the survey to assess program satisfaction in Minnesota  
57.23 Statutes, section 151.74, subdivision 12. The base for this appropriation is \$80,000 in fiscal  
57.24 year 2022 and \$0 in fiscal year 2023. This is a onetime appropriation.

57.25 Sec. 27. **REPEALER; SUNSET FOR THE LONG-TERM SAFETY NET INSULIN**  
57.26 **PROGRAM.**

57.27 Minnesota Statutes 2022, section 151.74, subdivision 16, is repealed.

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

ARTICLE 4

HEALTH INSURANCE

Section 1. Minnesota Statutes 2022, section 62A.28, subdivision 2, is amended to read:

Subd. 2. **Required coverage.** (a) Every policy, plan, certificate, or contract referred to in subdivision 1 issued or renewed after August 1, 1987, must provide coverage for scalp hair prostheses, including all equipment and accessories necessary for regular use of scalp hair prostheses, worn for hair loss suffered as a result of a health condition, including, but not limited to, alopecia areata or the treatment for cancer, unless there is a clinical basis for limitation.

(b) The coverage required by this section is subject to the co-payment, coinsurance, deductible, and other enrollee cost-sharing requirements that apply to similar types of items under the policy, plan, certificate, or contract and may be limited to one prosthesis per benefit year.

(c) The coverage required by this section for scalp hair prostheses is limited to \$1,000 per benefit year.

(d) A scalp hair prostheses must be prescribed by a doctor to be covered under this section.

**EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all policies, plans, certificates, and contracts offered, issued, or renewed on or after that date.

Sec. 2. **[62A.3098] RAPID WHOLE GENOME SEQUENCING; COVERAGE.**

Subdivision 1. **Definition.** For purposes of this section, "rapid whole genome sequencing" or "rWGS" means an investigation of the entire human genome, including coding and noncoding regions and mitochondrial deoxyribonucleic acid, to identify disease-causing genetic changes that returns the final results in 14 days. Rapid whole genome sequencing includes patient-only whole genome sequencing and duo and trio whole genome sequencing of the patient and the patient's biological parent or parents.

Subd. 2. **Required coverage.** A health plan that provides coverage to Minnesota residents must cover rWGS testing if the enrollee:

(1) is 21 years of age or younger;

(2) has a complex or acute illness of unknown etiology that is not confirmed to have been caused by an environmental exposure, toxic ingestion, an infection with a normal response to therapy, or trauma; and

59.1 (3) is receiving inpatient hospital services in an intensive care unit or a neonatal or high  
59.2 acuity pediatric care unit.

59.3 Subd. 3. Coverage criteria. Coverage may be based on the following medical necessity  
59.4 criteria:

59.5 (1) the enrollee has symptoms that suggest a broad differential diagnosis that would  
59.6 require an evaluation by multiple genetic tests if rWGS testing is not performed;

59.7 (2) timely identification of a molecular diagnosis is necessary in order to guide clinical  
59.8 decision making, and the rWGS testing may aid in guiding the treatment or management  
59.9 of the enrollee's condition; and

59.10 (3) the enrollee's complex or acute illness of unknown etiology includes at least one of  
59.11 the following conditions:

59.12 (i) congenital anomalies involving at least two organ systems, or complex or multiple  
59.13 congenital anomalies in one organ system;

59.14 (ii) specific organ malformations that are highly suggestive of a genetic etiology;

59.15 (iii) abnormal laboratory tests or abnormal chemistry profiles suggesting the presence  
59.16 of a genetic disease, complex metabolic disorder, or inborn error of metabolism;

59.17 (iv) refractory or severe hypoglycemia or hyperglycemia;

59.18 (v) abnormal response to therapy related to an underlying medical condition affecting  
59.19 vital organs or bodily systems;

59.20 (vi) severe muscle weakness, rigidity, or spasticity;

59.21 (vii) refractory seizures;

59.22 (viii) a high-risk stratification on evaluation for a brief resolved unexplained event with  
59.23 any of the following features:

59.24 (A) a recurrent event without respiratory infection;

59.25 (B) a recurrent seizure-like event; or

59.26 (C) a recurrent cardiopulmonary resuscitation;

59.27 (ix) abnormal cardiac diagnostic testing results that are suggestive of possible  
59.28 channelopathies, arrhythmias, cardiomyopathies, myocarditis, or structural heart disease;

59.29 (x) abnormal diagnostic imaging studies that are suggestive of underlying genetic  
59.30 condition;

60.1 (xi) abnormal physiologic function studies that are suggestive of an underlying genetic  
60.2 etiology; or

60.3 (xii) family genetic history related to the patient's condition.

60.4 Subd. 4. **Cost sharing.** Coverage provided in this section is subject to the enrollee's  
60.5 health plan cost-sharing requirements, including any deductibles, co-payments, or coinsurance  
60.6 requirements that apply to diagnostic testing services.

60.7 Subd. 5. **Payment for services provided.** If the enrollee's health plan uses a capitated  
60.8 or bundled payment arrangement to reimburse a provider for services provided in an inpatient  
60.9 setting, reimbursement for services covered under this section must be paid separately and  
60.10 in addition to any reimbursement otherwise payable to the provider under the capitated or  
60.11 bundled payment arrangement, unless the health carrier and the provider have negotiated  
60.12 an increased capitated or bundled payment rate that includes the services covered under this  
60.13 section.

60.14 Subd. 6. **Genetic data.** Genetic data generated as a result of performing rWGS and  
60.15 covered under this section: (1) must be used for the primary purpose of assisting the ordering  
60.16 provider and treating care team to diagnose and treat the patient; (2) is protected health  
60.17 information as set forth under the Health Insurance Portability and Accountability Act  
60.18 (HIPAA), the Health Information Technology for Economic and Clinical Health Act, and  
60.19 any promulgated regulations, including but not limited to Code of Federal Regulations, title  
60.20 45, parts 160 and 164, subparts A and E; and (3) is a protected health record under sections  
60.21 144.291 to 144.298.

60.22 Subd. 7. **Reimbursement.** The commissioner of commerce must reimburse health  
60.23 carriers for coverage under this section. Reimbursement is available only for coverage that  
60.24 would not have been provided by the health carrier without the requirements of this section.  
60.25 Each fiscal year, an amount necessary to make payments to health carriers to defray the  
60.26 cost of providing coverage under this section is appropriated to the commissioner of  
60.27 commerce. Health carriers must report to the commissioner quantified costs attributable to  
60.28 the additional benefit under this section in a format developed by the commissioner. The  
60.29 commissioner must evaluate submissions and make payments to health carriers as provided  
60.30 in Code of Federal Regulations, title 45, section 155.170.

60.31 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to a health  
60.32 plan offered, issued, or sold on or after that date.

61.1 Sec. 3. **[62A.59] COVERAGE OF SERVICE; PRIOR AUTHORIZATION.**

61.2 Subdivision 1. Service for which prior authorization not required. A health carrier  
61.3 must not retrospectively deny or limit coverage of a health care service for which prior  
61.4 authorization was not required by the health carrier, unless there is evidence that the health  
61.5 care service was provided based on fraud or misinformation.

61.6 Subd. 2. Service for which prior authorization required but not obtained. A health  
61.7 carrier must not deny or limit coverage of a health care service which the enrollee has already  
61.8 received solely on the basis of lack of prior authorization if the service would otherwise  
61.9 have been covered had the prior authorization been obtained.

61.10 EFFECTIVE DATE. This section is effective January 1, 2026, and applies to health  
61.11 plans offered, sold, issued, or renewed on or after that date.

61.12 Sec. 4. **[62C.045] APPLICATION OF OTHER LAW.**

61.13 Sections 145D.30 to 145D.37 apply to service plan corporations operating under this  
61.14 chapter.

61.15 Sec. 5. Minnesota Statutes 2022, section 62D.02, subdivision 4, is amended to read:

61.16 Subd. 4. **Health maintenance organization.** "Health maintenance organization" means  
61.17 ~~a foreign or domestic nonprofit corporation organized under chapter 317A, or~~ a local  
61.18 governmental unit as defined in subdivision 11, or an entity which is not a nonprofit  
61.19 corporation organized under chapter 317A or a local governmental unit and which holds a  
61.20 certificate of authority under sections 62D.01 to 62D.30 as of June 1, 2024, controlled and  
61.21 operated as provided in sections 62D.01 to 62D.30, which provides, either directly or through  
61.22 arrangements with providers or other persons, comprehensive health maintenance services,  
61.23 or arranges for the provision of these services, to enrollees on the basis of a fixed prepaid  
61.24 sum without regard to the frequency or extent of services furnished to any particular enrollee.

61.25 Sec. 6. Minnesota Statutes 2022, section 62D.02, subdivision 7, is amended to read:

61.26 Subd. 7. **Comprehensive health maintenance services.** "Comprehensive health  
61.27 maintenance services" means a set of comprehensive health services which the enrollees  
61.28 might reasonably require to be maintained in good health including as a minimum, but not  
61.29 limited to, emergency care, emergency ground ambulance transportation services, inpatient  
61.30 hospital and physician care, outpatient health services and preventive health services.  
61.31 ~~Elective, induced abortion, except as medically necessary to prevent the death of the mother,~~

62.1 ~~whether performed in a hospital, other abortion facility or the office of a physician, shall~~  
62.2 ~~not be mandatory for any health maintenance organization.~~

62.3 EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health  
62.4 plans offered, sold, issued, or renewed on or after that date.

62.5 Sec. 7. Minnesota Statutes 2022, section 62D.03, subdivision 1, is amended to read:

62.6 Subdivision 1. **Certificate of authority required.** Notwithstanding any law of this state  
62.7 to the contrary, any ~~foreign or domestic~~ nonprofit corporation organized to do so or a local  
62.8 governmental unit may apply to the commissioner of health for a certificate of authority to  
62.9 establish and operate a health maintenance organization in compliance with sections 62D.01  
62.10 to 62D.30. No person shall establish or operate a health maintenance organization in this  
62.11 state, nor sell or offer to sell, or solicit offers to purchase or receive advance or periodic  
62.12 consideration in conjunction with a health maintenance organization or health maintenance  
62.13 contract unless the organization has a certificate of authority under sections 62D.01 to  
62.14 62D.30.

62.15 Sec. 8. Minnesota Statutes 2022, section 62D.03, is amended by adding a subdivision to  
62.16 read:

62.17 Subd. 1a. **Certificate of authority; for-profit corporation.** The commissioner of health  
62.18 must not issue a new certificate of authority to an entity to operate a health maintenance  
62.19 organization unless the entity is a nonprofit corporation organized under chapter 317A or  
62.20 a local governmental unit.

62.21 Sec. 9. Minnesota Statutes 2022, section 62D.05, subdivision 1, is amended to read:

62.22 Subdivision 1. **Authority granted.** Any nonprofit corporation or local governmental  
62.23 unit may, upon obtaining a certificate of authority as required in sections 62D.01 to 62D.30,  
62.24 operate as a health maintenance organization. An entity that: (1) is not a nonprofit corporation  
62.25 organized under chapter 317A or a local governmental unit; and (2) holds a certificate of  
62.26 authority under sections 62D.01 to 62D.30 as of June 1, 2024, may continue to operate as  
62.27 a health maintenance organization for as long as the corporation holds a certificate of  
62.28 authority.

62.29 Sec. 10. Minnesota Statutes 2022, section 62D.12, subdivision 19, is amended to read:

62.30 Subd. 19. **Coverage of service.** A health maintenance organization may not deny or  
62.31 limit coverage of a service which the enrollee has already received solely on the basis of

63.1 lack of prior authorization or second opinion, to the extent that the service would otherwise  
63.2 have been covered under the member's contract by the health maintenance organization had  
63.3 prior authorization or second opinion been obtained. This subdivision expires December  
63.4 31, 2025, for health plans offered, sold, issued, or renewed on or after that date.

63.5 Sec. 11. Minnesota Statutes 2022, section 62D.19, is amended to read:

63.6 **62D.19 UNREASONABLE EXPENSES.**

63.7 No health maintenance organization shall incur or pay for any expense of any nature  
63.8 which is unreasonably high in relation to the value of the service or goods provided. The  
63.9 commissioner of health shall implement and enforce this section by rules adopted under  
63.10 this section.

63.11 In an effort to achieve the stated purposes of sections 62D.01 to 62D.30; for nonprofit  
63.12 health maintenance organizations, in order to safeguard the underlying nonprofit status of  
63.13 health maintenance organizations; and in order to ensure that the payment of health  
63.14 maintenance organization money to major participating entities results in a corresponding  
63.15 benefit to the health maintenance organization and its enrollees, when determining whether  
63.16 an organization has incurred an unreasonable expense in relation to a major participating  
63.17 entity, due consideration shall be given to, in addition to any other appropriate factors,  
63.18 whether the officers and trustees of the health maintenance organization have acted with  
63.19 good faith and in the best interests of the health maintenance organization in entering into,  
63.20 and performing under, a contract under which the health maintenance organization has  
63.21 incurred an expense. The commissioner has standing to sue, on behalf of a health maintenance  
63.22 organization, officers or trustees of the health maintenance organization who have breached  
63.23 their fiduciary duty in entering into and performing such contracts.

63.24 Sec. 12. Minnesota Statutes 2022, section 62D.20, subdivision 1, is amended to read:

63.25 Subdivision 1. **Rulemaking.** The commissioner of health may, pursuant to chapter 14,  
63.26 promulgate such reasonable rules as are necessary or proper to carry out the provisions of  
63.27 sections 62D.01 to 62D.30. Included among such rules shall be those which provide minimum  
63.28 requirements for the provision of comprehensive health maintenance services, as defined  
63.29 in section 62D.02, subdivision 7, and reasonable exclusions therefrom. ~~Nothing in such~~  
63.30 ~~rules shall force or require a health maintenance organization to provide elective, induced~~  
63.31 ~~abortions, except as medically necessary to prevent the death of the mother, whether~~  
63.32 ~~performed in a hospital, other abortion facility, or the office of a physician; the rules shall~~  
63.33 ~~provide every health maintenance organization the option of excluding or including elective,~~

64.1 ~~induced abortions, except as medically necessary to prevent the death of the mother, as part~~  
64.2 ~~of its comprehensive health maintenance services.~~

64.3 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
64.4 plans offered, sold, issued, or renewed on or after that date.

64.5 Sec. 13. Minnesota Statutes 2022, section 62D.22, subdivision 5, is amended to read:

64.6 Subd. 5. **Other state law.** Except as otherwise provided in sections 62A.01 to 62A.42  
64.7 and 62D.01 to 62D.30, ~~and except as they eliminate elective, induced abortions, wherever~~  
64.8 ~~performed, from health or maternity benefits,~~ provisions of the insurance laws and provisions  
64.9 of nonprofit health service plan corporation laws shall not be applicable to any health  
64.10 maintenance organization granted a certificate of authority under sections 62D.01 to 62D.30.

64.11 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
64.12 plans offered, sold, issued, or renewed on or after that date.

64.13 Sec. 14. Minnesota Statutes 2022, section 62D.22, is amended by adding a subdivision to  
64.14 read:

64.15 Subd. 5a. **Application of other law.** Sections 145D.30 to 145D.37 apply to nonprofit  
64.16 health maintenance organizations operating under this chapter.

64.17 Sec. 15. **[62D.221] OVERSIGHT OF TRANSACTIONS.**

64.18 Subdivision 1. **Insurance provisions applicable to health maintenance**  
64.19 **organizations.** (a) Health maintenance organizations are subject to sections 60A.135,  
64.20 60A.136, 60A.137, 60A.16, 60A.161, 60D.17, 60D.18, and 60D.20 and must comply with  
64.21 the provisions of these sections applicable to insurers. In applying these sections to health  
64.22 maintenance organizations, "the commissioner" means the commissioner of health. Health  
64.23 maintenance organizations are subject to Minnesota Rules, chapter 2720, as applicable to  
64.24 sections 60D.17, 60D.18, and 60D.20, and must comply with those provisions of the chapter  
64.25 applicable to insurers unless the commissioner of health adopts rules to implement this  
64.26 subdivision.

64.27 (b) In addition to the conditions in section 60D.17, subdivision 1, subjecting a health  
64.28 maintenance organization to filing requirements, no person other than the issuer shall acquire  
64.29 all or substantially all of the assets of a domestic nonprofit health maintenance organization  
64.30 through any means unless at the time the offer, request, or invitation is made or the agreement  
64.31 is entered into the person has filed with the commissioner and has sent to the health  
64.32 maintenance organization a statement containing the information required in section 60D.17

65.1 and the offer, request, invitation, agreement, or acquisition has been approved by the  
65.2 commissioner of health in the manner prescribed in section 60D.17.

65.3 Subd. 2. **Conversion transactions.** If a health maintenance organization must notify or  
65.4 report a transaction to the commissioner under subdivision 1, the health maintenance  
65.5 organization must include information regarding the plan for a conversion benefit entity,  
65.6 in the form and manner determined by the commissioner, if the reportable transaction  
65.7 qualifies as a conversion transaction as defined in section 145D.30, subdivision 5. The  
65.8 commissioner may consider information regarding the conversion transaction and the  
65.9 conversion benefit entity plan in any actions taken under subdivision 1, including in decisions  
65.10 to approve or disapprove transactions, and may extend time frames to a total of 90 days,  
65.11 with notice to the parties to the transaction.

65.12 Sec. 16. Minnesota Statutes 2022, section 62M.01, subdivision 3, is amended to read:

65.13 Subd. 3. **Scope.** (a) Nothing in this chapter applies to review of claims after submission  
65.14 to determine eligibility for benefits under a health benefit plan. The appeal procedure  
65.15 described in section 62M.06 applies to any complaint as defined under section 62Q.68,  
65.16 subdivision 2, that requires a medical determination in its resolution.

65.17 (b) Effective January 1, 2026, this chapter ~~does not apply~~ applies to managed care plans  
65.18 or county-based purchasing plans when the plan is providing coverage to state public health  
65.19 care program enrollees under chapter 256B or 256L.

65.20 (c) Effective January 1, 2026, the following sections of this chapter apply to services  
65.21 delivered through fee-for-service under chapters 256B and 256L: 62M.02, subdivisions 1  
65.22 to 5, 7 to 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions  
65.23 1 to 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; 62M.17, subdivision 2; and 62M.18.  
65.24 The commissioner shall comply with the requirements of section 62M.18 using existing  
65.25 appropriations.

65.26 Sec. 17. Minnesota Statutes 2022, section 62M.02, subdivision 1a, is amended to read:

65.27 Subd. 1a. **Adverse determination.** "Adverse determination" means a decision by a  
65.28 utilization review organization relating to an admission, extension of stay, or health care  
65.29 service that is partially or wholly adverse to the enrollee, including:

65.30 (1) a decision to deny an admission, extension of stay, or health care service on the basis  
65.31 that it is not medically necessary; or

66.1 (2) an authorization for a health care service that is less intensive than the health care  
66.2 service specified in the original request for authorization.

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

66.4 Sec. 18. Minnesota Statutes 2022, section 62M.02, subdivision 5, is amended to read:

66.5 Subd. 5. **Authorization.** "Authorization" means a determination by a utilization review  
66.6 organization that an admission, extension of stay, or other health care service has been  
66.7 reviewed and that, based on the information provided, it satisfies the utilization review  
66.8 requirements of the applicable health benefit plan and the health plan company or  
66.9 commissioner will then pay for the covered benefit, provided the preexisting limitation  
66.10 provisions, the general exclusion provisions, and any deductible, co-payment, coinsurance,  
66.11 or other policy requirements have been met.

66.12 Sec. 19. Minnesota Statutes 2022, section 62M.02, is amended by adding a subdivision  
66.13 to read:

66.14 Subd. 8a. **Commissioner.** "Commissioner" means, effective January 1, 2026, for the  
66.15 sections specified in section 62M.01, subdivision 3, paragraph (c), the commissioner of  
66.16 human services, unless otherwise specified.

66.17 Sec. 20. Minnesota Statutes 2022, section 62M.02, subdivision 11, is amended to read:

66.18 Subd. 11. **Enrollee.** "Enrollee" means:

66.19 (1) an individual covered by a health benefit plan and includes an insured policyholder,  
66.20 subscriber, contract holder, member, covered person, or certificate holder; or

66.21 (2) effective January 1, 2026, for the sections specified in section 62M.01, subdivision  
66.22 3, paragraph (c), a recipient receiving coverage through fee-for-service under chapters 256B  
66.23 and 256L.

66.24 Sec. 21. Minnesota Statutes 2022, section 62M.02, subdivision 12, is amended to read:

66.25 Subd. 12. **Health benefit plan.** (a) "Health benefit plan" means:

66.26 (1) a policy, contract, or certificate issued by a health plan company for the coverage of  
66.27 medical, dental, or hospital benefits; or

66.28 (2) effective January 1, 2026, for the sections specified in section 62M.01, subdivision  
66.29 3, paragraph (c), coverage of medical, dental, or hospital benefits through fee-for-service

67.1 under chapters 256B and 256L, as specified by the commissioner on the agency's public  
67.2 website or through other forms of recipient and provider guidance.

67.3 (b) A health benefit plan does not include coverage that is:

67.4 (1) limited to disability or income protection coverage;

67.5 (2) automobile medical payment coverage;

67.6 (3) supplemental to liability insurance;

67.7 (4) designed solely to provide payments on a per diem, fixed indemnity, or nonexpense  
67.8 incurred basis;

67.9 (5) credit accident and health insurance issued under chapter 62B;

67.10 (6) blanket accident and sickness insurance as defined in section 62A.11;

67.11 (7) accident only coverage issued by a licensed and tested insurance agent; or

67.12 (8) workers' compensation.

67.13 Sec. 22. Minnesota Statutes 2022, section 62M.02, subdivision 21, is amended to read:

67.14 Subd. 21. **Utilization review organization.** "Utilization review organization" means an  
67.15 entity including but not limited to an insurance company licensed under chapter 60A to  
67.16 offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01;  
67.17 a prepaid limited health service organization issued a certificate of authority and operating  
67.18 under sections 62A.451 to 62A.4528; a health service plan licensed under chapter 62C; a  
67.19 health maintenance organization licensed under chapter 62D; a community integrated service  
67.20 network licensed under chapter 62N; an accountable provider network operating under  
67.21 chapter 62T; a fraternal benefit society operating under chapter 64B; a joint self-insurance  
67.22 employee health plan operating under chapter 62H; a multiple employer welfare arrangement,  
67.23 as defined in section 3 of the Employee Retirement Income Security Act of 1974 (ERISA),  
67.24 United States Code, title 29, section 1103, as amended; a third-party administrator licensed  
67.25 under section 60A.23, subdivision 8, which conducts utilization review and authorizes or  
67.26 makes adverse determinations regarding an admission, extension of stay, or other health  
67.27 care services for a Minnesota resident; effective January 1, 2026, for the sections specified  
67.28 in section 62M.01, subdivision 3, paragraph (c), the commissioner of human services for  
67.29 purposes of delivering services through fee-for-service under chapters 256B and 256L; any  
67.30 other entity that provides, offers, or administers hospital, outpatient, medical, prescription  
67.31 drug, or other health benefits to individuals treated by a health professional under a policy,  
67.32 plan, or contract; or any entity performing utilization review that is affiliated with, under

68.1 contract with, or conducting utilization review on behalf of, a business entity in this state.  
68.2 Utilization review organization does not include a clinic or health care system acting pursuant  
68.3 to a written delegation agreement with an otherwise regulated utilization review organization  
68.4 that contracts with the clinic or health care system. The regulated utilization review  
68.5 organization is accountable for the delegated utilization review activities of the clinic or  
68.6 health care system.

68.7 Sec. 23. Minnesota Statutes 2022, section 62M.04, subdivision 1, is amended to read:

68.8 Subdivision 1. **Responsibility for obtaining authorization.** A health benefit plan that  
68.9 includes utilization review requirements must specify the process for notifying the utilization  
68.10 review organization in a timely manner and obtaining authorization for health care services.  
68.11 Each health plan company must provide a clear and concise description of this process to  
68.12 an enrollee as part of the policy, subscriber contract, or certificate of coverage. Effective  
68.13 January 1, 2026, the commissioner must provide a clear and concise description of this  
68.14 process to fee-for-service recipients receiving services under chapters 256B and 256L,  
68.15 through the agency's public website or through other forms of recipient guidance. In addition  
68.16 to the enrollee, the utilization review organization must allow any provider or provider's  
68.17 designee, or responsible patient representative, including a family member, to fulfill the  
68.18 obligations under the health benefit plan.

68.19 A claims administrator that contracts directly with providers for the provision of health  
68.20 care services to enrollees may, through contract, require the provider to notify the review  
68.21 organization in a timely manner and obtain authorization for health care services.

68.22 Sec. 24. Minnesota Statutes 2022, section 62M.05, subdivision 3a, is amended to read:

68.23 Subd. 3a. **Standard review determination.** ~~(a) Notwithstanding subdivision 3b, a~~  
68.24 ~~standard review determination on all requests for utilization review must be communicated~~  
68.25 ~~to the provider and enrollee in accordance with this subdivision within five business days~~  
68.26 ~~after receiving the request if the request is received electronically, or within six business~~  
68.27 ~~days if received through nonelectronic means, provided that all information reasonably~~  
68.28 ~~necessary to make a determination on the request has been made available to the utilization~~  
68.29 ~~review organization. Effective January 1, 2022,~~ A standard review determination on all  
68.30 requests for utilization review must be communicated to the provider and enrollee in  
68.31 accordance with this subdivision within five business days after receiving the request,  
68.32 regardless of how the request was received, provided that all information reasonably

69.1 necessary to make a determination on the request has been made available to the utilization  
69.2 review organization.

69.3 (b) When a determination is made to authorize, notification must be provided promptly  
69.4 by telephone to the provider. The utilization review organization shall send written  
69.5 notification to the provider or shall maintain an audit trail of the determination and telephone  
69.6 notification. For purposes of this subdivision, "audit trail" includes documentation of the  
69.7 telephone notification, including the date; the name of the person spoken to; the enrollee;  
69.8 the service, procedure, or admission authorized; and the date of the service, procedure, or  
69.9 admission. If the utilization review organization indicates authorization by use of a number,  
69.10 the number must be called the "authorization number." For purposes of this subdivision,  
69.11 notification may also be made by facsimile to a verified number or by electronic mail to a  
69.12 secure electronic mailbox. These electronic forms of notification satisfy the "audit trail"  
69.13 requirement of this paragraph.

69.14 (c) When an adverse determination is made, notification must be provided within the  
69.15 time periods specified in paragraph (a) by telephone, by facsimile to a verified number, or  
69.16 by electronic mail to a secure electronic mailbox to the attending health care professional  
69.17 and hospital or physician office as applicable. Written notification must also be sent to the  
69.18 hospital or physician office as applicable and attending health care professional if notification  
69.19 occurred by telephone. For purposes of this subdivision, notification may be made by  
69.20 facsimile to a verified number or by electronic mail to a secure electronic mailbox. Written  
69.21 notification must be sent to the enrollee and may be sent by United States mail, facsimile  
69.22 to a verified number, or by electronic mail to a secure mailbox. The written notification  
69.23 must include all reasons relied on by the utilization review organization for the determination  
69.24 and the process for initiating an appeal of the determination. Upon request, the utilization  
69.25 review organization shall provide the provider or enrollee with the criteria used to determine  
69.26 the necessity, appropriateness, and efficacy of the health care service and identify the  
69.27 database, professional treatment parameter, or other basis for the criteria. Reasons for an  
69.28 adverse determination may include, among other things, the lack of adequate information  
69.29 to authorize after a reasonable attempt has been made to contact the provider or enrollee.

69.30 (d) When an adverse determination is made, the written notification must inform the  
69.31 enrollee and the attending health care professional of the right to submit an appeal to the  
69.32 internal appeal process described in section 62M.06 and the procedure for initiating the  
69.33 internal appeal. The written notice shall be provided in a culturally and linguistically  
69.34 appropriate manner consistent with the provisions of the Affordable Care Act as defined  
69.35 under section 62A.011, subdivision 1a.

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

70.2 Sec. 25. Minnesota Statutes 2022, section 62M.07, subdivision 2, is amended to read:

70.3 Subd. 2. **Prior authorization of emergency certain services prohibited.** No utilization  
70.4 review organization, health plan company, or claims administrator may conduct or require  
70.5 prior authorization of:

70.6 (1) emergency confinement or an emergency service. The enrollee or the enrollee's  
70.7 authorized representative may be required to notify the health plan company, claims  
70.8 administrator, or utilization review organization as soon as reasonably possible after the  
70.9 beginning of the emergency confinement or emergency service;

70.10 (2) oral buprenorphine to treat a substance use disorder;

70.11 (3) outpatient mental health treatment or outpatient substance use disorder treatment,  
70.12 except for treatment which is: (i) a medication; and (ii) not otherwise listed in this  
70.13 subdivision. Prior authorizations required for medications used for outpatient mental health  
70.14 treatment or outpatient substance use disorder treatment, and not otherwise listed in this  
70.15 subdivision, must be processed according to section 62M.05, subdivision 3b, for initial  
70.16 determinations, and according to section 62M.06, subdivision 2, for appeals;

70.17 (4) antineoplastic cancer treatment that is consistent with guidelines of the National  
70.18 Comprehensive Cancer Network, except for treatment which is: (i) a medication; and (ii)  
70.19 not otherwise listed in this subdivision. Prior authorizations required for medications used  
70.20 for antineoplastic cancer treatment, and not otherwise listed in this subdivision, must be  
70.21 processed according to section 62M.05, subdivision 3b, for initial determinations, and  
70.22 according to section 62M.06, subdivision 2, for appeals;

70.23 (5) services that currently have a rating of A or B from the United States Preventive  
70.24 Services Task Force, immunizations recommended by the Advisory Committee on  
70.25 Immunization Practices of the Centers for Disease Control and Prevention, or preventive  
70.26 services and screenings provided to women as described in Code of Federal Regulations,  
70.27 title 45, section 147.130;

70.28 (6) pediatric hospice services provided by a hospice provider licensed under sections  
70.29 144A.75 to 144A.755; and

70.30 (7) treatment delivered through a neonatal abstinence program operated by pediatric  
70.31 pain or palliative care subspecialists.

71.1 Clauses (2) to (7) are effective January 1, 2026, and apply to health benefit plans offered,  
71.2 sold, issued, or renewed on or after that date.

71.3 Sec. 26. Minnesota Statutes 2022, section 62M.07, subdivision 4, is amended to read:

71.4 Subd. 4. **Submission of prior authorization requests.** (a) If prior authorization for a  
71.5 health care service is required, the utilization review organization, health plan company, or  
71.6 claim administrator must allow providers to submit requests for prior authorization of the  
71.7 health care services without unreasonable delay by telephone, facsimile, or voice mail or  
71.8 through an electronic mechanism 24 hours a day, seven days a week. This subdivision does  
71.9 not apply to dental service covered under MinnesotaCare or medical assistance.

71.10 (b) Effective January 1, 2027, for health benefit plans offered, sold, issued, or renewed  
71.11 on or after that date, utilization review organizations, health plan companies, and claims  
71.12 administrators must have and maintain a prior authorization application programming  
71.13 interface (API) that automates the prior authorization process for health care services,  
71.14 excluding prescription drugs and medications. The API must allow providers to determine  
71.15 whether a prior authorization is required for health care services, identify prior authorization  
71.16 information and documentation requirements, and facilitate the exchange of prior  
71.17 authorization requests and determinations from provider electronic health records or practice  
71.18 management systems. The API must use the Health Level Seven (HL7) Fast Healthcare  
71.19 Interoperability Resources (FHIR) standard in accordance with Code of Federal Regulations,  
71.20 title 45, section 170.215(a)(1), and the most recent standards and guidance adopted by the  
71.21 United States Department of Health and Human Services to implement that section. Prior  
71.22 authorization submission requests for prescription drugs and medications must comply with  
71.23 the requirements of section 62J.497.

71.24 Sec. 27. Minnesota Statutes 2022, section 62M.07, is amended by adding a subdivision  
71.25 to read:

71.26 Subd. 5. **Treatment of a chronic condition.** This subdivision is effective January 1,  
71.27 2026, and applies to health benefit plans offered, sold, issued, or renewed on or after that  
71.28 date. An authorization for treatment of a chronic health condition does not expire unless  
71.29 the standard of treatment for that health condition changes. A chronic health condition is a  
71.30 condition that is expected to last one year or more and:

71.31 (1) requires ongoing medical attention to effectively manage the condition or prevent  
71.32 an adverse health event; or

71.33 (2) limits one or more activities of daily living.

72.1 Sec. 28. Minnesota Statutes 2022, section 62M.10, subdivision 7, is amended to read:

72.2 Subd. 7. **Availability of criteria.** (a) For utilization review determinations other than  
72.3 prior authorization, a utilization review organization shall, upon request, provide to an  
72.4 enrollee, a provider, and the commissioner of commerce the criteria used to determine the  
72.5 medical necessity, appropriateness, and efficacy of a procedure or service and identify the  
72.6 database, professional treatment guideline, or other basis for the criteria.

72.7 (b) For prior authorization determinations, a utilization review organization must submit  
72.8 the organization's current prior authorization requirements and restrictions, including written,  
72.9 evidence-based, clinical criteria used to make an authorization or adverse determination, to  
72.10 all health plan companies for which the organization performs utilization review. A health  
72.11 plan company must post on its public website the prior authorization requirements and  
72.12 restrictions of any utilization review organization that performs utilization review for the  
72.13 health plan company. These prior authorization requirements and restrictions must be detailed  
72.14 and written in language that is easily understandable to providers. This paragraph does not  
72.15 apply to the commissioner of human services when delivering services through fee-for-service  
72.16 under chapters 256B and 256L.

72.17 (c) Effective January 1, 2026, the commissioner of human services must post on the  
72.18 department's public website the prior authorization requirements and restrictions, including  
72.19 written, evidence-based, clinical criteria used to make an authorization or adverse  
72.20 determination, that apply to prior authorization determinations for fee-for-service under  
72.21 chapters 256B and 256L. These prior authorization requirements and restrictions must be  
72.22 detailed and written in language that is easily understandable to providers.

72.23 Sec. 29. Minnesota Statutes 2022, section 62M.10, subdivision 8, is amended to read:

72.24 Subd. 8. **Notice; new prior authorization requirements or restrictions; change to**  
72.25 **existing requirement or restriction.** (a) Before a utilization review organization may  
72.26 implement a new prior authorization requirement or restriction or amend an existing prior  
72.27 authorization requirement or restriction, the utilization review organization must submit the  
72.28 new or amended requirement or restriction to all health plan companies for which the  
72.29 organization performs utilization review. A health plan company must post on its website  
72.30 the new or amended requirement or restriction. This paragraph does not apply to the  
72.31 commissioner of human services when delivering services through fee-for-service under  
72.32 chapters 256B and 256L.

72.33 (b) At least 45 days before a new prior authorization requirement or restriction or an  
72.34 amended existing prior authorization requirement or restriction is implemented, the utilization

73.1 review organization, health plan company, or claims administrator must provide written or  
73.2 electronic notice of the new or amended requirement or restriction to all Minnesota-based,  
73.3 in-network attending health care professionals who are subject to the prior authorization  
73.4 requirements and restrictions. This paragraph does not apply to the commissioner of human  
73.5 services when delivering services through fee-for-service under chapters 256B and 256L.

73.6 (c) Effective January 1, 2026, before the commissioner of human services may implement  
73.7 a new prior authorization requirement or restriction or amend an existing prior authorization  
73.8 requirement or restriction, the commissioner, at least 45 days before the new or amended  
73.9 requirement or restriction takes effect, must provide written or electronic notice of the new  
73.10 or amended requirement or restriction, to all health care professionals participating as  
73.11 fee-for-service providers under chapters 256B and 256L who are subject to the prior  
73.12 authorization requirements and restrictions.

73.13 Sec. 30. Minnesota Statutes 2022, section 62M.17, subdivision 2, is amended to read:

73.14 Subd. 2. **Effect of change in prior authorization clinical criteria.** (a) If, during a plan  
73.15 year, a utilization review organization changes coverage terms for a health care service or  
73.16 the clinical criteria used to conduct prior authorizations for a health care service, the change  
73.17 in coverage terms or change in clinical criteria shall not apply until the next plan year for  
73.18 any enrollee who received prior authorization for a health care service using the coverage  
73.19 terms or clinical criteria in effect before the effective date of the change.

73.20 (b) Paragraph (a) does not apply if a utilization review organization changes coverage  
73.21 terms for a drug or device that has been deemed unsafe by the United States Food and Drug  
73.22 Administration (FDA); that has been withdrawn by either the FDA or the product  
73.23 manufacturer; or when an independent source of research, clinical guidelines, or  
73.24 evidence-based standards has issued drug- or device-specific warnings or recommended  
73.25 changes in drug or device usage.

73.26 (c) Paragraph (a) does not apply if a utilization review organization changes coverage  
73.27 terms for a service or the clinical criteria used to conduct prior authorizations for a service  
73.28 when an independent source of research, clinical guidelines, or evidence-based standards  
73.29 has recommended changes in usage of the service for reasons related to patient harm. This  
73.30 paragraph expires December 31, 2025, for health benefit plans offered, sold, issued, or  
73.31 renewed on or after that date.

73.32 (d) Effective January 1, 2026, and applicable to health benefit plans offered, sold, issued,  
73.33 or renewed on or after that date, paragraph (a) does not apply if a utilization review  
73.34 organization changes coverage terms for a service or the clinical criteria used to conduct

74.1 prior authorizations for a service when an independent source of research, clinical guidelines,  
74.2 or evidence-based standards has recommended changes in usage of the service for reasons  
74.3 related to previously unknown and imminent patient harm.

74.4 ~~(d)~~ (e) Paragraph (a) does not apply if a utilization review organization removes a brand  
74.5 name drug from its formulary or places a brand name drug in a benefit category that increases  
74.6 the enrollee's cost, provided the utilization review organization (1) adds to its formulary a  
74.7 generic or multisource brand name drug rated as therapeutically equivalent according to  
74.8 the FDA Orange Book, or a biologic drug rated as interchangeable according to the FDA  
74.9 Purple Book, at a lower cost to the enrollee, and (2) provides at least a 60-day notice to  
74.10 prescribers, pharmacists, and affected enrollees.

74.11 Sec. 31. **[62M.19] ANNUAL REPORT TO COMMISSIONER OF HEALTH; PRIOR**  
74.12 **AUTHORIZATIONS.**

74.13 On or before September 1 each year, each utilization review organization must report  
74.14 to the commissioner of health, in a form and manner specified by the commissioner,  
74.15 information on prior authorization requests for the previous calendar year. The report  
74.16 submitted under this subdivision must include the following data:

74.17 (1) the total number of prior authorization requests received;

74.18 (2) the number of prior authorization requests for which an authorization was issued;

74.19 (3) the number of prior authorization requests for which an adverse determination was  
74.20 issued;

74.21 (4) the number of adverse determinations reversed on appeal;

74.22 (5) the 25 codes with the highest number of prior authorization requests and the  
74.23 percentage of authorizations for each of these codes;

74.24 (6) the 25 codes with the highest percentage of prior authorization requests for which  
74.25 an authorization was issued and the total number of the requests;

74.26 (7) the 25 codes with the highest percentage of prior authorization requests for which  
74.27 an adverse determination was issued but which was reversed on appeal and the total number  
74.28 of the requests;

74.29 (8) the 25 codes with the highest percentage of prior authorization requests for which  
74.30 an adverse determination was issued and the total number of the requests; and

75.1 (9) the reasons an adverse determination to a prior authorization request was issued,  
75.2 expressed as a percentage of all adverse determinations. The reasons listed may include but  
75.3 are not limited to:

75.4 (i) the patient did not meet prior authorization criteria;

75.5 (ii) incomplete information was submitted by the provider to the utilization review  
75.6 organization;

75.7 (iii) the treatment program changed; and

75.8 (iv) the patient is no longer covered by the health benefit plan.

75.9 Sec. 32. Minnesota Statutes 2022, section 62Q.14, is amended to read:

75.10 **62Q.14 RESTRICTIONS ON ENROLLEE SERVICES.**

75.11 No health plan company may restrict the choice of an enrollee as to where the enrollee  
75.12 receives services related to:

75.13 (1) the voluntary planning of the conception and bearing of children, ~~provided that this~~  
75.14 ~~clause does not refer to abortion services;~~

75.15 (2) the diagnosis of infertility;

75.16 (3) the testing and treatment of a sexually transmitted disease; and

75.17 (4) the testing for AIDS or other HIV-related conditions.

75.18 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
75.19 plans offered, sold, issued, or renewed on or after that date.

75.20 Sec. 33. Minnesota Statutes 2022, section 62Q.19, subdivision 3, is amended to read:

75.21 Subd. 3. **Health plan company affiliation.** A health plan company must offer a provider  
75.22 contract to ~~any~~ all designated essential community ~~provider~~ providers located within the  
75.23 area served by the health plan company. A health plan company must include all essential  
75.24 community providers that have accepted a contract in each of the company's provider  
75.25 networks. A health plan company shall not restrict enrollee access to services designated  
75.26 to be provided by the essential community provider for the population that the essential  
75.27 community provider is certified to serve. A health plan company may also make other  
75.28 providers available for these services. A health plan company may require an essential  
75.29 community provider to meet all data requirements, utilization review, and quality assurance  
75.30 requirements on the same basis as other health plan providers.

76.1 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
76.2 plans offered, issued, or renewed on or after that date.

76.3 Sec. 34. Minnesota Statutes 2022, section 62Q.19, is amended by adding a subdivision to  
76.4 read:

76.5 Subd. 4a. **Contract payment rates; private.** An essential community provider and a  
76.6 health plan company may negotiate the payment rate for covered services provided by the  
76.7 essential community provider. This rate must be at least the same rate per unit of service  
76.8 as is paid by the health plan company to the essential community provider under the provider  
76.9 contract between the two with the highest number of enrollees receiving health care services  
76.10 from the provider or, if there is no provider contract between the health plan company and  
76.11 the essential community provider, the rate must be at least the same rate per unit of service  
76.12 as is paid to other plan providers for the same or similar services. The provider contract  
76.13 used to set the rate under this subdivision must be in relation to an individual, small group,  
76.14 or large group health plan. This subdivision applies only to provider contracts in relation  
76.15 to individual, small employer, and large group health plans.

76.16 Sec. 35. Minnesota Statutes 2022, section 62Q.19, subdivision 5, is amended to read:

76.17 Subd. 5. **Contract payment rates; public.** An essential community provider and a  
76.18 health plan company may negotiate the payment rate for covered services provided by the  
76.19 essential community provider. This rate must be at least the same rate per unit of service  
76.20 as is paid to other health plan providers for the same or similar services. This subdivision  
76.21 applies only to provider contracts in relation to health plans offered through the State  
76.22 Employee Group Insurance Program, medical assistance, and MinnesotaCare.

76.23 Sec. 36. Minnesota Statutes 2023 Supplement, section 62Q.473, is amended by adding a  
76.24 subdivision to read:

76.25 Subd. 3. **Reimbursement.** The commissioner of commerce must reimburse health plan  
76.26 companies for coverage under this section. Reimbursement is available only for coverage  
76.27 that would not have been provided by the health plan company without the requirements  
76.28 of this section. Each fiscal year, an amount necessary to make payments to health plan  
76.29 companies to defray the cost of providing coverage under this section is appropriated to the  
76.30 commissioner of commerce. Health plan companies must report to the commissioner  
76.31 quantified costs attributable to the additional benefit under this section in a format developed  
76.32 by the commissioner. The commissioner must evaluate submissions and make payments to  
76.33 health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

77.1 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
77.2 plans offered, issued, or renewed on or after that date.

77.3 Sec. 37. Minnesota Statutes 2023 Supplement, section 62Q.522, subdivision 1, is amended  
77.4 to read:

77.5 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

77.6 ~~(b) "Closely held for-profit entity" means an entity that:~~

77.7 ~~(1) is not a nonprofit entity;~~

77.8 ~~(2) has more than 50 percent of the value of its ownership interest owned directly or~~  
77.9 ~~indirectly by five or fewer owners; and~~

77.10 ~~(3) has no publicly traded ownership interest.~~

77.11 ~~For purposes of this paragraph:~~

77.12 ~~(i) ownership interests owned by a corporation, partnership, limited liability company,~~  
77.13 ~~estate, trust, or similar entity are considered owned by that entity's shareholders, partners,~~  
77.14 ~~members, or beneficiaries in proportion to their interest held in the corporation, partnership,~~  
77.15 ~~limited liability company, estate, trust, or similar entity;~~

77.16 ~~(ii) ownership interests owned by a nonprofit entity are considered owned by a single~~  
77.17 ~~owner;~~

77.18 ~~(iii) ownership interests owned by all individuals in a family are considered held by a~~  
77.19 ~~single owner. For purposes of this item, "family" means brothers and sisters, including~~  
77.20 ~~half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and~~

77.21 ~~(iv) if an individual or entity holds an option, warrant, or similar right to purchase an~~  
77.22 ~~ownership interest, the individual or entity is considered to be the owner of those ownership~~  
77.23 ~~interests.~~

77.24 ~~(e)~~ (b) "Contraceptive method" means a drug, device, or other product approved by the  
77.25 Food and Drug Administration to prevent unintended pregnancy.

77.26 ~~(d)~~ (c) "Contraceptive service" means consultation, examination, procedures, and medical  
77.27 services related to the prevention of unintended pregnancy, excluding vasectomies. This  
77.28 includes but is not limited to voluntary sterilization procedures, patient education, counseling  
77.29 on contraceptives, and follow-up services related to contraceptive methods or services,  
77.30 management of side effects, counseling for continued adherence, and device insertion or  
77.31 removal.

78.1 ~~(e) "Eligible organization" means an organization that opposes providing coverage for~~  
78.2 ~~some or all contraceptive methods or services on account of religious objections and that~~  
78.3 ~~is:~~

78.4 ~~(1) organized as a nonprofit entity and holds itself out to be religious; or~~

78.5 ~~(2) organized and operates as a closely held for-profit entity, and the organization's~~  
78.6 ~~owners or highest governing body has adopted, under the organization's applicable rules of~~  
78.7 ~~governance and consistent with state law, a resolution or similar action establishing that the~~  
78.8 ~~organization objects to covering some or all contraceptive methods or services on account~~  
78.9 ~~of the owners' sincerely held religious beliefs.~~

78.10 ~~(f) "Exempt organization" means an organization that is organized and operates as a~~  
78.11 ~~nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal~~  
78.12 ~~Revenue Code of 1986, as amended.~~

78.13 ~~(g)~~ (d) "Medical necessity" includes but is not limited to considerations such as severity  
78.14 of side effects, difference in permanence and reversibility of a contraceptive method or  
78.15 service, and ability to adhere to the appropriate use of the contraceptive method or service,  
78.16 as determined by the attending provider.

78.17 ~~(h)~~ (e) "Therapeutic equivalent version" means a drug, device, or product that can be  
78.18 expected to have the same clinical effect and safety profile when administered to a patient  
78.19 under the conditions specified in the labeling, and that:

78.20 (1) is approved as safe and effective;

78.21 (2) is a pharmaceutical equivalent: (i) containing identical amounts of the same active  
78.22 drug ingredient in the same dosage form and route of administration; and (ii) meeting  
78.23 compendial or other applicable standards of strength, quality, purity, and identity;

78.24 (3) is bioequivalent in that:

78.25 (i) the drug, device, or product does not present a known or potential bioequivalence  
78.26 problem and meets an acceptable in vitro standard; or

78.27 (ii) if the drug, device, or product does present a known or potential bioequivalence  
78.28 problem, it is shown to meet an appropriate bioequivalence standard;

78.29 (4) is adequately labeled; and

78.30 (5) is manufactured in compliance with current manufacturing practice regulations.

78.31 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
78.32 plans offered, sold, issued, or renewed on or after that date.

79.1 Sec. 38. Minnesota Statutes 2023 Supplement, section 62Q.523, subdivision 1, is amended  
79.2 to read:

79.3 Subdivision 1. **Scope of coverage.** Except as otherwise provided in section ~~62Q.522~~  
79.4 62Q.679, subdivisions 2 and 3 ~~and 4~~, all health plans that provide prescription coverage  
79.5 must comply with the requirements of this section.

79.6 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
79.7 plans offered, sold, issued, or renewed on or after that date.

79.8 Sec. 39. **[62Q.524] COVERAGE OF ABORTIONS AND ABORTION-RELATED**  
79.9 **SERVICES.**

79.10 Subdivision 1. **Definition.** For purposes of this section, "abortion" means any medical  
79.11 treatment intended to induce the termination of a pregnancy with a purpose other than  
79.12 producing a live birth.

79.13 Subd. 2. **Required coverage; cost-sharing.** (a) A health plan must provide coverage  
79.14 for abortions and abortion-related services, including preabortion services and follow-up  
79.15 services.

79.16 (b) A health plan must not impose on the coverage under this section any co-payment,  
79.17 coinsurance, deductible, or other enrollee cost-sharing that is greater than the cost-sharing  
79.18 that applies to similar services covered under the health plan.

79.19 (c) A health plan must not impose any limitation on the coverage under this section,  
79.20 including but not limited to any utilization review, prior authorization, referral requirements,  
79.21 restrictions, or delays, that is not generally applicable to other coverages under the plan.

79.22 Subd. 3. **Exclusion.** This section does not apply to managed care organizations or  
79.23 county-based purchasing plans when the plan provides coverage to public health care  
79.24 program enrollees under chapter 256B or 256L.

79.25 Subd. 4. **Reimbursement.** The commissioner of commerce must reimburse health plan  
79.26 companies for coverage under this section. Reimbursement is available only for coverage  
79.27 that would not have been provided by the health plan company without the requirements  
79.28 of this section. Each fiscal year, an amount necessary to make payments to health plan  
79.29 companies to defray the cost of providing coverage under this section is appropriated to the  
79.30 commissioner of commerce. Health plan companies must report to the commissioner  
79.31 quantified costs attributable to the additional benefit under this section in a format developed  
79.32 by the commissioner. The commissioner must evaluate submissions and make payments to  
79.33 health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

80.1 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
80.2 plans offered, sold, issued, or renewed on or after that date.

80.3 Sec. 40. **[62Q.531] AMINO ACID-BASED FORMULA COVERAGE.**

80.4 Subdivision 1. **Definition.** (a) For purposes of this section, the following term has the  
80.5 meaning given.

80.6 (b) "Formula" means an amino acid-based elemental formula.

80.7 Subd. 2. **Required coverage.** A health plan company must provide coverage for formula  
80.8 when formula is medically necessary.

80.9 Subd. 3. **Covered conditions.** Conditions for which formula is medically necessary  
80.10 include but are not limited to:

80.11 (1) cystic fibrosis;

80.12 (2) amino acid, organic acid, and fatty acid metabolic and malabsorption disorders;

80.13 (3) IgE mediated allergies to food proteins;

80.14 (4) food protein-induced enterocolitis syndrome;

80.15 (5) eosinophilic esophagitis;

80.16 (6) eosinophilic gastroenteritis;

80.17 (7) eosinophilic colitis; and

80.18 (8) mast cell activation syndrome.

80.19 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
80.20 plans offered, issued, or sold on or after that date.

80.21 Sec. 41. **[62Q.585] GENDER-AFFIRMING CARE COVERAGE; MEDICALLY**  
80.22 **NECESSARY CARE.**

80.23 Subdivision 1. **Requirement.** No health plan that covers physical or mental health  
80.24 services may be offered, sold, issued, or renewed in this state that:

80.25 (1) excludes coverage for medically necessary gender-affirming care; or

80.26 (2) requires gender-affirming treatments to satisfy a definition of "medically necessary  
80.27 care," "medical necessity," or any similar term that is more restrictive than the definition  
80.28 provided in subdivision 2.

81.1 Subd. 2. **Minimum definition.** "Medically necessary care" means health care services  
81.2 appropriate in terms of type, frequency, level, setting, and duration to the enrollee's diagnosis  
81.3 or condition and diagnostic testing and preventive services. Medically necessary care must  
81.4 be consistent with generally accepted practice parameters as determined by health care  
81.5 providers in the same or similar general specialty as typically manages the condition,  
81.6 procedure, or treatment at issue and must:

81.7 (1) help restore or maintain the enrollee's health; or

81.8 (2) prevent deterioration of the enrollee's condition.

81.9 Subd. 3. **Definitions.** (a) For purposes of this section, the following terms have the  
81.10 meanings given.

81.11 (b) "Gender-affirming care" means all medical, surgical, counseling, or referral services,  
81.12 including telehealth services, that an individual may receive to support and affirm the  
81.13 individual's gender identity or gender expression and that are legal under the laws of this  
81.14 state.

81.15 (c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes  
81.16 the coverages listed in section 62A.011, subdivision 3, clauses (7) and (10).

81.17 **Sec. 42. [62Q.665] COVERAGE FOR ORTHOTIC AND PROSTHETIC DEVICES.**

81.18 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
81.19 the meanings given.

81.20 (b) "Accredited facility" means any entity that is accredited to provide comprehensive  
81.21 orthotic or prosthetic devices or services by a Centers for Medicare and Medicaid Services  
81.22 approved accrediting agency.

81.23 (c) "Orthosis" means:

81.24 (1) an external medical device that is:

81.25 (i) custom-fabricated or custom-fitted to a specific patient based on the patient's unique  
81.26 physical condition;

81.27 (ii) applied to a part of the body to correct a deformity, provide support and protection,  
81.28 restrict motion, improve function, or relieve symptoms of a disease, syndrome, injury, or  
81.29 postoperative condition; and

82.1 (iii) deemed medically necessary by a prescribing physician or licensed health care  
82.2 provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies,  
82.3 and services; and

82.4 (2) any provision, repair, or replacement of a device that is furnished or performed by:

82.5 (i) an accredited facility in comprehensive orthotic services; or

82.6 (ii) a health care provider licensed in Minnesota and operating within the provider's  
82.7 scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies,  
82.8 or services.

82.9 (d) "Orthotics" means:

82.10 (1) the science and practice of evaluating, measuring, designing, fabricating, assembling,  
82.11 fitting, adjusting, or servicing and providing the initial training necessary to accomplish the  
82.12 fitting of an orthotic device for the support, correction, or alleviation of a neuromuscular  
82.13 or musculoskeletal dysfunction, disease, injury, or deformity;

82.14 (2) evaluation, treatment, and consultation related to an orthotic device;

82.15 (3) basic observation of gait and postural analysis;

82.16 (4) assessing and designing orthosis to maximize function and provide support and  
82.17 alignment necessary to prevent or correct a deformity or to improve the safety and efficiency  
82.18 of mobility and locomotion;

82.19 (5) continuing patient care to assess the effect of an orthotic device on the patient's  
82.20 tissues; and

82.21 (6) proper fit and function of the orthotic device by periodic evaluation.

82.22 (e) "Prosthesis" means:

82.23 (1) an external medical device that is:

82.24 (i) used to replace or restore a missing limb, appendage, or other external human body  
82.25 part; and

82.26 (ii) deemed medically necessary by a prescribing physician or licensed health care  
82.27 provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies,  
82.28 and services; and

82.29 (2) any provision, repair, or replacement of a device that is furnished or performed by:

82.30 (i) an accredited facility in comprehensive prosthetic services; or

83.1 (ii) a health care provider licensed in Minnesota and operating within the provider's  
83.2 scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies,  
83.3 or services.

83.4 (f) "Prosthetics" means:

83.5 (1) the science and practice of evaluating, measuring, designing, fabricating, assembling,  
83.6 fitting, aligning, adjusting, or servicing, as well as providing the initial training necessary  
83.7 to accomplish the fitting of, a prosthesis through the replacement of external parts of a  
83.8 human body lost due to amputation or congenital deformities or absences;

83.9 (2) the generation of an image, form, or mold that replicates the patient's body segment  
83.10 and that requires rectification of dimensions, contours, and volumes for use in the design  
83.11 and fabrication of a socket to accept a residual anatomic limb to, in turn, create an artificial  
83.12 appendage that is designed either to support body weight or to improve or restore function  
83.13 or anatomical appearance, or both;

83.14 (3) observational gait analysis and clinical assessment of the requirements necessary to  
83.15 refine and mechanically fix the relative position of various parts of the prosthesis to maximize  
83.16 function, stability, and safety of the patient;

83.17 (4) providing and continuing patient care in order to assess the prosthetic device's effect  
83.18 on the patient's tissues; and

83.19 (5) assuring proper fit and function of the prosthetic device by periodic evaluation.

83.20 Subd. 2. Coverage. (a) A health plan must provide coverage for orthotic and prosthetic  
83.21 devices, supplies, and services, including repair and replacement, at least equal to the  
83.22 coverage provided under federal law for health insurance for the aged and disabled under  
83.23 sections 1832, 1833, and 1834 of the Social Security Act, United States Code, title 42,  
83.24 sections 1395k, 1395l, and 1395m, but only to the extent consistent with this section.

83.25 (b) A health plan must not subject orthotic and prosthetic benefits to separate financial  
83.26 requirements that apply only with respect to those benefits. A health plan may impose  
83.27 co-payment and coinsurance amounts on those benefits, except that any financial  
83.28 requirements that apply to such benefits must not be more restrictive than the financial  
83.29 requirements that apply to the health plan's medical and surgical benefits, including those  
83.30 for internal restorative devices.

83.31 (c) A health plan may limit the benefits for, or alter the financial requirements for,  
83.32 out-of-network coverage of prosthetic and orthotic devices, except that the restrictions and  
83.33 requirements that apply to those benefits must not be more restrictive than the financial

84.1 requirements that apply to the out-of-network coverage for the health plan's medical and  
84.2 surgical benefits.

84.3 (d) A health plan must cover orthoses and prostheses when furnished under an order by  
84.4 a prescribing physician or licensed health care prescriber who has authority in Minnesota  
84.5 to prescribe orthoses and prostheses, and that coverage for orthotic and prosthetic devices,  
84.6 supplies, accessories, and services must include those devices or device systems, supplies,  
84.7 accessories, and services that are customized to the covered individual's needs.

84.8 (e) A health plan must cover orthoses and prostheses determined by the enrollee's provider  
84.9 to be the most appropriate model that meets the medical needs of the enrollee for purposes  
84.10 of performing physical activities, as applicable, including but not limited to running, biking,  
84.11 and swimming, and maximizing the enrollee's limb function.

84.12 (f) A health plan must cover orthoses and prostheses for showering or bathing.

84.13 Subd. 3. **Prior authorization.** A health plan may require prior authorization for orthotic  
84.14 and prosthetic devices, supplies, and services in the same manner and to the same extent as  
84.15 prior authorization is required for any other covered benefit.

84.16 Subd. 4. **Reimbursement.** The commissioner of commerce must reimburse health plan  
84.17 companies for coverage under this section. Reimbursement is available only for coverage  
84.18 that would not have been provided by the health plan company without the requirements  
84.19 of this section. Each fiscal year, an amount necessary to make payments to health plan  
84.20 companies to defray the cost of providing coverage under this section is appropriated to the  
84.21 commissioner of commerce. Health plan companies must report to the commissioner  
84.22 quantified costs attributable to the additional benefit under this section in a format developed  
84.23 by the commissioner. The commissioner must evaluate submissions and make payments to  
84.24 health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

84.25 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all health  
84.26 plans offered, issued, or renewed on or after that date.

84.27 Sec. 43. **[62Q.666] MEDICAL NECESSITY AND NONDISCRIMINATION**  
84.28 **STANDARDS FOR COVERAGE OF PROSTHETICS OR ORTHOTICS.**

84.29 (a) When performing a utilization review for a request for coverage of prosthetic or  
84.30 orthotic benefits, a health plan company shall apply the most recent version of evidence-based  
84.31 treatment and fit criteria as recognized by relevant clinical specialists.

84.32 (b) A health plan company shall render utilization review determinations in a  
84.33 nondiscriminatory manner and shall not deny coverage for habilitative or rehabilitative

85.1 benefits, including prosthetics or orthotics, solely on the basis of an enrollee's actual or  
85.2 perceived disability.

85.3 (c) A health plan company shall not deny a prosthetic or orthotic benefit for an individual  
85.4 with limb loss or absence that would otherwise be covered for a nondisabled person seeking  
85.5 medical or surgical intervention to restore or maintain the ability to perform the same  
85.6 physical activity.

85.7 (d) A health plan offered, issued, or renewed in Minnesota that offers coverage for  
85.8 prosthetics and custom orthotic devices shall include language describing an enrollee's rights  
85.9 pursuant to paragraphs (b) and (c) in its evidence of coverage and any benefit denial letters.

85.10 (e) A health plan that provides coverage for prosthetic or orthotic services shall ensure  
85.11 access to medically necessary clinical care and to prosthetic and custom orthotic devices  
85.12 and technology from not less than two distinct prosthetic and custom orthotic providers in  
85.13 the plan's provider network located in Minnesota. In the event that medically necessary  
85.14 covered orthotics and prosthetics are not available from an in-network provider, the health  
85.15 plan company shall provide processes to refer a member to an out-of-network provider and  
85.16 shall fully reimburse the out-of-network provider at a mutually agreed upon rate less member  
85.17 cost sharing determined on an in-network basis.

85.18 (f) If coverage for prosthetic or custom orthotic devices is provided, payment shall be  
85.19 made for the replacement of a prosthetic or custom orthotic device or for the replacement  
85.20 of any part of the devices, without regard to continuous use or useful lifetime restrictions,  
85.21 if an ordering health care provider determines that the provision of a replacement device,  
85.22 or a replacement part of a device, is necessary because:

85.23 (1) of a change in the physiological condition of the patient;

85.24 (2) of an irreparable change in the condition of the device or in a part of the device; or

85.25 (3) the condition of the device, or the part of the device, requires repairs and the cost of  
85.26 the repairs would be more than 60 percent of the cost of a replacement device or of the part  
85.27 being replaced.

85.28 (g) Confirmation from a prescribing health care provider may be required if the prosthetic  
85.29 or custom orthotic device or part being replaced is less than three years old.

85.30 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all health  
85.31 plans offered, issued, or renewed on or after that date.

86.1 Sec. 44. 62Q.679] RELIGIOUS OBJECTIONS.

86.2 Subdivision 1. Definitions. (a) The definitions in this subdivision apply to this section.

86.3 (b) "Closely held for-profit entity" means an entity that is not a nonprofit entity, has  
86.4 more than 50 percent of the value of its ownership interest owned directly or indirectly by  
86.5 five or fewer owners, and has no publicly traded ownership interest. For purposes of this  
86.6 paragraph:

86.7 (1) ownership interests owned by a corporation, partnership, limited liability company,  
86.8 estate, trust, or similar entity are considered owned by that entity's shareholders, partners,  
86.9 members, or beneficiaries in proportion to their interest held in the corporation, partnership,  
86.10 limited liability company, estate, trust, or similar entity;

86.11 (2) ownership interests owned by a nonprofit entity are considered owned by a single  
86.12 owner;

86.13 (3) ownership interests owned by all individuals in a family are considered held by a  
86.14 single owner. For purposes of this clause, "family" means brothers and sisters, including  
86.15 half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and

86.16 (4) if an individual or entity holds an option, warrant, or similar right to purchase an  
86.17 ownership interest, the individual or entity is considered to be the owner of those ownership  
86.18 interests.

86.19 (c) "Eligible organization" means an organization that opposes covering some or all  
86.20 health benefits under section 62Q.522, 62Q.524, or 62Q.585 on account of religious  
86.21 objections and that is:

86.22 (1) organized as a nonprofit entity and holds itself out to be religious; or

86.23 (2) organized and operates as a closely held for-profit entity, and the organization's  
86.24 owners or highest governing body has adopted, under the organization's applicable rules of  
86.25 governance and consistent with state law, a resolution or similar action establishing that the  
86.26 organization objects to covering some or all health benefits under section 62Q.522, 62Q.524,  
86.27 or 62Q.585 on account of the owners' sincerely held religious beliefs.

86.28 (d) "Exempt organization" means an organization that is organized and operates as a  
86.29 nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal  
86.30 Revenue Code of 1986, as amended.

86.31 Subd. 2. Exemption. (a) An exempt organization is not required to provide coverage  
86.32 under section 62Q.522, 62Q.524, or 62Q.585 if the exempt organization has religious

87.1 objections to the coverage. An exempt organization that chooses to not provide coverage  
87.2 pursuant to this paragraph must notify employees as part of the hiring process and must  
87.3 notify all employees at least 30 days before:

87.4 (1) an employee enrolls in the health plan; or

87.5 (2) the effective date of the health plan, whichever occurs first.

87.6 (b) If the exempt organization provides partial coverage under section 62Q.522, 62Q.524,  
87.7 or 62Q.585, the notice required under paragraph (a) must provide a list of the portions of  
87.8 such coverage which the organization refuses to cover.

87.9 Subd. 3. **Accommodation for eligible organizations.** (a) A health plan established or  
87.10 maintained by an eligible organization complies with the coverage requirements of section  
87.11 62Q.522, 62Q.524, or 62Q.585, with respect to the health benefits identified in the notice  
87.12 under this paragraph, if the eligible organization provides notice to any health plan company  
87.13 with which the eligible organization contracts that it is an eligible organization and that the  
87.14 eligible organization has a religious objection to coverage for all or a subset of the health  
87.15 benefits under section 62Q.522, 62Q.524, or 62Q.585.

87.16 (b) The notice from an eligible organization to a health plan company under paragraph  
87.17 (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to  
87.18 coverage for some or all of the health benefits under section 62Q.522, 62Q.524, or 62Q.585,  
87.19 including a list of the health benefits to which the eligible organization objects, if applicable;  
87.20 and (3) the health plan name. The notice must be executed by a person authorized to provide  
87.21 notice on behalf of the eligible organization.

87.22 (c) An eligible organization must provide a copy of the notice under paragraph (a) to  
87.23 prospective employees as part of the hiring process and to all employees at least 30 days  
87.24 before:

87.25 (1) an employee enrolls in the health plan; or

87.26 (2) the effective date of the health plan, whichever occurs first.

87.27 (d) A health plan company that receives a copy of the notice under paragraph (a) with  
87.28 respect to a health plan established or maintained by an eligible organization must, for all  
87.29 future enrollments in the health plan:

87.30 (1) expressly exclude coverage for those health benefits identified in the notice under  
87.31 paragraph (a) from the health plan; and

88.1 (2) provide separate payments for any health benefits required to be covered under  
88.2 section 62Q.522, 62Q.524, or 62Q.585 for enrollees as long as the enrollee remains enrolled  
88.3 in the health plan.

88.4 (e) The health plan company must not impose any cost-sharing requirements, including  
88.5 co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or  
88.6 other charge for the health benefits under section 62Q.522 on the enrollee. The health plan  
88.7 company must not directly or indirectly impose any premium, fee, or other charge for the  
88.8 health benefits under section 62Q.522, 62Q.524, or 62Q.585 on the eligible organization  
88.9 or health plan.

88.10 (f) On January 1, 2024, and every year thereafter a health plan company must notify the  
88.11 commissioner, in a manner determined by the commissioner, of the number of eligible  
88.12 organizations granted an accommodation under this subdivision.

88.13 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
88.14 plans offered, sold, issued, or renewed on or after that date.

88.15 Sec. 45. Minnesota Statutes 2022, section 62Q.73, subdivision 2, is amended to read:

88.16 Subd. 2. **Exception.** (a) This section does not apply to governmental programs except  
88.17 as permitted under paragraph (b). For purposes of this subdivision, "governmental programs"  
88.18 means the prepaid medical assistance program; effective January 1, 2026, the medical  
88.19 assistance fee-for-service program; the MinnesotaCare program; the demonstration project  
88.20 for people with disabilities; and the federal Medicare program.

88.21 (b) In the course of a recipient's appeal of a medical determination to the commissioner  
88.22 of human services under section 256.045, the recipient may request an expert medical  
88.23 opinion be arranged by the external review entity under contract to provide independent  
88.24 external reviews under this section. If such a request is made, the cost of the review shall  
88.25 be paid by the commissioner of human services. Any medical opinion obtained under this  
88.26 paragraph shall only be used by a state human services judge as evidence in the recipient's  
88.27 appeal to the commissioner of human services under section 256.045.

88.28 (c) Nothing in this subdivision shall be construed to limit or restrict the appeal rights  
88.29 provided in section 256.045 for governmental program recipients.

88.30 Sec. 46. Minnesota Statutes 2022, section 62V.05, subdivision 12, is amended to read:

88.31 Subd. 12. **Reports on interagency agreements and intra-agency transfers.** The  
88.32 MNSure Board shall provide ~~quarterly reports to the chairs and ranking minority members~~

89.1 ~~of the legislative committees with jurisdiction over health and human services policy and~~  
89.2 ~~finance on:~~ legislative reports on interagency agreements and intra-agency transfers according  
89.3 to section 15.0395.

89.4 ~~(1) interagency agreements or service level agreements and any renewals or extensions~~  
89.5 ~~of existing interagency or service level agreements with a state department under section~~  
89.6 ~~15.01, state agency under section 15.012, or the Department of Information Technology~~  
89.7 ~~Services, with a value of more than \$100,000, or related agreements with the same department~~  
89.8 ~~or agency with a cumulative value of more than \$100,000; and~~

89.9 ~~(2) transfers of appropriations of more than \$100,000 between accounts within or between~~  
89.10 ~~agencies.~~

89.11 ~~The report must include the statutory citation authorizing the agreement, transfer or dollar~~  
89.12 ~~amount, purpose, and effective date of the agreement, the duration of the agreement, and a~~  
89.13 ~~copy of the agreement.~~

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

89.15 Sec. 47. Minnesota Statutes 2022, section 62V.08, is amended to read:

89.16 **62V.08 REPORTS.**

89.17 (a) MNsure shall submit a report to the legislature by ~~January 15, 2015~~ March 31, 2025,  
89.18 and each ~~January 15~~ March 31 thereafter, on: (1) the performance of MNsure operations;  
89.19 (2) meeting MNsure responsibilities; (3) an accounting of MNsure budget activities; (4)  
89.20 practices and procedures that have been implemented to ensure compliance with data  
89.21 practices laws, and a description of any violations of data practices laws or procedures; and  
89.22 (5) the effectiveness of the outreach and implementation activities of MNsure in reducing  
89.23 the rate of uninsurance.

89.24 (b) MNsure must publish its administrative and operational costs on a website to educate  
89.25 consumers on those costs. The information published must include: (1) the amount of  
89.26 premiums and federal premium subsidies collected; (2) the amount and source of revenue  
89.27 received under section 62V.05, subdivision 1, paragraph (b), clause (3); (3) the amount and  
89.28 source of any other fees collected for purposes of supporting operations; and (4) any misuse  
89.29 of funds as identified in accordance with section 3.975. The website must be updated at  
89.30 least annually.

90.1 Sec. 48. Minnesota Statutes 2022, section 62V.11, subdivision 4, is amended to read:

90.2 Subd. 4. **Review of costs.** The board shall submit for review the annual budget of MNsure  
90.3 for the next fiscal year by March ~~15~~ 31 of each year, beginning March ~~15, 2014~~ 31, 2025.

90.4 Sec. 49. Minnesota Statutes 2023 Supplement, section 145D.01, subdivision 1, is amended  
90.5 to read:

90.6 Subdivision 1. **Definitions.** (a) For purposes of this ~~chapter~~ section and section 145D.02,  
90.7 the following terms have the meanings given.

90.8 (b) "Captive professional entity" means a professional corporation, limited liability  
90.9 company, or other entity formed to render professional services in which a beneficial owner  
90.10 is a health care provider employed by, controlled by, or subject to the direction of a hospital  
90.11 or hospital system.

90.12 (c) "Commissioner" means the commissioner of health.

90.13 (d) "Control," including the terms "controlling," "controlled by," and "under common  
90.14 control with," means the possession, direct or indirect, of the power to direct or cause the  
90.15 direction of the management and policies of a health care entity, whether through the  
90.16 ownership of voting securities, membership in an entity formed under chapter 317A, by  
90.17 contract other than a commercial contract for goods or nonmanagement services, or otherwise,  
90.18 unless the power is the result of an official position with, corporate office held by, or court  
90.19 appointment of, the person. Control is presumed to exist if any person, directly or indirectly,  
90.20 owns, controls, holds with the power to vote, or holds proxies representing 40 percent or  
90.21 more of the voting securities of any other person, or if any person, directly or indirectly,  
90.22 constitutes 40 percent or more of the membership of an entity formed under chapter 317A.  
90.23 The attorney general may determine that control exists in fact, notwithstanding the absence  
90.24 of a presumption to that effect.

90.25 (e) "Health care entity" means:

90.26 (1) a hospital;

90.27 (2) a hospital system;

90.28 (3) a captive professional entity;

90.29 (4) a medical foundation;

90.30 (5) a health care provider group practice;

90.31 (6) an entity organized or controlled by an entity listed in clauses (1) to (5); or

91.1 (7) an entity that owns or exercises control over an entity listed in clauses (1) to (5).

91.2 (f) "Health care provider" means a physician licensed under chapter 147, a physician  
91.3 assistant licensed under chapter 147A, or an advanced practice registered nurse as defined  
91.4 in section 148.171, subdivision 3, who provides health care services, including but not  
91.5 limited to medical care, consultation, diagnosis, or treatment.

91.6 (g) "Health care provider group practice" means two or more health care providers legally  
91.7 organized in a partnership, professional corporation, limited liability company, medical  
91.8 foundation, nonprofit corporation, faculty practice plan, or other similar entity:

91.9 (1) in which each health care provider who is a member of the group provides services  
91.10 that a health care provider routinely provides, including but not limited to medical care,  
91.11 consultation, diagnosis, and treatment, through the joint use of shared office space, facilities,  
91.12 equipment, or personnel;

91.13 (2) for which substantially all services of the health care providers who are group  
91.14 members are provided through the group and are billed in the name of the group practice  
91.15 and amounts so received are treated as receipts of the group; or

91.16 (3) in which the overhead expenses of, and the income from, the group are distributed  
91.17 in accordance with methods previously determined by members of the group.

91.18 An entity that otherwise meets the definition of health care provider group practice in this  
91.19 paragraph shall be considered a health care provider group practice even if its shareholders,  
91.20 partners, members, or owners include a professional corporation, limited liability company,  
91.21 or other entity in which any beneficial owner is a health care provider and that is formed to  
91.22 render professional services.

91.23 (h) "Hospital" means a health care facility licensed as a hospital under sections 144.50  
91.24 to 144.56.

91.25 (i) "Medical foundation" means a nonprofit legal entity through which health care  
91.26 providers perform research or provide medical services.

91.27 (j) "Transaction" means a single action, or a series of actions within a five-year period,  
91.28 which occurs in part within the state of Minnesota or involves a health care entity formed  
91.29 or licensed in Minnesota, that constitutes:

91.30 (1) a merger or exchange of a health care entity with another entity;

91.31 (2) the sale, lease, or transfer of 40 percent or more of the assets of a health care entity  
91.32 to another entity;

- 92.1 (3) the granting of a security interest of 40 percent or more of the property and assets  
92.2 of a health care entity to another entity;
- 92.3 (4) the transfer of 40 percent or more of the shares or other ownership of a health care  
92.4 entity to another entity;
- 92.5 (5) an addition, removal, withdrawal, substitution, or other modification of one or more  
92.6 members of the health care entity's governing body that transfers control, responsibility for,  
92.7 or governance of the health care entity to another entity;
- 92.8 (6) the creation of a new health care entity;
- 92.9 (7) an agreement or series of agreements that results in the sharing of 40 percent or more  
92.10 of the health care entity's revenues with another entity, including affiliates of such other  
92.11 entity;
- 92.12 (8) an addition, removal, withdrawal, substitution, or other modification of the members  
92.13 of a health care entity formed under chapter 317A that results in a change of 40 percent or  
92.14 more of the membership of the health care entity; or
- 92.15 (9) any other transfer of control of a health care entity to, or acquisition of control of a  
92.16 health care entity by, another entity.
- 92.17 (k) A transaction as defined in paragraph (j) does not include:
- 92.18 (1) an action or series of actions that meets one or more of the criteria set forth in  
92.19 paragraph (j), clauses (1) to (9), if, immediately prior to all such actions, the health care  
92.20 entity directly, or indirectly through one or more intermediaries, controls, is controlled by,  
92.21 or is under common control with, all other parties to the action or series of actions;
- 92.22 (2) a mortgage or other secured loan for business improvement purposes entered into  
92.23 by a health care entity that does not directly affect delivery of health care or governance of  
92.24 the health care entity;
- 92.25 (3) a clinical affiliation of health care entities formed solely for the purpose of  
92.26 collaborating on clinical trials or providing graduate medical education;
- 92.27 (4) the mere offer of employment to, or hiring of, a health care provider by a health care  
92.28 entity;
- 92.29 (5) contracts between a health care entity and a health care provider primarily for clinical  
92.30 services; or
- 92.31 (6) a single action or series of actions within a five-year period involving only entities  
92.32 that operate solely as a nursing home licensed under chapter 144A; a boarding care home

93.1 licensed under sections 144.50 to 144.56; a supervised living facility licensed under sections  
93.2 144.50 to 144.56; an assisted living facility licensed under chapter 144G; a foster care setting  
93.3 licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, for a physical location that  
93.4 is not the primary residence of the license holder; a community residential setting as defined  
93.5 in section 245D.02, subdivision 4a; or a home care provider licensed under sections 144A.471  
93.6 to 144A.483.

93.7 Sec. 50. **[145D.30] DEFINITIONS.**

93.8 Subdivision 1. **Application.** For purposes of sections 145D.30 to 145D.37, the following  
93.9 terms have the meanings given unless the context clearly indicates otherwise.

93.10 Subd. 2. **Commissioner** "Commissioner" means the commissioner of commerce for a  
93.11 nonprofit health coverage entity that is a nonprofit health service plan corporation operating  
93.12 under chapter 62C or the commissioner of health for a nonprofit health coverage entity that  
93.13 is a nonprofit health maintenance organization operating under chapter 62D.

93.14 Subd. 3. **Control.** "Control," including the terms "controlling," "controlled by," and  
93.15 "under common control with," means the possession, direct or indirect, of the power to  
93.16 direct or cause the direction of the management and policies of a nonprofit health coverage  
93.17 entity, whether through the ownership of voting securities, through membership in an entity  
93.18 formed under chapter 317A, by contract other than a commercial contract for goods or  
93.19 nonmanagement services, or otherwise, unless the power is the result of an official position  
93.20 with, corporate office held by, or court appointment of the person. Control is presumed to  
93.21 exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or  
93.22 holds proxies representing 40 percent or more of the voting securities of any other person  
93.23 or if any person, directly or indirectly, constitutes 40 percent or more of the membership  
93.24 of an entity formed under chapter 317A. The attorney general may determine that control  
93.25 exists in fact, notwithstanding the absence of a presumption to that effect.

93.26 Subd. 4. **Conversion benefit entity.** "Conversion benefit entity" means a foundation,  
93.27 corporation, limited liability company, trust, partnership, or other entity that receives, in  
93.28 connection with a conversion transaction, the value of any public benefit asset in accordance  
93.29 with section 145D.32, subdivision 5.

93.30 Subd. 5. **Conversion transaction.** "Conversion transaction" means a transaction otherwise  
93.31 permitted under applicable law in which a nonprofit health coverage entity:

94.1 (1) merges, consolidates, converts, or transfers all or substantially all of its assets to any  
94.2 entity except a corporation that is exempt under United States Code, title 26, section  
94.3 501(c)(3);

94.4 (2) makes a series of separate transfers within a 60-month period that in the aggregate  
94.5 constitute a transfer of all or substantially all of the nonprofit health coverage entity's assets  
94.6 to any entity except a corporation that is exempt under United States Code, title 26, section  
94.7 501(c)(3); or

94.8 (3) adds or substitutes one or more directors or officers that effectively transfer the  
94.9 control of, responsibility for, or governance of the nonprofit health coverage entity to any  
94.10 entity except a corporation that is exempt under United States Code, title 26, section  
94.11 501(c)(3).

94.12 Subd. 6. **Corporation.** "Corporation" has the meaning given in section 317A.011,  
94.13 subdivision 6, and also includes a nonprofit limited liability company organized under  
94.14 section 322C.1101.

94.15 Subd. 7. **Director.** "Director" has the meaning given in section 317A.011, subdivision  
94.16 7.

94.17 Subd. 8. **Family member.** "Family member" means a spouse, parent, child, spouse of  
94.18 a child, brother, sister, or spouse of a brother or sister.

94.19 Subd. 9. **Full and fair value.** "Full and fair value" means at least the amount that the  
94.20 public benefit assets of the nonprofit health coverage entity would be worth if the assets  
94.21 were equal to stock in the nonprofit health coverage entity, if the nonprofit health coverage  
94.22 entity was a for-profit corporation and if the nonprofit health coverage entity had 100 percent  
94.23 of its stock authorized by the corporation and available for purchase without transfer  
94.24 restrictions. The valuation shall consider market value, investment or earning value, net  
94.25 asset value, goodwill, amount of donations received, and control premium, if any.

94.26 Subd. 10. **Key employee.** "Key employee" means an individual, regardless of title, who:

94.27 (1) has responsibilities, power, or influence over an organization similar to those of an  
94.28 officer or director;

94.29 (2) manages a discrete segment or activity of the organization that represents ten percent  
94.30 or more of the activities, assets, income, or expenses of the organization, as compared to  
94.31 the organization as a whole; or

94.32 (3) has or shares authority to control or determine ten percent or more of the organization's  
94.33 capital expenditures, operating budget, or compensation for employees.

95.1 Subd. 11. **Nonprofit health coverage entity.** "Nonprofit health coverage entity" means  
95.2 a nonprofit health service plan corporation operating under chapter 62C or a nonprofit health  
95.3 maintenance organization operating under chapter 62D.

95.4 Subd. 12. **Officer.** "Officer" has the meaning given in section 317A.011, subdivision  
95.5 15.

95.6 Subd. 13. **Public benefit assets.** "Public benefit assets" means the entirety of a nonprofit  
95.7 health coverage entity's assets, whether tangible or intangible, including but not limited to  
95.8 its goodwill and anticipated future revenue.

95.9 Subd. 14. **Related organization.** "Related organization" has the meaning given in section  
95.10 317A.011, subdivision 18.

95.11 Sec. 51. **[145D.31] CERTAIN CONVERSION TRANSACTIONS PROHIBITED.**

95.12 A nonprofit health coverage entity must not enter into a conversion transaction if:

95.13 (1) doing so would result in less than the full and fair market value of all public benefit  
95.14 assets remaining dedicated to the public benefit; or

95.15 (2) an individual who has been an officer, director, or other executive of the nonprofit  
95.16 health coverage entity or of a related organization, or a family member of such an individual:

95.17 (i) has held or will hold, whether guaranteed or contingent, an ownership stake, stock,  
95.18 securities, investment, or other financial interest in an entity to which the nonprofit health  
95.19 coverage entity transfers public benefit assets in connection with the conversion transaction;

95.20 (ii) has received or will receive any type of compensation or other financial benefit from  
95.21 an entity to which the nonprofit health coverage entity transfers public benefit assets in  
95.22 connection with the conversion transaction;

95.23 (iii) has held or will hold, whether guaranteed or contingent, an ownership stake, stock,  
95.24 securities, investment, or other financial interest in an entity that has or will have a business  
95.25 relationship with an entity to which the nonprofit health coverage entity transfers public  
95.26 benefit assets in connection with the conversion transaction; or

95.27 (iv) has received or will receive any type of compensation or other financial benefit from  
95.28 an entity that has or will have a business relationship with an entity to which the nonprofit  
95.29 health coverage entity transfers public benefit assets in connection with the conversion  
95.30 transaction.

96.1        Sec. 52. [145D.32] REQUIREMENTS FOR NONPROFIT HEALTH COVERAGE  
96.2        ENTITY CONVERSION TRANSACTIONS.

96.3        Subdivision 1. Notice. (a) Before entering into a conversion transaction, a nonprofit  
96.4        health coverage entity must notify the attorney general according to section 317A.811. In  
96.5        addition to the elements listed in section 317A.811, subdivision 1, the notice required by  
96.6        this subdivision must also include: (1) an itemization of the nonprofit health coverage entity's  
96.7        public benefit assets and an independent third-party valuation of the nonprofit health coverage  
96.8        entity's public benefit assets; (2) a proposed plan to distribute the value of those public  
96.9        benefit assets to a conversion benefit entity that meets the requirements of section 145D.33;  
96.10       and (3) other information contained in forms provided by the attorney general.

96.11       (b) When the nonprofit health coverage entity provides the attorney general with the  
96.12       notice and other information required under paragraph (a), the nonprofit health coverage  
96.13       entity must also provide a copy of this notice and other information to the applicable  
96.14       commissioner.

96.15       Subd. 2. Nonprofit health coverage entity requirements. Before entering into a  
96.16       conversion transaction, a nonprofit health coverage entity must ensure that:

96.17       (1) the proposed conversion transaction complies with chapters 317A and 501B and  
96.18       other applicable laws;

96.19       (2) the proposed conversion transaction does not involve or constitute a breach of  
96.20       charitable trust;

96.21       (3) the nonprofit health coverage entity shall receive full and fair value for its public  
96.22       benefit assets;

96.23       (4) the value of the public benefit assets to be transferred has not been manipulated in  
96.24       a manner that causes or caused the value of the assets to decrease;

96.25       (5) the proceeds of the proposed conversion transaction shall be used in a manner  
96.26       consistent with the public benefit for which the assets are held by the nonprofit health  
96.27       coverage entity;

96.28       (6) the proposed conversion transaction shall not result in a breach of fiduciary duty;  
96.29       and

96.30       (7) the conversion benefit entity that receives the value of the nonprofit health coverage  
96.31       entity's public benefit assets meets the requirements in section 145D.33.

97.1 Subd. 3. **Listening sessions and public comment.** The attorney general or the  
97.2 commissioner may hold public listening sessions or forums and may solicit public comments  
97.3 regarding the proposed conversion transaction, including on the formation of a conversion  
97.4 benefit entity under section 145D.33.

97.5 Subd. 4. **Waiting period.** (a) Subject to paragraphs (b) and (c), a nonprofit health  
97.6 coverage entity must not enter into a conversion transaction until 90 days after the nonprofit  
97.7 health coverage entity has given written notice as required in subdivision 1.

97.8 (b) The attorney general may waive all or part of the waiting period or may extend the  
97.9 waiting period for an additional 90 days by notifying the nonprofit health coverage entity  
97.10 of the extension in writing.

97.11 (c) The time periods specified in this subdivision shall be suspended while an  
97.12 investigation into the conversion transaction is pending or while a request from the attorney  
97.13 general for additional information is outstanding.

97.14 Subd. 5. **Transfer of value of assets required.** As part of a conversion transaction for  
97.15 which notice is provided under subdivision 1, the nonprofit health coverage entity must  
97.16 transfer the entirety of the full and fair value of its public benefit assets to one or more  
97.17 conversion benefit entities that meet the requirements in section 145D.33.

97.18 Subd. 6. **Funds restricted for a particular purpose.** Nothing in this section relieves a  
97.19 nonprofit health coverage entity from complying with requirements for funds that are  
97.20 restricted for a particular purpose. Funds restricted for a particular purpose must continue  
97.21 to be used in accordance with the purpose for which they were restricted under sections  
97.22 317A.671 and 501B.31. A nonprofit health coverage entity may not convert assets that  
97.23 would conflict with their restricted purpose.

97.24 Sec. 53. **[145D.33] CONVERSION BENEFIT ENTITY REQUIREMENTS.**

97.25 Subdivision 1. **Requirements.** In order to receive the value of a nonprofit health coverage  
97.26 entity's public benefit assets as part of a conversion transaction, a conversion benefit entity  
97.27 must:

97.28 (1) be: (i) an existing or new domestic, nonprofit corporation operating under chapter  
97.29 317A, a nonprofit limited liability company operating under chapter 322C, or a wholly  
97.30 owned subsidiary thereof; and (ii) exempt under United States Code, title 26, section  
97.31 501(c)(3);

97.32 (2) have in place procedures and policies to prohibit conflicts of interest, including but  
97.33 not limited to conflicts of interest relating to any grant-making activities that may benefit:

- 98.1 (i) the officers, directors, or key employees of the conversion benefit entity;
- 98.2 (ii) any entity to which the nonprofit health coverage entity transfers public benefit assets
- 98.3 in connection with a conversion transaction; or
- 98.4 (iii) any officers, directors, or key employees of an entity to which the nonprofit health
- 98.5 coverage entity transfers public benefit assets in connection with a conversion transaction;
- 98.6 (3) operate to benefit the health of the people in this state;
- 98.7 (4) have in place procedures and policies that prohibit:
- 98.8 (i) an officer, director, or key employee of the nonprofit health coverage entity from
- 98.9 serving as an officer, director, or key employee of the conversion benefit entity for the
- 98.10 five-year period following the conversion transaction;
- 98.11 (ii) an officer, director, or key employee of the nonprofit health coverage entity or of
- 98.12 the conversion benefit entity from directly or indirectly benefiting from the conversion
- 98.13 transaction; and
- 98.14 (iii) elected or appointed public officials from serving as an officer, director, or key
- 98.15 employee of the conversion benefit entity;
- 98.16 (5) not make grants or payments or otherwise provide financial benefit to an entity to
- 98.17 which a nonprofit health coverage entity transfers public benefit assets as part of a conversion
- 98.18 transaction or to a related organization of the entity to which the nonprofit health coverage
- 98.19 entity transfers public benefit assets as part of a conversion transaction; and
- 98.20 (6) not have as an officer director, or key employee any individual who has been an
- 98.21 officer, director, or key employee of an entity that receives public benefit assets as part of
- 98.22 a conversion transaction.

98.23 Subd. 2. **Review and approval.** The commissioner must review and approve a conversion

98.24 benefit entity before the conversion benefit entity receives the value of public benefit assets

98.25 from a nonprofit health coverage entity. In order to be approved under this subdivision, the

98.26 conversion benefit entity's governance must be broadly based in the community served by

98.27 the nonprofit health coverage entity and must be independent of the entity to which the

98.28 nonprofit health coverage entity transfers public benefit assets as part of the conversion

98.29 transaction. As part of the review of the conversion benefit entity's governance, the

98.30 commissioner may hold a public hearing. The public hearing, if held by the commissioner

98.31 of health, may be held concurrently with the hearing authorized under section 62D.31. If

98.32 the commissioner finds it necessary, a portion of the value of the public benefit assets must

98.33 be used to develop a community-based plan for use by the conversion benefit entity.

99.1 Subd. 3. **Community advisory committee.** The commissioner must establish a  
99.2 community advisory committee for a conversion benefit entity receiving the value of public  
99.3 benefit assets. The members of the community advisory committee must be selected to  
99.4 represent the diversity of the community previously served by the nonprofit health coverage  
99.5 entity. The community advisory committee must:

99.6 (1) provide a slate of three nominees for each vacancy on the governing board of the  
99.7 conversion benefit entity, from which the remaining board members must select new  
99.8 members to the board;

99.9 (2) provide the conversion benefit entity's governing board with guidance on the health  
99.10 needs of the community previously served by the nonprofit health coverage entity; and

99.11 (3) promote dialogue and information sharing between the conversion benefit entity and  
99.12 the community previously served by the nonprofit health coverage entity.

99.13 **Sec. 54. [145D.34] ENFORCEMENT AND REMEDIES.**

99.14 Subdivision 1. **Investigation.** The attorney general has the powers in section 8.31.  
99.15 Nothing in this subdivision limits the powers, remedies, or responsibilities of the attorney  
99.16 general under this chapter; chapter 8, 309, 317A, or 501B; or any other chapter. For purposes  
99.17 of this section, an approval by the commissioner for regulatory purposes does not impair  
99.18 or inform the attorney general's authority.

99.19 Subd. 2. **Enforcement and penalties.** (a) The attorney general may bring an action in  
99.20 district court to enjoin or unwind a conversion transaction or seek other equitable relief  
99.21 necessary to protect the public interest if:

99.22 (1) a nonprofit health coverage entity or conversion transaction violates sections 145D.30  
99.23 to 145D.33; or

99.24 (2) the conversion transaction is contrary to the public interest.

99.25 In seeking injunctive relief, the attorney general must not be required to establish irreparable  
99.26 harm but must instead establish that a violation of sections 145D.30 to 145D.33 occurred  
99.27 or that the requested order promotes the public interest.

99.28 (b) Factors informing whether a conversion transaction is contrary to the public interest  
99.29 include but are not limited to whether:

99.30 (1) the conversion transaction shall result in increased health care costs for patients; and

99.31 (2) the conversion transaction shall adversely impact provider cost trends and containment  
99.32 of total health care spending.

100.1 (c) The attorney general may enforce sections 145D.30 to 145D.33 under section 8.31.

100.2 (d) Failure of the entities involved in a conversion transaction to provide timely  
100.3 information as required by the attorney general or the commissioner shall be an independent  
100.4 and sufficient ground for a court to enjoin or unwind the transaction or provide other equitable  
100.5 relief, provided the attorney general notifies the entities of the inadequacy of the information  
100.6 provided and provides the entities with a reasonable opportunity to remedy the inadequacy.

100.7 (e) An officer, director, or other executive found to have violated sections 145D.30 to  
100.8 145D.33 shall be subject to a civil penalty of up to \$100,000 for each violation. A corporation  
100.9 or other entity which is a party to or materially participated in a conversion transaction  
100.10 found to have violated sections 145D.30 to 145D.33 shall be subject to a civil penalty of  
100.11 up to \$1,000,000. A court may also award reasonable attorney fees and costs of investigation  
100.12 and litigation.

100.13 Subd. 3. **Commissioner of health; data and research.** The commissioner of health  
100.14 must provide the attorney general, upon request, with data and research on broader market  
100.15 trends, impacts on prices and outcomes, public health and population health considerations,  
100.16 and health care access, for the attorney general to use when evaluating whether a conversion  
100.17 transaction is contrary to public interest. The commissioner may share with the attorney  
100.18 general, according to section 13.05, subdivision 9, any not public data, as defined in section  
100.19 13.02, subdivision 8a, held by the commissioner to aid in the investigation and review of  
100.20 the conversion transaction, and the attorney general must maintain this data with the same  
100.21 classification according to section 13.03, subdivision 4, paragraph (c).

100.22 Subd. 4. **Failure to take action.** Failure by the attorney general to take action with  
100.23 respect to a conversion transaction under this section does not constitute approval of the  
100.24 conversion transaction or waiver, nor shall failure prevent the attorney general from taking  
100.25 action in the same, similar, or subsequent circumstances.

100.26 Sec. 55. **[145D.35] DATA PRACTICES.**

100.27 Section 13.65 applies to data provided by a nonprofit health coverage entity or the  
100.28 commissioner to the attorney general under sections 145D.30 to 145D.33. Section 13.39  
100.29 applies to data provided by a nonprofit health coverage entity to the commissioner under  
100.30 sections 145D.30 to 145D.33. The attorney general or the commissioner may make any  
100.31 data classified as confidential or protected nonpublic under this section accessible to any  
100.32 civil or criminal law enforcement agency if the attorney general or commissioner determines  
100.33 that the access aids the law enforcement process.

101.1 Sec. 56. [145D.36] COMMISSIONER OF HEALTH; REPORTS AND ANALYSIS.

101.2 Notwithstanding any law to the contrary, the commissioner of health may use data or  
101.3 information submitted under sections 60A.135 to 60A.137, 60A.17, 60D.18, 60D.20,  
101.4 62D.221, and 145D.32 to conduct analyses of the aggregate impact of transactions within  
101.5 nonprofit health coverage entities and organizations which include nonprofit health coverage  
101.6 entities or their affiliates on access to or the cost of health care services, health care market  
101.7 consolidation, and health care quality. The commissioner of health must issue periodic  
101.8 public reports on the number and types of conversion transactions subject to sections 145D.30  
101.9 to 145D.35 and on the aggregate impact of conversion transactions on health care costs,  
101.10 quality, and competition in Minnesota.

101.11 Sec. 57. [145D.37] RELATION TO OTHER LAW.

101.12 (a) Sections 145D.30 to 145D.36 are in addition to and do not affect or limit any power,  
101.13 remedy, or responsibility of a health maintenance organization, a service plan corporation,  
101.14 a conversion benefit entity, the attorney general, the commissioner of health, or the  
101.15 commissioner of commerce under this chapter; chapter 8, 62C, 62D, 309, 317A, or 501B;  
101.16 or other law.

101.17 (b) Nothing in sections 145D.03 to 145D.36 authorizes a nonprofit health coverage entity  
101.18 to enter into a conversion transaction not otherwise permitted under chapter 317A or 501B  
101.19 or other law.

101.20 Sec. 58. Minnesota Statutes 2022, section 256B.0625, subdivision 12, is amended to read:

101.21 Subd. 12. ~~Eyeglasses, dentures, and prosthetic and orthotic devices.~~ (a) Medical  
101.22 assistance covers eyeglasses, ~~dentures, and prosthetic and orthotic devices~~ if prescribed by  
101.23 a licensed practitioner.

101.24 ~~(b) For purposes of prescribing prosthetic and orthotic devices, "licensed practitioner"~~  
101.25 ~~includes a physician, an advanced practice registered nurse, a physician assistant, or a~~  
101.26 ~~podiatrist.~~

101.27 EFFECTIVE DATE. This section is effective January 1, 2025, or upon federal approval,  
101.28 whichever is later. The commissioner of human services shall notify the revisor of statutes  
101.29 when federal approval is obtained.

102.1 Sec. 59. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 16, is  
102.2 amended to read:

102.3 Subd. 16. **Abortion services.** Medical assistance covers ~~abortion services determined~~  
102.4 ~~to be medically necessary by the treating provider and delivered in accordance with all~~  
102.5 applicable Minnesota laws abortions and abortion-related services, including preabortion  
102.6 services and follow-up services.

102.7 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
102.8 whichever is later. The commissioner of human services shall notify the revisor of statutes  
102.9 when federal approval is obtained.

102.10 Sec. 60. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
102.11 to read:

102.12 Subd. 25c. **Applicability of utilization review provisions.** Effective January 1, 2026,  
102.13 the following provisions of chapter 62M apply to the commissioner when delivering services  
102.14 through fee-for-service under chapters 256B and 256L: 62M.02, subdivisions 1 to 5, 7 to  
102.15 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions 1 to  
102.16 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; and 62M.17, subdivision 2.

102.17 Sec. 61. Minnesota Statutes 2022, section 256B.0625, subdivision 32, is amended to read:

102.18 Subd. 32. **Nutritional products.** Medical assistance covers nutritional products needed  
102.19 for nutritional supplementation because solid food or nutrients thereof cannot be properly  
102.20 absorbed by the body or needed for treatment of phenylketonuria, hyperlysinemia, maple  
102.21 syrup urine disease, a combined allergy to human milk, cow's milk, and soy formula, or  
102.22 any other childhood or adult diseases, conditions, or disorders identified by the commissioner  
102.23 as requiring a similarly necessary nutritional product. Medical assistance covers amino  
102.24 acid-based elemental formulas in the same manner as is required under section 62Q.531.  
102.25 Nutritional products needed for the treatment of a combined allergy to human milk, cow's  
102.26 milk, and soy formula require prior authorization. Separate payment shall not be made for  
102.27 nutritional products for residents of long-term care facilities. Payment for dietary  
102.28 requirements is a component of the per diem rate paid to these facilities.

102.29 **EFFECTIVE DATE.** This section is effective January 1, 2025.

103.1 Sec. 62. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
103.2 to read:

103.3 Subd. 72. **Orthotic and prosthetic devices.** Medical assistance covers orthotic and  
103.4 prosthetic devices, supplies, and services according to section 256B.066.

103.5 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
103.6 whichever is later. The commissioner of human services shall notify the revisor of statutes  
103.7 when federal approval is obtained.

103.8 Sec. 63. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
103.9 to read:

103.10 Subd. 73. **Rapid whole genome sequencing.** Medical assistance covers rapid whole  
103.11 genome sequencing (rWGS) testing. Coverage and eligibility for rWGS testing, and the use  
103.12 of genetic data, must meet the requirements specified in section 62A.3098, subdivisions 1  
103.13 to 3 and 6.

103.14 **EFFECTIVE DATE.** This section is effective January 1, 2025.

103.15 Sec. 64. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
103.16 to read:

103.17 Subd. 74. **Scalp hair prostheses.** Medical assistance covers scalp hair prostheses and  
103.18 all equipment and accessories necessary for their regular use under the conditions and in  
103.19 compliance with the requirements specified in section 62A.28, except that the limitation on  
103.20 coverage required per benefit year set forth in section 62A.28, subdivision 2, paragraph (c),  
103.21 does not apply.

103.22 **EFFECTIVE DATE.** This section is effective January 1, 2025.

103.23 Sec. 65. **[256B.066] ORTHOTIC AND PROSTHETIC DEVICES, SUPPLIES, AND**  
103.24 **SERVICES.**

103.25 Subdivision 1. **Definitions.** All terms used in this section have the meanings given them  
103.26 in section 62Q.665, subdivision 1.

103.27 Subd. 2. **Coverage requirements.** (a) Medical assistance covers orthotic and prosthetic  
103.28 devices, supplies, and services:

103.29 (1) furnished under an order by a prescribing physician or licensed health care prescriber  
103.30 who has authority in Minnesota to prescribe orthoses and prostheses. Coverage for orthotic  
103.31 and prosthetic devices, supplies, accessories, and services under this clause includes those

104.1 devices or device systems, supplies, accessories, and services that are customized to the  
104.2 enrollee's needs;

104.3 (2) determined by the enrollee's provider to be the most appropriate model that meets  
104.4 the medical needs of the enrollee for purposes of performing physical activities, as applicable,  
104.5 including but not limited to running, biking, and swimming, and maximizing the enrollee's  
104.6 limb function; or

104.7 (3) for showering or bathing.

104.8 (b) The coverage set forth in paragraph (a) includes the repair and replacement of those  
104.9 orthotic and prosthetic devices, supplies, and services described therein.

104.10 (c) Coverage of a prosthetic or orthotic benefit must not be denied for an individual with  
104.11 limb loss or absence that would otherwise be covered for a nondisabled person seeking  
104.12 medical or surgical intervention to restore or maintain the ability to perform the same  
104.13 physical activity.

104.14 (d) If coverage for prosthetic or custom orthotic devices is provided, payment must be  
104.15 made for the replacement of a prosthetic or custom orthotic device or for the replacement  
104.16 of any part of the devices, without regard to useful lifetime restrictions, if an ordering health  
104.17 care provider determines that the provision of a replacement device, or a replacement part  
104.18 of a device, is necessary because:

104.19 (1) of a change in the physiological condition of the enrollee;

104.20 (2) of an irreparable change in the condition of the device or in a part of the device; or

104.21 (3) the condition of the device, or the part of the device, requires repairs and the cost of  
104.22 the repairs would be more than 60 percent of the cost of a replacement device or of the part  
104.23 being replaced.

104.24 Subd. 3. **Restrictions on coverage.** (a) Prior authorization may be required for orthotic  
104.25 and prosthetic devices, supplies, and services.

104.26 (b) A utilization review for a request for coverage of prosthetic or orthotic benefits must  
104.27 apply the most recent version of evidence-based treatment and fit criteria as recognized by  
104.28 relevant clinical specialists.

104.29 (c) Utilization review determinations must be rendered in a nondiscriminatory manner  
104.30 and must not deny coverage for habilitative or rehabilitative benefits, including prosthetics  
104.31 or orthotics, solely on the basis of an enrollee's actual or perceived disability.

105.1 (d) Evidence of coverage and any benefit denial letters must include language describing  
105.2 an enrollee's rights pursuant to paragraphs (b) and (c).

105.3 (e) Confirmation from a prescribing health care provider may be required if the prosthetic  
105.4 or custom orthotic device or part being replaced is less than three years old.

105.5 Subd. 4. **Managed care plan access to care.** (a) Managed care plans and county-based  
105.6 purchasing plans subject to this section must ensure access to medically necessary clinical  
105.7 care and to prosthetic and custom orthotic devices and technology from at least two distinct  
105.8 prosthetic and custom orthotic providers in the plan's provider network located in Minnesota.

105.9 (b) In the event that medically necessary covered orthotics and prosthetics are not  
105.10 available from an in-network provider, the plan must provide processes to refer an enrollee  
105.11 to an out-of-network provider and must fully reimburse the out-of-network provider at a  
105.12 mutually agreed upon rate less enrollee cost sharing determined on an in-network basis.

105.13 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
105.14 whichever is later. The commissioner of human services shall notify the revisor of statutes  
105.15 when federal approval is obtained.

105.16 Sec. 66. Minnesota Statutes 2022, section 317A.811, subdivision 1, is amended to read:

105.17 Subdivision 1. **When required.** (a) Except as provided in subdivision 6, the following  
105.18 corporations shall notify the attorney general of their intent to dissolve, merge, consolidate,  
105.19 or convert, or to transfer all or substantially all of their assets:

105.20 (1) a corporation that holds assets for a charitable purpose as defined in section 501B.35,  
105.21 subdivision 2; ~~or~~

105.22 (2) a corporation that is exempt under section 501(c)(3) of the Internal Revenue Code  
105.23 of 1986, or any successor section; or

105.24 (3) a nonprofit health coverage entity as defined in section 145D.30.

105.25 (b) The notice must include:

105.26 (1) the purpose of the corporation that is giving the notice;

105.27 (2) a list of assets owned or held by the corporation for charitable purposes;

105.28 (3) a description of restricted assets and purposes for which the assets were received;

105.29 (4) a description of debts, obligations, and liabilities of the corporation;

105.30 (5) a description of tangible assets being converted to cash and the manner in which  
105.31 they will be sold;

106.1 (6) anticipated expenses of the transaction, including attorney fees;

106.2 (7) a list of persons to whom assets will be transferred, if known, or the name of the  
106.3 converted organization;

106.4 (8) the purposes of persons receiving the assets or of the converted organization; and

106.5 (9) the terms, conditions, or restrictions, if any, to be imposed on the transferred or  
106.6 converted assets.

106.7 The notice must be signed on behalf of the corporation by an authorized person.

106.8 **Sec. 67. INITIAL REPORTS TO COMMISSIONER OF HEALTH; UTILIZATION**  
106.9 **MANAGEMENT TOOLS.**

106.10 Utilization review organizations must submit initial reports to the commissioner of health  
106.11 under Minnesota Statutes, section 62M.19, by September 1, 2025.

106.12 **Sec. 68. REPEALER.**

106.13 (a) Minnesota Statutes 2022, section 62A.041, subdivision 3, is repealed.

106.14 (b) Minnesota Statutes 2023 Supplement, section 62Q.522, subdivisions 3 and 4, are  
106.15 repealed.

106.16 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
106.17 plans offered, sold, issued, or renewed on or after that date.

106.18 **ARTICLE 5**

106.19 **DEPARTMENT OF HEALTH FINANCE**

106.20 Section 1. Minnesota Statutes 2022, section 62D.14, subdivision 1, is amended to read:

106.21 Subdivision 1. **Examination authority.** The commissioner of health may make an  
106.22 examination of the affairs of any health maintenance organization and its contracts,  
106.23 agreements, or other arrangements with any participating entity as often as the commissioner  
106.24 of health deems necessary for the protection of the interests of the people of this state, but  
106.25 not less frequently than once every ~~three~~ five years. Examinations of participating entities  
106.26 pursuant to this subdivision shall be limited to their dealings with the health maintenance  
106.27 organization and its enrollees, except that examinations of major participating entities may  
106.28 include inspection of the entity's financial statements kept in the ordinary course of business.  
106.29 The commissioner may require major participating entities to submit the financial statements  
106.30 directly to the commissioner. Financial statements of major participating entities are subject

107.1 to the provisions of section 13.37, subdivision 1, clause (b), upon request of the major  
107.2 participating entity or the health maintenance organization with which it contracts.

107.3 Sec. 2. Minnesota Statutes 2022, section 103I.621, subdivision 1, is amended to read:

107.4 Subdivision 1. **Permit.** (a) Notwithstanding any department or agency rule to the contrary,  
107.5 the commissioner shall issue, on request by the owner of the property and payment of the  
107.6 permit fee, permits for the reinjection of water by a properly constructed well into the same  
107.7 aquifer from which the water was drawn for the operation of a groundwater thermal exchange  
107.8 device.

107.9 (b) As a condition of the permit, an applicant must agree to allow inspection by the  
107.10 commissioner during regular working hours for department inspectors.

107.11 (c) Not more than 200 permits may be issued for small systems having maximum  
107.12 capacities of 20 gallons per minute or less and that are compliant with the natural resource  
107.13 water-use requirements under subdivision 2. ~~The small systems are subject to inspection~~  
107.14 ~~twice a year.~~

107.15 (d) Not more than ~~ten~~ 100 permits may be issued for larger systems having maximum  
107.16 capacities ~~from over 20 to 50~~ gallons per minute and are compliant with the natural resource  
107.17 water-use requirements under subdivision 2. ~~The larger systems are subject to inspection~~  
107.18 ~~four times a year.~~

107.19 (e) A person issued a permit must comply with this section and permit conditions deemed  
107.20 necessary to protect public health and safety of groundwater ~~for the permit to be valid.~~ The  
107.21 permit conditions may include but are not limited to requirements for:

107.22 (1) notification to the commissioner at intervals specified in the permit conditions;

107.23 (2) system operation and maintenance;

107.24 (3) system location and construction;

107.25 (4) well location and construction;

107.26 (5) signage;

107.27 (6) reports of system construction, performance, operation, and maintenance;

107.28 (7) removal of the system upon termination of its use or system failure;

107.29 (8) disclosure of the system at the time of property transfer;

107.30 (9) obtaining approval from the commissioner prior to deviation from the approval plan  
107.31 and conditions;

108.1 (10) groundwater level monitoring; or

108.2 (11) groundwater quality monitoring.

108.3 (f) The property owner or the property owner's agent must submit to the commissioner  
108.4 a permit application on a form provided by the commissioner, or in a format approved by  
108.5 the commissioner, that provides any information necessary to protect public health and  
108.6 safety of groundwater.

108.7 (g) A permit granted under this section is not valid if a water-use permit is required for  
108.8 the project and is not approved by the commissioner of natural resources.

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

108.10 Sec. 3. Minnesota Statutes 2022, section 103I.621, subdivision 2, is amended to read:

108.11 Subd. 2. **Water-use requirements apply.** Water-use permit requirements and penalties  
108.12 under chapter ~~103F~~ 103G and related rules adopted and enforced by the commissioner of  
108.13 natural resources apply to groundwater thermal exchange permit recipients. A person who  
108.14 violates a provision of this section is subject to enforcement or penalties for the noncomplying  
108.15 activity that are available to the commissioner and the Pollution Control Agency.

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

108.17 Sec. 4. Minnesota Statutes 2022, section 144.05, subdivision 6, is amended to read:

108.18 Subd. 6. **Reports on interagency agreements and intra-agency transfers.** The  
108.19 commissioner of health shall provide ~~quarterly reports to the chairs and ranking minority~~  
108.20 ~~members of the legislative committees with jurisdiction over health and human services~~  
108.21 ~~policy and finance on:~~ the interagency agreements and intra-agency transfers report per  
108.22 section 15.0395.

108.23 ~~(1) interagency agreements or service-level agreements and any renewals or extensions~~  
108.24 ~~of existing interagency or service-level agreements with a state department under section~~  
108.25 ~~15.01, state agency under section 15.012, or the Department of Information Technology~~  
108.26 ~~Services, with a value of more than \$100,000, or related agreements with the same department~~  
108.27 ~~or agency with a cumulative value of more than \$100,000; and~~

108.28 ~~(2) transfers of appropriations of more than \$100,000 between accounts within or between~~  
108.29 ~~agencies.~~

109.1 ~~The report must include the statutory citation authorizing the agreement, transfer or dollar~~  
109.2 ~~amount, purpose, and effective date of the agreement, duration of the agreement, and a copy~~  
109.3 ~~of the agreement.~~

109.4 Sec. 5. Minnesota Statutes 2023 Supplement, section 144.1501, subdivision 2, is amended  
109.5 to read:

109.6 Subd. 2. ~~Creation of account~~ Availability. (a) ~~A health professional education loan~~  
109.7 ~~forgiveness program account is established.~~ The commissioner of health shall use money  
109.8 ~~from the account to establish a~~ appropriated for health professional education loan forgiveness  
109.9 program in this section:

109.10 (1) for medical residents, physicians, mental health professionals, and alcohol and drug  
109.11 counselors agreeing to practice in designated rural areas or underserved urban communities  
109.12 or specializing in the area of pediatric psychiatry;

109.13 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach  
109.14 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program  
109.15 at the undergraduate level or the equivalent at the graduate level;

109.16 (3) for nurses who agree to practice in a Minnesota nursing home; in an intermediate  
109.17 care facility for persons with developmental disability; in a hospital if the hospital owns  
109.18 and operates a Minnesota nursing home and a minimum of 50 percent of the hours worked  
109.19 by the nurse is in the nursing home; in an assisted living facility as defined in section  
109.20 144G.08, subdivision 7; or for a home care provider as defined in section 144A.43,  
109.21 subdivision 4; or agree to teach at least 12 credit hours, or 720 hours per year in the nursing  
109.22 field in a postsecondary program at the undergraduate level or the equivalent at the graduate  
109.23 level;

109.24 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720  
109.25 hours per year in their designated field in a postsecondary program at the undergraduate  
109.26 level or the equivalent at the graduate level. The commissioner, in consultation with the  
109.27 Healthcare Education-Industry Partnership, shall determine the health care fields where the  
109.28 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory  
109.29 technology, radiologic technology, and surgical technology;

109.30 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses  
109.31 who agree to practice in designated rural areas;

109.32 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient  
109.33 encounters to state public program enrollees or patients receiving sliding fee schedule

110.1 discounts through a formal sliding fee schedule meeting the standards established by the  
110.2 United States Department of Health and Human Services under Code of Federal Regulations,  
110.3 title 42, section ~~51, chapter 303~~ 51c.303; and

110.4 (7) for nurses employed as a hospital nurse by a nonprofit hospital and providing direct  
110.5 care to patients at the nonprofit hospital.

110.6 (b) Appropriations made ~~to the account~~ for health professional education loan forgiveness  
110.7 in this section do not cancel and are available until expended, except that at the end of each  
110.8 biennium, any remaining balance in the account that is not committed by contract and not  
110.9 needed to fulfill existing commitments shall cancel to the fund.

110.10 Sec. 6. Minnesota Statutes 2022, section 144.1501, subdivision 5, is amended to read:

110.11 Subd. 5. **Penalty for nonfulfillment.** If a participant does not fulfill the required  
110.12 minimum commitment of service according to subdivision 3, the commissioner of health  
110.13 shall collect from the participant the total amount paid to the participant under the loan  
110.14 forgiveness program plus interest at a rate established according to section 270C.40. The  
110.15 commissioner shall deposit the money collected in ~~the health care access fund to be credited~~  
110.16 ~~to a dedicated account in the special revenue fund. The balance of the account is appropriated~~  
110.17 annually to the commissioner for the health professional education loan forgiveness program  
110.18 ~~account~~ established in subdivision 2. The commissioner shall allow waivers of all or part  
110.19 of the money owed the commissioner as a result of a nonfulfillment penalty if emergency  
110.20 circumstances prevented fulfillment of the minimum service commitment.

110.21 Sec. 7. Minnesota Statutes 2023 Supplement, section 144.1505, subdivision 2, is amended  
110.22 to read:

110.23 Subd. 2. **Programs.** (a) For advanced practice provider clinical training expansion grants,  
110.24 the commissioner of health shall award health professional training site grants to eligible  
110.25 physician assistant, advanced practice registered nurse, pharmacy, dental therapy, and mental  
110.26 health professional programs to plan and implement expanded clinical training. A planning  
110.27 grant shall not exceed \$75,000, and a three-year training grant shall not exceed ~~\$150,000~~  
110.28 ~~for the first year, \$100,000 for the second year, and \$50,000 for the third year~~ \$300,000 per  
110.29 ~~program~~ project. The commissioner may provide a one-year, no-cost extension for grants.

110.30 (b) For health professional rural and underserved clinical rotations grants, the  
110.31 commissioner of health shall award health professional training site grants to eligible  
110.32 physician, physician assistant, advanced practice registered nurse, pharmacy, dentistry,  
110.33 dental therapy, and mental health professional programs to augment existing clinical training

111.1 programs to add rural and underserved rotations or clinical training experiences, such as  
111.2 credential or certificate rural tracks or other specialized training. For physician and dentist  
111.3 training, the expanded training must include rotations in primary care settings such as  
111.4 community clinics, hospitals, health maintenance organizations, or practices in rural  
111.5 communities.

111.6 (c) Funds may be used for:

111.7 (1) establishing or expanding rotations and clinical training;

111.8 (2) recruitment, training, and retention of students and faculty;

111.9 (3) connecting students with appropriate clinical training sites, internships, practicums,  
111.10 or externship activities;

111.11 (4) travel and lodging for students;

111.12 (5) faculty, student, and preceptor salaries, incentives, or other financial support;

111.13 (6) development and implementation of cultural competency training;

111.14 (7) evaluations;

111.15 (8) training site improvements, fees, equipment, and supplies required to establish,  
111.16 maintain, or expand a training program; and

111.17 (9) supporting clinical education in which trainees are part of a primary care team model.

111.18 Sec. 8. Minnesota Statutes 2022, section 144.555, subdivision 1a, is amended to read:

111.19 Subd. 1a. **Notice of closing, curtailing operations, relocating services, or ceasing to**  
111.20 **offer certain services; hospitals.** (a) The controlling persons of a hospital licensed under  
111.21 sections 144.50 to 144.56 or a hospital campus must notify the commissioner of health ~~and~~<sub>2</sub>  
111.22 the public, and others at least ~~120~~ 182 days before the hospital or hospital campus voluntarily  
111.23 plans to implement one of the following scheduled actions:

111.24 (1) cease operations;

111.25 (2) curtail operations to the extent that patients must be relocated;

111.26 (3) relocate the provision of health services to another hospital or another hospital  
111.27 campus; or

111.28 (4) cease offering maternity care and newborn care services, intensive care unit services,  
111.29 inpatient mental health services, or inpatient substance use disorder treatment services.

112.1 (b) A notice required under this subdivision must comply with the requirements in  
112.2 subdivision 1d.

112.3 ~~(b)~~ (c) The commissioner shall cooperate with the controlling persons and advise them  
112.4 about relocating the patients.

112.5 Sec. 9. Minnesota Statutes 2022, section 144.555, subdivision 1b, is amended to read:

112.6 Subd. 1b. **Public hearing.** Within ~~45~~ 30 days after receiving notice under subdivision  
112.7 1a, the commissioner shall conduct a public hearing on the scheduled cessation of operations,  
112.8 curtailment of operations, relocation of health services, or cessation in offering health  
112.9 services. The commissioner must provide adequate public notice of the hearing in a time  
112.10 and manner determined by the commissioner. The controlling persons of the hospital or  
112.11 hospital campus must participate in the public hearing. The public hearing must be held at  
112.12 a location that is within 30 miles of the hospital or hospital campus and that is provided or  
112.13 arranged by the hospital or hospital campus. A hospital or hospital campus is encouraged  
112.14 to hold the public hearing at a location that is within ten miles of the hospital or hospital  
112.15 campus. Video conferencing technology must be used to allow members of the public to  
112.16 view and participate in the hearing. The public hearing must include:

112.17 (1) an explanation by the controlling persons of the reasons for ceasing or curtailing  
112.18 operations, relocating health services, or ceasing to offer any of the listed health services;

112.19 (2) a description of the actions that controlling persons will take to ensure that residents  
112.20 in the hospital's or campus's service area have continued access to the health services being  
112.21 eliminated, curtailed, or relocated;

112.22 (3) an opportunity for public testimony on the scheduled cessation or curtailment of  
112.23 operations, relocation of health services, or cessation in offering any of the listed health  
112.24 services, and on the hospital's or campus's plan to ensure continued access to those health  
112.25 services being eliminated, curtailed, or relocated; and

112.26 (4) an opportunity for the controlling persons to respond to questions from interested  
112.27 persons.

112.28 Sec. 10. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision  
112.29 to read:

112.30 Subd. 1d. **Methods of providing notice; content of notice.** (a) A notice required under  
112.31 subdivision 1a must be provided to patients, hospital personnel, the public, local units of  
112.32 government, and the commissioner of health using at least the following methods:

113.1 (1) posting a notice of the proposed cessation of operations, curtailment, relocation of  
113.2 health services, or cessation in offering health services at the main public entrance of the  
113.3 hospital or hospital campus;

113.4 (2) providing written notice to the commissioner of health, to the city council in the city  
113.5 where the hospital or hospital campus is located, and to the county board in the county  
113.6 where the hospital or hospital campus is located;

113.7 (3) providing written notice to the local health department as defined in section 145A.02,  
113.8 subdivision 8b, for the community where the hospital or hospital campus is located;

113.9 (4) providing notice to the public through a written public announcement which must  
113.10 be distributed to local media outlets;

113.11 (5) providing written notice to existing patients of the hospital or hospital campus; and

113.12 (6) notifying all personnel currently employed in the unit, hospital, or hospital campus  
113.13 impacted by the proposed cessation, curtailment, or relocation.

113.14 (b) A notice required under subdivision 1a must include:

113.15 (1) a description of the proposed cessation of operations, curtailment, relocation of health  
113.16 services, or cessation in offering health services. The description must include:

113.17 (i) the number of beds, if any, that will be eliminated, repurposed, reassigned, or otherwise  
113.18 reconfigured to serve populations or patients other than those currently served;

113.19 (ii) the current number of beds in the impacted unit, hospital, or hospital campus, and  
113.20 the number of beds in the impacted unit, hospital, or hospital campus after the proposed  
113.21 cessation, curtailment, or relocation takes place;

113.22 (iii) the number of existing patients who will be impacted by the proposed cessation,  
113.23 curtailment, or relocation;

113.24 (iv) any decrease in personnel, or relocation of personnel to a different unit, hospital, or  
113.25 hospital campus, caused by the proposed cessation, curtailment, or relocation;

113.26 (v) a description of the health services provided by the unit, hospital, or hospital campus  
113.27 impacted by the proposed cessation, curtailment, or relocation; and

113.28 (vi) identification of the three nearest available health care facilities where patients may  
113.29 obtain the health services provided by the unit, hospital, or hospital campus impacted by  
113.30 the proposed cessation, curtailment, or relocation, and any potential barriers to seamlessly  
113.31 transition patients to receive services at one of these facilities. If the unit, hospital, or hospital  
113.32 campus impacted by the proposed cessation, curtailment, or relocation serves medical

114.1 assistance or Medicare enrollees, the information required under this item must specify  
114.2 whether any of the three nearest available facilities serves medical assistance or Medicare  
114.3 enrollees; and

114.4 (2) a telephone number, email address, and address for each of the following, to which  
114.5 interested parties may offer comments on the proposed cessation, curtailment, or relocation:

114.6 (i) the hospital or hospital campus; and

114.7 (ii) the parent entity, if any, or the entity under contract, if any, that acts as the corporate  
114.8 administrator of the hospital or hospital campus.

114.9 Sec. 11. Minnesota Statutes 2022, section 144.555, subdivision 2, is amended to read:

114.10 Subd. 2. **Penalty; facilities other than hospitals.** Failure to notify the commissioner  
114.11 under subdivision 1, ~~1a, or 1c or failure to participate in a public hearing under subdivision~~  
114.12 ~~1b~~ may result in issuance of a correction order under section 144.653, subdivision 5.

114.13 Sec. 12. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision  
114.14 to read:

114.15 Subd. 3. **Penalties; hospitals.** (a) Failure to participate in a public hearing under  
114.16 subdivision 1b or failure to notify the commissioner under subdivision 1c may result in  
114.17 issuance of a correction order under section 144.653, subdivision 5.

114.18 (b) Notwithstanding any law to the contrary, the commissioner must impose on the  
114.19 controlling persons of a hospital or hospital campus a fine of \$20,000 for each failure to  
114.20 provide notice to an individual or entity or at a location required under subdivision 1d,  
114.21 paragraph (a), with the total fine amount imposed not to exceed \$60,000 for failures to  
114.22 comply with the notice requirements for a single scheduled action. The commissioner is  
114.23 not required to issue a correction order before imposing a fine under this paragraph. Section  
114.24 144.653, subdivision 8, applies to fines imposed under this paragraph.

114.25 Sec. 13. **[144.556] RIGHT OF FIRST REFUSAL; SALE OF HOSPITAL OR**  
114.26 **HOSPITAL CAMPUS.**

114.27 (a) The controlling persons of a hospital licensed under sections 144.50 to 144.56 or a  
114.28 hospital campus must not sell or convey the hospital or hospital campus, offer to sell or  
114.29 convey the hospital or hospital campus to a person other than a local unit of government  
114.30 listed in this paragraph, or voluntarily cease operations of the hospital or hospital campus  
114.31 unless the controlling persons have first made a good faith offer to sell or convey the hospital

115.1 or hospital campus to the home rule charter or statutory city, county, town, or hospital  
115.2 district in which the hospital or hospital campus is located.

115.3 (b) The offer to sell or convey the hospital or hospital campus to a local unit of  
115.4 government under paragraph (a) must be at a price that does not exceed the current fair  
115.5 market value of the hospital or hospital campus. A party to whom an offer is made under  
115.6 paragraph (a) must accept or decline the offer within 60 days of receipt. If the party to whom  
115.7 the offer is made fails to respond within 60 days of receipt, the offer is deemed declined.

115.8 Sec. 14. Minnesota Statutes 2022, section 144A.70, subdivision 3, is amended to read:

115.9 Subd. 3. **Controlling person.** "Controlling person" means a business entity or entities,  
115.10 officer, program administrator, or director, whose responsibilities include ~~the direction of~~  
115.11 ~~the management or policies of a supplemental nursing services agency~~ the management and  
115.12 decision-making authority to establish or control business policy and all other policies of a  
115.13 supplemental nursing services agency. Controlling person also means an individual who,  
115.14 directly or indirectly, beneficially owns an interest in a corporation, partnership, or other  
115.15 business association that is a controlling person.

115.16 Sec. 15. Minnesota Statutes 2022, section 144A.70, subdivision 5, is amended to read:

115.17 Subd. 5. **Person.** "Person" includes an individual, ~~firm,~~ corporation, partnership, limited  
115.18 liability company, or association.

115.19 Sec. 16. Minnesota Statutes 2022, section 144A.70, subdivision 6, is amended to read:

115.20 Subd. 6. **Supplemental nursing services agency.** "Supplemental nursing services  
115.21 agency" means a person, firm, corporation, partnership, limited liability company, or  
115.22 association engaged for hire in the business of providing or procuring temporary employment  
115.23 in health care facilities for nurses, nursing assistants, nurse aides, and orderlies. Supplemental  
115.24 nursing services agency does not include an individual who only engages in providing the  
115.25 individual's services on a temporary basis to health care facilities. Supplemental nursing  
115.26 services agency does not include a professional home care agency licensed under section  
115.27 144A.471 that only provides staff to other home care providers.

115.28 Sec. 17. Minnesota Statutes 2022, section 144A.70, subdivision 7, is amended to read:

115.29 Subd. 7. **Oversight.** The commissioner is responsible for the oversight of supplemental  
115.30 nursing services agencies through ~~annual~~ semiannual unannounced surveys and follow-up

116.1 surveys, complaint investigations under sections 144A.51 to 144A.53, and other actions  
116.2 necessary to ensure compliance with sections 144A.70 to 144A.74.

116.3 Sec. 18. Minnesota Statutes 2022, section 144A.71, subdivision 2, is amended to read:

116.4 Subd. 2. **Application information and fee.** The commissioner shall establish forms and  
116.5 procedures for processing each supplemental nursing services agency registration application.  
116.6 An application for a supplemental nursing services agency registration must include at least  
116.7 the following:

116.8 (1) the names and addresses of ~~the owner or owners~~ all owners and controlling persons  
116.9 of the supplemental nursing services agency;

116.10 (2) if the owner is a corporation, copies of its articles of incorporation and current bylaws,  
116.11 together with the names and addresses of its officers and directors;

116.12 (3) ~~satisfactory proof of compliance with section 144A.72, subdivision 1, clauses (5) to~~  
116.13 ~~(7) if the owner is a limited liability company, copies of its articles of organization and~~  
116.14 ~~operating agreement, together with the names and addresses of its officers and directors;~~

116.15 (4) documentation that the supplemental nursing services agency has medical malpractice  
116.16 insurance to insure against the loss, damage, or expense of a claim arising out of the death  
116.17 or injury of any person as the result of negligence or malpractice in the provision of health  
116.18 care services by the supplemental nursing services agency or by any employee of the agency;

116.19 (5) documentation that the supplemental nursing services agency has an employee  
116.20 dishonesty bond in the amount of \$10,000;

116.21 (6) documentation that the supplemental nursing services agency has insurance coverage  
116.22 for workers' compensation for all nurses, nursing assistants, nurse aides, and orderlies  
116.23 provided or procured by the agency;

116.24 (7) documentation that the supplemental nursing services agency filed with the  
116.25 commissioner of revenue: (i) the name and address of the bank, savings bank, or savings  
116.26 association in which the supplemental nursing services agency deposits all employee income  
116.27 tax withholdings; and (ii) the name and address of any nurse, nursing assistant, nurse aide,  
116.28 or orderly whose income is derived from placement by the agency, if the agency purports  
116.29 the income is not subject to withholding;

116.30 ~~(4)~~ (8) any other relevant information that the commissioner determines is necessary to  
116.31 properly evaluate an application for registration;

117.1 ~~(5)~~ (9) a policy and procedure that describes how the supplemental nursing services  
117.2 agency's records will be immediately available at all times to the commissioner and facility;  
117.3 and

117.4 ~~(6)~~ (10) a nonrefundable registration fee of \$2,035.

117.5 If a supplemental nursing services agency fails to provide the items in this subdivision  
117.6 to the department, the commissioner shall immediately suspend or refuse to issue the  
117.7 supplemental nursing services agency registration. The supplemental nursing services agency  
117.8 may appeal the commissioner's findings according to section 144A.475, subdivisions 3a  
117.9 and 7, except that the hearing must be conducted by an administrative law judge within 60  
117.10 calendar days of the request for hearing assignment.

117.11 Sec. 19. Minnesota Statutes 2022, section 144A.71, is amended by adding a subdivision  
117.12 to read:

117.13 Subd. 2a. **Renewal applications.** An applicant for registration renewal must complete  
117.14 the registration application form supplied by the department. An application must be  
117.15 submitted at least 60 days before the expiration of the current registration.

117.16 Sec. 20. [144A.715] PENALTIES.

117.17 Subdivision 1. **Authority.** The fines imposed under this section are in accordance with  
117.18 section 144.653, subdivision 6.

117.19 Subd. 2. **Fines.** Each violation of sections 144A.70 to 144A.74, not corrected at the time  
117.20 of a follow-up survey, is subject to a fine. A fine must be assessed according to the schedules  
117.21 established in the sections violated.

117.22 Subd. 3. **Failure to correct.** If, upon a subsequent follow-up survey after a fine has been  
117.23 imposed under subdivision 2, a violation is still not corrected, another fine shall be assessed.  
117.24 The fine shall be double the amount of the previous fine.

117.25 Subd. 4. **Payment of fines.** Payment of fines is due 15 business days from the registrant's  
117.26 receipt of notice of the fine from the department.

117.27 Sec. 21. Minnesota Statutes 2022, section 144A.72, subdivision 1, is amended to read:

117.28 Subdivision 1. **Minimum criteria.** (a) The commissioner shall require that, as a condition  
117.29 of registration:

117.30 (1) all owners and controlling persons must complete a background study under section  
117.31 144.057 and receive a clearance or set aside of any disqualification;

118.1 ~~(1)~~ (2) the supplemental nursing services agency shall document that each temporary  
118.2 employee provided to health care facilities currently meets the minimum licensing, training,  
118.3 and continuing education standards for the position in which the employee will be working  
118.4 and verifies competency for the position. A supplemental nursing services agency that  
118.5 violates this clause may be subject to a fine of \$3,000;

118.6 ~~(2)~~ (3) the supplemental nursing services agency shall comply with all pertinent  
118.7 requirements relating to the health and other qualifications of personnel employed in health  
118.8 care facilities;

118.9 ~~(3)~~ (4) the supplemental nursing services agency must not restrict in any manner the  
118.10 employment opportunities of its employees; A supplemental nursing services agency that  
118.11 violates this clause may be subject to a fine of \$3,000;

118.12 ~~(4)~~ the supplemental nursing services agency shall carry medical malpractice insurance  
118.13 to insure against the loss, damage, or expense incident to a claim arising out of the death  
118.14 or injury of any person as the result of negligence or malpractice in the provision of health  
118.15 care services by the supplemental nursing services agency or by any employee of the agency;

118.16 ~~(5)~~ the supplemental nursing services agency shall carry an employee dishonesty bond  
118.17 in the amount of \$10,000;

118.18 ~~(6)~~ the supplemental nursing services agency shall maintain insurance coverage for  
118.19 workers' compensation for all nurses, nursing assistants, nurse aides, and orderlies provided  
118.20 or procured by the agency;

118.21 ~~(7)~~ the supplemental nursing services agency shall file with the commissioner of revenue:  
118.22 (i) the name and address of the bank, savings bank, or savings association in which the  
118.23 supplemental nursing services agency deposits all employee income tax withholdings; and  
118.24 (ii) the name and address of any nurse, nursing assistant, nurse aide, or orderly whose income  
118.25 is derived from placement by the agency, if the agency purports the income is not subject  
118.26 to withholding;

118.27 ~~(8)~~ (5) the supplemental nursing services agency must not, in any contract with any  
118.28 employee or health care facility, require the payment of liquidated damages, employment  
118.29 fees, or other compensation should the employee be hired as a permanent employee of a  
118.30 health care facility; A supplemental nursing services agency that violates this clause may  
118.31 be subject to a fine of \$3,000;

119.1 ~~(9)~~ (6) the supplemental nursing services agency shall document that each temporary  
119.2 employee provided to health care facilities is an employee of the agency and is not an  
119.3 independent contractor; and

119.4 ~~(10)~~ (7) the supplemental nursing services agency shall retain all records for five calendar  
119.5 years. All records of the supplemental nursing services agency must be immediately available  
119.6 to the department.

119.7 (b) In order to retain registration, the supplemental nursing services agency must provide  
119.8 services to a health care facility ~~during the year~~ in Minnesota within the past 12 months  
119.9 preceding the supplemental nursing services agency's registration renewal date.

119.10 Sec. 22. Minnesota Statutes 2022, section 144A.73, is amended to read:

119.11 **144A.73 COMPLAINT SYSTEM.**

119.12 The commissioner shall establish a system for reporting complaints against a supplemental  
119.13 nursing services agency or its employees. Complaints may be made by any member of the  
119.14 public. Complaints against a supplemental nursing services agency shall be investigated by  
119.15 the ~~Office of Health Facility Complaints~~ commissioner of health under sections 144A.51  
119.16 to 144A.53.

119.17 Sec. 23. Minnesota Statutes 2023 Supplement, section 145.561, subdivision 4, is amended  
119.18 to read:

119.19 Subd. 4. **988 telecommunications fee.** (a) In compliance with the National Suicide  
119.20 Hotline Designation Act of 2020, ~~the commissioner shall impose a monthly statewide fee~~  
119.21 ~~on~~ each subscriber of a wireline, wireless, or IP-enabled voice service ~~at a rate that provides~~  
119.22 must pay a monthly fee to provide for the robust creation, operation, and maintenance of a  
119.23 statewide 988 suicide prevention and crisis system.

119.24 ~~(b) The commissioner shall annually recommend to the Public Utilities Commission an~~  
119.25 ~~adequate and appropriate fee to implement this section. The amount of the fee must comply~~  
119.26 ~~with the limits in paragraph (c). The commissioner shall provide telecommunication service~~  
119.27 ~~providers and carriers a minimum of 45 days' notice of each fee change.~~

119.28 ~~(e)~~ (b) The amount of the 988 telecommunications fee ~~must not be more than 25~~ is 12  
119.29 ~~cents per month on or after January 1, 2024,~~ for each consumer access line, including trunk  
119.30 equivalents as designated by the ~~commission~~ Public Utilities Commission pursuant to section  
119.31 403.11, subdivision 1. The 988 telecommunications fee must be the same for all subscribers.

120.1 ~~(d)~~ (c) Each wireline, wireless, and IP-enabled voice telecommunication service provider  
120.2 shall collect the 988 telecommunications fee and transfer the amounts collected to the  
120.3 commissioner of public safety in the same manner as provided in section 403.11, subdivision  
120.4 1, paragraph (d).

120.5 ~~(e)~~ (d) The commissioner of public safety shall deposit the money collected from the  
120.6 988 telecommunications fee to the 988 special revenue account established in subdivision  
120.7 3.

120.8 ~~(f)~~ (e) All 988 telecommunications fee revenue must be used to supplement, and not  
120.9 supplant, federal, state, and local funding for suicide prevention.

120.10 ~~(g)~~ (f) The 988 telecommunications fee amount shall be adjusted as needed to provide  
120.11 for continuous operation of the lifeline centers and 988 hotline, volume increases, and  
120.12 maintenance.

120.13 ~~(h)~~ (g) The commissioner shall annually report to the Federal Communications  
120.14 Commission on revenue generated by the 988 telecommunications fee.

120.15 **EFFECTIVE DATE.** This section is effective September 1, 2024.

120.16 Sec. 24. Minnesota Statutes 2022, section 149A.02, subdivision 3, is amended to read:

120.17 Subd. 3. **Arrangements for disposition.** "Arrangements for disposition" means any  
120.18 action normally taken by a funeral provider in anticipation of or preparation for the  
120.19 entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1,  
120.20 2025, natural organic reduction of a dead human body.

120.21 Sec. 25. Minnesota Statutes 2022, section 149A.02, subdivision 16, is amended to read:

120.22 Subd. 16. **Final disposition.** "Final disposition" means the acts leading to and the  
120.23 entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1,  
120.24 2025, natural organic reduction of a dead human body.

120.25 Sec. 26. Minnesota Statutes 2022, section 149A.02, subdivision 26a, is amended to read:

120.26 Subd. 26a. **Inurnment.** "Inurnment" means placing hydrolyzed or cremated remains in  
120.27 a hydrolyzed or cremated remains container suitable for placement, burial, or shipment.  
120.28 Effective July 1, 2025, inurnment also includes placing naturally reduced remains in a  
120.29 naturally reduced remains container suitable for placement, burial, or shipment.

121.1 Sec. 27. Minnesota Statutes 2022, section 149A.02, subdivision 27, is amended to read:

121.2 Subd. 27. **Licensee.** "Licensee" means any person or entity that has been issued a license  
121.3 to practice mortuary science, to operate a funeral establishment, to operate an alkaline  
121.4 hydrolysis facility, ~~or to operate a crematory,~~ or, effective July 1, 2025, to operate a natural  
121.5 organic reduction facility by the Minnesota commissioner of health.

121.6 Sec. 28. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
121.7 to read:

121.8 Subd. 30b. **Natural organic reduction or naturally reduce.** "Natural organic reduction"  
121.9 or "naturally reduce" means the contained, accelerated conversion of a dead human body  
121.10 to soil. This subdivision is effective July 1, 2025.

121.11 Sec. 29. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
121.12 to read:

121.13 Subd. 30c. **Natural organic reduction facility.** "Natural organic reduction facility"  
121.14 means a structure, room, or other space in a building or real property where natural organic  
121.15 reduction of a dead human body occurs. This subdivision is effective July 1, 2025.

121.16 Sec. 30. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
121.17 to read:

121.18 Subd. 30d. **Natural organic reduction vessel.** "Natural organic reduction vessel" means  
121.19 the enclosed container in which natural organic reduction takes place. This subdivision is  
121.20 effective July 1, 2025.

121.21 Sec. 31. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
121.22 to read:

121.23 Subd. 30e. **Naturally reduced remains.** "Naturally reduced remains" means the soil  
121.24 remains following the natural organic reduction of a dead human body and the accompanying  
121.25 plant material. This subdivision is effective July 1, 2025.

121.26 Sec. 32. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
121.27 to read:

121.28 Subd. 30f. **Naturally reduced remains container.** "Naturally reduced remains container"  
121.29 means a receptacle in which naturally reduced remains are placed. This subdivision is  
121.30 effective July 1, 2025.

122.1 Sec. 33. Minnesota Statutes 2022, section 149A.02, subdivision 35, is amended to read:

122.2 Subd. 35. **Processing.** "Processing" means the removal of foreign objects, drying or  
122.3 cooling, and the reduction of the hydrolyzed ~~or~~ remains, cremated remains, or, effective  
122.4 July 1, 2025, naturally reduced remains by mechanical means including, but not limited to,  
122.5 grinding, crushing, or pulverizing, to a granulated appearance appropriate for final  
122.6 disposition.

122.7 Sec. 34. Minnesota Statutes 2022, section 149A.02, subdivision 37c, is amended to read:

122.8 Subd. 37c. **Scattering.** "Scattering" means the authorized dispersal of hydrolyzed ~~or~~  
122.9 remains, cremated remains, or, effective July 1, 2025, naturally reduced remains in a defined  
122.10 area of a dedicated cemetery or in areas where no local prohibition exists provided that the  
122.11 hydrolyzed ~~or~~, cremated, or naturally reduced remains are not distinguishable to the public,  
122.12 are not in a container, and that the person who has control over disposition of the hydrolyzed  
122.13 ~~or~~, cremated, or naturally reduced remains has obtained written permission of the property  
122.14 owner or governing agency to scatter on the property.

122.15 Sec. 35. Minnesota Statutes 2022, section 149A.03, is amended to read:

122.16 **149A.03 DUTIES OF COMMISSIONER.**

122.17 The commissioner shall:

122.18 (1) enforce all laws and adopt and enforce rules relating to the:

122.19 (i) removal, preparation, transportation, arrangements for disposition, and final disposition  
122.20 of dead human bodies;

122.21 (ii) licensure and professional conduct of funeral directors, morticians, interns, practicum  
122.22 students, and clinical students;

122.23 (iii) licensing and operation of a funeral establishment;

122.24 (iv) licensing and operation of an alkaline hydrolysis facility; ~~and~~

122.25 (v) licensing and operation of a crematory; and

122.26 (vi) effective July 1, 2025, licensing and operation of a natural organic reduction facility;

122.27 (2) provide copies of the requirements for licensure and permits to all applicants;

122.28 (3) administer examinations and issue licenses and permits to qualified persons and other  
122.29 legal entities;

122.30 (4) maintain a record of the name and location of all current licensees and interns;

- 123.1 (5) perform periodic compliance reviews and premise inspections of licensees;
- 123.2 (6) accept and investigate complaints relating to conduct governed by this chapter;
- 123.3 (7) maintain a record of all current preneed arrangement trust accounts;
- 123.4 (8) maintain a schedule of application, examination, permit, and licensure fees, initial  
123.5 and renewal, sufficient to cover all necessary operating expenses;
- 123.6 (9) educate the public about the existence and content of the laws and rules for mortuary  
123.7 science licensing and the removal, preparation, transportation, arrangements for disposition,  
123.8 and final disposition of dead human bodies to enable consumers to file complaints against  
123.9 licensees and others who may have violated those laws or rules;
- 123.10 (10) evaluate the laws, rules, and procedures regulating the practice of mortuary science  
123.11 in order to refine the standards for licensing and to improve the regulatory and enforcement  
123.12 methods used; and
- 123.13 (11) initiate proceedings to address and remedy deficiencies and inconsistencies in the  
123.14 laws, rules, or procedures governing the practice of mortuary science and the removal,  
123.15 preparation, transportation, arrangements for disposition, and final disposition of dead  
123.16 human bodies.

123.17 Sec. 36. **[149A.56] LICENSE TO OPERATE A NATURAL ORGANIC REDUCTION**  
123.18 **FACILITY.**

123.19 Subdivision 1. License requirement. This section is effective July 1, 2025. Except as  
123.20 provided in section 149A.01, subdivision 3, no person shall maintain, manage, or operate  
123.21 a place or premises devoted to or used in the holding and natural organic reduction of a  
123.22 dead human body without possessing a valid license to operate a natural organic reduction  
123.23 facility issued by the commissioner of health.

123.24 Subd. 2. Requirements for natural organic reduction facility. (a) A natural organic  
123.25 reduction facility licensed under this section must consist of:

123.26 (1) a building or structure that complies with applicable local and state building codes,  
123.27 zoning laws and ordinances, and environmental standards, and that contains one or more  
123.28 natural organic reduction vessels for the natural organic reduction of dead human bodies;

123.29 (2) a motorized mechanical device for processing naturally reduced remains; and

123.30 (3) an appropriate refrigerated holding facility for dead human bodies awaiting natural  
123.31 organic reduction.

124.1 (b) A natural organic reduction facility licensed under this section may also contain a  
124.2 display room for funeral goods.

124.3 Subd. 3. **Application procedure; documentation; initial inspection.** (a) An applicant  
124.4 for a license to operate a natural organic reduction facility shall submit a completed  
124.5 application to the commissioner. A completed application includes:

124.6 (1) a completed application form, as provided by the commissioner;

124.7 (2) proof of business form and ownership; and

124.8 (3) proof of liability insurance coverage or other financial documentation, as determined  
124.9 by the commissioner, that demonstrates the applicant's ability to respond in damages for  
124.10 liability arising from the ownership, maintenance, management, or operation of a natural  
124.11 organic reduction facility.

124.12 (b) Upon receipt of the application and appropriate fee, the commissioner shall review  
124.13 and verify all information. Upon completion of the verification process and resolution of  
124.14 any deficiencies in the application information, the commissioner shall conduct an initial  
124.15 inspection of the premises to be licensed. After the inspection and resolution of any  
124.16 deficiencies found and any reinspections as may be necessary, the commissioner shall make  
124.17 a determination, based on all the information available, to grant or deny licensure. If the  
124.18 commissioner's determination is to grant the license, the applicant shall be notified and the  
124.19 license shall issue and remain valid for a period prescribed on the license, but not to exceed  
124.20 one calendar year from the date of issuance of the license. If the commissioner's determination  
124.21 is to deny the license, the commissioner must notify the applicant, in writing, of the denial  
124.22 and provide the specific reason for denial.

124.23 Subd. 4. **Nontransferability of license.** A license to operate a natural organic reduction  
124.24 facility is not assignable or transferable and shall not be valid for any entity other than the  
124.25 one named. Each license issued to operate a natural organic reduction facility is valid only  
124.26 for the location identified on the license. A 50 percent or more change in ownership or  
124.27 location of the natural organic reduction facility automatically terminates the license. Separate  
124.28 licenses shall be required of two or more persons or other legal entities operating from the  
124.29 same location.

124.30 Subd. 5. **Display of license.** Each license to operate a natural organic reduction facility  
124.31 must be conspicuously displayed in the natural organic reduction facility at all times.  
124.32 Conspicuous display means in a location where a member of the general public within the  
124.33 natural organic reduction facility is able to observe and read the license.

125.1 Subd. 6. **Period of licensure.** All licenses to operate a natural organic reduction facility  
125.2 issued by the commissioner are valid for a period of one calendar year beginning on July 1  
125.3 and ending on June 30, regardless of the date of issuance.

125.4 Subd. 7. **Reporting changes in license information.** Any change of license information  
125.5 must be reported to the commissioner, on forms provided by the commissioner, no later  
125.6 than 30 calendar days after the change occurs. Failure to report changes is grounds for  
125.7 disciplinary action.

125.8 Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained  
125.9 by the commissioner pursuant to this section.

125.10 Sec. 37. **[149A.57] RENEWAL OF LICENSE TO OPERATE A NATURAL**  
125.11 **ORGANIC REDUCTION FACILITY.**

125.12 Subdivision 1. **Renewal required.** This section is effective July 1, 2025. All licenses  
125.13 to operate a natural organic reduction facility issued by the commissioner expire on June  
125.14 30 following the date of issuance of the license and must be renewed to remain valid.

125.15 Subd. 2. **Renewal procedure and documentation.** (a) Licensees who wish to renew  
125.16 their licenses must submit to the commissioner a completed renewal application no later  
125.17 than June 30 following the date the license was issued. A completed renewal application  
125.18 includes:

125.19 (1) a completed renewal application form, as provided by the commissioner; and

125.20 (2) proof of liability insurance coverage or other financial documentation, as determined  
125.21 by the commissioner, that demonstrates the applicant's ability to respond in damages for  
125.22 liability arising from the ownership, maintenance, management, or operation of a natural  
125.23 organic reduction facility.

125.24 (b) Upon receipt of the completed renewal application, the commissioner shall review  
125.25 and verify the information. Upon completion of the verification process and resolution of  
125.26 any deficiencies in the renewal application information, the commissioner shall make a  
125.27 determination, based on all the information available, to reissue or refuse to reissue the  
125.28 license. If the commissioner's determination is to reissue the license, the applicant shall be  
125.29 notified and the license shall issue and remain valid for a period prescribed on the license,  
125.30 but not to exceed one calendar year from the date of issuance of the license. If the  
125.31 commissioner's determination is to refuse to reissue the license, section 149A.09, subdivision  
125.32 2, applies.

126.1 Subd. 3. **Penalty for late filing.** Renewal applications received after the expiration date  
126.2 of a license will result in the assessment of a late filing penalty. The late filing penalty must  
126.3 be paid before the reissuance of the license and received by the commissioner no later than  
126.4 31 calendar days after the expiration date of the license.

126.5 Subd. 4. **Lapse of license.** A license to operate a natural organic reduction facility shall  
126.6 automatically lapse when a completed renewal application is not received by the  
126.7 commissioner within 31 calendar days after the expiration date of a license, or a late filing  
126.8 penalty assessed under subdivision 3 is not received by the commissioner within 31 calendar  
126.9 days after the expiration of a license.

126.10 Subd. 5. **Effect of lapse of license.** Upon the lapse of a license, the person to whom the  
126.11 license was issued is no longer licensed to operate a natural organic reduction facility in  
126.12 Minnesota. The commissioner shall issue a cease and desist order to prevent the lapsed  
126.13 license holder from operating a natural organic reduction facility in Minnesota and may  
126.14 pursue any additional lawful remedies as justified by the case.

126.15 Subd. 6. **Restoration of lapsed license.** The commissioner may restore a lapsed license  
126.16 upon receipt and review of a completed renewal application, receipt of the late filing penalty,  
126.17 and reinspection of the premises, provided that the receipt is made within one calendar year  
126.18 from the expiration date of the lapsed license and the cease and desist order issued by the  
126.19 commissioner has not been violated. If a lapsed license is not restored within one calendar  
126.20 year from the expiration date of the lapsed license, the holder of the lapsed license cannot  
126.21 be relicensed until the requirements in section 149A.56 are met.

126.22 Subd. 7. **Reporting changes in license information.** Any change of license information  
126.23 must be reported to the commissioner, on forms provided by the commissioner, no later  
126.24 than 30 calendar days after the change occurs. Failure to report changes is grounds for  
126.25 disciplinary action.

126.26 Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained  
126.27 by the commissioner pursuant to this section.

126.28 Sec. 38. Minnesota Statutes 2022, section 149A.65, is amended by adding a subdivision  
126.29 to read:

126.30 Subd. 6a. **Natural organic reduction facilities.** This subdivision is effective July 1,  
126.31 2025. The initial and renewal fee for a natural organic reduction facility is \$425. The late  
126.32 fee charge for a license renewal is \$100.

127.1 Sec. 39. Minnesota Statutes 2022, section 149A.70, subdivision 1, is amended to read:

127.2 Subdivision 1. **Use of titles.** Only a person holding a valid license to practice mortuary  
127.3 science issued by the commissioner may use the title of mortician, funeral director, or any  
127.4 other title implying that the licensee is engaged in the business or practice of mortuary  
127.5 science. Only the holder of a valid license to operate an alkaline hydrolysis facility issued  
127.6 by the commissioner may use the title of alkaline hydrolysis facility, water cremation,  
127.7 water-reduction, biocremation, green-cremation, resomation, dissolution, or any other title,  
127.8 word, or term implying that the licensee operates an alkaline hydrolysis facility. Only the  
127.9 holder of a valid license to operate a funeral establishment issued by the commissioner may  
127.10 use the title of funeral home, funeral chapel, funeral service, or any other title, word, or  
127.11 term implying that the licensee is engaged in the business or practice of mortuary science.  
127.12 Only the holder of a valid license to operate a crematory issued by the commissioner may  
127.13 use the title of crematory, crematorium, green-cremation, or any other title, word, or term  
127.14 implying that the licensee operates a crematory or crematorium. Effective July 1, 2025,  
127.15 only the holder of a valid license to operate a natural organic reduction facility issued by  
127.16 the commissioner may use the title of natural organic reduction facility, human composting,  
127.17 or any other title, word, or term implying that the licensee operates a natural organic reduction  
127.18 facility.

127.19 Sec. 40. Minnesota Statutes 2022, section 149A.70, subdivision 2, is amended to read:

127.20 Subd. 2. **Business location.** A funeral establishment, alkaline hydrolysis facility, ~~or~~  
127.21 crematory, or, effective July 1, 2025, natural organic reduction facility shall not do business  
127.22 in a location that is not licensed as a funeral establishment, alkaline hydrolysis facility, ~~or~~  
127.23 crematory, or natural organic reduction facility and shall not advertise a service that is  
127.24 available from an unlicensed location.

127.25 Sec. 41. Minnesota Statutes 2022, section 149A.70, subdivision 3, is amended to read:

127.26 Subd. 3. **Advertising.** No licensee, clinical student, practicum student, or intern shall  
127.27 publish or disseminate false, misleading, or deceptive advertising. False, misleading, or  
127.28 deceptive advertising includes, but is not limited to:

127.29 (1) identifying, by using the names or pictures of, persons who are not licensed to practice  
127.30 mortuary science in a way that leads the public to believe that those persons will provide  
127.31 mortuary science services;

128.1 (2) using any name other than the names under which the funeral establishment, alkaline  
128.2 hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility  
128.3 is known to or licensed by the commissioner;

128.4 (3) using a surname not directly, actively, or presently associated with a licensed funeral  
128.5 establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural  
128.6 organic reduction facility, unless the surname had been previously and continuously used  
128.7 by the licensed funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or natural  
128.8 organic reduction facility; and

128.9 (4) using a founding or establishing date or total years of service not directly or  
128.10 continuously related to a name under which the funeral establishment, alkaline hydrolysis  
128.11 facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility is currently  
128.12 or was previously licensed.

128.13 Any advertising or other printed material that contains the names or pictures of persons  
128.14 affiliated with a funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective  
128.15 July 1, 2025, natural organic reduction facility shall state the position held by the persons  
128.16 and shall identify each person who is licensed or unlicensed under this chapter.

128.17 Sec. 42. Minnesota Statutes 2022, section 149A.70, subdivision 5, is amended to read:

128.18 Subd. 5. **Reimbursement prohibited.** No licensee, clinical student, practicum student,  
128.19 or intern shall offer, solicit, or accept a commission, fee, bonus, rebate, or other  
128.20 reimbursement in consideration for recommending or causing a dead human body to be  
128.21 disposed of by a specific body donation program, funeral establishment, alkaline hydrolysis  
128.22 facility, crematory, mausoleum, ~~or~~ cemetery, or, effective July 1, 2025, natural organic  
128.23 reduction facility.

128.24 Sec. 43. Minnesota Statutes 2022, section 149A.71, subdivision 2, is amended to read:

128.25 Subd. 2. **Preventive requirements.** (a) To prevent unfair or deceptive acts or practices,  
128.26 the requirements of this subdivision must be met. This subdivision applies to natural organic  
128.27 reduction and naturally reduced remains goods and services effective July 1, 2025.

128.28 (b) Funeral providers must tell persons who ask by telephone about the funeral provider's  
128.29 offerings or prices any accurate information from the price lists described in paragraphs (c)  
128.30 to (e) and any other readily available information that reasonably answers the questions  
128.31 asked.

129.1 (c) Funeral providers must make available for viewing to people who inquire in person  
129.2 about the offerings or prices of funeral goods or burial site goods, separate printed or  
129.3 typewritten price lists using a ten-point font or larger. Each funeral provider must have a  
129.4 separate price list for each of the following types of goods that are sold or offered for sale:

129.5 (1) caskets;

129.6 (2) alternative containers;

129.7 (3) outer burial containers;

129.8 (4) alkaline hydrolysis containers;

129.9 (5) cremation containers;

129.10 (6) hydrolyzed remains containers;

129.11 (7) cremated remains containers;

129.12 (8) markers; ~~and~~

129.13 (9) headstones; and

129.14 (10) naturally reduced remains containers.

129.15 (d) Each separate price list must contain the name of the funeral provider's place of  
129.16 business, address, and telephone number and a caption describing the list as a price list for  
129.17 one of the types of funeral goods or burial site goods described in paragraph (c), clauses  
129.18 (1) to ~~(9)~~ (10). The funeral provider must offer the list upon beginning discussion of, but  
129.19 in any event before showing, the specific funeral goods or burial site goods and must provide  
129.20 a photocopy of the price list, for retention, if so asked by the consumer. The list must contain,  
129.21 at least, the retail prices of all the specific funeral goods and burial site goods offered which  
129.22 do not require special ordering, enough information to identify each, and the effective date  
129.23 for the price list. However, funeral providers are not required to make a specific price list  
129.24 available if the funeral providers place the information required by this paragraph on the  
129.25 general price list described in paragraph (e).

129.26 (e) Funeral providers must give a printed price list, for retention, to persons who inquire  
129.27 in person about the funeral goods, funeral services, burial site goods, or burial site services  
129.28 or prices offered by the funeral provider. The funeral provider must give the list upon  
129.29 beginning discussion of either the prices of or the overall type of funeral service or disposition  
129.30 or specific funeral goods, funeral services, burial site goods, or burial site services offered  
129.31 by the provider. This requirement applies whether the discussion takes place in the funeral  
129.32 establishment or elsewhere. However, when the deceased is removed for transportation to

130.1 the funeral establishment, an in-person request for authorization to embalm does not, by  
130.2 itself, trigger the requirement to offer the general price list. If the provider, in making an  
130.3 in-person request for authorization to embalm, discloses that embalming is not required by  
130.4 law except in certain special cases, the provider is not required to offer the general price  
130.5 list. Any other discussion during that time about prices or the selection of funeral goods,  
130.6 funeral services, burial site goods, or burial site services triggers the requirement to give  
130.7 the consumer a general price list. The general price list must contain the following  
130.8 information:

130.9 (1) the name, address, and telephone number of the funeral provider's place of business;

130.10 (2) a caption describing the list as a "general price list";

130.11 (3) the effective date for the price list;

130.12 (4) the retail prices, in any order, expressed either as a flat fee or as the prices per hour,  
130.13 mile, or other unit of computation, and other information described as follows:

130.14 (i) forwarding of remains to another funeral establishment, together with a list of the  
130.15 services provided for any quoted price;

130.16 (ii) receiving remains from another funeral establishment, together with a list of the  
130.17 services provided for any quoted price;

130.18 (iii) separate prices for each alkaline hydrolysis, natural organic reduction, or cremation  
130.19 offered by the funeral provider, with the price including an alternative container or shroud  
130.20 or alkaline hydrolysis facility or cremation container; any alkaline hydrolysis, natural  
130.21 organic reduction facility, or crematory charges; and a description of the services and  
130.22 container included in the price, where applicable, and the price of alkaline hydrolysis or  
130.23 cremation where the purchaser provides the container;

130.24 (iv) separate prices for each immediate burial offered by the funeral provider, including  
130.25 a casket or alternative container, and a description of the services and container included  
130.26 in that price, and the price of immediate burial where the purchaser provides the casket or  
130.27 alternative container;

130.28 (v) transfer of remains to the funeral establishment or other location;

130.29 (vi) embalming;

130.30 (vii) other preparation of the body;

130.31 (viii) use of facilities, equipment, or staff for viewing;

130.32 (ix) use of facilities, equipment, or staff for funeral ceremony;

- 131.1 (x) use of facilities, equipment, or staff for memorial service;
- 131.2 (xi) use of equipment or staff for graveside service;
- 131.3 (xii) hearse or funeral coach;
- 131.4 (xiii) limousine; and
- 131.5 (xiv) separate prices for all cemetery-specific goods and services, including all goods  
131.6 and services associated with interment and burial site goods and services and excluding  
131.7 markers and headstones;
- 131.8 (5) the price range for the caskets offered by the funeral provider, together with the  
131.9 statement "A complete price list will be provided at the funeral establishment or casket sale  
131.10 location." or the prices of individual caskets, as disclosed in the manner described in  
131.11 paragraphs (c) and (d);
- 131.12 (6) the price range for the alternative containers or shrouds offered by the funeral provider,  
131.13 together with the statement "A complete price list will be provided at the funeral  
131.14 establishment or alternative container sale location." or the prices of individual alternative  
131.15 containers, as disclosed in the manner described in paragraphs (c) and (d);
- 131.16 (7) the price range for the outer burial containers offered by the funeral provider, together  
131.17 with the statement "A complete price list will be provided at the funeral establishment or  
131.18 outer burial container sale location." or the prices of individual outer burial containers, as  
131.19 disclosed in the manner described in paragraphs (c) and (d);
- 131.20 (8) the price range for the alkaline hydrolysis container offered by the funeral provider,  
131.21 together with the statement "A complete price list will be provided at the funeral  
131.22 establishment or alkaline hydrolysis container sale location." or the prices of individual  
131.23 alkaline hydrolysis containers, as disclosed in the manner described in paragraphs (c) and  
131.24 (d);
- 131.25 (9) the price range for the hydrolyzed remains container offered by the funeral provider,  
131.26 together with the statement "A complete price list will be provided at the funeral  
131.27 establishment or hydrolyzed remains container sale location." or the prices of individual  
131.28 hydrolyzed remains container, as disclosed in the manner described in paragraphs (c) and  
131.29 (d);
- 131.30 (10) the price range for the cremation containers offered by the funeral provider, together  
131.31 with the statement "A complete price list will be provided at the funeral establishment or  
131.32 cremation container sale location." or the prices of individual cremation containers, as  
131.33 disclosed in the manner described in paragraphs (c) and (d);

132.1 (11) the price range for the cremated remains containers offered by the funeral provider,  
132.2 together with the statement, "A complete price list will be provided at the funeral  
132.3 establishment or cremated remains container sale location," or the prices of individual  
132.4 cremation containers as disclosed in the manner described in paragraphs (c) and (d);

132.5 (12) the price range for the naturally reduced remains containers offered by the funeral  
132.6 provider, together with the statement, "A complete price list will be provided at the funeral  
132.7 establishment or naturally reduced remains container sale location," or the prices of individual  
132.8 naturally reduced remains containers as disclosed in the manner described in paragraphs  
132.9 (c) and (d);

132.10 ~~(12)~~ (13) the price for the basic services of funeral provider and staff, together with a  
132.11 list of the principal basic services provided for any quoted price and, if the charge cannot  
132.12 be declined by the purchaser, the statement "This fee for our basic services will be added  
132.13 to the total cost of the funeral arrangements you select. (This fee is already included in our  
132.14 charges for alkaline hydrolysis, natural organic reduction, direct cremations, immediate  
132.15 burials, and forwarding or receiving remains.)" If the charge cannot be declined by the  
132.16 purchaser, the quoted price shall include all charges for the recovery of unallocated funeral  
132.17 provider overhead, and funeral providers may include in the required disclosure the phrase  
132.18 "and overhead" after the word "services." This services fee is the only funeral provider fee  
132.19 for services, facilities, or unallocated overhead permitted by this subdivision to be  
132.20 nondeclinable, unless otherwise required by law;

132.21 ~~(13)~~ (14) the price range for the markers and headstones offered by the funeral provider,  
132.22 together with the statement "A complete price list will be provided at the funeral  
132.23 establishment or marker or headstone sale location." or the prices of individual markers and  
132.24 headstones, as disclosed in the manner described in paragraphs (c) and (d); and

132.25 ~~(14)~~ (15) any package priced funerals offered must be listed in addition to and following  
132.26 the information required in paragraph (e) and must clearly state the funeral goods and  
132.27 services being offered, the price being charged for those goods and services, and the  
132.28 discounted savings.

132.29 (f) Funeral providers must give an itemized written statement, for retention, to each  
132.30 consumer who arranges an at-need funeral or other disposition of human remains at the  
132.31 conclusion of the discussion of the arrangements. The itemized written statement must be  
132.32 signed by the consumer selecting the goods and services as required in section 149A.80. If  
132.33 the statement is provided by a funeral establishment, the statement must be signed by the  
132.34 licensed funeral director or mortician planning the arrangements. If the statement is provided

133.1 by any other funeral provider, the statement must be signed by an authorized agent of the  
133.2 funeral provider. The statement must list the funeral goods, funeral services, burial site  
133.3 goods, or burial site services selected by that consumer and the prices to be paid for each  
133.4 item, specifically itemized cash advance items (these prices must be given to the extent then  
133.5 known or reasonably ascertainable if the prices are not known or reasonably ascertainable,  
133.6 a good faith estimate shall be given and a written statement of the actual charges shall be  
133.7 provided before the final bill is paid), and the total cost of goods and services selected. At  
133.8 the conclusion of an at-need arrangement, the funeral provider is required to give the  
133.9 consumer a copy of the signed itemized written contract that must contain the information  
133.10 required in this paragraph.

133.11 (g) Upon receiving actual notice of the death of an individual with whom a funeral  
133.12 provider has entered a preneed funeral agreement, the funeral provider must provide a copy  
133.13 of all preneed funeral agreement documents to the person who controls final disposition of  
133.14 the human remains or to the designee of the person controlling disposition. The person  
133.15 controlling final disposition shall be provided with these documents at the time of the  
133.16 person's first in-person contact with the funeral provider, if the first contact occurs in person  
133.17 at a funeral establishment, alkaline hydrolysis facility, crematory, natural organic reduction  
133.18 facility, or other place of business of the funeral provider. If the contact occurs by other  
133.19 means or at another location, the documents must be provided within 24 hours of the first  
133.20 contact.

133.21 Sec. 44. Minnesota Statutes 2022, section 149A.71, subdivision 4, is amended to read:

133.22 Subd. 4. **Casket, alternate container, alkaline hydrolysis container, naturally reduced**  
133.23 **remains container, and cremation container sales; records; required disclosures.** Any  
133.24 funeral provider who sells or offers to sell a casket, alternate container, alkaline hydrolysis  
133.25 container, hydrolyzed remains container, cremation container, ~~or~~ cremated remains container,  
133.26 or, effective July 1, 2025, naturally reduced remains container to the public must maintain  
133.27 a record of each sale that includes the name of the purchaser, the purchaser's mailing address,  
133.28 the name of the decedent, the date of the decedent's death, and the place of death. These  
133.29 records shall be open to inspection by the regulatory agency. Any funeral provider selling  
133.30 a casket, alternate container, or cremation container to the public, and not having charge of  
133.31 the final disposition of the dead human body, shall provide a copy of the statutes and rules  
133.32 controlling the removal, preparation, transportation, arrangements for disposition, and final  
133.33 disposition of a dead human body. This subdivision does not apply to morticians, funeral  
133.34 directors, funeral establishments, crematories, or wholesale distributors of caskets, alternate  
133.35 containers, alkaline hydrolysis containers, or cremation containers.

134.1 Sec. 45. Minnesota Statutes 2022, section 149A.72, subdivision 3, is amended to read:

134.2 Subd. 3. **Casket for alkaline hydrolysis, natural organic reduction, or cremation**  
134.3 **provisions; deceptive acts or practices.** In selling or offering to sell funeral goods or  
134.4 funeral services to the public, it is a deceptive act or practice for a funeral provider to  
134.5 represent that a casket is required for alkaline hydrolysis ~~or~~, cremations, or, effective July  
134.6 1, 2025, natural organic reduction by state or local law or otherwise.

134.7 Sec. 46. Minnesota Statutes 2022, section 149A.72, subdivision 9, is amended to read:

134.8 Subd. 9. **Deceptive acts or practices.** In selling or offering to sell funeral goods, funeral  
134.9 services, burial site goods, or burial site services to the public, it is a deceptive act or practice  
134.10 for a funeral provider to represent that federal, state, or local laws, or particular cemeteries,  
134.11 alkaline hydrolysis facilities, ~~or~~ crematories, or, effective July 1, 2025, natural organic  
134.12 reduction facilities require the purchase of any funeral goods, funeral services, burial site  
134.13 goods, or burial site services when that is not the case.

134.14 Sec. 47. Minnesota Statutes 2022, section 149A.73, subdivision 1, is amended to read:

134.15 Subdivision 1. **Casket for alkaline hydrolysis, natural organic reduction, or cremation**  
134.16 **provisions; deceptive acts or practices.** In selling or offering to sell funeral goods, funeral  
134.17 services, burial site goods, or burial site services to the public, it is a deceptive act or practice  
134.18 for a funeral provider to require that a casket be purchased for alkaline hydrolysis ~~or~~,  
134.19 cremation, or, effective July 1, 2025, natural organic reduction.

134.20 Sec. 48. Minnesota Statutes 2022, section 149A.74, subdivision 1, is amended to read:

134.21 Subdivision 1. **Services provided without prior approval; deceptive acts or**  
134.22 **practices.** In selling or offering to sell funeral goods or funeral services to the public, it is  
134.23 a deceptive act or practice for any funeral provider to embalm a dead human body unless  
134.24 state or local law or regulation requires embalming in the particular circumstances regardless  
134.25 of any funeral choice which might be made, or prior approval for embalming has been  
134.26 obtained from an individual legally authorized to make such a decision. In seeking approval  
134.27 to embalm, the funeral provider must disclose that embalming is not required by law except  
134.28 in certain circumstances; that a fee will be charged if a funeral is selected which requires  
134.29 embalming, such as a funeral with viewing; and that no embalming fee will be charged if  
134.30 the family selects a service which does not require embalming, such as direct alkaline  
134.31 hydrolysis, direct cremation, ~~or~~ immediate burial, or, effective July 1, 2025, natural organic  
134.32 reduction.

135.1 Sec. 49. Minnesota Statutes 2022, section 149A.93, subdivision 3, is amended to read:

135.2 Subd. 3. **Disposition permit.** A disposition permit is required before a body can be  
135.3 buried, entombed, alkaline hydrolyzed, ~~or cremated~~, or, effective July 1, 2025, naturally  
135.4 reduced. No disposition permit shall be issued until a fact of death record has been completed  
135.5 and filed with the state registrar of vital records.

135.6 Sec. 50. Minnesota Statutes 2022, section 149A.94, subdivision 1, is amended to read:

135.7 Subdivision 1. **Generally.** Every dead human body lying within the state, except  
135.8 unclaimed bodies delivered for dissection by the medical examiner, those delivered for  
135.9 anatomical study pursuant to section 149A.81, subdivision 2, or lawfully carried through  
135.10 the state for the purpose of disposition elsewhere; and the remains of any dead human body  
135.11 after dissection or anatomical study, shall be decently buried or entombed in a public or  
135.12 private cemetery, alkaline hydrolyzed, ~~or cremated~~, or, effective July 1, 2025, naturally  
135.13 reduced within a reasonable time after death. Where final disposition of a body will not be  
135.14 accomplished, or, effective July 1, 2025, when natural organic reduction will not be initiated,  
135.15 within 72 hours following death or release of the body by a competent authority with  
135.16 jurisdiction over the body, the body must be properly embalmed, refrigerated, or packed  
135.17 with dry ice. A body may not be kept in refrigeration for a period exceeding six calendar  
135.18 days, or packed in dry ice for a period that exceeds four calendar days, from the time of  
135.19 death or release of the body from the coroner or medical examiner.

135.20 Sec. 51. Minnesota Statutes 2022, section 149A.94, subdivision 3, is amended to read:

135.21 Subd. 3. **Permit required.** No dead human body shall be buried, entombed, ~~or cremated~~,  
135.22 alkaline hydrolyzed, or, effective July 1, 2025, naturally reduced without a disposition  
135.23 permit. The disposition permit must be filed with the person in charge of the place of final  
135.24 disposition. Where a dead human body will be transported out of this state for final  
135.25 disposition, the body must be accompanied by a certificate of removal.

135.26 Sec. 52. Minnesota Statutes 2022, section 149A.94, subdivision 4, is amended to read:

135.27 Subd. 4. **Alkaline hydrolysis ~~or~~, cremation, or natural organic reduction.** Inurnment  
135.28 of alkaline hydrolyzed ~~or remains~~, cremated remains, or, effective July 1, 2025, naturally  
135.29 reduced remains and release to an appropriate party is considered final disposition and no  
135.30 further permits or authorizations are required for transportation, interment, entombment, or  
135.31 placement of the ~~cremated~~ remains, except as provided in section 149A.95, subdivision 16.

136.1 Sec. 53. [149A.955] NATURAL ORGANIC REDUCTION FACILITIES AND  
136.2 NATURAL ORGANIC REDUCTION.

136.3 Subdivision 1. License required. This section is effective July 1, 2025. A dead human  
136.4 body may only undergo natural organic reduction in this state at a natural organic reduction  
136.5 facility licensed by the commissioner of health.

136.6 Subd. 2. General requirements. Any building to be used as a natural organic reduction  
136.7 facility must comply with all applicable local and state building codes, zoning laws and  
136.8 ordinances, and environmental standards. A natural organic reduction facility must have,  
136.9 on site, a natural organic reduction system approved by the commissioner and a motorized  
136.10 mechanical device for processing naturally reduced remains and must have, in the building,  
136.11 a refrigerated holding facility for the retention of dead human bodies awaiting natural organic  
136.12 reduction. The holding facility must be secure from access by anyone except the authorized  
136.13 personnel of the natural organic reduction facility, preserve the dignity of the remains, and  
136.14 protect the health and safety of the natural organic reduction facility personnel.

136.15 Subd. 3. Aerobic reduction vessel. A natural organic reduction facility must use as a  
136.16 natural organic reduction vessel, a contained reduction vessel that is designed to promote  
136.17 aerobic reduction and that minimizes odors.

136.18 Subd. 4. Unlicensed personnel. A licensed natural organic reduction facility may employ  
136.19 unlicensed personnel, provided that all applicable provisions of this chapter are followed.  
136.20 It is the duty of the licensed natural organic reduction facility to provide proper training for  
136.21 all unlicensed personnel, and the licensed natural organic reduction facility shall be strictly  
136.22 accountable for compliance with this chapter and other applicable state and federal regulations  
136.23 regarding occupational and workplace health and safety.

136.24 Subd. 5. Authorization to naturally reduce. No natural organic reduction facility shall  
136.25 naturally reduce or cause to be naturally reduced any dead human body or identifiable body  
136.26 part without receiving written authorization to do so from the person or persons who have  
136.27 the legal right to control disposition as described in section 149A.80 or the person's legal  
136.28 designee. The written authorization must include:

136.29 (1) the name of the deceased and the date of death of the deceased;

136.30 (2) a statement authorizing the natural organic reduction facility to naturally reduce the  
136.31 body;

136.32 (3) the name, address, phone number, relationship to the deceased, and signature of the  
136.33 person or persons with the legal right to control final disposition or a legal designee;

137.1 (4) directions for the disposition of any non-naturally reduced materials or items recovered  
137.2 from the natural organic reduction vessel;

137.3 (5) acknowledgment that some of the naturally reduced remains will be mechanically  
137.4 reduced to a granulated appearance and included in the appropriate containers with the  
137.5 naturally reduced remains; and

137.6 (6) directions for the ultimate disposition of the naturally reduced remains.

137.7 Subd. 6. **Limitation of liability.** The limitations in section 149A.95, subdivision 5, apply  
137.8 to natural organic reduction facilities.

137.9 Subd. 7. **Acceptance of delivery of body.** (a) No dead human body shall be accepted  
137.10 for final disposition by natural organic reduction unless:

137.11 (1) a licensed mortician is present;

137.12 (2) the body is wrapped in a container, such as a pouch or shroud, that is impermeable  
137.13 or leak-resistant;

137.14 (3) the body is accompanied by a disposition permit issued pursuant to section 149A.93,  
137.15 subdivision 3, including a photocopy of the complete death record or a signed release  
137.16 authorizing natural organic reduction received from a coroner or medical examiner; and

137.17 (4) the body is accompanied by a natural organic reduction authorization that complies  
137.18 with subdivision 5.

137.19 (b) A natural organic reduction facility shall refuse to accept delivery of the dead human  
137.20 body:

137.21 (1) where there is a known dispute concerning natural organic reduction of the body  
137.22 delivered;

137.23 (2) where there is a reasonable basis for questioning any of the representations made on  
137.24 the written authorization to naturally reduce; or

137.25 (3) for any other lawful reason.

137.26 (c) When a container, pouch, or shroud containing a dead human body shows evidence  
137.27 of leaking bodily fluid, the container, pouch, or shroud and the body must be returned to  
137.28 the contracting funeral establishment, or the body must be transferred to a new container,  
137.29 pouch, or shroud by a licensed mortician.

138.1 (d) If a dead human body is delivered to a natural organic reduction facility in a container,  
138.2 pouch, or shroud that is not suitable for placement in a natural organic reduction vessel, the  
138.3 transfer of the body to the vessel must be performed by a licensed mortician.

138.4 Subd. 8. **Bodies awaiting natural organic reduction.** A dead human body must be  
138.5 placed in the natural organic reduction vessel to initiate the natural reduction process within  
138.6 24 hours after the natural organic reduction facility accepts legal and physical custody of  
138.7 the body.

138.8 Subd. 9. **Handling of dead human bodies.** All natural organic reduction facility  
138.9 employees handling the containers, pouches, or shrouds for dead human bodies shall use  
138.10 universal precautions and otherwise exercise all reasonable precautions to minimize the  
138.11 risk of transmitting any communicable disease from the body. No dead human body shall  
138.12 be removed from the container, pouch, or shroud in which it is delivered to the natural  
138.13 organic reduction facility without express written authorization of the person or persons  
138.14 with legal right to control the disposition and only by a licensed mortician. The remains  
138.15 shall be considered a dead human body until after the processing and curing of the remains  
138.16 are completed.

138.17 Subd. 10. **Identification of the body.** All licensed natural organic reduction facilities  
138.18 shall develop, implement, and maintain an identification procedure whereby dead human  
138.19 bodies can be identified from the time the natural organic reduction facility accepts delivery  
138.20 of the body until the naturally reduced remains are released to an authorized party. After  
138.21 natural organic reduction, an identifying disk, tab, or other permanent label shall be placed  
138.22 within the naturally reduced remains container or containers before the remains are released  
138.23 from the natural organic reduction facility. Each identification disk, tab, or label shall have  
138.24 a number that shall be recorded on all paperwork regarding the decedent. This procedure  
138.25 shall be designed to reasonably ensure that the proper body is naturally reduced and that  
138.26 the remains are returned to the appropriate party. Loss of all or part of the remains or the  
138.27 inability to individually identify the remains is a violation of this subdivision.

138.28 Subd. 11. **Natural organic reduction vessel for human remains.** A licensed natural  
138.29 organic reduction facility shall knowingly naturally reduce only dead human bodies or  
138.30 human remains in a natural organic reduction vessel.

138.31 Subd. 12. **Natural organic reduction procedures; privacy.** The final disposition of  
138.32 dead human bodies by natural organic reduction shall be done in privacy. Unless there is  
138.33 written authorization from the person with the legal right to control the final disposition,  
138.34 only authorized natural organic reduction facility personnel shall be permitted in the natural

139.1 organic reduction area while any human body is awaiting placement in a natural organic  
139.2 reduction vessel, being removed from the vessel, or being processed for placement in a  
139.3 naturally reduced remains container. This does not prohibit an in-person laying-in ceremony  
139.4 to honor the deceased and the transition prior to the placement.

139.5 **Subd. 13. Natural organic reduction procedures; commingling of bodies**  
139.6 **prohibited.** Except with the express written permission of the person with the legal right  
139.7 to control the final disposition, no natural organic reduction facility shall naturally reduce  
139.8 more than one dead human body at the same time and in the same natural organic reduction  
139.9 vessel or introduce a second dead human body into same natural organic reduction vessel  
139.10 until reasonable efforts have been employed to remove all fragments of remains from the  
139.11 preceding natural organic reduction. This subdivision does not apply where commingling  
139.12 of human remains during natural organic reduction is otherwise provided by law. The fact  
139.13 that there is incidental and unavoidable residue in the natural organic reduction vessel used  
139.14 in a prior natural organic reduction is not a violation of this subdivision.

139.15 **Subd. 14. Natural organic reduction procedures; removal from natural organic**  
139.16 **reduction vessel.** Upon completion of the natural organic reduction process, reasonable  
139.17 efforts shall be made to remove from the natural organic reduction vessel all the recoverable  
139.18 naturally reduced remains. The naturally reduced remains shall be transported to the  
139.19 processing area, and any non-naturally reducible materials or items shall be separated from  
139.20 the naturally reduced remains and disposed of, in any lawful manner, by the natural organic  
139.21 reduction facility.

139.22 **Subd. 15. Natural organic reduction procedures; processing naturally reduced**  
139.23 **remains.** The remaining intact naturally reduced remains shall be reduced by a motorized  
139.24 mechanical processor to a granulated appearance. The granulated remains and the rest of  
139.25 the naturally reduced remains shall be returned to a natural organic reduction vessel for  
139.26 final reduction.

139.27 **Subd. 16. Natural organic reduction procedures; commingling of naturally reduced**  
139.28 **remains prohibited.** Except with the express written permission of the person with the  
139.29 legal right to control the final deposition or as otherwise provided by law, no natural organic  
139.30 reduction facility shall mechanically process the naturally reduced remains of more than  
139.31 one body at a time in the same mechanical processor, or introduce the naturally reduced  
139.32 remains of a second body into a mechanical processor until reasonable efforts have been  
139.33 employed to remove all fragments of naturally reduced remains already in the processor.  
139.34 The presence of incidental and unavoidable residue in the mechanical processor does not  
139.35 violate this subdivision.

140.1 Subd. 17. Natural organic reduction procedures; testing naturally reduced

140.2 remains. A natural organic reduction facility must:

140.3 (1) ensure that the material in the natural organic reduction vessel naturally reaches and  
140.4 maintains a minimum temperature of 131 degrees Fahrenheit for a minimum of 72  
140.5 consecutive hours during the process of natural organic reduction;

140.6 (2) analyze each instance of the naturally reduced remains for physical contaminants,  
140.7 including but are not limited to intact bone, dental fillings, and medical implants, and ensure  
140.8 naturally reduced remains have less than 0.01 mg/kg dry weight of any physical contaminants;

140.9 (3) collect material samples for analysis that are representative of each instance of natural  
140.10 organic reduction, using a sampling method such as that described in the U.S. Composting  
140.11 Council 2002 Test Methods for the Examination of Composting and Compost, method  
140.12 02.01-A through E;

140.13 (4) develop and use a natural organic reduction process in which the naturally reduced  
140.14 remains from the process do not exceed the following limits:

| 140.15 | <u>Metals and other testing</u> | <u>Limit (mg/kg dry weight), unless otherwise</u>    |
|--------|---------------------------------|--|
| 140.16 | <u>parameters</u>               | <u>specified</u>                                     |
| 140.17 |                                 | <u>Less than 1,000 most probable number per gram</u> |
| 140.18 | <u>Fecal coliform</u>           | <u>of total solids (dry weight)</u>                  |
| 140.19 |                                 | <u>Less than 3 most probable number per 4 grams</u>  |
| 140.20 | <u>Salmonella</u>               | <u>of total solids (dry weight)</u>                  |
| 140.21 | <u>Arsenic</u>                  | <u>Less than or equal to 11 ppm</u>                  |
| 140.22 | <u>Cadmium</u>                  | <u>Less than or equal to 7.1 ppm</u>                 |
| 140.23 | <u>Lead</u>                     | <u>Less than or equal to 150 ppm</u>                 |
| 140.24 | <u>Mercury</u>                  | <u>Less than or equal to 8 ppm</u>                   |
| 140.25 | <u>Selenium</u>                 | <u>Less than or equal to 18 ppm;</u>                 |

140.26 (5) analyze, using a third-party laboratory, the natural organic reduction facility's material  
140.27 samples of naturally reduced remains according to the following schedule:

140.28 (i) the natural organic reduction facility must analyze each of the first 20 instances of  
140.29 naturally reduced remains for the parameters in clause (4);

140.30 (ii) if any of the first 20 instances of naturally reduced remains yield results exceeding  
140.31 the limits in clause (4), the natural organic reduction facility must conduct appropriate  
140.32 processes to correct the levels of the substances in clause (4) and have the resultant remains  
140.33 tested to ensure they fall within the identified limits;

140.34 (iii) if any of the first 20 instances of naturally reduced remains yield results exceeding  
140.35 the limits in clause (4), the natural organic reduction facility must analyze each additional

141.1 instance of naturally reduced remains for the parameters in clause (4) until a total of 20  
141.2 samples, not including those from remains that were reprocessed as required in item (ii),  
141.3 have yielded results within the limits in clause (4) on initial testing;

141.4 (iv) after 20 material samples of naturally reduced remains have met the limits in clause  
141.5 (4), the natural organic reduction facility must analyze at least 25 percent of the natural  
141.6 organic reduction facility's monthly instances of naturally reduced remains for the parameters  
141.7 in clause (4) until 80 total material samples of naturally reduced remains are found to meet  
141.8 the limits in clause (4), not including any samples that required reprocessing to meet those  
141.9 limits; and

141.10 (v) after 80 material samples of naturally reduced remains are found to meet the limits  
141.11 in clause (4), the natural organic reduction facility must analyze at least one instance of  
141.12 naturally reduced remains each month for the parameters in clause (4);

141.13 (6) comply with any testing requirements established by the commissioner for content  
141.14 parameters in addition to those specified in clause (4);

141.15 (7) not release any naturally reduced remains that exceed the limits in clause (4); and

141.16 (8) prepare, maintain, and provide to the commissioner upon request, a report for each  
141.17 calendar year detailing the natural organic reduction facility's activities during the previous  
141.18 calendar year. The report must include the following information:

141.19 (i) the name and address of the natural organic reduction facility;

141.20 (ii) the calendar year covered by the report;

141.21 (iii) the annual quantity of naturally reduced remains;

141.22 (iv) the results of any laboratory analyses of naturally reduced remains; and

141.23 (v) any additional information required by the commissioner.

141.24 **Subd. 18. Natural organic reduction procedures; use of more than one naturally**  
141.25 **reduced remains container.** If the naturally reduced remains are to be separated into two  
141.26 or more naturally reduced remains containers according to the directives provided in the  
141.27 written authorization for natural organic reduction, all of the containers shall contain duplicate  
141.28 identification disks, tabs, or permanent labels and all paperwork regarding the given body  
141.29 shall include a notation of the number of and disposition of each container, as provided in  
141.30 the written authorization.

141.31 **Subd. 19. Natural organic reduction procedures; disposition of accumulated**  
141.32 **residue.** Every natural organic reduction facility shall provide for the removal and disposition

142.1 of any accumulated residue from any natural organic reduction vessel, mechanical processor,  
142.2 or other equipment used in natural organic reduction. Disposition of accumulated residue  
142.3 shall be by any lawful manner deemed appropriate.

142.4 Subd. 20. **Natural organic reduction procedures; release of naturally reduced**  
142.5 **remains.** Following completion of the natural organic reduction process, the inurned naturally  
142.6 reduced remains shall be released according to the instructions given on the written  
142.7 authorization for natural organic reduction. If the remains are to be shipped, they must be  
142.8 securely packaged and transported by a method which has an internal tracing system available  
142.9 and which provides a receipt signed by the person accepting delivery. Where there is a  
142.10 dispute over release or disposition of the naturally reduced remains, a natural organic  
142.11 reduction facility may deposit the naturally reduced remains in accordance with the directives  
142.12 of a court of competent jurisdiction pending resolution of the dispute or retain the naturally  
142.13 reduced remains until the person with the legal right to control disposition presents  
142.14 satisfactory indication that the dispute is resolved. A natural organic reduction facility must  
142.15 not sell naturally reduced remains and must make every effort to not release naturally reduced  
142.16 remains for sale or for use for commercial purposes.

142.17 Subd. 21. **Unclaimed naturally reduced remains.** If, after 30 calendar days following  
142.18 the inurnment, the naturally reduced remains are not claimed or disposed of according to  
142.19 the written authorization for natural organic reduction, the natural organic reduction facility  
142.20 shall give written notice, by certified mail, to the person with the legal right to control the  
142.21 final disposition or a legal designee, that the naturally reduced remains are unclaimed and  
142.22 requesting further release directions. Should the naturally reduced remains be unclaimed  
142.23 120 calendar days following the mailing of the written notification, the natural organic  
142.24 reduction facility may return the remains to the earth respectfully in any lawful manner  
142.25 deemed appropriate.

142.26 Subd. 22. **Required records.** Every natural organic reduction facility shall create and  
142.27 maintain on its premises or other business location in Minnesota an accurate record of every  
142.28 natural organic reduction provided. The record shall include all of the following information  
142.29 for each natural organic reduction:

142.30 (1) the name of the person or funeral establishment delivering the body for natural  
142.31 organic reduction;

142.32 (2) the name of the deceased and the identification number assigned to the body;

142.33 (3) the date of acceptance of delivery;

143.1 (4) the names of the operator of the natural organic reduction process and mechanical  
143.2 processor operator;

143.3 (5) the times and dates that the body was placed in and removed from the natural organic  
143.4 reduction vessel;

143.5 (6) the time and date that processing and inurnment of the naturally reduced remains  
143.6 was completed;

143.7 (7) the time, date, and manner of release of the naturally reduced remains;

143.8 (8) the name and address of the person who signed the authorization for natural organic  
143.9 reduction;

143.10 (9) all supporting documentation, including any transit or disposition permits, a photocopy  
143.11 of the death record, and the authorization for natural organic reduction; and

143.12 (10) the type of natural organic reduction vessel.

143.13 Subd. 23. **Retention of records.** Records required under subdivision 22 shall be  
143.14 maintained for a period of three calendar years after the release of the naturally reduced  
143.15 remains. Following this period and subject to any other laws requiring retention of records,  
143.16 the natural organic reduction facility may then place the records in storage or reduce them  
143.17 to microfilm, a digital format, or any other method that can produce an accurate reproduction  
143.18 of the original record, for retention for a period of ten calendar years from the date of release  
143.19 of the naturally reduced remains. At the end of this period and subject to any other laws  
143.20 requiring retention of records, the natural organic reduction facility may destroy the records  
143.21 by shredding, incineration, or any other manner that protects the privacy of the individuals  
143.22 identified.

143.23 Sec. 54. **REQUEST FOR INFORMATION; EVALUATION OF STATEWIDE**  
143.24 **HEALTH CARE NEEDS AND CAPACITY AND PROJECTIONS OF FUTURE**  
143.25 **HEALTH CARE NEEDS.**

143.26 (a) By November 1, 2024, the commissioner of health must publish a request for  
143.27 information to assist the commissioner in a future comprehensive evaluation of current  
143.28 health care needs and capacity in the state and projections of future health care needs in the  
143.29 state based on population and provider characteristics. The request for information:

143.30 (1) must provide guidance on defining the scope of the study and assist in answering  
143.31 methodological questions that will inform the development of a request for proposals to  
143.32 contract for performance of the study; and

144.1 (2) may address topics that include but are not limited to how to define health care  
144.2 capacity, expectations for capacity by geography or service type, how to consider health  
144.3 centers that have areas of particular expertise or services that generally have a higher margin,  
144.4 how hospital-based services should be considered as compared with evolving  
144.5 nonhospital-based services, the role of technology in service delivery, health care workforce  
144.6 supply issues, and other issues related to data or methods.

144.7 (b) By February 1, 2025, the commissioner must submit a report to the chairs and ranking  
144.8 minority members of the legislative committees with jurisdiction over health care, with the  
144.9 results of the request for information and recommendations regarding conducting a  
144.10 comprehensive evaluation of current health care needs and capacity in the state and  
144.11 projections of future health care needs in the state.

144.12 **Sec. 55. REPEALER.**

144.13 Minnesota Statutes 2023 Supplement, section 144.0528, subdivision 5, is repealed.

144.14 **ARTICLE 6**  
144.15 **DEPARTMENT OF HEALTH POLICY**

144.16 **Section 1. [62J.461] 340B COVERED ENTITY REPORT.**

144.17 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions  
144.18 apply.

144.19 (b) "340B covered entity" or "covered entity" means a covered entity as defined in United  
144.20 States Code, title 42, section 256b(a)(4), with a service address in Minnesota as of January  
144.21 1 of the reporting year. 340B covered entity includes all entity types and grantees. All  
144.22 facilities that are identified as child sites or grantee associated sites under the federal 340B  
144.23 Drug Pricing Program are considered part of the 340B covered entity.

144.24 (c) "340B Drug Pricing Program" or "340B program" means the drug discount program  
144.25 established under United States Code, title 42, section 256b.

144.26 (d) "340B entity type" is the designation of the 340B covered entity according to the  
144.27 entity types specified in United States Code, title 42, section 256b(a)(4).

144.28 (e) "340B ID" is the unique identification number provided by the Health Resources  
144.29 and Services Administration to identify a 340B-eligible entity in the 340B Office of Pharmacy  
144.30 Affairs Information System.

145.1 (f) "Contract pharmacy" means a pharmacy with which a 340B covered entity has an  
145.2 arrangement to dispense drugs purchased under the 340B Drug Pricing Program.

145.3 (g) "Pricing unit" means the smallest dispensable amount of a prescription drug product  
145.4 that can be dispensed or administered.

145.5 Subd. 2. **Current registration.** Beginning April 1, 2024, each 340B covered entity must  
145.6 maintain a current registration with the commissioner in a form and manner prescribed by  
145.7 the commissioner. The registration must include the following information:

145.8 (1) the name of the 340B covered entity;

145.9 (2) the 340B ID of the 340B covered entity;

145.10 (3) the servicing address of the 340B covered entity; and

145.11 (4) the 340B entity type of the 340B covered entity.

145.12 Subd. 3. **Reporting by covered entities to the commissioner.** (a) Each 340B covered  
145.13 entity shall report to the commissioner by April 1, 2024, and by April 1 of each year  
145.14 thereafter, the following information for transactions conducted by the 340B covered entity  
145.15 or on its behalf, and related to its participation in the federal 340B program for the previous  
145.16 calendar year:

145.17 (1) the aggregated acquisition cost for prescription drugs obtained under the 340B  
145.18 program;

145.19 (2) the aggregated payment amount received for drugs obtained under the 340B program  
145.20 and dispensed or administered to patients;

145.21 (3) the number of pricing units dispensed or administered for prescription drugs described  
145.22 in clause (2); and

145.23 (4) the aggregated payments made:

145.24 (i) to contract pharmacies to dispense drugs obtained under the 340B program;

145.25 (ii) to any other entity that is not the covered entity and is not a contract pharmacy for  
145.26 managing any aspect of the covered entity's 340B program; and

145.27 (iii) for all other expenses related to administering the 340B program.

145.28 The information under clauses (2) and (3) must be reported by payer type, including but  
145.29 not limited to commercial insurance, medical assistance, MinnesotaCare, and Medicare, in  
145.30 the form and manner prescribed by the commissioner.

146.1 (b) For covered entities that are hospitals, the information required under paragraph (a),  
146.2 clauses (1) to (3), must also be reported at the national drug code level for the 50 most  
146.3 frequently dispensed or administered drugs by the facility under the 340B program.

146.4 (c) Data submitted to the commissioner under paragraphs (a) and (b) are classified as  
146.5 nonpublic data, as defined in section 13.02, subdivision 9.

146.6 Subd. 4. **Enforcement and exceptions.** (a) Any health care entity subject to reporting  
146.7 under this section that fails to provide data in the form and manner prescribed by the  
146.8 commissioner is subject to a fine paid to the commissioner of up to \$500 for each day the  
146.9 data are past due. Any fine levied against the entity under this subdivision is subject to the  
146.10 contested case and judicial review provisions of sections 14.57 and 14.69.

146.11 (b) The commissioner may grant an entity an extension of or exemption from the reporting  
146.12 obligations under this subdivision, upon a showing of good cause by the entity.

146.13 Subd. 5. **Reports to the legislature.** By November 15, 2024, and by November 15 of  
146.14 each year thereafter, the commissioner shall submit to the chairs and ranking minority  
146.15 members of the legislative committees with jurisdiction over health care finance and policy,  
146.16 a report that aggregates the data submitted under subdivision 3, paragraphs (a) and (b). The  
146.17 following information must be included in the report for all 340B entities whose net 340B  
146.18 revenue constitutes a significant share, as determined by the commissioner, of all net 340B  
146.19 revenue across all 340B covered entities in Minnesota:

146.20 (1) the information submitted under subdivision 2; and

146.21 (2) for each 340B entity identified in subdivision 2, that entity's 340B net revenue as  
146.22 calculated using the data submitted under subdivision 3, paragraph (a), with net revenue  
146.23 being subdivision 3, paragraph (a), clause (2), less the sum of subdivision 3, paragraph (a),  
146.24 clauses (1) and (4).

146.25 For all other entities, the data in the report must be aggregated to the entity type or groupings  
146.26 of entity types in a manner that prevents the identification of an individual entity and any  
146.27 entity's specific data value reported for an individual data element.

146.28 Sec. 2. Minnesota Statutes 2022, section 62J.61, subdivision 5, is amended to read:

146.29 Subd. 5. ~~Biennial review of rulemaking procedures and rules~~ **Opportunity for**  
146.30 **comment.** The commissioner shall ~~biennially seek comments from affected parties~~ maintain  
146.31 an email address for submission of comments from interested parties to provide input about  
146.32 the effectiveness of and continued need for the rulemaking procedures set out in subdivision  
146.33 2 and about the quality and effectiveness of rules adopted using these procedures. The

147.1 commissioner ~~shall seek comments by holding a meeting and by publishing a notice in the~~  
147.2 ~~State Register that contains the date, time, and location of the meeting and a statement that~~  
147.3 ~~invites oral or written comments. The notice must be published at least 30 days before the~~  
147.4 ~~meeting date. The commissioner shall write a report summarizing the comments and shall~~  
147.5 ~~submit the report to the Minnesota Health Data Institute and to the Minnesota Administrative~~  
147.6 ~~Uniformity Committee by January 15 of every even-numbered year~~ may seek additional  
147.7 input and provide additional opportunities for input as needed.

147.8 Sec. 3. Minnesota Statutes 2022, section 144.05, subdivision 7, is amended to read:

147.9 Subd. 7. **Expiration of report mandates.** (a) If the submission of a report by the  
147.10 commissioner of health to the legislature is mandated by statute and the enabling legislation  
147.11 does not include a date for the submission of a final report, the mandate to submit the report  
147.12 shall expire in accordance with this section.

147.13 (b) If the mandate requires the submission of an annual report and the mandate was  
147.14 enacted before January 1, 2021, the mandate shall expire on January 1, 2023. If the mandate  
147.15 requires the submission of a biennial or less frequent report and the mandate was enacted  
147.16 before January 1, 2021, the mandate shall expire on January 1, 2024.

147.17 (c) Any reporting mandate enacted on or after January 1, 2021, shall expire three years  
147.18 after the date of enactment if the mandate requires the submission of an annual report and  
147.19 shall expire five years after the date of enactment if the mandate requires the submission  
147.20 of a biennial or less frequent report, unless the enacting legislation provides for a different  
147.21 expiration date.

147.22 (d) The commissioner shall submit a list to the chairs and ranking minority members of  
147.23 the legislative committees with jurisdiction over health by February 15 of each year,  
147.24 beginning February 15, 2022, of all reports set to expire during the following calendar year  
147.25 in accordance with this section. The mandate to submit a report to the legislature under this  
147.26 paragraph does not expire.

147.27 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2024.

147.28 Sec. 4. Minnesota Statutes 2023 Supplement, section 144.0526, subdivision 1, is amended  
147.29 to read:

147.30 Subdivision 1. **Establishment.** The commissioner of health shall establish the Minnesota  
147.31 One Health Antimicrobial Stewardship Collaborative. The commissioner shall ~~appoint~~ hire  
147.32 a director to execute operations, conduct health education, and provide technical assistance.

148.1 Sec. 5. Minnesota Statutes 2022, section 144.058, is amended to read:

148.2 **144.058 INTERPRETER SERVICES QUALITY INITIATIVE.**

148.3 (a) The commissioner of health shall establish a voluntary statewide roster; and develop  
148.4 a plan for a registry and certification process for interpreters who provide high quality,  
148.5 spoken language health care interpreter services. The roster, registry, and certification  
148.6 process shall be based on the findings and recommendations set forth by the Interpreter  
148.7 Services Work Group required under Laws 2007, chapter 147, article 12, section 13.

148.8 (b) By January 1, 2009, the commissioner shall establish a roster of all available  
148.9 interpreters to address access concerns, particularly in rural areas.

148.10 (c) By January 15, 2010, the commissioner shall:

148.11 (1) develop a plan for a registry of spoken language health care interpreters, including:

148.12 (i) development of standards for registration that set forth educational requirements,  
148.13 training requirements, demonstration of language proficiency and interpreting skills,  
148.14 agreement to abide by a code of ethics, and a criminal background check;

148.15 (ii) recommendations for appropriate alternate requirements in languages for which  
148.16 testing and training programs do not exist;

148.17 (iii) recommendations for appropriate fees; and

148.18 (iv) recommendations for establishing and maintaining the standards for inclusion in  
148.19 the registry; and

148.20 (2) develop a plan for implementing a certification process based on national testing and  
148.21 certification processes for spoken language interpreters 12 months after the establishment  
148.22 of a national certification process.

148.23 (d) The commissioner shall consult with the Interpreter Stakeholder Group of the Upper  
148.24 Midwest Translators and Interpreters Association for advice on the standards required to  
148.25 plan for the development of a registry and certification process.

148.26 (e) The commissioner shall charge an annual fee of \$50 to include an interpreter in the  
148.27 roster. Fee revenue shall be deposited in the state government special revenue fund. All fees  
148.28 are nonrefundable.

148.29 Sec. 6. Minnesota Statutes 2022, section 144.0724, subdivision 2, is amended to read:

148.30 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings  
148.31 given.

149.1 (a) "Assessment reference date" or "ARD" means the specific end point for look-back  
149.2 periods in the MDS assessment process. This look-back period is also called the observation  
149.3 or assessment period.

149.4 (b) "Case mix index" means the weighting factors assigned to the ~~RUG-IV~~ case mix  
149.5 reimbursement classifications determined by an assessment.

149.6 (c) "Index maximization" means classifying a resident who could be assigned to more  
149.7 than one category, to the category with the highest case mix index.

149.8 (d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment,  
149.9 and functional status elements, that include common definitions and coding categories  
149.10 specified by the Centers for Medicare and Medicaid Services and designated by the  
149.11 Department of Health.

149.12 (e) "Representative" means a person who is the resident's guardian or conservator, the  
149.13 person authorized to pay the nursing home expenses of the resident, a representative of the  
149.14 Office of Ombudsman for Long-Term Care whose assistance has been requested, or any  
149.15 other individual designated by the resident.

149.16 ~~(f) "Resource utilization groups" or "RUG" means the system for grouping a nursing~~  
149.17 ~~facility's residents according to their clinical and functional status identified in data supplied~~  
149.18 ~~by the facility's Minimum Data Set.~~

149.19 ~~(g)~~ (f) "Activities of daily living" includes personal hygiene, dressing, bathing,  
149.20 transferring, bed mobility, locomotion, eating, and toileting.

149.21 ~~(h)~~ (g) "Nursing facility level of care determination" means the assessment process that  
149.22 results in a determination of a resident's or prospective resident's need for nursing facility  
149.23 level of care as established in subdivision 11 for purposes of medical assistance payment  
149.24 of long-term care services for:

149.25 (1) nursing facility services under ~~section 256B.434~~ or chapter 256R;

149.26 (2) elderly waiver services under chapter 256S;

149.27 (3) CADI and BI waiver services under section 256B.49; and

149.28 (4) state payment of alternative care services under section 256B.0913.

149.29 Sec. 7. Minnesota Statutes 2022, section 144.0724, subdivision 3a, is amended to read:

149.30 Subd. 3a. **Resident reimbursement case mix reimbursement classifications beginning**  
149.31 **January 1, 2012.** (a) Beginning January 1, 2012, Resident reimbursement case mix

150.1 reimbursement classifications shall be based on the Minimum Data Set, version 3.0  
150.2 assessment instrument, or its successor version mandated by the Centers for Medicare and  
150.3 Medicaid Services that nursing facilities are required to complete for all residents. ~~The~~  
150.4 ~~commissioner of health shall establish resident classifications according to the RUG-IV,~~  
150.5 ~~48 group, resource utilization groups. Resident classification must be established based on~~  
150.6 ~~the individual items on the Minimum Data Set, which must be completed according to the~~  
150.7 ~~Long Term Care Facility Resident Assessment Instrument User's Manual Version 3.0 or its~~  
150.8 ~~successor issued by the Centers for Medicare and Medicaid Services. Case mix~~  
150.9 reimbursement classifications shall also be based on assessments required under subdivision  
150.10 4. Assessments must be completed according to the Long Term Care Facility Resident  
150.11 Assessment Instrument User's Manual Version 3.0 or a successor manual issued by the  
150.12 Centers for Medicare and Medicaid Services. The optional state assessment must be  
150.13 completed according to the OSA Manual Version 1.0 v.2.

150.14 (b) Each resident must be classified based on the information from the Minimum Data  
150.15 Set according to the general categories issued by the Minnesota Department of Health,  
150.16 utilized for reimbursement purposes.

150.17 Sec. 8. Minnesota Statutes 2022, section 144.0724, subdivision 4, is amended to read:

150.18 Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically  
150.19 submit to the federal database MDS assessments that conform with the assessment schedule  
150.20 defined by the Long Term Care Facility Resident Assessment Instrument User's Manual,  
150.21 version 3.0, or its successor issued by the Centers for Medicare and Medicaid Services. The  
150.22 commissioner of health may substitute successor manuals or question and answer documents  
150.23 published by the United States Department of Health and Human Services, Centers for  
150.24 Medicare and Medicaid Services, to replace or supplement the current version of the manual  
150.25 or document.

150.26 (b) The assessments required under the Omnibus Budget Reconciliation Act of 1987  
150.27 (OBRA) used to determine a case mix reimbursement classification ~~for reimbursement~~  
150.28 include:

150.29 (1) a new admission comprehensive assessment, which must have an assessment reference  
150.30 date (ARD) within 14 calendar days after admission, excluding readmissions;

150.31 (2) an annual comprehensive assessment, which must have an ARD within 92 days of  
150.32 a previous quarterly review assessment or a previous comprehensive assessment, which  
150.33 must occur at least once every 366 days;

151.1 (3) a significant change in status comprehensive assessment, which must have an ARD  
151.2 within 14 days after the facility determines, or should have determined, that there has been  
151.3 a significant change in the resident's physical or mental condition, whether an improvement  
151.4 or a decline, and regardless of the amount of time since the last comprehensive assessment  
151.5 or quarterly review assessment;

151.6 (4) a quarterly review assessment must have an ARD within 92 days of the ARD of the  
151.7 previous quarterly review assessment or a previous comprehensive assessment;

151.8 (5) any significant correction to a prior comprehensive assessment, if the assessment  
151.9 being corrected is the current one being used for RUG reimbursement classification;

151.10 (6) any significant correction to a prior quarterly review assessment, if the assessment  
151.11 being corrected is the current one being used for RUG reimbursement classification; and

151.12 ~~(7) a required significant change in status assessment when:~~

151.13 ~~(i) all speech, occupational, and physical therapies have ended. If the most recent OBRA~~  
151.14 ~~comprehensive or quarterly assessment completed does not result in a rehabilitation case~~  
151.15 ~~mix classification, then the significant change in status assessment is not required. The ARD~~  
151.16 ~~of this assessment must be set on day eight after all therapy services have ended; and~~

151.17 ~~(ii) isolation for an infectious disease has ended. If isolation was not coded on the most~~  
151.18 ~~recent OBRA comprehensive or quarterly assessment completed, then the significant change~~  
151.19 ~~in status assessment is not required. The ARD of this assessment must be set on day 15 after~~  
151.20 ~~isolation has ended; and~~

151.21 (8) (7) any modifications to the most recent assessments under clauses (1) to ~~(7)~~ (6).

151.22 (c) The optional state assessment must accompany all OBRA assessments. The optional  
151.23 state assessment is also required to determine reimbursement when:

151.24 (i) all speech, occupational, and physical therapies have ended. If the most recent optional  
151.25 state assessment completed does not result in a rehabilitation case mix reimbursement  
151.26 classification, then the optional state assessment is not required. The ARD of this assessment  
151.27 must be set on day eight after all therapy services have ended; and

151.28 (ii) isolation for an infectious disease has ended. If isolation was not coded on the most  
151.29 recent optional state assessment completed, then the optional state assessment is not required.  
151.30 The ARD of this assessment must be set on day 15 after isolation has ended.

151.31 ~~(e)~~ (d) In addition to the assessments listed in ~~paragraph~~ paragraphs (b) and (c), the  
151.32 assessments used to determine nursing facility level of care include the following:

152.1 (1) preadmission screening completed under section 256.975, subdivisions 7a to 7c, by  
152.2 the Senior LinkAge Line or other organization under contract with the Minnesota Board on  
152.3 Aging; and

152.4 (2) a nursing facility level of care determination as provided for under section 256B.0911,  
152.5 subdivision 26, as part of a face-to-face long-term care consultation assessment completed  
152.6 under section 256B.0911, by a county, tribe, or managed care organization under contract  
152.7 with the Department of Human Services.

152.8 Sec. 9. Minnesota Statutes 2022, section 144.0724, subdivision 6, is amended to read:

152.9 Subd. 6. **Penalties for late or nonsubmission.** (a) A facility that fails to complete or  
152.10 submit an assessment according to subdivisions 4 and 5 for a ~~RUG-IV~~ case mix  
152.11 reimbursement classification ~~within seven days of the time requirements listed in the~~  
152.12 ~~Long-Term Care Facility Resident Assessment Instrument User's Manual~~ when the  
152.13 assessment is due is subject to a reduced rate for that resident. The reduced rate shall be the  
152.14 lowest rate for that facility. The reduced rate is effective on the day of admission for new  
152.15 admission assessments, on the ARD for significant change in status assessments, or on the  
152.16 day that the assessment was due for all other assessments and continues in effect until the  
152.17 first day of the month following the date of submission and acceptance of the resident's  
152.18 assessment.

152.19 (b) If loss of revenue due to penalties incurred by a facility for any period of 92 days  
152.20 are equal to or greater than 0.1 percent of the total operating costs on the facility's most  
152.21 recent annual statistical and cost report, a facility may apply to the commissioner of human  
152.22 services for a reduction in the total penalty amount. The commissioner of human services,  
152.23 in consultation with the commissioner of health, may, at the sole discretion of the  
152.24 commissioner of human services, limit the penalty for residents covered by medical assistance  
152.25 to ten days.

152.26 Sec. 10. Minnesota Statutes 2022, section 144.0724, subdivision 7, is amended to read:

152.27 Subd. 7. **Notice of resident ~~reimbursement~~ case mix reimbursement classification.** (a)  
152.28 The commissioner of health shall provide to a nursing facility a notice for each resident of  
152.29 the classification established under subdivision 1. The notice must inform the resident of  
152.30 the case mix reimbursement classification assigned, the opportunity to review the  
152.31 documentation supporting the classification, the opportunity to obtain clarification from the  
152.32 commissioner, ~~and~~ the opportunity to request a reconsideration of the classification, <sup>2</sup> and  
152.33 the address and telephone number of the Office of Ombudsman for Long-Term Care. The

153.1 commissioner must transmit the notice of resident classification by electronic means to the  
153.2 nursing facility. The nursing facility is responsible for the distribution of the notice to each  
153.3 resident or the resident's representative. This notice must be distributed within three business  
153.4 days after the facility's receipt.

153.5 (b) If a facility submits a ~~modifying~~ modified assessment resulting in a change in the  
153.6 case mix reimbursement classification, the facility must provide a written notice to the  
153.7 resident or the resident's representative regarding the item or items that were modified and  
153.8 the reason for the modifications. The written notice must be provided within three business  
153.9 days after distribution of the resident case mix reimbursement classification notice.

153.10 Sec. 11. Minnesota Statutes 2022, section 144.0724, subdivision 8, is amended to read:

153.11 Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, ~~or~~  
153.12 the resident's representative, ~~or~~ the nursing facility, or the boarding care home may request  
153.13 that the commissioner of health reconsider the assigned ~~reimbursement~~ case mix  
153.14 reimbursement classification and any item or items changed during the audit process. The  
153.15 request for reconsideration must be submitted in writing to the commissioner of health.

153.16 (b) For reconsideration requests initiated by the resident or the resident's representative:

153.17 (1) The resident or the resident's representative must submit in writing a reconsideration  
153.18 request to the facility administrator within 30 days of receipt of the resident classification  
153.19 notice. The written request must include the reasons for the reconsideration request.

153.20 (2) Within three business days of receiving the reconsideration request, the nursing  
153.21 facility must submit to the commissioner of health a completed reconsideration request  
153.22 form, a copy of the resident's or resident's representative's written request, and all supporting  
153.23 documentation used to complete the assessment being ~~considered~~ reconsidered. If the facility  
153.24 fails to provide the required information, the reconsideration will be completed with the  
153.25 information submitted and the facility cannot make further reconsideration requests on this  
153.26 classification.

153.27 (3) Upon written request and within three business days, the nursing facility must give  
153.28 the resident or the resident's representative a copy of the assessment being reconsidered and  
153.29 all supporting documentation used to complete the assessment. Notwithstanding any law  
153.30 to the contrary, the facility may not charge a fee for providing copies of the requested  
153.31 documentation. If a facility fails to provide the required documents within this time, it is  
153.32 subject to the issuance of a correction order and penalty assessment under sections 144.653  
153.33 and 144A.10. Notwithstanding those sections, any correction order issued under this

154.1 subdivision must require that the nursing facility immediately comply with the request for  
154.2 information, and as of the date of the issuance of the correction order, the facility shall  
154.3 forfeit to the state a \$100 fine for the first day of noncompliance, and an increase in the  
154.4 \$100 fine by \$50 increments for each day the noncompliance continues.

154.5 (c) For reconsideration requests initiated by the facility:

154.6 (1) The facility is required to inform the resident or the resident's representative in writing  
154.7 that a reconsideration of the resident's case mix reimbursement classification is being  
154.8 requested. The notice must inform the resident or the resident's representative:

154.9 (i) of the date and reason for the reconsideration request;

154.10 (ii) of the potential for a case mix reimbursement classification change and subsequent  
154.11 rate change;

154.12 (iii) of the extent of the potential rate change;

154.13 (iv) that copies of the request and supporting documentation are available for review;

154.14 and

154.15 (v) that the resident or the resident's representative has the right to request a

154.16 reconsideration also.

154.17 (2) Within 30 days of receipt of the audit exit report or resident classification notice, the  
154.18 facility must submit to the commissioner of health a completed reconsideration request  
154.19 form, all supporting documentation used to complete the assessment being reconsidered,  
154.20 and a copy of the notice informing the resident or the resident's representative that a  
154.21 reconsideration of the resident's classification is being requested.

154.22 (3) If the facility fails to provide the required information, the reconsideration request  
154.23 may be denied and the facility may not make further reconsideration requests on this  
154.24 classification.

154.25 (d) Reconsideration by the commissioner must be made by individuals not involved in  
154.26 reviewing the assessment, audit, or reconsideration that established the disputed classification.  
154.27 The reconsideration must be based upon the assessment that determined the classification  
154.28 and upon the information provided to the commissioner of health under paragraphs (a) to  
154.29 (c). If necessary for evaluating the reconsideration request, the commissioner may conduct  
154.30 on-site reviews. Within 15 business days of receiving the request for reconsideration, the  
154.31 commissioner shall affirm or modify the original resident classification. The original  
154.32 classification must be modified if the commissioner determines that the assessment resulting  
154.33 in the classification did not accurately reflect characteristics of the resident at the time of

155.1 the assessment. The commissioner must transmit the reconsideration classification notice  
155.2 by electronic means to the nursing facility. The nursing facility is responsible for the  
155.3 distribution of the notice to the resident or the resident's representative. The notice must be  
155.4 distributed by the nursing facility within three business days after receipt. A decision by  
155.5 the commissioner under this subdivision is the final administrative decision of the agency  
155.6 for the party requesting reconsideration.

155.7 (e) The case mix reimbursement classification established by the commissioner shall be  
155.8 the classification which applies to the resident while the request for reconsideration is  
155.9 pending. If a request for reconsideration applies to an assessment used to determine nursing  
155.10 facility level of care under subdivision 4, paragraph ~~(e)~~ (d), the resident shall continue to  
155.11 be eligible for nursing facility level of care while the request for reconsideration is pending.

155.12 (f) The commissioner may request additional documentation regarding a reconsideration  
155.13 necessary to make an accurate reconsideration determination.

155.14 (g) Data collected as part of the reconsideration process under this section is classified  
155.15 as private data on individuals and nonpublic data pursuant to section 13.02. Notwithstanding  
155.16 the classification of these data as private or nonpublic, the commissioner is authorized to  
155.17 share these data with the U.S. Centers for Medicare and Medicaid Services and the  
155.18 commissioner of human services as necessary for reimbursement purposes.

155.19 Sec. 12. Minnesota Statutes 2022, section 144.0724, subdivision 9, is amended to read:

155.20 Subd. 9. **Audit authority.** (a) The commissioner shall audit the accuracy of resident  
155.21 assessments performed under section 256R.17 through any of the following: desk audits;  
155.22 on-site review of residents and their records; and interviews with staff, residents, or residents'  
155.23 families. The commissioner shall reclassify a resident if the commissioner determines that  
155.24 the resident was incorrectly classified.

155.25 (b) The commissioner is authorized to conduct on-site audits on an unannounced basis.

155.26 (c) A facility must grant the commissioner access to examine the medical records relating  
155.27 to the resident assessments selected for audit under this subdivision. The commissioner may  
155.28 also observe and speak to facility staff and residents.

155.29 (d) The commissioner shall consider documentation under the time frames for coding  
155.30 items on the minimum data set as set out in the Long-Term Care Facility Resident Assessment  
155.31 Instrument User's Manual or OSA Manual version 1.0 v.2 published by the Centers for  
155.32 Medicare and Medicaid Services.

156.1 (e) The commissioner shall develop an audit selection procedure that includes the  
156.2 following factors:

156.3 (1) Each facility shall be audited annually. If a facility has two successive audits in which  
156.4 the percentage of change is five percent or less and the facility has not been the subject of  
156.5 a special audit in the past 36 months, the facility may be audited biannually. A stratified  
156.6 sample of 15 percent, with a minimum of ten assessments, of the most current assessments  
156.7 shall be selected for audit. If more than 20 percent of the ~~RUG-IV~~ case mix reimbursement  
156.8 classifications are changed as a result of the audit, the audit shall be expanded to a second  
156.9 15 percent sample, with a minimum of ten assessments. If the total change between the first  
156.10 and second samples is 35 percent or greater, the commissioner may expand the audit to all  
156.11 of the remaining assessments.

156.12 (2) If a facility qualifies for an expanded audit, the commissioner may audit the facility  
156.13 again within six months. If a facility has two expanded audits within a 24-month period,  
156.14 that facility will be audited at least every six months for the next 18 months.

156.15 (3) The commissioner may conduct special audits if the commissioner determines that  
156.16 circumstances exist that could alter or affect the validity of case mix reimbursement  
156.17 classifications of residents. These circumstances include, but are not limited to, the following:

156.18 (i) frequent changes in the administration or management of the facility;

156.19 (ii) an unusually high percentage of residents in a specific case mix reimbursement  
156.20 classification;

156.21 (iii) a high frequency in the number of reconsideration requests received from a facility;

156.22 (iv) frequent adjustments of case mix reimbursement classifications as the result of  
156.23 reconsiderations or audits;

156.24 (v) a criminal indictment alleging provider fraud;

156.25 (vi) other similar factors that relate to a facility's ability to conduct accurate assessments;

156.26 (vii) an atypical pattern of scoring minimum data set items;

156.27 (viii) nonsubmission of assessments;

156.28 (ix) late submission of assessments; or

156.29 (x) a previous history of audit changes of 35 percent or greater.

156.30 (f) If the audit results in a case mix reimbursement classification change, the  
156.31 commissioner must transmit the audit classification notice by electronic means to the nursing

157.1 facility within 15 business days of completing an audit. The nursing facility is responsible  
157.2 for distribution of the notice to each resident or the resident's representative. This notice  
157.3 must be distributed by the nursing facility within three business days after receipt. The  
157.4 notice must inform the resident of the case mix reimbursement classification assigned, the  
157.5 opportunity to review the documentation supporting the classification, the opportunity to  
157.6 obtain clarification from the commissioner, the opportunity to request a reconsideration of  
157.7 the classification, and the address and telephone number of the Office of Ombudsman for  
157.8 Long-Term Care.

157.9 Sec. 13. Minnesota Statutes 2022, section 144.0724, subdivision 11, is amended to read:

157.10 Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment  
157.11 of long-term care services, a recipient must be determined, using assessments defined in  
157.12 subdivision 4, to meet one of the following nursing facility level of care criteria:

157.13 (1) the person requires formal clinical monitoring at least once per day;

157.14 (2) the person needs the assistance of another person or constant supervision to begin  
157.15 and complete at least four of the following activities of living: bathing, bed mobility, dressing,  
157.16 eating, grooming, toileting, transferring, and walking;

157.17 (3) the person needs the assistance of another person or constant supervision to begin  
157.18 and complete toileting, transferring, or positioning and the assistance cannot be scheduled;

157.19 (4) the person has significant difficulty with memory, using information, daily decision  
157.20 making, or behavioral needs that require intervention;

157.21 (5) the person has had a qualifying nursing facility stay of at least 90 days;

157.22 (6) the person meets the nursing facility level of care criteria determined 90 days after  
157.23 admission or on the first quarterly assessment after admission, whichever is later; or

157.24 (7) the person is determined to be at risk for nursing facility admission or readmission  
157.25 through a face-to-face long-term care consultation assessment as specified in section  
157.26 256B.0911, subdivision 17 to 21, 23, 24, 27, or 28, by a county, tribe, or managed care  
157.27 organization under contract with the Department of Human Services. The person is  
157.28 considered at risk under this clause if the person currently lives alone or will live alone or  
157.29 be homeless without the person's current housing and also meets one of the following criteria:

157.30 (i) the person has experienced a fall resulting in a fracture;

157.31 (ii) the person has been determined to be at risk of maltreatment or neglect, including  
157.32 self-neglect; or

158.1 (iii) the person has a sensory impairment that substantially impacts functional ability  
158.2 and maintenance of a community residence.

158.3 (b) The assessment used to establish medical assistance payment for nursing facility  
158.4 services must be the most recent assessment performed under subdivision 4, ~~paragraph~~  
158.5 paragraphs (b) and (c), that occurred no more than 90 calendar days before the effective  
158.6 date of medical assistance eligibility for payment of long-term care services. In no case  
158.7 shall medical assistance payment for long-term care services occur prior to the date of the  
158.8 determination of nursing facility level of care.

158.9 (c) The assessment used to establish medical assistance payment for long-term care  
158.10 services provided under chapter 256S and section 256B.49 and alternative care payment  
158.11 for services provided under section 256B.0913 must be the most recent face-to-face  
158.12 assessment performed under section 256B.0911, subdivisions 17 to 21, 23, 24, 27, or 28,  
158.13 that occurred no more than 60 calendar days before the effective date of medical assistance  
158.14 eligibility for payment of long-term care services.

158.15 Sec. 14. Minnesota Statutes 2022, section 144.1464, subdivision 1, is amended to read:

158.16 Subdivision 1. **Summer internships.** The commissioner of health, through a contract  
158.17 with a nonprofit organization as required by subdivision 4, shall award grants, within  
158.18 available appropriations, to hospitals, clinics, nursing facilities, assisted living facilities,  
158.19 and home care providers to establish a secondary and postsecondary summer health care  
158.20 intern program. The purpose of the program is to expose interested secondary and  
158.21 postsecondary pupils to various careers within the health care profession.

158.22 Sec. 15. Minnesota Statutes 2022, section 144.1464, subdivision 2, is amended to read:

158.23 Subd. 2. **Criteria.** (a) The commissioner, through the organization under contract, shall  
158.24 award grants to hospitals, clinics, nursing facilities, assisted living facilities, and home care  
158.25 providers that agree to:

158.26 (1) provide secondary and postsecondary summer health care interns with formal exposure  
158.27 to the health care profession;

158.28 (2) provide an orientation for the secondary and postsecondary summer health care  
158.29 interns;

158.30 (3) pay one-half the costs of employing the secondary and postsecondary summer health  
158.31 care intern;

159.1 (4) interview and hire secondary and postsecondary pupils for a minimum of six weeks  
159.2 and a maximum of 12 weeks; and

159.3 (5) employ at least one secondary student for each postsecondary student employed, to  
159.4 the extent that there are sufficient qualifying secondary student applicants.

159.5 (b) In order to be eligible to be hired as a secondary summer health intern by a hospital,  
159.6 clinic, nursing facility, assisted living facility, or home care provider, a pupil must:

159.7 (1) intend to complete high school graduation requirements and be between the junior  
159.8 and senior year of high school; and

159.9 (2) be from a school district in proximity to the facility.

159.10 (c) In order to be eligible to be hired as a postsecondary summer health care intern by  
159.11 a hospital or clinic, a pupil must:

159.12 (1) intend to complete a health care training program or a two-year or four-year degree  
159.13 program and be planning on enrolling in or be enrolled in that training program or degree  
159.14 program; and

159.15 (2) be enrolled in a Minnesota educational institution or be a resident of the state of  
159.16 Minnesota; priority must be given to applicants from a school district or an educational  
159.17 institution in proximity to the facility.

159.18 (d) Hospitals, clinics, nursing facilities, assisted living facilities, and home care providers  
159.19 awarded grants may employ pupils as secondary and postsecondary summer health care  
159.20 interns ~~beginning on or after June 15, 1993~~, if they agree to pay the intern, during the period  
159.21 before disbursement of state grant money, with money designated as the facility's 50 percent  
159.22 contribution towards internship costs.

159.23 Sec. 16. Minnesota Statutes 2022, section 144.1464, subdivision 3, is amended to read:

159.24 Subd. 3. **Grants.** The commissioner, through the organization under contract, shall  
159.25 award separate grants to hospitals, clinics, nursing facilities, assisted living facilities, and  
159.26 home care providers meeting the requirements of subdivision 2. The grants must be used  
159.27 to pay one-half of the costs of employing secondary and postsecondary pupils in a hospital,  
159.28 clinic, nursing facility, assisted living facility, or home care setting during the course of the  
159.29 program. No more than 50 percent of the participants may be postsecondary students, unless  
159.30 the program does not receive enough qualified secondary applicants per fiscal year. No  
159.31 more than five pupils may be selected from any secondary or postsecondary institution to

160.1 participate in the program and no more than one-half of the number of pupils selected may  
160.2 be from the seven-county metropolitan area.

160.3 Sec. 17. Minnesota Statutes 2022, section 144.1911, subdivision 2, is amended to read:

160.4 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the  
160.5 meanings given.

160.6 (b) "Commissioner" means the commissioner of health.

160.7 (c) "Immigrant international medical graduate" means an international medical graduate  
160.8 who was born outside the United States, now resides permanently in the United States or  
160.9 who has entered the United States on a temporary status based on urgent humanitarian or  
160.10 significant public benefit reasons, and who did not enter the United States on a J1 or similar  
160.11 nonimmigrant visa following acceptance into a United States medical residency or fellowship  
160.12 program.

160.13 (d) "International medical graduate" means a physician who received a basic medical  
160.14 degree or qualification from a medical school located outside the United States and Canada.

160.15 (e) "Minnesota immigrant international medical graduate" means an immigrant  
160.16 international medical graduate who has lived in Minnesota for at least two years.

160.17 (f) "Rural community" means a statutory and home rule charter city or township that is  
160.18 outside the seven-county metropolitan area as defined in section 473.121, subdivision 2,  
160.19 excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

160.20 (g) "Underserved community" means a Minnesota area or population included in the  
160.21 list of designated primary medical care health professional shortage areas, medically  
160.22 underserved areas, or medically underserved populations (MUPs) maintained and updated  
160.23 by the United States Department of Health and Human Services.

160.24 Sec. 18. Minnesota Statutes 2022, section 144.292, subdivision 6, is amended to read:

160.25 Subd. 6. **Cost.** (a) When a patient requests a copy of the patient's record for purposes of  
160.26 reviewing current medical care, the provider must not charge a fee.

160.27 (b) When a provider or its representative makes copies of patient records upon a patient's  
160.28 request under this section, the provider or its representative may charge the patient or the  
160.29 patient's representative no more than 75 cents per page, plus \$10 for time spent retrieving  
160.30 and copying the records, unless other law or a rule or contract provide for a lower maximum  
160.31 charge. This limitation does not apply to x-rays. The provider may charge a patient no more

161.1 than the actual cost of reproducing x-rays, plus no more than \$10 for the time spent retrieving  
161.2 and copying the x-rays.

161.3 (c) The respective maximum charges of 75 cents per page and \$10 for time provided in  
161.4 this subdivision are in effect for calendar year 1992 and may be adjusted annually each  
161.5 calendar year as provided in this subdivision. The permissible maximum charges shall  
161.6 change each year by an amount that reflects the change, as compared to the previous year,  
161.7 in the Consumer Price Index for all Urban Consumers, Minneapolis-St. Paul (CPI-U),  
161.8 published by the Department of Labor.

161.9 (d) A provider or its representative may charge the \$10 retrieval fee, but must not charge  
161.10 a per page fee, a retrieval fee, or any other fee to provide copies of records requested by a  
161.11 patient or the patient's authorized representative if the request for copies of records is for  
161.12 purposes of appealing a denial of Social Security disability income or Social Security  
161.13 disability benefits under title II or title XVI of the Social Security Act; ~~except that no fee~~  
161.14 ~~shall be charged to a patient who is receiving public assistance, or to a patient who is~~  
161.15 ~~represented by an attorney on behalf of a civil legal services program or a volunteer attorney~~  
161.16 ~~program based on indigency.~~ when the patient is:

161.17 (1) receiving public assistance;

161.18 (2) represented by an attorney on behalf of a civil legal services program; or

161.19 (3) represented by a volunteer attorney program based on indigency.

161.20 The patient or the patient's representative must submit one of the following to show that  
161.21 they are entitled to receive records without charge under this paragraph: (1) a public  
161.22 assistance statement from the county or state administering assistance; (2) a request for  
161.23 records on the letterhead of the civil legal services program or volunteer attorney program  
161.24 based on indigency; or (3) a benefits statement from the Social Security Administration.

161.25 For the purpose of further appeals, a patient may receive no more than two medical  
161.26 record updates without charge, but only for medical record information previously not  
161.27 provided.

161.28 For purposes of this paragraph, a patient's authorized representative does not include  
161.29 units of state government engaged in the adjudication of Social Security disability claims.

161.30 Sec. 19. [144.2925] CONSTRUCTION.

161.31 Sections 144.291 to 144.298 shall be construed to protect the privacy of a patient's health  
161.32 records in a more stringent manner than provided in Code of Federal Regulations, title 45,

162.1 part 164. For purposes of this section, "more stringent" has the meaning given to that term  
162.2 in Code of Federal Regulations, title 45, section 160.202, with respect to a use or disclosure  
162.3 or the need for express legal permission from an individual to disclose individually  
162.4 identifiable health information.

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

162.6 Sec. 20. Minnesota Statutes 2022, section 144.293, subdivision 2, is amended to read:

162.7 Subd. 2. **Patient consent to release of records.** A provider, or a person who receives  
162.8 health records from a provider, may not release a patient's health records to a person without:

162.9 (1) a signed and dated consent from the patient or the patient's legally authorized  
162.10 representative authorizing the release;

162.11 (2) specific authorization in Minnesota law; or

162.12 (3) a representation from a provider that holds a signed and dated consent from the  
162.13 patient authorizing the release.

162.14 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
162.15 applies to health records released on or after that date.

162.16 Sec. 21. Minnesota Statutes 2022, section 144.293, subdivision 4, is amended to read:

162.17 Subd. 4. **Duration of consent.** Except as provided in this section, a consent is valid for  
162.18 one year or for a period specified in the consent or for a different period provided by  
162.19 Minnesota law.

162.20 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
162.21 applies to health records released on or after that date.

162.22 Sec. 22. Minnesota Statutes 2022, section 144.293, subdivision 9, is amended to read:

162.23 Subd. 9. **Documentation of release.** (a) In cases where a provider releases health records  
162.24 without patient consent as authorized by Minnesota law, the release must be documented  
162.25 in the patient's health record. In the case of a release under section 144.294, subdivision 2,  
162.26 the documentation must include the date and circumstances under which the release was  
162.27 made, the person or agency to whom the release was made, and the records that were released.

162.28 (b) When a health record is released using a representation from a provider that holds a  
162.29 consent from the patient, the releasing provider shall document:

162.30 (1) the provider requesting the health records;

- 163.1 (2) the identity of the patient;
- 163.2 (3) the health records requested; and
- 163.3 (4) the date the health records were requested.

163.4 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
163.5 applies to health records released on or after that date.

163.6 Sec. 23. Minnesota Statutes 2022, section 144.293, subdivision 10, is amended to read:

163.7 Subd. 10. **Warranties regarding consents, requests, and disclosures.** (a) When  
163.8 requesting health records using consent, a person warrants that the consent:

- 163.9 (1) contains no information known to the person to be false; and
- 163.10 (2) accurately states the patient's desire to have health records disclosed or that there is  
163.11 specific authorization in Minnesota law.

163.12 (b) When requesting health records using consent, or a representation of holding a  
163.13 consent, a provider warrants that the request:

- 163.14 (1) contains no information known to the provider to be false;
- 163.15 (2) accurately states the patient's desire to have health records disclosed or that there is  
163.16 specific authorization in Minnesota law; and
- 163.17 (3) does not exceed any limits imposed by the patient in the consent.

163.18 (c) When disclosing health records, a person releasing health records warrants that the  
163.19 person:

- 163.20 (1) has complied with the requirements of this section regarding disclosure of health  
163.21 records;
- 163.22 (2) knows of no information related to the request that is false; and
- 163.23 (3) has complied with the limits set by the patient in the consent.

163.24 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
163.25 applies to health records released on or after that date.

163.26 Sec. 24. Minnesota Statutes 2022, section 144.493, is amended by adding a subdivision  
163.27 to read:

163.28 Subd. 2a. **Thrombectomy-capable stroke center.** A hospital meets the criteria for a  
163.29 thrombectomy-capable stroke center if the hospital has been certified as a

164.1 thrombectomy-capable stroke center by the joint commission or another nationally recognized  
164.2 accreditation entity, or is a primary stroke center that is not certified as a thrombectomy-based  
164.3 capable stroke center but the hospital has attained a level of stroke care distinction by offering  
164.4 mechanical endovascular therapies and has been certified by a department approved certifying  
164.5 body that is a nationally recognized guidelines-based organization.

164.6 Sec. 25. Minnesota Statutes 2022, section 144.494, subdivision 2, is amended to read:

164.7 Subd. 2. **Designation.** A hospital that voluntarily meets the criteria for a comprehensive  
164.8 stroke center, thrombectomy-capable stroke center, primary stroke center, or acute stroke  
164.9 ready hospital may apply to the commissioner for designation, and upon the commissioner's  
164.10 review and approval of the application, shall be designated as a comprehensive stroke center,  
164.11 a thrombectomy-capable stroke center, a primary stroke center, or an acute stroke ready  
164.12 hospital for a three-year period. If a hospital loses its certification as a comprehensive stroke  
164.13 center or primary stroke center from the joint commission or other nationally recognized  
164.14 accreditation entity, or no longer participates in the Minnesota stroke registry program, its  
164.15 Minnesota designation shall be immediately withdrawn. Prior to the expiration of the  
164.16 ~~three-year~~ designation period, a hospital seeking to remain part of the voluntary acute stroke  
164.17 system may reapply to the commissioner for designation.

164.18 Sec. 26. Minnesota Statutes 2022, section 144.551, subdivision 1, is amended to read:

164.19 Subdivision 1. **Restricted construction or modification.** (a) The following construction  
164.20 or modification may not be commenced:

164.21 (1) any erection, building, alteration, reconstruction, modernization, improvement,  
164.22 extension, lease, or other acquisition by or on behalf of a hospital that increases the bed  
164.23 capacity of a hospital, relocates hospital beds from one physical facility, complex, or site  
164.24 to another, or otherwise results in an increase or redistribution of hospital beds within the  
164.25 state; and

164.26 (2) the establishment of a new hospital.

164.27 (b) This section does not apply to:

164.28 (1) construction or relocation within a county by a hospital, clinic, or other health care  
164.29 facility that is a national referral center engaged in substantial programs of patient care,  
164.30 medical research, and medical education meeting state and national needs that receives more  
164.31 than 40 percent of its patients from outside the state of Minnesota;

165.1 (2) a project for construction or modification for which a health care facility held an  
165.2 approved certificate of need on May 1, 1984, regardless of the date of expiration of the  
165.3 certificate;

165.4 (3) a project for which a certificate of need was denied before July 1, 1990, if a timely  
165.5 appeal results in an order reversing the denial;

165.6 (4) a project exempted from certificate of need requirements by Laws 1981, chapter 200,  
165.7 section 2;

165.8 (5) a project involving consolidation of pediatric specialty hospital services within the  
165.9 Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number  
165.10 of pediatric specialty hospital beds among the hospitals being consolidated;

165.11 (6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to  
165.12 an existing licensed hospital that will allow for the reconstruction of a new philanthropic,  
165.13 pediatric-orthopedic hospital on an existing site and that will not result in a net increase in  
165.14 the number of hospital beds. Upon completion of the reconstruction, the licenses of both  
165.15 hospitals must be reinstated at the capacity that existed on each site before the relocation;

165.16 (7) the relocation or redistribution of hospital beds within a hospital building or  
165.17 identifiable complex of buildings provided the relocation or redistribution does not result  
165.18 in: (i) an increase in the overall bed capacity at that site; (ii) relocation of hospital beds from  
165.19 one physical site or complex to another; or (iii) redistribution of hospital beds within the  
165.20 state or a region of the state;

165.21 (8) relocation or redistribution of hospital beds within a hospital corporate system that  
165.22 involves the transfer of beds from a closed facility site or complex to an existing site or  
165.23 complex provided that: (i) no more than 50 percent of the capacity of the closed facility is  
165.24 transferred; (ii) the capacity of the site or complex to which the beds are transferred does  
165.25 not increase by more than 50 percent; (iii) the beds are not transferred outside of a federal  
165.26 health systems agency boundary in place on July 1, 1983; (iv) the relocation or redistribution  
165.27 does not involve the construction of a new hospital building; and (v) the transferred beds  
165.28 are used first to replace within the hospital corporate system the total number of beds  
165.29 previously used in the closed facility site or complex for mental health services and substance  
165.30 use disorder services. Only after the hospital corporate system has fulfilled the requirements  
165.31 of this item may the remainder of the available capacity of the closed facility site or complex  
165.32 be transferred for any other purpose;

166.1 (9) a construction project involving up to 35 new beds in a psychiatric hospital in Rice  
166.2 County that primarily serves adolescents and that receives more than 70 percent of its  
166.3 patients from outside the state of Minnesota;

166.4 (10) a project to replace a hospital or hospitals with a combined licensed capacity of  
166.5 130 beds or less if: (i) the new hospital site is located within five miles of the current site;  
166.6 and (ii) the total licensed capacity of the replacement hospital, either at the time of  
166.7 construction of the initial building or as the result of future expansion, will not exceed 70  
166.8 licensed hospital beds, or the combined licensed capacity of the hospitals, whichever is less;

166.9 (11) the relocation of licensed hospital beds from an existing state facility operated by  
166.10 the commissioner of human services to a new or existing facility, building, or complex  
166.11 operated by the commissioner of human services; from one regional treatment center site  
166.12 to another; or from one building or site to a new or existing building or site on the same  
166.13 campus;

166.14 (12) the construction or relocation of hospital beds operated by a hospital having a  
166.15 statutory obligation to provide hospital and medical services for the indigent that does not  
166.16 result in a net increase in the number of hospital beds, notwithstanding section 144.552, 27  
166.17 beds, of which 12 serve mental health needs, may be transferred from Hennepin County  
166.18 Medical Center to Regions Hospital under this clause;

166.19 (13) a construction project involving the addition of up to 31 new beds in an existing  
166.20 nonfederal hospital in Beltrami County;

166.21 (14) a construction project involving the addition of up to eight new beds in an existing  
166.22 nonfederal hospital in Otter Tail County with 100 licensed acute care beds;

166.23 (15) a construction project involving the addition of 20 new hospital beds in an existing  
166.24 hospital in Carver County serving the southwest suburban metropolitan area;

166.25 (16) a project for the construction or relocation of up to 20 hospital beds for the operation  
166.26 of up to two psychiatric facilities or units for children provided that the operation of the  
166.27 facilities or units have received the approval of the commissioner of human services;

166.28 (17) a project involving the addition of 14 new hospital beds to be used for rehabilitation  
166.29 services in an existing hospital in Itasca County;

166.30 (18) a project to add 20 licensed beds in existing space at a hospital in Hennepin County  
166.31 that closed 20 rehabilitation beds in 2002, provided that the beds are used only for  
166.32 rehabilitation in the hospital's current rehabilitation building. If the beds are used for another  
166.33 purpose or moved to another location, the hospital's licensed capacity is reduced by 20 beds;

167.1 (19) a critical access hospital established under section 144.1483, clause (9), and section  
167.2 1820 of the federal Social Security Act, United States Code, title 42, section 1395i-4, that  
167.3 delicensed beds since enactment of the Balanced Budget Act of 1997, Public Law 105-33,  
167.4 to the extent that the critical access hospital does not seek to exceed the maximum number  
167.5 of beds permitted such hospital under federal law;

167.6 (20) notwithstanding section 144.552, a project for the construction of a new hospital  
167.7 in the city of Maple Grove with a licensed capacity of up to 300 beds provided that:

167.8 (i) the project, including each hospital or health system that will own or control the entity  
167.9 that will hold the new hospital license, is approved by a resolution of the Maple Grove City  
167.10 Council as of March 1, 2006;

167.11 (ii) the entity that will hold the new hospital license will be owned or controlled by one  
167.12 or more not-for-profit hospitals or health systems that have previously submitted a plan or  
167.13 plans for a project in Maple Grove as required under section 144.552, and the plan or plans  
167.14 have been found to be in the public interest by the commissioner of health as of April 1,  
167.15 2005;

167.16 (iii) the new hospital's initial inpatient services must include, but are not limited to,  
167.17 medical and surgical services, obstetrical and gynecological services, intensive care services,  
167.18 orthopedic services, pediatric services, noninvasive cardiac diagnostics, behavioral health  
167.19 services, and emergency room services;

167.20 (iv) the new hospital:

167.21 (A) will have the ability to provide and staff sufficient new beds to meet the growing  
167.22 needs of the Maple Grove service area and the surrounding communities currently being  
167.23 served by the hospital or health system that will own or control the entity that will hold the  
167.24 new hospital license;

167.25 (B) will provide uncompensated care;

167.26 (C) will provide mental health services, including inpatient beds;

167.27 (D) will be a site for workforce development for a broad spectrum of health-care-related  
167.28 occupations and have a commitment to providing clinical training programs for physicians  
167.29 and other health care providers;

167.30 (E) will demonstrate a commitment to quality care and patient safety;

167.31 (F) will have an electronic medical records system, including physician order entry;

167.32 (G) will provide a broad range of senior services;

168.1 (H) will provide emergency medical services that will coordinate care with regional  
168.2 providers of trauma services and licensed emergency ambulance services in order to enhance  
168.3 the continuity of care for emergency medical patients; and

168.4 (I) will be completed by December 31, 2009, unless delayed by circumstances beyond  
168.5 the control of the entity holding the new hospital license; and

168.6 (v) as of 30 days following submission of a written plan, the commissioner of health  
168.7 has not determined that the hospitals or health systems that will own or control the entity  
168.8 that will hold the new hospital license are unable to meet the criteria of this clause;

168.9 (21) a project approved under section 144.553;

168.10 (22) a project for the construction of a hospital with up to 25 beds in Cass County within  
168.11 a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder  
168.12 is approved by the Cass County Board;

168.13 (23) a project for an acute care hospital in Fergus Falls that will increase the bed capacity  
168.14 from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing  
168.15 a separately licensed 13-bed skilled nursing facility;

168.16 (24) notwithstanding section 144.552, a project for the construction and expansion of a  
168.17 specialty psychiatric hospital in Hennepin County for up to 50 beds, exclusively for patients  
168.18 who are under 21 years of age on the date of admission. The commissioner conducted a  
168.19 public interest review of the mental health needs of Minnesota and the Twin Cities  
168.20 metropolitan area in 2008. No further public interest review shall be conducted for the  
168.21 construction or expansion project under this clause;

168.22 (25) a project for a 16-bed psychiatric hospital in the city of Thief River Falls, if the  
168.23 commissioner finds the project is in the public interest after the public interest review  
168.24 conducted under section 144.552 is complete;

168.25 (26)(i) a project for a 20-bed psychiatric hospital, within an existing facility in the city  
168.26 of Maple Grove, exclusively for patients who are under 21 years of age on the date of  
168.27 admission, if the commissioner finds the project is in the public interest after the public  
168.28 interest review conducted under section 144.552 is complete;

168.29 (ii) this project shall serve patients in the continuing care benefit program under section  
168.30 256.9693. The project may also serve patients not in the continuing care benefit program;  
168.31 and

168.32 (iii) if the project ceases to participate in the continuing care benefit program, the  
168.33 commissioner must complete a subsequent public interest review under section 144.552. If

169.1 the project is found not to be in the public interest, the license must be terminated six months  
169.2 from the date of that finding. If the commissioner of human services terminates the contract  
169.3 without cause or reduces per diem payment rates for patients under the continuing care  
169.4 benefit program below the rates in effect for services provided on December 31, 2015, the  
169.5 project may cease to participate in the continuing care benefit program and continue to  
169.6 operate without a subsequent public interest review;

169.7 (27) a project involving the addition of 21 new beds in an existing psychiatric hospital  
169.8 in Hennepin County that is exclusively for patients who are under 21 years of age on the  
169.9 date of admission;

169.10 (28) a project to add 55 licensed beds in an existing safety net, level I trauma center  
169.11 hospital in Ramsey County as designated under section 383A.91, subdivision 5, of which  
169.12 15 beds are to be used for inpatient mental health and 40 are to be used for other services.  
169.13 In addition, five unlicensed observation mental health beds shall be added;

169.14 (29) upon submission of a plan to the commissioner for public interest review under  
169.15 section 144.552 and the addition of the 15 inpatient mental health beds specified in clause  
169.16 (28), to its bed capacity, a project to add 45 licensed beds in an existing safety net, level I  
169.17 trauma center hospital in Ramsey County as designated under section 383A.91, subdivision  
169.18 5. Five of the 45 additional beds authorized under this clause must be designated for use  
169.19 for inpatient mental health and must be added to the hospital's bed capacity before the  
169.20 remaining 40 beds are added. Notwithstanding section 144.552, the hospital may add licensed  
169.21 beds under this clause prior to completion of the public interest review, provided the hospital  
169.22 submits its plan by the 2021 deadline and adheres to the timelines for the public interest  
169.23 review described in section 144.552;

169.24 (30) upon submission of a plan to the commissioner for public interest review under  
169.25 section 144.552, a project to add up to 30 licensed beds in an existing psychiatric hospital  
169.26 in Hennepin County that exclusively provides care to patients who are under 21 years of  
169.27 age on the date of admission. Notwithstanding section 144.552, the psychiatric hospital  
169.28 may add licensed beds under this clause prior to completion of the public interest review,  
169.29 provided the hospital submits its plan by the 2021 deadline and adheres to the timelines for  
169.30 the public interest review described in section 144.552;

169.31 (31) any project to add licensed beds in a hospital located in Cook County or Mahnommen  
169.32 County that: (i) is designated as a critical access hospital under section 144.1483, clause  
169.33 (9), and United States Code, title 42, section 1395i-4; (ii) has a licensed bed capacity of  
169.34 fewer than 25 beds; and (iii) has an attached nursing home, so long as the total number of

170.1 licensed beds in the hospital after the bed addition does not exceed 25 beds. Notwithstanding  
170.2 section 144.552, a public interest review is not required for a project authorized under this  
170.3 clause;

170.4 (32) upon submission of a plan to the commissioner for public interest review under  
170.5 section 144.552, a project to add 22 licensed beds at a Minnesota freestanding children's  
170.6 hospital in St. Paul that is part of an independent pediatric health system with freestanding  
170.7 inpatient hospitals located in Minneapolis and St. Paul. The beds shall be utilized for pediatric  
170.8 inpatient behavioral health services. Notwithstanding section 144.552, the hospital may add  
170.9 licensed beds under this clause prior to completion of the public interest review, provided  
170.10 the hospital submits its plan by the 2022 deadline and adheres to the timelines for the public  
170.11 interest review described in section 144.552; ~~or~~

170.12 (33) a project for a 144-bed psychiatric hospital on the site of the former Bethesda  
170.13 hospital in the city of Saint Paul, Ramsey County, if the commissioner finds the project is  
170.14 in the public interest after the public interest review conducted under section 144.552 is  
170.15 complete. Following the completion of the construction project, the commissioner of health  
170.16 shall monitor the hospital, including by assessing the hospital's case mix and payer mix,  
170.17 patient transfers, and patient diversions. The hospital must have an intake and assessment  
170.18 area. The hospital must accommodate patients with acute mental health needs, whether they  
170.19 walk up to the facility, are delivered by ambulances or law enforcement, or are transferred  
170.20 from other facilities. The hospital must comply with subdivision 1a, paragraph (b). The  
170.21 hospital must annually submit de-identified data to the department in the format and manner  
170.22 defined by the commissioner; or

170.23 (34) a project involving the relocation of up to 26 licensed long-term acute care hospital  
170.24 beds from an existing long-term care hospital located in Hennepin County with a licensed  
170.25 capacity prior to the relocation of 92 beds to dedicated space on the campus of an existing  
170.26 safety net, level I trauma center hospital in Ramsey County as designated under section  
170.27 383A.91, subdivision 5, provided both the commissioner finds the project is in the public  
170.28 interest after the public interest review conducted under section 144.552 is complete and  
170.29 the relocated beds continue to be used as long-term acute care hospital beds after the  
170.30 relocation.

171.1 Sec. 27. Minnesota Statutes 2022, section 144.605, is amended by adding a subdivision  
171.2 to read:

171.3 Subd. 10. **Chapter 16C waiver.** Pursuant to subdivisions 4, paragraph (b), and 5,  
171.4 paragraph (b), the commissioner of administration may waive provisions of chapter 16C  
171.5 for the purposes of approving contracts for independent clinical teams.

171.6 Sec. 28. Minnesota Statutes 2023 Supplement, section 144.651, subdivision 10a, is amended  
171.7 to read:

171.8 Subd. 10a. **Designated support person for pregnant patient or other patient.** (a)  
171.9 Subject to paragraph (c), a health care provider and a health care facility must allow, at a  
171.10 minimum, one designated support person ~~of a pregnant patient's choosing~~ chosen by a  
171.11 patient, including but not limited to a pregnant patient, to be physically present while the  
171.12 patient is receiving health care services including during a hospital stay.

171.13 (b) For purposes of this subdivision, "designated support person" means any person  
171.14 chosen by the patient to provide comfort to the patient including but not limited to the  
171.15 patient's spouse, partner, family member, or another person related by affinity. Certified  
171.16 doula and traditional midwives may not be counted toward the limit of one designated  
171.17 support person.

171.18 (c) A facility may restrict or prohibit the presence of a designated support person in  
171.19 treatment rooms, procedure rooms, and operating rooms when such a restriction or prohibition  
171.20 is strictly necessary to meet the appropriate standard of care. A facility may also restrict or  
171.21 prohibit the presence of a designated support person if the designated support person is  
171.22 acting in a violent or threatening manner toward others. Any restriction or prohibition of a  
171.23 designated support person by the facility is subject to the facility's written internal grievance  
171.24 procedure required by subdivision 20.

171.25 Sec. 29. [144.6985] **COMMUNITY HEALTH NEEDS ASSESSMENT; COMMUNITY**  
171.26 **HEALTH IMPROVEMENT SERVICES; IMPLEMENTATION.**

171.27 Subdivision 1. **Community health needs assessment.** A nonprofit hospital that is exempt  
171.28 from taxation under section 501(c)(3) of the Internal Revenue Code must make available  
171.29 to the public and submit to the commissioner of health, by January 15, 2026, the most recent  
171.30 community health needs assessment submitted by the hospital to the Internal Revenue  
171.31 Service. Each time the hospital conducts a subsequent community health needs assessment,  
171.32 the hospital must, within 15 business days after submitting the subsequent community health

172.1 needs assessment to the Internal Revenue Service, make the subsequent assessment available  
172.2 to the public and submit the subsequent assessment to the commissioner.

172.3 Subd. 2. **Description of community.** A nonprofit hospital subject to subdivision 1 must  
172.4 make available to the public and submit to the commissioner of health a description of the  
172.5 community served by the hospital. The description must include a geographic description  
172.6 of the area where the hospital is located, a description of the general population served by  
172.7 the hospital, and demographic information about the community served by the hospital,  
172.8 such as leading causes of death, levels of chronic illness, and descriptions of the medically  
172.9 underserved, low-income, minority, or chronically ill populations in the community. A  
172.10 hospital is not required to separately make the information available to the public or  
172.11 separately submit the information to the commissioner if the information is included in the  
172.12 hospital's community health needs assessment made available and submitted under  
172.13 subdivision 1.

172.14 Subd. 3. **Addendum; community health improvement services.** (a) A nonprofit hospital  
172.15 subject to subdivision 1 must annually submit to the commissioner an addendum which  
172.16 details information about hospital activities identified as community health improvement  
172.17 services with a cost of \$5,000 or more. The addendum must include the type of activity, the  
172.18 method through which the activity was delivered, how the activity relates to an identified  
172.19 community need in the community health needs assessment, the target population for the  
172.20 activity, strategies to reach the target population, identified outcome metrics, the cost to the  
172.21 hospital to provide the activity, the methodology used to calculate the hospital's costs, and  
172.22 the number of people served by the activity. If a community health improvement service is  
172.23 administered by an entity other than the hospital, the administering entity must be identified  
172.24 in the addendum. This paragraph does not apply to hospitals required to submit an addendum  
172.25 under paragraph (b).

172.26 (b) A nonprofit hospital subject to subdivision 1 must annually submit to the  
172.27 commissioner an addendum which details information about the ten highest-cost activities  
172.28 of the hospital identified as community health improvement services if the nonprofit hospital:

172.29 (1) is designated as a critical access hospital under section 144.1483, clause (9), and  
172.30 United States Code, title 42, section 1395i-4;

172.31 (2) meets the definition of sole community hospital in section 62Q.19, subdivision 1,  
172.32 paragraph (a), clause (5); or

172.33 (3) meets the definition of rural emergency hospital in United States Code, title 42,  
172.34 section 1395x(kkk)(2).

173.1 The addendum must include the type of activity, the method in which the activity was  
173.2 delivered, how the activity relates to an identified community need in the community health  
173.3 needs assessment, the target population for the activity, strategies to reach the target  
173.4 population, identified outcome metrics, the cost to the hospital to provide the activity, the  
173.5 methodology used to calculate the hospital's costs, and the number of people served by the  
173.6 activity. If a community health improvement service is administered by an entity other than  
173.7 the hospital, the administering entity must be identified in the addendum.

173.8 Subd. 4. **Community benefit implementation strategy.** A nonprofit hospital subject  
173.9 to subdivision 1 must make available to the public, within one year after completing each  
173.10 community health needs assessment, a community benefit implementation strategy. In  
173.11 developing the community benefit implementation strategy, the hospital must consult with  
173.12 community-based organizations, stakeholders, local public health organizations, and others  
173.13 as determined by the hospital. The implementation strategy must include how the hospital  
173.14 shall address the top three community health priorities identified in the community health  
173.15 needs assessment. Implementation strategies must be evidence-based, when available, and  
173.16 development and implementation of innovative programs and strategies may be supported  
173.17 by evaluation measures.

173.18 Subd. 5. **Information made available to the public.** A nonprofit hospital required to  
173.19 make information available to the public under this section may do so by posting the  
173.20 information on the hospital's website in a consolidated location and with clear labeling.

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

173.22 Sec. 30. Minnesota Statutes 2022, section 144.7067, subdivision 2, is amended to read:

173.23 Subd. 2. **Duty to analyze reports; communicate findings.** (a) The commissioner shall:

173.24 (1) analyze adverse event reports, corrective action plans, and findings of the root cause  
173.25 analyses to determine patterns of systemic failure in the health care system and successful  
173.26 methods to correct these failures;

173.27 (2) communicate to individual facilities the commissioner's conclusions, if any, regarding  
173.28 an adverse event reported by the facility;

173.29 (3) communicate with relevant health care facilities any recommendations for corrective  
173.30 action resulting from the commissioner's analysis of submissions from facilities; and

173.31 (4) publish an annual report:

173.32 (i) describing, by institution, adverse events reported;

174.1 (ii) outlining, in aggregate, corrective action plans and the findings of root cause analyses;  
174.2 and

174.3 (iii) making recommendations for modifications of state health care operations.

174.4 (b) Notwithstanding section 144.05, subdivision 7, the mandate to publish an annual  
174.5 report under this subdivision does not expire.

174.6 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2023.

174.7 Sec. 31. Minnesota Statutes 2022, section 144A.10, subdivision 15, is amended to read:

174.8 Subd. 15. **Informal dispute resolution.** The commissioner shall respond in writing to  
174.9 a request from a nursing facility certified under the federal Medicare and Medicaid programs  
174.10 for an informal dispute resolution within ~~30 days of the exit date of the facility's survey~~ ten  
174.11 calendar days of the facility's receipt of the notice of deficiencies. The commissioner's  
174.12 response shall identify the commissioner's decision regarding ~~the continuation of each~~  
174.13 deficiency citation challenged by the nursing facility, as well as a statement of any changes  
174.14 in findings, level of severity or scope, and proposed remedies or sanctions for each deficiency  
174.15 citation.

174.16 **EFFECTIVE DATE.** This section is effective August 1, 2024.

174.17 Sec. 32. Minnesota Statutes 2022, section 144A.10, subdivision 16, is amended to read:

174.18 Subd. 16. **Independent informal dispute resolution.** (a) Notwithstanding subdivision  
174.19 15, a facility certified under the federal Medicare or Medicaid programs that has been  
174.20 assessed a civil money penalty as provided by Code of Federal Regulations, title 42, section  
174.21 488.430, may request from the commissioner, in writing, an independent informal dispute  
174.22 resolution process regarding any deficiency ~~citation issued to the facility.~~ The facility must  
174.23 ~~specify in its written request each deficiency citation that it disputes. The commissioner~~  
174.24 ~~shall provide a hearing under sections 14.57 to 14.62. Upon the written request of the facility,~~  
174.25 ~~the parties must submit the issues raised to arbitration by an administrative law judge~~ submit  
174.26 its request in writing within ten calendar days of receiving notice that a civil money penalty  
174.27 will be imposed.

174.28 (b) The facility and commissioner have the right to be represented by an attorney at the  
174.29 hearing.

174.30 (c) An independent informal dispute resolution may not be requested for any deficiency  
174.31 that is the subject of an active informal dispute resolution requested under subdivision 15.

175.1 The facility must withdraw its informal dispute resolution prior to requesting independent  
175.2 informal dispute resolution.

175.3 ~~(b) Upon~~ (d) Within five calendar days of receipt of a written request for an arbitration  
175.4 proceeding independent informal dispute resolution, the commissioner shall file with the  
175.5 Office of Administrative Hearings a request for the appointment of an ~~arbitrator~~  
175.6 administrative law judge from the Office of Administrative Hearings and simultaneously  
175.7 serve the facility with notice of the request. ~~The arbitrator for the dispute shall be an~~  
175.8 ~~administrative law judge appointed by the Office of Administrative Hearings. The disclosure~~  
175.9 ~~provisions of section 572B.12 and the notice provisions of section 572B.15, subsection (c),~~  
175.10 ~~apply. The facility and the commissioner have the right to be represented by an attorney.~~

175.11 (e) An independent informal dispute resolution proceeding shall be scheduled to occur  
175.12 within 30 calendar days of the commissioner's request to the Office of Administrative  
175.13 Hearings, unless the parties agree otherwise or the chief administrative law judge deems  
175.14 the timing to be unreasonable. The independent informal dispute resolution process must  
175.15 be completed within 60 calendar days of the facility's request.

175.16 ~~(e)~~ (f) Five working days in advance of the scheduled proceeding, the commissioner  
175.17 and the facility ~~may present~~ must submit written statements and arguments, documentary  
175.18 evidence, depositions, and ~~oral statements and arguments at the arbitration proceeding. Oral~~  
175.19 ~~statements and arguments may be made by telephone~~ any other materials supporting their  
175.20 position to the administrative law judge.

175.21 (g) The independent informal dispute resolution proceeding shall be informal and  
175.22 conducted in a manner so as to allow the parties to fully present their positions and respond  
175.23 to the opposing party's positions. This may include presentation of oral statements and  
175.24 arguments at the proceeding.

175.25 ~~(d)~~ (h) Within ten working days of the close of the arbitration proceeding, the  
175.26 administrative law judge shall issue findings and recommendations regarding each of the  
175.27 deficiencies in dispute. The findings shall be one or more of the following:

175.28 (1) Supported in full. The citation is supported in full, with no deletion of findings and  
175.29 no change in the scope or severity assigned to the deficiency citation.

175.30 (2) Supported in substance. The citation is supported, but one or more findings are  
175.31 deleted without any change in the scope or severity assigned to the deficiency.

175.32 (3) Deficient practice cited under wrong requirement of participation. The citation is  
175.33 amended by moving it to the correct requirement of participation.

176.1 (4) Scope not supported. The citation is amended through a change in the scope assigned  
176.2 to the citation.

176.3 (5) Severity not supported. The citation is amended through a change in the severity  
176.4 assigned to the citation.

176.5 (6) No deficient practice. The citation is deleted because the findings did not support  
176.6 the citation or the negative resident outcome was unavoidable. ~~The findings of the arbitrator~~  
176.7 ~~are not binding on the commissioner.~~

176.8 (i) The findings and recommendations of the administrative law judge are not binding  
176.9 on the commissioner.

176.10 (j) Within ten calendar days of receiving the administrative law judge's findings and  
176.11 recommendations, the commissioner shall issue a recommendation to the Center for Medicare  
176.12 and Medicaid Services.

176.13 ~~(e) (k) The commissioner shall reimburse the Office of Administrative Hearings for the~~  
176.14 ~~costs incurred by that office for the arbitration proceeding. The facility shall reimburse the~~  
176.15 ~~commissioner for the proportion of the costs that represent the sum of deficiency citations~~  
176.16 ~~supported in full under paragraph (d), clause (1), or in substance under paragraph (d), clause~~  
176.17 ~~(2), divided by the total number of deficiencies disputed. A deficiency citation for which~~  
176.18 ~~the administrative law judge's sole finding is that the deficient practice was cited under the~~  
176.19 ~~wrong requirements of participation shall not be counted in the numerator or denominator~~  
176.20 ~~in the calculation of the proportion of costs.~~

176.21 **EFFECTIVE DATE.** This section is effective October 1, 2024, or upon federal approval,  
176.22 whichever is later, and applies to appeals of deficiencies which are issued after October 1,  
176.23 2024, or on or after the date upon which federal approval is obtained, whichever is later.  
176.24 The commissioner of health shall notify the revisor of statutes when federal approval is  
176.25 obtained.

176.26 Sec. 33. Minnesota Statutes 2022, section 144A.471, is amended by adding a subdivision  
176.27 to read:

176.28 Subd. 1a. **Licensure under other law.** A home care licensee must not provide sleeping  
176.29 accommodations as a provision of home care services. For purposes of this subdivision, the  
176.30 provision of sleeping accommodations and assisted living services under section 144G.08,  
176.31 subdivision 9, requires assisted living facility licensure under chapter 144G. This subdivision  
176.32 does not apply to those settings exempt from assisted living facility licensure under section  
176.33 144G.08, subdivision 7.

177.1 Sec. 34. Minnesota Statutes 2022, section 144A.474, subdivision 13, is amended to read:

177.2 Subd. 13. **Home care surveyor training.** (a) Before conducting a home care survey,  
177.3 each home care surveyor must receive training on the following topics:

177.4 (1) Minnesota home care licensure requirements;

177.5 (2) Minnesota home care bill of rights;

177.6 (3) Minnesota Vulnerable Adults Act and reporting of maltreatment of minors;

177.7 (4) principles of documentation;

177.8 (5) survey protocol and processes;

177.9 (6) Offices of the Ombudsman roles;

177.10 (7) Office of Health Facility Complaints;

177.11 (8) Minnesota landlord-tenant ~~and housing with services~~ laws;

177.12 (9) types of payors for home care services; and

177.13 (10) Minnesota Nurse Practice Act for nurse surveyors.

177.14 (b) Materials used for the training in paragraph (a) shall be posted on the department  
177.15 website. Requisite understanding of these topics will be reviewed as part of the quality  
177.16 improvement plan in section 144A.483.

177.17 Sec. 35. Minnesota Statutes 2023 Supplement, section 144A.4791, subdivision 10, is  
177.18 amended to read:

177.19 Subd. 10. **Termination of service plan.** (a) If a home care provider terminates a service  
177.20 plan with a client, and the client continues to need home care services, the home care provider  
177.21 shall provide the client and the client's representative, if any, with a written notice of  
177.22 termination which includes the following information:

177.23 (1) the effective date of termination;

177.24 (2) the reason for termination;

177.25 (3) for clients age 18 or older, a statement that the client may contact the Office of  
177.26 Ombudsman for Long-Term Care to request an advocate to assist regarding the termination  
177.27 and contact information for the office, including the office's central telephone number;

177.28 (4) a list of known licensed home care providers in the client's immediate geographic  
177.29 area;

178.1 (5) a statement that the home care provider will participate in a coordinated transfer of  
178.2 care of the client to another home care provider, health care provider, or caregiver, as  
178.3 required by the home care bill of rights, section 144A.44, subdivision 1, clause (17); and

178.4 (6) the name and contact information of a person employed by the home care provider  
178.5 with whom the client may discuss the notice of termination; ~~and.~~

178.6 ~~(7) if applicable, a statement that the notice of termination of home care services does~~  
178.7 ~~not constitute notice of termination of any housing contract.~~

178.8 (b) When the home care provider voluntarily discontinues services to all clients, the  
178.9 home care provider must notify the commissioner, lead agencies, and ombudsman for  
178.10 long-term care about its clients and comply with the requirements in this subdivision.

178.11 Sec. 36. Minnesota Statutes 2022, section 144E.16, subdivision 7, is amended to read:

178.12 Subd. 7. **Stroke transport protocols.** Regional emergency medical services programs  
178.13 and any ambulance service licensed under this chapter must develop stroke transport  
178.14 protocols. The protocols must include standards of care for triage and transport of acute  
178.15 stroke patients within a specific time frame from symptom onset until transport to the most  
178.16 appropriate designated acute stroke ready hospital, primary stroke center,  
178.17 thrombectomy-capable stroke center, or comprehensive stroke center.

178.18 Sec. 37. Minnesota Statutes 2022, section 144G.08, subdivision 29, is amended to read:

178.19 Subd. 29. **Licensed health professional.** "Licensed health professional" means a person  
178.20 ~~licensed in Minnesota to practice a profession described in section 214.01, subdivision 2,~~  
178.21 other than a registered nurse or licensed practical nurse, who provides assisted living services  
178.22 within the scope of practice of that person's health occupation license, registration, or  
178.23 certification as a regulated person who is licensed by an appropriate Minnesota state board  
178.24 or agency.

178.25 Sec. 38. Minnesota Statutes 2022, section 144G.10, is amended by adding a subdivision  
178.26 to read:

178.27 Subd. 5. **Protected title; restriction on use.** (a) Effective January 1, 2026, no person  
178.28 or entity may use the phrase "assisted living," whether alone or in combination with other  
178.29 words and whether orally or in writing, to: advertise; market; or otherwise describe, offer,  
178.30 or promote itself, or any housing, service, service package, or program that it provides  
178.31 within this state, unless the person or entity is a licensed assisted living facility that meets  
178.32 the requirements of this chapter. A person or entity entitled to use the phrase "assisted living"

179.1 shall use the phrase only in the context of its participation that meets the requirements of  
179.2 this chapter.

179.3 (b) Effective January 1, 2026, the licensee's name for a new assisted living facility may  
179.4 not include the terms "home care" or "nursing home."

179.5 Sec. 39. Minnesota Statutes 2022, section 144G.16, subdivision 6, is amended to read:

179.6 Subd. 6. **Requirements for notice and transfer.** A provisional licensee whose license  
179.7 is denied must comply with the requirements for notification and the coordinated move of  
179.8 residents in sections 144G.52 and 144G.55. If the license denial is upheld by the  
179.9 reconsideration process, the licensee must submit a closure plan as required by section  
179.10 144G.57 within ten calendar days of receipt of the reconsideration decision.

179.11 Sec. 40. Minnesota Statutes 2022, section 146B.03, subdivision 7a, is amended to read:

179.12 Subd. 7a. **Supervisors.** (a) A technician must have been licensed in Minnesota or in a  
179.13 jurisdiction with which Minnesota has reciprocity for at least:

179.14 (1) two years as a tattoo technician licensed under section 146B.03, subdivision 4, 6, or  
179.15 8, in order to supervise a temporary tattoo technician; or

179.16 (2) one year as a body piercing technician licensed under section 146B.03, subdivision  
179.17 4, 6, or 8, or must have performed at least 500 body piercings, in order to supervise a  
179.18 temporary body piercing technician.

179.19 (b) Any technician who agrees to supervise more than two temporary tattoo technicians  
179.20 during the same time period, or more than four body piercing technicians during the same  
179.21 time period, must provide to the commissioner a supervisory plan that describes how the  
179.22 technician will provide supervision to each temporary technician in accordance with section  
179.23 146B.01, subdivision 28.

179.24 (c) The supervisory plan must include, at a minimum:

179.25 (1) the areas of practice under supervision;

179.26 (2) the anticipated supervision hours per week;

179.27 (3) the anticipated duration of the training period; and

179.28 (4) the method of providing supervision if there are multiple technicians being supervised  
179.29 during the same time period.

180.1 (d) If the supervisory plan is terminated before completion of the technician's supervised  
180.2 practice, the supervisor must notify the commissioner in writing within 14 days of the change  
180.3 in supervision and include an explanation of why the plan was not completed.

180.4 (e) The commissioner may refuse to approve as a supervisor a technician who has been  
180.5 disciplined in Minnesota or in another jurisdiction after considering the criteria in section  
180.6 146B.02, subdivision 10, paragraph (b).

180.7 Sec. 41. Minnesota Statutes 2022, section 146B.10, subdivision 1, is amended to read:

180.8 Subdivision 1. **Licensing fees.** (a) The fee for the initial technician licensure application  
180.9 and biennial licensure renewal application is \$420.

180.10 (b) The fee for temporary technician licensure application is \$240.

180.11 (c) The fee for the temporary guest artist license application is \$140.

180.12 (d) The fee for a dual body art technician license application is \$420.

180.13 (e) The fee for a provisional establishment license application required in section 146B.02,  
180.14 subdivision 5, paragraph (c), is \$1,500.

180.15 (f) The fee for an initial establishment license application and the two-year license  
180.16 renewal period application required in section 146B.02, subdivision 2, paragraph (b), is  
180.17 \$1,500.

180.18 (g) The fee for a temporary body art establishment event permit application is \$200.

180.19 (h) The commissioner shall prorate the initial two-year technician license fee based on  
180.20 the number of months in the initial licensure period. The commissioner shall prorate the  
180.21 first renewal fee for the establishment license based on the number of months from issuance  
180.22 of the provisional license to the first renewal.

180.23 (i) The fee for verification of licensure to other states is \$25.

180.24 ~~(j) The fee to reissue a provisional establishment license that relocates prior to inspection~~  
180.25 ~~and removal of provisional status is \$350. The expiration date of the provisional license~~  
180.26 ~~does not change.~~

180.27 ~~(j)~~ (j) The fee to change an establishment name or establishment type, such as tattoo,  
180.28 piercing, or dual, is \$50.

181.1 Sec. 42. Minnesota Statutes 2022, section 146B.10, subdivision 3, is amended to read:

181.2 Subd. 3. **Deposit.** Fees collected by the commissioner under this section must be deposited  
181.3 in the state government special revenue fund. All fees are nonrefundable.

181.4 Sec. 43. Minnesota Statutes 2022, section 149A.65, is amended to read:

181.5 **149A.65 FEES.**

181.6 Subdivision 1. **Generally.** This section establishes the application fees for registrations,  
181.7 examinations, initial and renewal licenses, and late fees authorized under the provisions of  
181.8 this chapter.

181.9 Subd. 2. **Mortuary science fees.** Fees for mortuary science are:

181.10 (1) \$75 for the initial and renewal registration of a mortuary science intern;

181.11 (2) \$125 for the mortuary science examination;

181.12 (3) \$200 for ~~issuance of~~ initial and renewal mortuary science ~~licenses~~ license applications;

181.13 (4) \$100 late fee charge for a license renewal application; and

181.14 (5) \$250 for ~~issuing a~~ an application for mortuary science license by endorsement.

181.15 Subd. 3. **Funeral directors.** The license renewal application fee for funeral directors is  
181.16 \$200. The late fee charge for a license renewal is \$100.

181.17 Subd. 4. **Funeral establishments.** The initial and renewal application fee for funeral  
181.18 establishments is \$425. The late fee charge for a license renewal is \$100.

181.19 Subd. 5. **Crematories.** The initial and renewal application fee for a crematory is \$425.  
181.20 The late fee charge for a license renewal is \$100.

181.21 Subd. 6. **Alkaline hydrolysis facilities.** The initial and renewal application fee for an  
181.22 alkaline hydrolysis facility is \$425. The late fee charge for a license renewal is \$100.

181.23 Subd. 7. **State government special revenue fund.** Fees collected by the commissioner  
181.24 under this section must be deposited in the state treasury and credited to the state government  
181.25 special revenue fund. All fees are nonrefundable.

181.26 Sec. 44. Minnesota Statutes 2022, section 256R.02, subdivision 20, is amended to read:

181.27 Subd. 20. **Facility average case mix index.** "Facility average case mix index" or "CMI"  
181.28 means a numerical score that describes the relative resource use for all residents within the  
181.29 case mix ~~classifications under the resource utilization group (RUG) classification system~~

182.1 prescribed by the commissioner based on an assessment of each resident. The facility average  
182.2 CMI shall be computed as the standardized days divided by the sum of the facility's resident  
182.3 days. The case mix indices used shall be based on the system prescribed in section 256R.17.

182.4 Sec. 45. REVISOR INSTRUCTION.

182.5 The revisor of statutes shall substitute the term "employee" with the term "staff" in the  
182.6 following sections of Minnesota Statutes and make any grammatical changes needed without  
182.7 changing the meaning of the sentence: Minnesota Statutes, sections 144G.08, subdivisions  
182.8 18 and 36; 144G.13, subdivision 1, paragraph (c); 144G.20, subdivisions 1, 2, and 21;  
182.9 144G.30, subdivision 5; 144G.42, subdivision 8; 144G.45, subdivision 2; 144G.60,  
182.10 subdivisions 1, paragraph (c), and 3, paragraph (a); 144G.63, subdivision 2, paragraph (a),  
182.11 clause (9); 144G.64, paragraphs (a), clauses (2), (3), and (5), and (c); 144G.70, subdivision  
182.12 7; and 144G.92, subdivisions 1 and 3.

182.13 Sec. 46. REPEALER.

182.14 (a) Minnesota Statutes 2022, sections 144.497; and 256R.02, subdivision 46, are repealed.

182.15 (b) Minnesota Statutes 2023 Supplement, section 62J.312, subdivision 6, is repealed.

182.16 **ARTICLE 7**

182.17 **EMERGENCY MEDICAL SERVICES**

182.18 Section 1. Minnesota Statutes 2023 Supplement, section 15A.0815, subdivision 2, is  
182.19 amended to read:

182.20 Subd. 2. **Agency head salaries.** The salary for a position listed in this subdivision shall  
182.21 be determined by the Compensation Council under section 15A.082. The commissioner of  
182.22 management and budget must publish the salaries on the department's website. This  
182.23 subdivision applies to the following positions:

182.24 Commissioner of administration;

182.25 Commissioner of agriculture;

182.26 Commissioner of education;

182.27 Commissioner of children, youth, and families;

182.28 Commissioner of commerce;

182.29 Commissioner of corrections;

- 183.1 Commissioner of health;
- 183.2 Commissioner, Minnesota Office of Higher Education;
- 183.3 Commissioner, Minnesota IT Services;
- 183.4 Commissioner, Housing Finance Agency;
- 183.5 Commissioner of human rights;
- 183.6 Commissioner of human services;
- 183.7 Commissioner of labor and industry;
- 183.8 Commissioner of management and budget;
- 183.9 Commissioner of natural resources;
- 183.10 Commissioner, Pollution Control Agency;
- 183.11 Commissioner of public safety;
- 183.12 Commissioner of revenue;
- 183.13 Commissioner of employment and economic development;
- 183.14 Commissioner of transportation;
- 183.15 Commissioner of veterans affairs;
- 183.16 Executive director of the Gambling Control Board;
- 183.17 Executive director of the Minnesota State Lottery;
- 183.18 Commissioner of Iron Range resources and rehabilitation;
- 183.19 Commissioner, Bureau of Mediation Services;
- 183.20 Ombudsman for mental health and developmental disabilities;
- 183.21 Ombudsperson for corrections;
- 183.22 Chair, Metropolitan Council;
- 183.23 Chair, Metropolitan Airports Commission;
- 183.24 School trust lands director;
- 183.25 Executive director of pari-mutuel racing; ~~and~~
- 183.26 Commissioner, Public Utilities Commission; and
- 183.27 Director of the Office of Emergency Medical Services.

184.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

184.2 Sec. 2. Minnesota Statutes 2023 Supplement, section 43A.08, subdivision 1a, is amended  
184.3 to read:

184.4 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following  
184.5 agencies may designate additional unclassified positions according to this subdivision: the  
184.6 Departments of Administration; Agriculture; Children, Youth, and Families; Commerce;  
184.7 Corrections; Direct Care and Treatment; Education; Employment and Economic  
184.8 Development; Explore Minnesota Tourism; Management and Budget; Health; Human  
184.9 Rights; Human Services; Labor and Industry; Natural Resources; Public Safety; Revenue;  
184.10 Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies;  
184.11 the State Lottery; the State Board of Investment; the Office of Administrative Hearings; the  
184.12 Department of Information Technology Services; the Offices of the Attorney General,  
184.13 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the  
184.14 Minnesota Office of Higher Education; the Perpich Center for Arts Education; ~~and~~ the  
184.15 Minnesota Zoological Board; and the Office of Emergency Medical Services.

184.16 A position designated by an appointing authority according to this subdivision must  
184.17 meet the following standards and criteria:

184.18 (1) the designation of the position would not be contrary to other law relating specifically  
184.19 to that agency;

184.20 (2) the person occupying the position would report directly to the agency head or deputy  
184.21 agency head and would be designated as part of the agency head's management team;

184.22 (3) the duties of the position would involve significant discretion and substantial  
184.23 involvement in the development, interpretation, and implementation of agency policy;

184.24 (4) the duties of the position would not require primarily personnel, accounting, or other  
184.25 technical expertise where continuity in the position would be important;

184.26 (5) there would be a need for the person occupying the position to be accountable to,  
184.27 loyal to, and compatible with, the governor and the agency head, the employing statutory  
184.28 board or commission, or the employing constitutional officer;

184.29 (6) the position would be at the level of division or bureau director or assistant to the  
184.30 agency head; and

184.31 (7) the commissioner has approved the designation as being consistent with the standards  
184.32 and criteria in this subdivision.

185.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

185.2 Sec. 3. Minnesota Statutes 2022, section 62J.49, subdivision 1, is amended to read:

185.3 Subdivision 1. **Establishment.** The director of the Office of Emergency Medical Services  
185.4 ~~Regulatory Board~~ established under chapter ~~144~~ 144E shall establish a financial data  
185.5 collection system for all ambulance services licensed in this state. To establish the financial  
185.6 database, the ~~Emergency Medical Services Regulatory Board~~ director may contract with  
185.7 an entity that has experience in ambulance service financial data collection.

185.8 **EFFECTIVE DATE.** This section is effective January 1, 2025.

185.9 Sec. 4. Minnesota Statutes 2022, section 144E.001, subdivision 3a, is amended to read:

185.10 Subd. 3a. **Ambulance service personnel.** "Ambulance service personnel" means  
185.11 individuals who are authorized by a licensed ambulance service to provide emergency care  
185.12 for the ambulance service and are:

185.13 (1) EMTs, AEMTs, or paramedics;

185.14 (2) Minnesota registered nurses who are: (i) EMTs, are currently practicing nursing, and  
185.15 ~~have passed a paramedic practical skills test, as approved by the board and administered by~~  
185.16 ~~an educational program approved by the board~~ been approved by the ambulance service  
185.17 medical director; (ii) on the roster of an ambulance service on or before January 1, 2000;  
185.18 ~~or~~ (iii) after petitioning the board, deemed by the board to have training and skills equivalent  
185.19 to an EMT, as determined on a case-by-case basis; or (iv) certified as a certified flight  
185.20 registered nurse or certified emergency nurse; or

185.21 (3) Minnesota licensed physician assistants who are: (i) EMTs, are currently practicing  
185.22 as physician assistants, and have ~~passed a paramedic practical skills test, as approved by~~  
185.23 ~~the board and administered by an educational program approved by the board~~ been approved  
185.24 by the ambulance service medical director; (ii) on the roster of an ambulance service on or  
185.25 before January 1, 2000; or (iii) after petitioning the board, deemed by the board to have  
185.26 training and skills equivalent to an EMT, as determined on a case-by-case basis.

185.27 Sec. 5. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision  
185.28 to read:

185.29 **Subd. 16. Director.** "Director" means the director of the Office of Emergency Medical  
185.30 Services.

185.31 **EFFECTIVE DATE.** This section is effective January 1, 2025.

186.1 Sec. 6. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision  
186.2 to read:

186.3 Subd. 17. **Office.** "Office" means the Office of Emergency Medical Services.

186.4 **EFFECTIVE DATE.** This section is effective January 1, 2025.

186.5 Sec. 7. **[144E.011] OFFICE OF EMERGENCY MEDICAL SERVICES.**

186.6 Subdivision 1. **Establishment.** The Office of Emergency Medical Services is established  
186.7 with the powers and duties established in law. In administering this chapter, the office must  
186.8 promote the public health and welfare, protect the safety of the public, and effectively  
186.9 regulate and support the operation of the emergency medical services system in this state.

186.10 Subd. 2. **Director.** The governor must appoint a director for the office with the advice  
186.11 and consent of the senate. The director must be in the unclassified service and must serve  
186.12 at the pleasure of the governor. The salary of the director shall be determined according to  
186.13 section 15A.0815. The director shall direct the activities of the office.

186.14 Subd. 3. **Powers and duties.** The director has the following powers and duties:

186.15 (1) administer and enforce this chapter and adopt rules as needed to implement this  
186.16 chapter. Rules for which notice is published in the State Register before July 1, 2026, may  
186.17 be adopted using the expedited rulemaking process in section 14.389;

186.18 (2) license ambulance services in the state and regulate their operation;

186.19 (3) establish and modify primary service areas;

186.20 (4) designate an ambulance service as authorized to provide service in a primary service  
186.21 area and remove an ambulance service's authorization to provide service in a primary service  
186.22 area;

186.23 (5) register medical response units in the state and regulate their operation;

186.24 (6) certify emergency medical technicians, advanced emergency medical technicians,  
186.25 community emergency medical technicians, paramedics, and community paramedics and  
186.26 to register emergency medical responders;

186.27 (7) approve education programs for ambulance service personnel and emergency medical  
186.28 responders and administer qualifications for instructors of education programs;

186.29 (8) administer grant programs related to emergency medical services;

186.30 (9) report to the legislature by February 15 each year on the work of the office and the  
186.31 advisory councils in the previous calendar year and with recommendations for any needed

187.1 policy changes related to emergency medical services, including but not limited to improving  
187.2 access to emergency medical services, improving service delivery by ambulance services  
187.3 and medical response units, and improving the effectiveness of the state's emergency medical  
187.4 services system. The director must develop the reports and recommendations in consultation  
187.5 with the office's deputy directors and advisory councils;

187.6 (10) investigate complaints against and hold hearings regarding ambulance services,  
187.7 ambulance service personnel, and emergency medical responders and to impose disciplinary  
187.8 action or otherwise resolve complaints; and

187.9 (11) perform other duties related to the provision of emergency medical services in the  
187.10 state.

187.11 Subd. 4. **Employees.** The director may employ personnel in the classified service and  
187.12 unclassified personnel as necessary to carry out the duties of this chapter.

187.13 Subd. 5. **Work plan.** The director must prepare a work plan to guide the work of the  
187.14 office. The work plan must be updated biennially.

187.15 **EFFECTIVE DATE.** This section is effective January 1, 2025.

187.16 Sec. 8. **[144E.015] MEDICAL SERVICES DIVISION.**

187.17 A Medical Services Division is created in the Office of Emergency Medical Services.  
187.18 The Medical Services Division shall be under the supervision of a deputy director of medical  
187.19 services appointed by the director. The deputy director of medical services must be a  
187.20 physician licensed under chapter 147. The deputy director, under the direction of the director,  
187.21 shall enforce and coordinate the laws, rules, and policies assigned by the director, which  
187.22 may include overseeing the clinical aspects of prehospital medical care and education  
187.23 programs for emergency medical service personnel.

187.24 **EFFECTIVE DATE.** This section is effective January 1, 2025.

187.25 Sec. 9. **[144E.016] AMBULANCE SERVICES DIVISION.**

187.26 An Ambulance Services Division is created in the Office of Emergency Medical Services.  
187.27 The Ambulance Services Division shall be under the supervision of a deputy director of  
187.28 ambulance services appointed by the director. The deputy director, under the direction of  
187.29 the director, shall enforce and coordinate the laws, rules, and policies assigned by the director,  
187.30 which may include operating standards and licensing of ambulance services, registration  
187.31 and operation of medical response units, establishment and modification of primary service  
187.32 areas, authorization of ambulance services to provide service in a primary service area and

188.1 revocation of such authorization, coordination of ambulance services within regions and  
188.2 across the state, and administration of grants.

188.3 **EFFECTIVE DATE.** This section is effective January 1, 2025.

188.4 Sec. 10. **[144E.017] EMERGENCY MEDICAL SERVICE PROVIDERS DIVISION.**

188.5 An Emergency Medical Service Providers Division is created in the Office of Emergency  
188.6 Medical Services. The Emergency Medical Service Providers Division shall be under the  
188.7 supervision of a deputy director of emergency medical service providers appointed by the  
188.8 director. The deputy director, under the direction of the director, shall enforce and coordinate  
188.9 the laws, rules, and policies assigned by the director, which may include certification and  
188.10 registration of individual emergency medical service providers; overseeing worker safety,  
188.11 worker well-being, and working conditions; implementation of education programs; and  
188.12 administration of grants.

188.13 **EFFECTIVE DATE.** This section is effective January 1, 2025.

188.14 Sec. 11. **[144E.03] EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL.**

188.15 Subdivision 1. **Establishment; membership.** The Emergency Medical Services Advisory  
188.16 Council is established and consists of the following members:

188.17 (1) one emergency medical technician currently practicing with a licensed ambulance  
188.18 service, appointed by the Minnesota Ambulance Association;

188.19 (2) one paramedic currently practicing with a licensed ambulance service or a medical  
188.20 response unit, appointed jointly by the Minnesota Professional Fire Fighters Association  
188.21 and the Minnesota Ambulance Association;

188.22 (3) one medical director of a licensed ambulance service, appointed by the National  
188.23 Association of EMS Physicians, Minnesota Chapter;

188.24 (4) one firefighter currently serving as an emergency medical responder, appointed by  
188.25 the Minnesota State Fire Chiefs Association;

188.26 (5) one registered nurse who is certified or currently practicing as a flight nurse, appointed  
188.27 jointly by the regional emergency services boards of the designated regional emergency  
188.28 medical services systems;

188.29 (6) one hospital administrator, appointed by the Minnesota Hospital Association;

188.30 (7) one social worker, appointed by the Board of Social Work;

189.1 (8) one member of a federally recognized Tribal Nation in Minnesota, appointed by the  
189.2 Minnesota Indian Affairs Council;

189.3 (9) three public members, appointed by the governor. At least one of the public members  
189.4 must reside outside the metropolitan counties listed in section 473.121, subdivision 4;

189.5 (10) one member with experience working as an employee organization representative  
189.6 representing emergency medical service providers, appointed by an employee organization  
189.7 representing emergency medical service providers;

189.8 (11) one member representing a local government, appointed by the Coalition of Greater  
189.9 Minnesota Cities;

189.10 (12) one member representing a local government in the seven-county metropolitan area,  
189.11 appointed by the League of Minnesota Cities;

189.12 (13) two members of the house of representatives and two members of the senate,  
189.13 appointed according to subdivision 2; and

189.14 (14) the commissioner of health and commissioner of public safety or their designees  
189.15 as ex officio members.

189.16 Subd. 2. **Legislative members.** The speaker of the house and the house minority leader  
189.17 must each appoint one member of the house of representatives to serve on the advisory  
189.18 council. The senate majority leader and the senate minority leader must each appoint one  
189.19 member of the senate to serve on the advisory council. Legislative members appointed under  
189.20 this subdivision serve until successors are appointed. Legislative members may receive per  
189.21 diem compensation and reimbursement for expenses according to the rules of their respective  
189.22 bodies.

189.23 Subd. 3. **Terms, compensation, removal, vacancies, and expiration.** Compensation  
189.24 and reimbursement for expenses for members appointed under subdivision 1, clauses (1)  
189.25 to (12); removal of members; filling of vacancies of members; and, except for initial  
189.26 appointments, membership terms are governed by section 15.059. Notwithstanding section  
189.27 15.059, subdivision 6, the advisory council does not expire.

189.28 Subd. 4. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair  
189.29 from among its membership and may elect other officers as the advisory council deems  
189.30 necessary.

189.31 (b) The advisory council must meet quarterly or at the call of the chair.

189.32 (c) Meetings of the advisory council are subject to chapter 13D.

190.1 Subd. 5. **Duties.** The advisory council must review and make recommendations to the  
190.2 director and the deputy director of ambulance services on the administration of this chapter,  
190.3 the regulation of ambulance services and medical response units, the operation of the  
190.4 emergency medical services system in the state, and other topics as directed by the director.

190.5 **EFFECTIVE DATE.** This section is effective January 1, 2025.

190.6 Sec. 12. **[144E.035] EMERGENCY MEDICAL SERVICES PHYSICIAN ADVISORY**  
190.7 **COUNCIL.**

190.8 Subdivision 1. **Establishment; membership.** The Emergency Medical Services Physician  
190.9 Advisory Council is established and consists of the following members:

190.10 (1) eight physicians who meet the qualifications for medical directors in section 144E.265,  
190.11 subdivision 1, with one physician appointed by each of the regional emergency services  
190.12 boards of the designated regional emergency medical services systems;

190.13 (2) one physician who meets the qualifications for medical directors in section 144E.265,  
190.14 subdivision 1, appointed by the Minnesota State Fire Chiefs Association;

190.15 (3) one physician who is board-certified in pediatrics, appointed by the Minnesota  
190.16 Emergency Medical Services for Children program; and

190.17 (4) the medical director member of the Emergency Medical Services Advisory Council  
190.18 appointed under section 144E.03, subdivision 1, clause (3).

190.19 Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation  
190.20 and reimbursement for expenses, removal of members, filling of vacancies of members,  
190.21 and, except for initial appointments, membership terms are governed by section 15.059.  
190.22 Notwithstanding section 15.059, subdivision 6, the advisory council does not expire.

190.23 Subd. 3. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair  
190.24 from among its membership and may elect other officers as it deems necessary.

190.25 (b) The advisory council must meet twice per year or upon the call of the chair.

190.26 (c) Meetings of the advisory council are subject to chapter 13D.

190.27 Subd. 4. **Duties.** The advisory council must:

190.28 (1) review and make recommendations to the director and deputy director of medical  
190.29 services on clinical aspects of prehospital medical care. In doing so, the advisory council  
190.30 must incorporate information from medical literature, advances in bedside clinical practice,  
190.31 and advisory council member experience; and

191.1 (2) serve as subject matter experts for the director and deputy director of medical services  
191.2 on evolving topics in clinical medicine, including but not limited to infectious disease,  
191.3 pharmaceutical and equipment shortages, and implementation of new therapeutics.

191.4 **EFFECTIVE DATE.** This section is effective January 1, 2025.

191.5 Sec. 13. **[144E.04] LABOR AND EMERGENCY MEDICAL SERVICE PROVIDERS**  
191.6 **ADVISORY COUNCIL.**

191.7 Subdivision 1. **Establishment; membership.** The Labor and Emergency Medical Service  
191.8 Providers Advisory Council is established and consists of the following members:

191.9 (1) one emergency medical service provider of any type from each of the designated  
191.10 regional emergency medical services systems, appointed by their respective regional  
191.11 emergency services boards;

191.12 (2) one emergency medical technician instructor, appointed by an employee organization  
191.13 representing emergency medical service providers;

191.14 (3) two members with experience working as an employee organization representative  
191.15 representing emergency medical service providers, appointed by an employee organization  
191.16 representing emergency medical service providers;

191.17 (4) one emergency medical service provider based in a fire department, appointed jointly  
191.18 by the Minnesota State Fire Chiefs Association and the Minnesota Professional Fire Fighters  
191.19 Association; and

191.20 (5) one emergency medical service provider not based in a fire department, appointed  
191.21 by the League of Minnesota Cities.

191.22 Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation  
191.23 and reimbursement for expenses for members appointed under subdivision 1; removal of  
191.24 members; filling of vacancies of members; and, except for initial appointments, membership  
191.25 terms are governed by section 15.059. Notwithstanding section 15.059, subdivision 6, the  
191.26 advisory council does not expire.

191.27 Subd. 3. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair  
191.28 from among its membership and may elect other officers as the advisory council deems  
191.29 necessary.

191.30 (b) The advisory council must meet quarterly or at the call of the chair.

191.31 (c) Meetings of the advisory council are subject to chapter 13D.

192.1 Subd. 4. **Duties.** The advisory council must review and make recommendations to the  
192.2 director and deputy director of emergency medical service providers on the laws, rules, and  
192.3 policies assigned to the Emergency Medical Service Providers Division and other topics as  
192.4 directed by the director.

192.5 **EFFECTIVE DATE.** This section is effective January 1, 2025.

192.6 Sec. 14. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 6, is amended  
192.7 to read:

192.8 Subd. 6. **Basic life support.** (a) Except as provided in ~~paragraph (f)~~ subdivision 6a, a  
192.9 basic life-support ambulance shall be staffed by at least ~~two EMTs, one of whom must~~  
192.10 ~~accompany the patient and provide a level of care so as to ensure that:~~

192.11 (1) one individual who is:

192.12 (i) certified as an EMT;

192.13 (ii) a Minnesota registered nurse who meets the qualification requirements in section  
192.14 144E.001, subdivision 3a, clause (2); or

192.15 (iii) a Minnesota licensed physician assistant who meets the qualification requirements  
192.16 in section 144E.001, subdivision 3a, clause (3); and

192.17 (2) one individual to drive the ambulance who:

192.18 (i) either meets one of the qualification requirements in clause (1) or is a registered  
192.19 emergency medical responder driver; and

192.20 (ii) satisfies the requirements in subdivision 10.

192.21 (b) An individual who meets one of the qualification requirements in paragraph (a),  
192.22 clause (1), must accompany the patient and provide a level of care so as to ensure that:

192.23 (1) life-threatening situations and potentially serious injuries are recognized;

192.24 (2) patients are protected from additional hazards;

192.25 (3) basic treatment to reduce the seriousness of emergency situations is administered;

192.26 and

192.27 (4) patients are transported to an appropriate medical facility for treatment.

192.28 ~~(b)~~ (c) A basic life-support service shall provide basic airway management.

192.29 ~~(c)~~ (d) A basic life-support service shall provide automatic defibrillation.

193.1 ~~(d)~~ (e) A basic life-support service shall administer opiate antagonists consistent with  
193.2 protocols established by the service's medical director.

193.3 ~~(e)~~ (f) A basic life-support service licensee's medical director may authorize ambulance  
193.4 service personnel to perform intravenous infusion and use equipment that is within the  
193.5 licensure level of the ambulance service. Ambulance service personnel must be properly  
193.6 trained. Documentation of authorization for use, guidelines for use, continuing education,  
193.7 and skill verification must be maintained in the licensee's files.

193.8 ~~(f) For emergency ambulance calls and interfacility transfers, an ambulance service may  
193.9 staff its basic life-support ambulances with one EMT, who must accompany the patient,  
193.10 and one registered emergency medical responder driver. For purposes of this paragraph,  
193.11 "ambulance service" means either an ambulance service whose primary service area is  
193.12 mainly located outside the metropolitan counties listed in section 473.121, subdivision 4,  
193.13 and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or an  
193.14 ambulance service based in a community with a population of less than 2,500.~~

193.15 Sec. 15. Minnesota Statutes 2022, section 144E.101, is amended by adding a subdivision  
193.16 to read:

193.17 Subd. 6a. Variance; staffing of basic life-support ambulance. (a) Upon application  
193.18 from an ambulance service that includes evidence demonstrating hardship, the board may  
193.19 grant a variance from the staff requirements in subdivision 6, paragraph (a), and may  
193.20 authorize a basic life-support ambulance to be staffed, for all emergency calls and interfacility  
193.21 transfers, with one individual who meets the qualification requirements in paragraph (b) to  
193.22 drive the ambulance and one individual who meets one of the qualification requirements in  
193.23 subdivision 6, paragraph (a), clause (1), and who must accompany the patient. The variance  
193.24 applies to basic life-support ambulances until the ambulance service renews its license.  
193.25 When the variance expires, the ambulance service may apply for a new variance under this  
193.26 subdivision.

193.27 (b) In order to drive an ambulance under a variance granted under this subdivision, an  
193.28 individual must:

193.29 (1) hold a valid driver's license from any state;

193.30 (2) have attended an emergency vehicle driving course approved by the ambulance  
193.31 service;

193.32 (3) have completed a course on cardiopulmonary resuscitation approved by the ambulance  
193.33 service; and

194.1 (4) register with the board according to a process established by the board.

194.2 (c) If an individual serving as a driver under this subdivision commits or has a record  
194.3 of committing an act listed in section 144E.27, subdivision 5, paragraph (a), the board may  
194.4 temporarily suspend or prohibit the individual from driving an ambulance or place conditions  
194.5 on the individual's ability to drive an ambulance using the procedures and authority in  
194.6 section 144E.27, subdivisions 5 and 6.

194.7 Sec. 16. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 7, as amended  
194.8 by Laws 2024, chapter 85, section 32, is amended to read:

194.9 Subd. 7. **Advanced life support.** (a) Except as provided in paragraphs (f) and (g), an  
194.10 advanced life-support ambulance shall be staffed by at least:

194.11 (1) one EMT or one AEMT and one paramedic;

194.12 (2) one EMT or one AEMT and one registered nurse who: (i) is an EMT or an AEMT,  
194.13 is currently practicing nursing, and ~~has passed a paramedic practical skills test approved by~~  
194.14 ~~the board and administered by an education program~~ has been approved by the ambulance  
194.15 service medical director; or (ii) is certified as a certified flight registered nurse or certified  
194.16 emergency nurse; or

194.17 (3) one EMT or one AEMT and one physician assistant who is an EMT or an AEMT,  
194.18 is currently practicing as a physician assistant, and ~~has passed a paramedic practical skills~~  
194.19 ~~test approved by the board and administered by an education program~~ has been approved  
194.20 by the ambulance service medical director.

194.21 (b) An advanced life-support service shall provide basic life support, as specified under  
194.22 subdivision 6, paragraph ~~(a)~~ (b), advanced airway management, manual defibrillation,  
194.23 administration of intravenous fluids and pharmaceuticals, and administration of opiate  
194.24 antagonists.

194.25 (c) In addition to providing advanced life support, an advanced life-support service may  
194.26 staff additional ambulances to provide basic life support according to subdivision 6 and  
194.27 section 144E.103, subdivision 1.

194.28 (d) An ambulance service providing advanced life support shall have a written agreement  
194.29 with its medical director to ensure medical control for patient care 24 hours a day, seven  
194.30 days a week. The terms of the agreement shall include a written policy on the administration  
194.31 of medical control for the service. The policy shall address the following issues:

194.32 (1) two-way communication for physician direction of ambulance service personnel;

195.1 (2) patient triage, treatment, and transport;

195.2 (3) use of standing orders; and

195.3 (4) the means by which medical control will be provided 24 hours a day.

195.4 The agreement shall be signed by the licensee's medical director and the licensee or the  
195.5 licensee's designee and maintained in the files of the licensee.

195.6 (e) When an ambulance service provides advanced life support, the authority of a  
195.7 paramedic, Minnesota registered nurse-EMT, or Minnesota registered physician  
195.8 assistant-EMT to determine the delivery of patient care prevails over the authority of an  
195.9 EMT.

195.10 (f) Upon application from an ambulance service that includes evidence demonstrating  
195.11 hardship, the board may grant a variance from the staff requirements in paragraph (a), clause  
195.12 (1), and may authorize an advanced life-support ambulance to be staffed by a registered  
195.13 emergency medical responder driver with a paramedic for all emergency calls and interfacility  
195.14 transfers. The variance shall apply to advanced life-support ambulance services until the  
195.15 ambulance service renews its license. When the variance expires, an ambulance service  
195.16 may apply for a new variance under this paragraph. ~~This paragraph applies only to an  
195.17 ambulance service whose primary service area is mainly located outside the metropolitan  
195.18 counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato,  
195.19 Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with  
195.20 a population of less than 1,000 persons.~~

195.21 (g) After an initial emergency ambulance call, each subsequent emergency ambulance  
195.22 response, until the initial ambulance is again available, and interfacility transfers, may be  
195.23 staffed by one registered emergency medical responder driver and an EMT or paramedic.  
195.24 ~~This paragraph applies only to an ambulance service whose primary service area is mainly  
195.25 located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside  
195.26 the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service  
195.27 based in a community with a population of less than 1,000 persons.~~

195.28 (h) An individual who staffs an advanced life-support ambulance as a driver must also  
195.29 meet the requirements in subdivision 10.

195.30 Sec. 17. Minnesota Statutes 2022, section 144E.16, subdivision 5, is amended to read:

195.31 Subd. 5. **Local government's powers.** (a) Local units of government may, with the  
195.32 approval of the ~~board~~ director, establish standards for ambulance services which impose  
195.33 additional requirements upon such services. Local units of government intending to impose

196.1 additional requirements shall consider whether any benefit accruing to the public health  
196.2 would outweigh the costs associated with the additional requirements.

196.3 (b) Local units of government that desire to impose additional requirements shall, prior  
196.4 to adoption of relevant ordinances, rules, or regulations, furnish the ~~board~~ director with a  
196.5 copy of the proposed ordinances, rules, or regulations, along with information that  
196.6 affirmatively substantiates that the proposed ordinances, rules, or regulations:

196.7 (1) will in no way conflict with the relevant rules of the ~~board~~ office;

196.8 (2) will establish additional requirements tending to protect the public health;

196.9 (3) will not diminish public access to ambulance services of acceptable quality; and

196.10 (4) will not interfere with the orderly development of regional systems of emergency  
196.11 medical care.

196.12 (c) The ~~board~~ director shall base any decision to approve or disapprove local standards  
196.13 upon whether or not the local unit of government in question has affirmatively substantiated  
196.14 that the proposed ordinances, rules, or regulations meet the criteria specified in paragraph  
196.15 (b).

196.16 **EFFECTIVE DATE.** This section is effective January 1, 2025.

196.17 Sec. 18. Minnesota Statutes 2022, section 144E.19, subdivision 3, is amended to read:

196.18 Subd. 3. **Temporary suspension.** (a) In addition to any other remedy provided by law,  
196.19 the ~~board~~ director may temporarily suspend the license of a licensee after conducting a  
196.20 preliminary inquiry to determine whether the ~~board~~ director believes that the licensee has  
196.21 violated a statute or rule that the ~~board~~ director is empowered to enforce and determining  
196.22 that the continued provision of service by the licensee would create an imminent risk to  
196.23 public health or harm to others.

196.24 (b) A temporary suspension order prohibiting a licensee from providing ambulance  
196.25 service shall give notice of the right to a preliminary hearing according to paragraph (d)  
196.26 and shall state the reasons for the entry of the temporary suspension order.

196.27 (c) Service of a temporary suspension order is effective when the order is served on the  
196.28 licensee personally or by certified mail, which is complete upon receipt, refusal, or return  
196.29 for nondelivery to the most recent address provided to the ~~board~~ director for the licensee.

196.30 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director  
196.31 shall schedule a hearing, ~~to be held before a group of its members designated by the board,~~  
196.32 that shall begin within 60 days after issuance of the temporary suspension order or within

197.1 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from  
197.2 a licensee, whichever is sooner. The hearing shall be on the sole issue of whether there is  
197.3 a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under  
197.4 this paragraph is not subject to chapter 14.

197.5 (e) Evidence presented by the ~~board~~ director or licensee may be in the form of an affidavit.  
197.6 The licensee or the licensee's designee may appear for oral argument.

197.7 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,  
197.8 if the suspension is continued, notify the licensee of the right to a contested case hearing  
197.9 under chapter 14.

197.10 (g) If a licensee requests a contested case hearing within 30 days after receiving notice  
197.11 under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to  
197.12 chapter 14. The administrative law judge shall issue a report and recommendation within  
197.13 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue  
197.14 a final order within 30 days after receipt of the administrative law judge's report.

197.15 **EFFECTIVE DATE.** This section is effective January 1, 2025.

197.16 Sec. 19. Minnesota Statutes 2022, section 144E.27, subdivision 3, is amended to read:

197.17 Subd. 3. **Renewal.** (a) The board may renew the registration of an emergency medical  
197.18 responder who:

197.19 (1) successfully completes a board-approved refresher course; ~~and~~

197.20 (2) successfully completes a course in cardiopulmonary resuscitation approved by the  
197.21 board or by the licensee's medical director. This course may be a component of a  
197.22 board-approved refresher course; and

197.23 ~~(2)~~ (3) submits a completed renewal application to the board before the registration  
197.24 expiration date.

197.25 (b) The board may renew the lapsed registration of an emergency medical responder  
197.26 who:

197.27 (1) successfully completes a board-approved refresher course; ~~and~~

197.28 (2) successfully completes a course in cardiopulmonary resuscitation approved by the  
197.29 board or by the licensee's medical director. This course may be a component of a  
197.30 board-approved refresher course; and

198.1        ~~(2)~~(3) submits a completed renewal application to the board within ~~12~~ 48 months after  
198.2 the registration expiration date.

198.3        Sec. 20. Minnesota Statutes 2022, section 144E.27, subdivision 5, is amended to read:

198.4        Subd. 5. **Denial, suspension, revocation; emergency medical responders and**  
198.5 **drivers.** (a) This subdivision applies to individuals seeking registration or registered as an  
198.6 emergency medical responder and to individuals seeking registration or registered as a driver  
198.7 of a basic life-support ambulance under section 144E.101, subdivision 6a. The board may  
198.8 deny, suspend, revoke, place conditions on, or refuse to renew the registration of an individual  
198.9 who the board determines:

198.10        (1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, an  
198.11 agreement for corrective action, or an order that the board issued or is otherwise empowered  
198.12 to enforce;

198.13        (2) misrepresents or falsifies information on an application form for registration;

198.14        (3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor  
198.15 relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any  
198.16 misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or  
198.17 alcohol;

198.18        (4) is actually or potentially unable to provide emergency medical services or drive an  
198.19 ambulance with reasonable skill and safety to patients by reason of illness, use of alcohol,  
198.20 drugs, chemicals, or any other material, or as a result of any mental or physical condition;

198.21        (5) engages in unethical conduct, including, but not limited to, conduct likely to deceive,  
198.22 defraud, or harm the public, or demonstrating a willful or careless disregard for the health,  
198.23 welfare, or safety of the public;

198.24        (6) maltreats or abandons a patient;

198.25        (7) violates any state or federal controlled substance law;

198.26        (8) engages in unprofessional conduct or any other conduct which has the potential for  
198.27 causing harm to the public, including any departure from or failure to conform to the  
198.28 minimum standards of acceptable and prevailing practice without actual injury having to  
198.29 be established;

198.30        (9) for emergency medical responders, provides emergency medical services under  
198.31 lapsed or nonrenewed credentials;

199.1 (10) is subject to a denial, corrective, disciplinary, or other similar action in another  
199.2 jurisdiction or by another regulatory authority;

199.3 (11) engages in conduct with a patient that is sexual or may reasonably be interpreted  
199.4 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning  
199.5 to a patient; ~~or~~

199.6 (12) makes a false statement or knowingly provides false information to the board, or  
199.7 fails to cooperate with an investigation of the board as required by section 144E.30; or

199.8 (13) fails to engage with the health professionals services program or diversion program  
199.9 required under section 144E.287 after being referred to the program, violates the terms of  
199.10 the program participation agreement, or leaves the program except upon fulfilling the terms  
199.11 for successful completion of the program as set forth in the participation agreement.

199.12 (b) Before taking action under paragraph (a), the board shall give notice to an individual  
199.13 of the right to a contested case hearing under chapter 14. If an individual requests a contested  
199.14 case hearing within 30 days after receiving notice, the board shall initiate a contested case  
199.15 hearing according to chapter 14.

199.16 (c) The administrative law judge shall issue a report and recommendation within 30  
199.17 days after closing the contested case hearing record. The board shall issue a final order  
199.18 within 30 days after receipt of the administrative law judge's report.

199.19 (d) After six months from the board's decision to deny, revoke, place conditions on, or  
199.20 refuse renewal of an individual's registration for disciplinary action, the individual shall  
199.21 have the opportunity to apply to the board for reinstatement.

199.22 **EFFECTIVE DATE.** This section is effective July 1, 2024, except that clause (13) is  
199.23 effective January 1, 2025.

199.24 Sec. 21. Minnesota Statutes 2022, section 144E.27, subdivision 6, is amended to read:

199.25 Subd. 6. **Temporary suspension; emergency medical responders and drivers.** (a)  
199.26 This subdivision applies to emergency medical responders registered under this section and  
199.27 to individuals registered as drivers of basic life-support ambulances under section 144E.101,  
199.28 subdivision 6a. In addition to any other remedy provided by law, the board may temporarily  
199.29 suspend the registration of an individual after conducting a preliminary inquiry to determine  
199.30 whether the board believes that the individual has violated a statute or rule that the board  
199.31 is empowered to enforce and determining that the continued provision of service by the  
199.32 individual would create an imminent risk to public health or harm to others.

200.1 (b) A temporary suspension order prohibiting an individual from providing emergency  
200.2 medical care or from driving a basic life-support ambulance shall give notice of the right  
200.3 to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry  
200.4 of the temporary suspension order.

200.5 (c) Service of a temporary suspension order is effective when the order is served on the  
200.6 individual personally or by certified mail, which is complete upon receipt, refusal, or return  
200.7 for nondelivery to the most recent address provided to the board for the individual.

200.8 (d) At the time the board issues a temporary suspension order, the board shall schedule  
200.9 a hearing, to be held before a group of its members designated by the board, that shall begin  
200.10 within 60 days after issuance of the temporary suspension order or within 15 working days  
200.11 of the date of the board's receipt of a request for a hearing from the individual, whichever  
200.12 is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to  
200.13 continue, modify, or lift the temporary suspension. A hearing under this paragraph is not  
200.14 subject to chapter 14.

200.15 (e) Evidence presented by the board or the individual may be in the form of an affidavit.  
200.16 The individual or the individual's designee may appear for oral argument.

200.17 (f) Within five working days of the hearing, the board shall issue its order and, if the  
200.18 suspension is continued, notify the individual of the right to a contested case hearing under  
200.19 chapter 14.

200.20 (g) If an individual requests a contested case hearing within 30 days after receiving  
200.21 notice under paragraph (f), the board shall initiate a contested case hearing according to  
200.22 chapter 14. The administrative law judge shall issue a report and recommendation within  
200.23 30 days after the closing of the contested case hearing record. The board shall issue a final  
200.24 order within 30 days after receipt of the administrative law judge's report.

200.25 Sec. 22. Minnesota Statutes 2022, section 144E.28, subdivision 3, is amended to read:

200.26 Subd. 3. **Reciprocity.** The board may certify an individual who possesses a current  
200.27 National Registry of Emergency Medical Technicians ~~registration~~ certification from another  
200.28 jurisdiction if the individual submits a board-approved application form. The board  
200.29 certification classification shall be the same as the National Registry's classification.  
200.30 Certification shall be for the duration of the applicant's ~~registration~~ certification period in  
200.31 another jurisdiction, not to exceed two years.

201.1 Sec. 23. Minnesota Statutes 2022, section 144E.28, subdivision 5, is amended to read:

201.2 Subd. 5. **Denial, suspension, revocation.** (a) The ~~board~~ director may deny certification  
201.3 or take any action authorized in subdivision 4 against an individual who the ~~board~~ director  
201.4 determines:

201.5 (1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, or  
201.6 an order that the ~~board~~ director issued or is otherwise authorized or empowered to enforce,  
201.7 or agreement for corrective action;

201.8 (2) misrepresents or falsifies information on an application form for certification;

201.9 (3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor  
201.10 relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any  
201.11 misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or  
201.12 alcohol;

201.13 (4) is actually or potentially unable to provide emergency medical services with  
201.14 reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals,  
201.15 or any other material, or as a result of any mental or physical condition;

201.16 (5) engages in unethical conduct, including, but not limited to, conduct likely to deceive,  
201.17 defraud, or harm the public or demonstrating a willful or careless disregard for the health,  
201.18 welfare, or safety of the public;

201.19 (6) maltreats or abandons a patient;

201.20 (7) violates any state or federal controlled substance law;

201.21 (8) engages in unprofessional conduct or any other conduct which has the potential for  
201.22 causing harm to the public, including any departure from or failure to conform to the  
201.23 minimum standards of acceptable and prevailing practice without actual injury having to  
201.24 be established;

201.25 (9) provides emergency medical services under lapsed or nonrenewed credentials;

201.26 (10) is subject to a denial, corrective, disciplinary, or other similar action in another  
201.27 jurisdiction or by another regulatory authority;

201.28 (11) engages in conduct with a patient that is sexual or may reasonably be interpreted  
201.29 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning  
201.30 to a patient; ~~or~~

202.1 (12) makes a false statement or knowingly provides false information to the ~~board~~ director  
202.2 or fails to cooperate with an investigation of the ~~board~~ director as required by section  
202.3 144E.30; or

202.4 (13) fails to engage with the health professionals services program or diversion program  
202.5 required under section 144E.287 after being referred to the program, violates the terms of  
202.6 the program participation agreement, or leaves the program except upon fulfilling the terms  
202.7 for successful completion of the program as set forth in the participation agreement.

202.8 (b) Before taking action under paragraph (a), the ~~board~~ director shall give notice to an  
202.9 individual of the right to a contested case hearing under chapter 14. If an individual requests  
202.10 a contested case hearing within 30 days after receiving notice, the ~~board~~ director shall initiate  
202.11 a contested case hearing according to chapter 14 and no disciplinary action shall be taken  
202.12 at that time.

202.13 (c) The administrative law judge shall issue a report and recommendation within 30  
202.14 days after closing the contested case hearing record. The ~~board~~ director shall issue a final  
202.15 order within 30 days after receipt of the administrative law judge's report.

202.16 (d) After six months from the ~~board's~~ director's decision to deny, revoke, place conditions  
202.17 on, or refuse renewal of an individual's certification for disciplinary action, the individual  
202.18 shall have the opportunity to apply to the ~~board~~ director for reinstatement.

202.19 **EFFECTIVE DATE.** This section is effective January 1, 2025.

202.20 Sec. 24. Minnesota Statutes 2022, section 144E.28, subdivision 6, is amended to read:

202.21 Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law,  
202.22 the ~~board~~ director may temporarily suspend the certification of an individual after conducting  
202.23 a preliminary inquiry to determine whether the ~~board~~ director believes that the individual  
202.24 has violated a statute or rule that the ~~board~~ director is empowered to enforce and determining  
202.25 that the continued provision of service by the individual would create an imminent risk to  
202.26 public health or harm to others.

202.27 (b) A temporary suspension order prohibiting an individual from providing emergency  
202.28 medical care shall give notice of the right to a preliminary hearing according to paragraph  
202.29 (d) and shall state the reasons for the entry of the temporary suspension order.

202.30 (c) Service of a temporary suspension order is effective when the order is served on the  
202.31 individual personally or by certified mail, which is complete upon receipt, refusal, or return  
202.32 for nondelivery to the most recent address provided to the ~~board~~ director for the individual.

203.1 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director  
203.2 shall schedule a hearing, ~~to be held before a group of its members designated by the board,~~  
203.3 that shall begin within 60 days after issuance of the temporary suspension order or within  
203.4 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from  
203.5 the individual, whichever is sooner. The hearing shall be on the sole issue of whether there  
203.6 is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under  
203.7 this paragraph is not subject to chapter 14.

203.8 (e) Evidence presented by the ~~board~~ director or the individual may be in the form of an  
203.9 affidavit. The individual or individual's designee may appear for oral argument.

203.10 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,  
203.11 if the suspension is continued, notify the individual of the right to a contested case hearing  
203.12 under chapter 14.

203.13 (g) If an individual requests a contested case hearing within 30 days of receiving notice  
203.14 under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to  
203.15 chapter 14. The administrative law judge shall issue a report and recommendation within  
203.16 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue  
203.17 a final order within 30 days after receipt of the administrative law judge's report.

203.18 **EFFECTIVE DATE.** This section is effective January 1, 2025.

203.19 Sec. 25. Minnesota Statutes 2022, section 144E.28, subdivision 8, is amended to read:

203.20 Subd. 8. **Reinstatement.** (a) Within four years of a certification expiration date, a person  
203.21 whose certification has expired under subdivision 7, paragraph (d), may have the certification  
203.22 reinstated upon submission of:

203.23 (1) evidence to the board of training equivalent to the continuing education requirements  
203.24 of subdivision 7 or, for community paramedics, evidence to the board of training equivalent  
203.25 to the continuing education requirements of subdivision 9, paragraph (c); and

203.26 (2) a board-approved application form.

203.27 (b) If more than four years have passed since a certificate expiration date, an applicant  
203.28 must complete the initial certification process required under subdivision 1.

203.29 (c) Beginning July 1, 2024, through December 31, 2025, and notwithstanding paragraph  
203.30 (b), a person whose certification as an EMT, AEMT, paramedic, or community paramedic  
203.31 expired more than four years ago but less than ten years ago may have the certification  
203.32 reinstated upon submission of:

204.1 (1) evidence to the board of the training required under paragraph (a), clause (1). This  
204.2 training must have been completed within the 24 months prior to the date of the application  
204.3 for reinstatement;

204.4 (2) a board-approved application form; and

204.5 (3) a recommendation from an ambulance service medical director.

204.6 This paragraph expires December 31, 2025.

204.7 Sec. 26. Minnesota Statutes 2022, section 144E.285, subdivision 1, is amended to read:

204.8 Subdivision 1. **Approval required.** (a) All education programs for an EMR, EMT,  
204.9 AEMT, or paramedic must be approved by the board.

204.10 (b) To be approved by the board, an education program must:

204.11 (1) submit an application prescribed by the board that includes:

204.12 (i) ~~type and length~~ type and length of course to be offered;

204.13 (ii) names, addresses, and qualifications of the program medical director, program  
204.14 education coordinator, and instructors;

204.15 ~~(iii) names and addresses of clinical sites, including a contact person and telephone~~  
204.16 ~~number;~~

204.17 ~~(iv)~~ (iii) admission criteria for students; and

204.18 ~~(v)~~ (iv) materials and equipment to be used;

204.19 (2) for each course, implement the most current version of the United States Department  
204.20 of Transportation EMS Education Standards, or its equivalent as determined by the board  
204.21 applicable to EMR, EMT, AEMT, or paramedic education;

204.22 (3) have a program medical director and a program coordinator;

204.23 (4) utilize instructors who meet the requirements of section 144E.283 for teaching at  
204.24 least 50 percent of the course content. The remaining 50 percent of the course may be taught  
204.25 by guest lecturers approved by the education program coordinator or medical director;

204.26 ~~(5) have at least one instructor for every ten students at the practical skill stations;~~

204.27 ~~(6) maintain a written agreement with a licensed hospital or licensed ambulance service~~  
204.28 ~~designating a clinical training site;~~

204.29 ~~(7)~~ (5) retain documentation of program approval by the board, course outline, and  
204.30 student information;

205.1 ~~(8)~~ (6) notify the board of the starting date of a course prior to the beginning of a course;  
205.2 and

205.3 ~~(9)~~ (7) submit the appropriate fee as required under section 144E.29; ~~and.~~

205.4 ~~(10) maintain a minimum average yearly pass rate as set by the board on an annual basis.~~  
205.5 ~~The pass rate will be determined by the percent of candidates who pass the exam on the~~  
205.6 ~~first attempt. An education program not meeting this yearly standard shall be placed on~~  
205.7 ~~probation and shall be on a performance improvement plan approved by the board until~~  
205.8 ~~meeting the pass rate standard. While on probation, the education program may continue~~  
205.9 ~~providing classes if meeting the terms of the performance improvement plan as determined~~  
205.10 ~~by the board. If an education program having probation status fails to meet the pass rate~~  
205.11 ~~standard after two years in which an EMT initial course has been taught, the board may~~  
205.12 ~~take disciplinary action under subdivision 5.~~

205.13 Sec. 27. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision  
205.14 to read:

205.15 Subd. 1a. **EMR education program requirements.** The National EMS Education  
205.16 Standards established by the National Highway Traffic Safety Administration of the United  
205.17 States Department of Transportation specify the minimum requirements for knowledge and  
205.18 skills for emergency medical responders. An education program applying for approval to  
205.19 teach EMRs must comply with the requirements under subdivision 1, paragraph (b). A  
205.20 medical director of an emergency medical responder group may establish additional  
205.21 knowledge and skill requirements for EMRs.

205.22 Sec. 28. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision  
205.23 to read:

205.24 Subd. 1b. **EMT education program requirements.** In addition to the requirements  
205.25 under subdivision 1, paragraph (b), an education program applying for approval to teach  
205.26 EMTs must:

205.27 (1) include in the application prescribed by the board the names and addresses of clinical  
205.28 sites, including a contact person and telephone number;

205.29 (2) maintain a written agreement with at least one clinical training site that is of a type  
205.30 recognized by the National EMS Education Standards established by the National Highway  
205.31 Traffic Safety Administration; and

206.1 (3) maintain a minimum average yearly pass rate as set by the board. An education  
206.2 program not meeting this standard must be placed on probation and must comply with a  
206.3 performance improvement plan approved by the board until the program meets the pass  
206.4 rate standard. While on probation, the education program may continue to provide classes  
206.5 if the program meets the terms of the performance improvement plan, as determined by the  
206.6 board. If an education program that is on probation status fails to meet the pass rate standard  
206.7 after two years in which an EMT initial course has been taught, the board may take  
206.8 disciplinary action under subdivision 5.

206.9 Sec. 29. Minnesota Statutes 2022, section 144E.285, subdivision 2, is amended to read:

206.10 **Subd. 2. AEMT and paramedic education program requirements.** (a) In addition to  
206.11 the requirements under subdivision 1, paragraph (b), an education program applying for  
206.12 approval to teach AEMTs and paramedics must:

206.13 (1) be administered by an educational institution accredited by the Commission of  
206.14 Accreditation of Allied Health Education Programs (CAAHEP);

206.15 (2) include in the application prescribed by the board the names and addresses of clinical  
206.16 sites, including a contact person and telephone number; and

206.17 (3) maintain a written agreement with a licensed hospital or licensed ambulance service  
206.18 designating a clinical training site.

206.19 (b) An AEMT and paramedic education program that is administered by an educational  
206.20 institution not accredited by CAAHEP, but that is in the process of completing the  
206.21 accreditation process, may be granted provisional approval by the board upon verification  
206.22 of submission of its self-study report and the appropriate review fee to CAAHEP.

206.23 (c) An educational institution that discontinues its participation in the accreditation  
206.24 process must notify the board immediately and provisional approval shall be withdrawn.

206.25 ~~(d) This subdivision does not apply to a paramedic education program when the program~~  
206.26 ~~is operated by an advanced life support ambulance service licensed by the Emergency~~  
206.27 ~~Medical Services Regulatory Board under this chapter, and the ambulance service meets~~  
206.28 ~~the following criteria:~~

206.29 ~~(1) covers a rural primary service area that does not contain a hospital within the primary~~  
206.30 ~~service area or contains a hospital within the primary service area that has been designated~~  
206.31 ~~as a critical access hospital under section 144.1483, clause (9);~~

207.1 ~~(2) has tax-exempt status in accordance with the Internal Revenue Code, section~~  
207.2 ~~501(e)(3);~~

207.3 ~~(3) received approval before 1991 from the commissioner of health to operate a paramedic~~  
207.4 ~~education program;~~

207.5 ~~(4) operates an AEMT and paramedic education program exclusively to train paramedics~~  
207.6 ~~for the local ambulance service; and~~

207.7 ~~(5) limits enrollment in the AEMT and paramedic program to five candidates per~~  
207.8 ~~biennium.~~

207.9 Sec. 30. Minnesota Statutes 2022, section 144E.285, subdivision 4, is amended to read:

207.10 Subd. 4. **Reapproval.** An education program shall apply to the board for reapproval at  
207.11 least ~~three months~~ 30 days prior to the expiration date of its approval and must:

207.12 (1) submit an application prescribed by the board specifying any changes from the  
207.13 information provided for prior approval and any other information requested by the board  
207.14 to clarify incomplete or ambiguous information presented in the application; ~~and~~

207.15 (2) comply with the requirements under subdivision 1, paragraph (b), clauses (2) to ~~(10)~~.  
207.16 (7);

207.17 (3) be subject to a site visit by the board;

207.18 (4) for education programs that teach EMRs, comply with the requirements in subdivision  
207.19 1a;

207.20 (5) for education programs that teach EMTs, comply with the requirements in subdivision  
207.21 1b; and

207.22 (6) for education programs that teach AEMTs and paramedics, comply with the  
207.23 requirements in subdivision 2 and maintain accreditation with CAAHEP.

207.24 Sec. 31. Minnesota Statutes 2022, section 144E.285, subdivision 6, is amended to read:

207.25 Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law,  
207.26 the ~~board~~ director may temporarily suspend approval of the education program after  
207.27 conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the  
207.28 education program has violated a statute or rule that the ~~board~~ director is empowered to  
207.29 enforce and determining that the continued provision of service by the education program  
207.30 would create an imminent risk to public health or harm to others.

208.1 (b) A temporary suspension order prohibiting the education program from providing  
208.2 emergency medical care training shall give notice of the right to a preliminary hearing  
208.3 according to paragraph (d) and shall state the reasons for the entry of the temporary  
208.4 suspension order.

208.5 (c) Service of a temporary suspension order is effective when the order is served on the  
208.6 education program personally or by certified mail, which is complete upon receipt, refusal,  
208.7 or return for nondelivery to the most recent address provided to the ~~board~~ director for the  
208.8 education program.

208.9 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director  
208.10 shall schedule a hearing, ~~to be held before a group of its members designated by the board,~~  
208.11 that shall begin within 60 days after issuance of the temporary suspension order or within  
208.12 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from  
208.13 the education program, whichever is sooner. The hearing shall be on the sole issue of whether  
208.14 there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing  
208.15 under this paragraph is not subject to chapter 14.

208.16 (e) Evidence presented by the ~~board~~ director or the individual may be in the form of an  
208.17 affidavit. The education program or counsel of record may appear for oral argument.

208.18 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,  
208.19 if the suspension is continued, notify the education program of the right to a contested case  
208.20 hearing under chapter 14.

208.21 (g) If an education program requests a contested case hearing within 30 days of receiving  
208.22 notice under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according  
208.23 to chapter 14. The administrative law judge shall issue a report and recommendation within  
208.24 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue  
208.25 a final order within 30 days after receipt of the administrative law judge's report.

208.26 **EFFECTIVE DATE.** This section is effective January 1, 2025.

208.27 Sec. 32. Minnesota Statutes 2022, section 144E.287, is amended to read:

208.28 **144E.287 DIVERSION PROGRAM.**

208.29 The ~~board~~ director shall either conduct a health professionals ~~service~~ services program  
208.30 ~~under sections 214.31 to 214.37~~ or contract for a diversion program ~~under section 214.28~~  
208.31 for professionals regulated by the ~~board~~ under this chapter who are unable to perform their  
208.32 duties with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals,  
208.33 or any other materials, or as a result of any mental, physical, or psychological condition.

209.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

209.2 Sec. 33. Minnesota Statutes 2022, section 144E.305, subdivision 3, is amended to read:

209.3 Subd. 3. **Immunity.** (a) An individual, licensee, health care facility, business, or  
209.4 organization is immune from civil liability or criminal prosecution for submitting in good  
209.5 faith a report to the ~~board~~ director under subdivision 1 or 2 or for otherwise reporting in  
209.6 good faith to the ~~board~~ director violations or alleged violations of sections 144E.001 to  
209.7 144E.33. Reports are classified as confidential data on individuals or protected nonpublic  
209.8 data under section 13.02 while an investigation is active. Except for the ~~board's~~ director's  
209.9 final determination, all communications or information received by or disclosed to the ~~board~~  
209.10 director relating to disciplinary matters of any person or entity subject to the ~~board's~~ director's  
209.11 regulatory jurisdiction are confidential and privileged and any disciplinary hearing shall be  
209.12 closed to the public.

209.13 (b) ~~Members of the board~~ The director, persons employed by the ~~board~~ director, persons  
209.14 engaged in the investigation of violations and in the preparation and management of charges  
209.15 of violations of sections 144E.001 to 144E.33 on behalf of the ~~board~~ director, and persons  
209.16 participating in the investigation regarding charges of violations are immune from civil  
209.17 liability and criminal prosecution for any actions, transactions, or publications, made in  
209.18 good faith, in the execution of, or relating to, their duties under sections 144E.001 to 144E.33.

209.19 ~~(c) For purposes of this section, a member of the board is considered a state employee~~  
209.20 ~~under section 3.736, subdivision 9.~~

209.21 **EFFECTIVE DATE.** This section is effective January 1, 2025.

209.22 Sec. 34. Minnesota Statutes 2023 Supplement, section 152.126, subdivision 6, is amended  
209.23 to read:

209.24 Subd. 6. **Access to reporting system data.** (a) Except as indicated in this subdivision,  
209.25 the data submitted to the board under subdivision 4 is private data on individuals as defined  
209.26 in section 13.02, subdivision 12, and not subject to public disclosure.

209.27 (b) Except as specified in subdivision 5, the following persons shall be considered  
209.28 permissible users and may access the data submitted under subdivision 4 in the same or  
209.29 similar manner, and for the same or similar purposes, as those persons who are authorized  
209.30 to access similar private data on individuals under federal and state law:

210.1 (1) a prescriber or an agent or employee of the prescriber to whom the prescriber has  
210.2 delegated the task of accessing the data, to the extent the information relates specifically to  
210.3 a current patient, to whom the prescriber is:

210.4 (i) prescribing or considering prescribing any controlled substance;

210.5 (ii) providing emergency medical treatment for which access to the data may be necessary;

210.6 (iii) providing care, and the prescriber has reason to believe, based on clinically valid  
210.7 indications, that the patient is potentially abusing a controlled substance; or

210.8 (iv) providing other medical treatment for which access to the data may be necessary  
210.9 for a clinically valid purpose and the patient has consented to access to the submitted data,  
210.10 and with the provision that the prescriber remains responsible for the use or misuse of data  
210.11 accessed by a delegated agent or employee;

210.12 (2) a dispenser or an agent or employee of the dispenser to whom the dispenser has  
210.13 delegated the task of accessing the data, to the extent the information relates specifically to  
210.14 a current patient to whom that dispenser is dispensing or considering dispensing any  
210.15 controlled substance and with the provision that the dispenser remains responsible for the  
210.16 use or misuse of data accessed by a delegated agent or employee;

210.17 (3) a licensed dispensing practitioner or licensed pharmacist to the extent necessary to  
210.18 determine whether corrections made to the data reported under subdivision 4 are accurate;

210.19 (4) a licensed pharmacist who is providing pharmaceutical care for which access to the  
210.20 data may be necessary to the extent that the information relates specifically to a current  
210.21 patient for whom the pharmacist is providing pharmaceutical care: (i) if the patient has  
210.22 consented to access to the submitted data; or (ii) if the pharmacist is consulted by a prescriber  
210.23 who is requesting data in accordance with clause (1);

210.24 (5) an individual who is the recipient of a controlled substance prescription for which  
210.25 data was submitted under subdivision 4, or a guardian of the individual, parent or guardian  
210.26 of a minor, or health care agent of the individual acting under a health care directive under  
210.27 chapter 145C. For purposes of this clause, access by individuals includes persons in the  
210.28 definition of an individual under section 13.02;

210.29 (6) personnel or designees of a health-related licensing board listed in section 214.01,  
210.30 subdivision 2, or of the Office of Emergency Medical Services Regulatory Board, assigned  
210.31 to conduct a bona fide investigation of a complaint received by that board or office that  
210.32 alleges that a specific licensee is impaired by use of a drug for which data is collected under

- 211.1 subdivision 4, has engaged in activity that would constitute a crime as defined in section  
211.2 152.025, or has engaged in the behavior specified in subdivision 5, paragraph (a);
- 211.3 (7) personnel of the board engaged in the collection, review, and analysis of controlled  
211.4 substance prescription information as part of the assigned duties and responsibilities under  
211.5 this section;
- 211.6 (8) authorized personnel under contract with the board, or under contract with the state  
211.7 of Minnesota and approved by the board, who are engaged in the design, evaluation,  
211.8 implementation, operation, or maintenance of the prescription monitoring program as part  
211.9 of the assigned duties and responsibilities of their employment, provided that access to data  
211.10 is limited to the minimum amount necessary to carry out such duties and responsibilities,  
211.11 and subject to the requirement of de-identification and time limit on retention of data specified  
211.12 in subdivision 5, paragraphs (d) and (e);
- 211.13 (9) federal, state, and local law enforcement authorities acting pursuant to a valid search  
211.14 warrant;
- 211.15 (10) personnel of the Minnesota health care programs assigned to use the data collected  
211.16 under this section to identify and manage recipients whose usage of controlled substances  
211.17 may warrant restriction to a single primary care provider, a single outpatient pharmacy, and  
211.18 a single hospital;
- 211.19 (11) personnel of the Department of Human Services assigned to access the data pursuant  
211.20 to paragraph (k);
- 211.21 (12) personnel of the health professionals services program established under section  
211.22 214.31, to the extent that the information relates specifically to an individual who is currently  
211.23 enrolled in and being monitored by the program, and the individual consents to access to  
211.24 that information. The health professionals services program personnel shall not provide this  
211.25 data to a health-related licensing board ~~or the Emergency Medical Services Regulatory~~  
211.26 ~~Board~~, except as permitted under section 214.33, subdivision 3;
- 211.27 (13) personnel or designees of a health-related licensing board other than the Board of  
211.28 Pharmacy listed in section 214.01, subdivision 2, assigned to conduct a bona fide  
211.29 investigation of a complaint received by that board that alleges that a specific licensee is  
211.30 inappropriately prescribing controlled substances as defined in this section. For the purposes  
211.31 of this clause, the health-related licensing board may also obtain utilization data; and

212.1 (14) personnel of the board specifically assigned to conduct a bona fide investigation  
212.2 of a specific licensee or registrant. For the purposes of this clause, the board may also obtain  
212.3 utilization data.

212.4 (c) By July 1, 2017, every prescriber licensed by a health-related licensing board listed  
212.5 in section 214.01, subdivision 2, practicing within this state who is authorized to prescribe  
212.6 controlled substances for humans and who holds a current registration issued by the federal  
212.7 Drug Enforcement Administration, and every pharmacist licensed by the board and practicing  
212.8 within the state, shall register and maintain a user account with the prescription monitoring  
212.9 program. Data submitted by a prescriber, pharmacist, or their delegate during the registration  
212.10 application process, other than their name, license number, and license type, is classified  
212.11 as private pursuant to section 13.02, subdivision 12.

212.12 (d) Notwithstanding paragraph (b), beginning January 1, 2021, a prescriber or an agent  
212.13 or employee of the prescriber to whom the prescriber has delegated the task of accessing  
212.14 the data, must access the data submitted under subdivision 4 to the extent the information  
212.15 relates specifically to the patient:

212.16 (1) before the prescriber issues an initial prescription order for a Schedules II through  
212.17 IV opiate controlled substance to the patient; and

212.18 (2) at least once every three months for patients receiving an opiate for treatment of  
212.19 chronic pain or participating in medically assisted treatment for an opioid addiction.

212.20 (e) Paragraph (d) does not apply if:

212.21 (1) the patient is receiving palliative care, or hospice or other end-of-life care;

212.22 (2) the patient is being treated for pain due to cancer or the treatment of cancer;

212.23 (3) the prescription order is for a number of doses that is intended to last the patient five  
212.24 days or less and is not subject to a refill;

212.25 (4) the prescriber and patient have a current or ongoing provider/patient relationship of  
212.26 a duration longer than one year;

212.27 (5) the prescription order is issued within 14 days following surgery or three days  
212.28 following oral surgery or follows the prescribing protocols established under the opioid  
212.29 prescribing improvement program under section 256B.0638;

212.30 (6) the controlled substance is prescribed or administered to a patient who is admitted  
212.31 to an inpatient hospital;

213.1 (7) the controlled substance is lawfully administered by injection, ingestion, or any other  
213.2 means to the patient by the prescriber, a pharmacist, or by the patient at the direction of a  
213.3 prescriber and in the presence of the prescriber or pharmacist;

213.4 (8) due to a medical emergency, it is not possible for the prescriber to review the data  
213.5 before the prescriber issues the prescription order for the patient; or

213.6 (9) the prescriber is unable to access the data due to operational or other technological  
213.7 failure of the program so long as the prescriber reports the failure to the board.

213.8 (f) Only permissible users identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8),  
213.9 (10), and (11), may directly access the data electronically. No other permissible users may  
213.10 directly access the data electronically. If the data is directly accessed electronically, the  
213.11 permissible user shall implement and maintain a comprehensive information security program  
213.12 that contains administrative, technical, and physical safeguards that are appropriate to the  
213.13 user's size and complexity, and the sensitivity of the personal information obtained. The  
213.14 permissible user shall identify reasonably foreseeable internal and external risks to the  
213.15 security, confidentiality, and integrity of personal information that could result in the  
213.16 unauthorized disclosure, misuse, or other compromise of the information and assess the  
213.17 sufficiency of any safeguards in place to control the risks.

213.18 (g) The board shall not release data submitted under subdivision 4 unless it is provided  
213.19 with evidence, satisfactory to the board, that the person requesting the information is entitled  
213.20 to receive the data.

213.21 (h) The board shall maintain a log of all persons who access the data for a period of at  
213.22 least three years and shall ensure that any permissible user complies with paragraph (c)  
213.23 prior to attaining direct access to the data.

213.24 (i) Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant  
213.25 to subdivision 2. A vendor shall not use data collected under this section for any purpose  
213.26 not specified in this section.

213.27 (j) The board may participate in an interstate prescription monitoring program data  
213.28 exchange system provided that permissible users in other states have access to the data only  
213.29 as allowed under this section, and that section 13.05, subdivision 6, applies to any contract  
213.30 or memorandum of understanding that the board enters into under this paragraph.

213.31 (k) With available appropriations, the commissioner of human services shall establish  
213.32 and implement a system through which the Department of Human Services shall routinely  
213.33 access the data for the purpose of determining whether any client enrolled in an opioid

214.1 treatment program licensed according to chapter 245A has been prescribed or dispensed a  
214.2 controlled substance in addition to that administered or dispensed by the opioid treatment  
214.3 program. When the commissioner determines there have been multiple prescribers or multiple  
214.4 prescriptions of controlled substances, the commissioner shall:

214.5 (1) inform the medical director of the opioid treatment program only that the  
214.6 commissioner determined the existence of multiple prescribers or multiple prescriptions of  
214.7 controlled substances; and

214.8 (2) direct the medical director of the opioid treatment program to access the data directly,  
214.9 review the effect of the multiple prescribers or multiple prescriptions, and document the  
214.10 review.

214.11 If determined necessary, the commissioner of human services shall seek a federal waiver  
214.12 of, or exception to, any applicable provision of Code of Federal Regulations, title 42, section  
214.13 2.34, paragraph (c), prior to implementing this paragraph.

214.14 (l) The board shall review the data submitted under subdivision 4 on at least a quarterly  
214.15 basis and shall establish criteria, in consultation with the advisory task force, for referring  
214.16 information about a patient to prescribers and dispensers who prescribed or dispensed the  
214.17 prescriptions in question if the criteria are met.

214.18 (m) The board shall conduct random audits, on at least a quarterly basis, of electronic  
214.19 access by permissible users, as identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8),  
214.20 (10), and (11), to the data in subdivision 4, to ensure compliance with permissible use as  
214.21 defined in this section. A permissible user whose account has been selected for a random  
214.22 audit shall respond to an inquiry by the board, no later than 30 days after receipt of notice  
214.23 that an audit is being conducted. Failure to respond may result in deactivation of access to  
214.24 the electronic system and referral to the appropriate health licensing board, or the  
214.25 commissioner of human services, for further action. The board shall report the results of  
214.26 random audits to the chairs and ranking minority members of the legislative committees  
214.27 with jurisdiction over health and human services policy and finance and government data  
214.28 practices.

214.29 (n) A permissible user who has delegated the task of accessing the data in subdivision  
214.30 4 to an agent or employee shall audit the use of the electronic system by delegated agents  
214.31 or employees on at least a quarterly basis to ensure compliance with permissible use as  
214.32 defined in this section. When a delegated agent or employee has been identified as  
214.33 inappropriately accessing data, the permissible user must immediately remove access for

215.1 that individual and notify the board within seven days. The board shall notify all permissible  
215.2 users associated with the delegated agent or employee of the alleged violation.

215.3 (o) A permissible user who delegates access to the data submitted under subdivision 4  
215.4 to an agent or employee shall terminate that individual's access to the data within three  
215.5 business days of the agent or employee leaving employment with the permissible user. The  
215.6 board may conduct random audits to determine compliance with this requirement.

215.7 **EFFECTIVE DATE.** This section is effective January 1, 2025.

215.8 Sec. 35. Minnesota Statutes 2022, section 214.025, is amended to read:

215.9 **214.025 COUNCIL OF HEALTH BOARDS.**

215.10 The health-related licensing boards may establish a Council of Health Boards consisting  
215.11 of representatives of the health-related licensing boards ~~and the Emergency Medical Services~~  
215.12 ~~Regulatory Board~~. When reviewing legislation or legislative proposals relating to the  
215.13 regulation of health occupations, the council shall include the commissioner of health or a  
215.14 designee and the director of the Office of Emergency Medical Services or a designee.

215.15 **EFFECTIVE DATE.** This section is effective January 1, 2025.

215.16 Sec. 36. Minnesota Statutes 2022, section 214.04, subdivision 2a, is amended to read:

215.17 Subd. 2a. **Performance of executive directors.** The governor may request that a  
215.18 health-related licensing board ~~or the Emergency Medical Services Regulatory Board~~ review  
215.19 the performance of the board's executive director. Upon receipt of the request, the board  
215.20 must respond by establishing a performance improvement plan or taking disciplinary or  
215.21 other corrective action, including dismissal. The board shall include the governor's  
215.22 representative as a voting member of the board in the board's discussions and decisions  
215.23 regarding the governor's request. The board shall report to the governor on action taken by  
215.24 the board, including an explanation if no action is deemed necessary.

215.25 **EFFECTIVE DATE.** This section is effective January 1, 2025.

215.26 Sec. 37. Minnesota Statutes 2022, section 214.29, is amended to read:

215.27 **214.29 PROGRAM REQUIRED.**

215.28 Each health-related licensing board, ~~including the Emergency Medical Services~~  
215.29 ~~Regulatory Board under chapter 144E~~, shall either conduct a health professionals service  
215.30 program under sections 214.31 to 214.37 or contract for a diversion program under section  
215.31 214.28.

216.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

216.2 Sec. 38. Minnesota Statutes 2022, section 214.31, is amended to read:

216.3 **214.31 AUTHORITY.**

216.4 Two or more of the health-related licensing boards listed in section 214.01, subdivision  
216.5 2, may jointly conduct a health professionals services program to protect the public from  
216.6 persons regulated by the boards who are unable to practice with reasonable skill and safety  
216.7 by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result  
216.8 of any mental, physical, or psychological condition. The program does not affect a board's  
216.9 authority to discipline violations of a board's practice act. ~~For purposes of sections 214.31~~  
216.10 ~~to 214.37, the emergency medical services regulatory board shall be included in the definition~~  
216.11 ~~of a health-related licensing board under chapter 144E.~~

216.12 **EFFECTIVE DATE.** This section is effective January 1, 2025.

216.13 Sec. 39. Minnesota Statutes 2022, section 214.355, is amended to read:

216.14 **214.355 GROUNDS FOR DISCIPLINARY ACTION.**

216.15 Each health-related licensing board, ~~including the Emergency Medical Services~~  
216.16 ~~Regulatory Board under chapter 144E,~~ shall consider it grounds for disciplinary action if a  
216.17 regulated person violates the terms of the health professionals services program participation  
216.18 agreement or leaves the program except upon fulfilling the terms for successful completion  
216.19 of the program as set forth in the participation agreement.

216.20 **EFFECTIVE DATE.** This section is effective January 1, 2025.

216.21 Sec. 40. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL**  
216.22 **SERVICES ADVISORY COUNCIL.**

216.23 (a) Initial appointments of members to the Emergency Medical Services Advisory  
216.24 Council must be made by January 1, 2025. The terms of initial appointees must be determined  
216.25 by lot by the secretary of state and must be as follows:

216.26 (1) eight members shall serve two-year terms; and

216.27 (2) eight members shall serve three-year terms.

216.28 (b) The medical director appointee must convene the first meeting of the Emergency  
216.29 Medical Services Advisory Council by February 1, 2025.

217.1 Sec. 41. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL**  
217.2 **SERVICES PHYSICIAN ADVISORY COUNCIL.**

217.3 (a) Initial appointments of members to the Emergency Medical Services Physician  
217.4 Advisory Council must be made by January 1, 2025. The terms of initial appointees must  
217.5 be determined by lot by the secretary of state and must be as follows:

217.6 (1) five members shall serve two-year terms;

217.7 (2) five members shall serve three-year terms; and

217.8 (3) the term for the medical director appointee to the Emergency Medical Services  
217.9 Physician Advisory Council must coincide with that member's term on the Emergency  
217.10 Medical Services Advisory Council.

217.11 (b) The medical director appointee must convene the first meeting of the Emergency  
217.12 Medical Services Physician Advisory Council by February 1, 2025.

217.13 Sec. 42. **INITIAL MEMBERS AND FIRST MEETING; LABOR AND EMERGENCY**  
217.14 **MEDICAL SERVICE PROVIDERS ADVISORY COUNCIL.**

217.15 (a) Initial appointments of members to the Labor and Emergency Medical Service  
217.16 Providers Advisory Council must be made by January 1, 2025. The terms of initial appointees  
217.17 must be determined by lot by the secretary of state and must be as follows:

217.18 (1) six members shall serve two-year terms; and

217.19 (2) seven members shall serve three-year terms.

217.20 (b) The emergency medical technician instructor appointee must convene the first meeting  
217.21 of the Labor and Emergency Medical Service Providers Advisory Council by February 1,  
217.22 2025.

217.23 Sec. 43. **TRANSITION.**

217.24 Subdivision 1. **Appointment of director; operation of office.** No later than October  
217.25 1, 2024, the governor shall appoint a director-designee of the Office of Emergency Medical  
217.26 Services. The individual appointed as the director-designee of the Office of Emergency  
217.27 Medical Services shall become the governor's appointee as director of the Office of  
217.28 Emergency Medical Services on January 1, 2025. Effective January 1, 2025, the  
217.29 responsibilities to regulate emergency medical services in the state under Minnesota Statutes,  
217.30 chapter 144E, and Minnesota Rules, chapter 4690, are transferred from the Emergency

218.1 Medical Services Regulatory Board to the Office of Emergency Medical Services and the  
218.2 director of the Office of Emergency Medical Services.

218.3 Subd. 2. **Transfer of responsibilities.** Minnesota Statutes, section 15.039, applies to  
218.4 the transfer of responsibilities from the Emergency Medical Services Regulatory Board to  
218.5 the Office of Emergency Medical Services required by this act. The commissioner of  
218.6 administration, with the approval of the governor, may issue reorganization orders under  
218.7 Minnesota Statutes, section 16B.37, as necessary to carry out the transfer of responsibilities  
218.8 required by this act. The provision of Minnesota Statutes, section 16B.37, subdivision 1,  
218.9 which states that transfers under that section may be made only to an agency that has been  
218.10 in existence for at least one year, does not apply to transfers in this act to the Office of  
218.11 Emergency Medical Services.

218.12 Sec. 44. **REVISOR INSTRUCTION.**

218.13 (a) In Minnesota Statutes, chapter 144E, the revisor of statutes shall replace "board"  
218.14 with "director"; "board's" with "director's"; "Emergency Medical Services Regulatory Board"  
218.15 or "Minnesota Emergency Medical Services Regulatory Board" with "director"; and  
218.16 "board-approved" with "director-approved," except that:

218.17 (1) in Minnesota Statutes, section 144E.11, the revisor of statutes shall not modify the  
218.18 term "county board," "community health board," or "community health boards";

218.19 (2) in Minnesota Statutes, sections 144E.40, subdivision 2; 144E.42, subdivision 2;  
218.20 144E.44; and 144E.45, subdivision 2, the revisor of statutes shall not modify the term "State  
218.21 Board of Investment"; and

218.22 (3) in Minnesota Statutes, sections 144E.50 and 144E.52, the revisor of statutes shall  
218.23 not modify the term "regional emergency medical services board," "regional board," "regional  
218.24 emergency medical services board's," or "regional boards."

218.25 (b) In the following sections of Minnesota Statutes, the revisor of statutes shall replace  
218.26 "Emergency Medical Services Regulatory Board" with "director of the Office of Emergency  
218.27 Medical Services": sections 13.717, subdivision 10; 62J.49, subdivision 2; 144.604; 144.608;  
218.28 147.09; 156.12, subdivision 2; 169.686, subdivision 3; and 299A.41, subdivision 4.

218.29 (c) In the following sections of Minnesota Statutes, the revisor of statutes shall replace  
218.30 "Emergency Medical Services Regulatory Board" with "Office of Emergency Medical  
218.31 Services": sections 144.603 and 161.045, subdivision 3.

219.1 (d) In making the changes specified in this section, the revisor of statutes may make  
219.2 technical and other necessary changes to sentence structure to preserve the meaning of the  
219.3 text.

219.4 Sec. 45. REPEALER.

219.5 (a) Minnesota Statutes 2022, sections 144E.001, subdivision 5; 144E.01; 144E.123,  
219.6 subdivision 5; and 144E.50, subdivision 3, are repealed.

219.7 (b) Minnesota Statutes 2022, section 144E.27, subdivisions 1 and 1a, are repealed.

219.8 EFFECTIVE DATE. Paragraph (a) is effective January 1, 2025.

## 219.9 ARTICLE 8

### 219.10 PHARMACY PRACTICE

219.11 Section 1. Minnesota Statutes 2023 Supplement, section 62Q.46, subdivision 1, is amended  
219.12 to read:

219.13 Subdivision 1. **Coverage for preventive items and services.** (a) "Preventive items and  
219.14 services" has the meaning specified in the Affordable Care Act. Preventive items and services  
219.15 includes:

219.16 (1) evidence-based items or services that have in effect a rating of A or B in the current  
219.17 recommendations of the United States Preventive Services Task Force with respect to the  
219.18 individual involved;

219.19 (2) immunizations for routine use in children, adolescents, and adults that have in effect  
219.20 a recommendation from the Advisory Committee on Immunization Practices of the Centers  
219.21 for Disease Control and Prevention with respect to the individual involved. For purposes  
219.22 of this clause, a recommendation from the Advisory Committee on Immunization Practices  
219.23 of the Centers for Disease Control and Prevention is considered in effect after the  
219.24 recommendation has been adopted by the Director of the Centers for Disease Control and  
219.25 Prevention, and a recommendation is considered to be for routine use if the recommendation  
219.26 is listed on the Immunization Schedules of the Centers for Disease Control and Prevention;

219.27 (3) with respect to infants, children, and adolescents, evidence-informed preventive care  
219.28 and screenings provided for in comprehensive guidelines supported by the Health Resources  
219.29 and Services Administration;

219.30 (4) with respect to women, additional preventive care and screenings that are not listed  
219.31 with a rating of A or B by the United States Preventive Services Task Force but that are

220.1 provided for in comprehensive guidelines supported by the Health Resources and Services  
220.2 Administration;

220.3 (5) all contraceptive methods established in guidelines published by the United States  
220.4 Food and Drug Administration;

220.5 (6) screenings for human immunodeficiency virus for:

220.6 (i) all individuals at least 15 years of age but less than 65 years of age; and

220.7 (ii) all other individuals with increased risk of human immunodeficiency virus infection  
220.8 according to guidance from the Centers for Disease Control;

220.9 (7) all preexposure prophylaxis when used for the prevention or treatment of human  
220.10 immunodeficiency virus, including but not limited to all preexposure prophylaxis, as defined  
220.11 in any guidance by the United States Preventive Services Task Force or the Centers for  
220.12 Disease Control, including the June 11, 2019, Preexposure Prophylaxis for the Prevention  
220.13 of HIV Infection United States Preventive Services Task Force Recommendation Statement;  
220.14 and

220.15 (8) all postexposure prophylaxis when used for the prevention or treatment of human  
220.16 immunodeficiency virus, including but not limited to all postexposure prophylaxis as defined  
220.17 in any guidance by the United States Preventive Services Task Force or the Centers for  
220.18 Disease Control.

220.19 (b) A health plan company must provide coverage for preventive items and services at  
220.20 a participating provider without imposing cost-sharing requirements, including a deductible,  
220.21 coinsurance, or co-payment. Nothing in this section prohibits a health plan company that  
220.22 has a network of providers from excluding coverage or imposing cost-sharing requirements  
220.23 for preventive items or services that are delivered by an out-of-network provider.

220.24 (c) A health plan company is not required to provide coverage for any items or services  
220.25 specified in any recommendation or guideline described in paragraph (a) if the  
220.26 recommendation or guideline is no longer included as a preventive item or service as defined  
220.27 in paragraph (a). Annually, a health plan company must determine whether any additional  
220.28 items or services must be covered without cost-sharing requirements or whether any items  
220.29 or services are no longer required to be covered.

220.30 (d) Nothing in this section prevents a health plan company from using reasonable medical  
220.31 management techniques to determine the frequency, method, treatment, or setting for a  
220.32 preventive item or service to the extent not specified in the recommendation or guideline.

221.1 (e) A health plan shall not require prior authorization or step therapy for preexposure  
221.2 prophylaxis, except that if the United States Food and Drug Administration has approved  
221.3 one or more therapeutic equivalents of a drug, device, or product for the prevention of HIV,  
221.4 this paragraph does not require a health plan to cover all of the therapeutically equivalent  
221.5 versions without prior authorization or step therapy, if at least one therapeutically equivalent  
221.6 version is covered without prior authorization or step therapy.

221.7 ~~(e)~~ (f) This section does not apply to grandfathered plans.

221.8 ~~(f)~~ (g) This section does not apply to plans offered by the Minnesota Comprehensive  
221.9 Health Association.

221.10 **EFFECTIVE DATE.** This section is effective January 1, 2026, and applies to health  
221.11 plans offered, issued, or renewed on or after that date.

221.12 Sec. 2. Minnesota Statutes 2022, section 151.01, subdivision 23, is amended to read:

221.13 Subd. 23. **Practitioner.** "Practitioner" means a licensed doctor of medicine, licensed  
221.14 doctor of osteopathic medicine duly licensed to practice medicine, licensed doctor of  
221.15 dentistry, licensed doctor of optometry, licensed podiatrist, licensed veterinarian, licensed  
221.16 advanced practice registered nurse, or licensed physician assistant. For purposes of sections  
221.17 151.15, subdivision 4; 151.211, subdivision 3; 151.252, subdivision 3; 151.37, subdivision  
221.18 2, paragraph (b); and 151.461, "practitioner" also means a dental therapist authorized to  
221.19 dispense and administer under chapter 150A. For purposes of sections 151.252, subdivision  
221.20 3, and 151.461, "practitioner" also means a pharmacist authorized to prescribe  
221.21 self-administered hormonal contraceptives, nicotine replacement medications, or opiate  
221.22 antagonists under section 151.37, subdivision 14, 15, or 16, or authorized to prescribe drugs  
221.23 to prevent the acquisition of human immunodeficiency virus (HIV) under section 151.37,  
221.24 subdivision 17.

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

221.26 Sec. 3. Minnesota Statutes 2022, section 151.01, subdivision 27, is amended to read:

221.27 Subd. 27. **Practice of pharmacy.** "Practice of pharmacy" means:

221.28 (1) interpretation and evaluation of prescription drug orders;

221.29 (2) compounding, labeling, and dispensing drugs and devices (except labeling by a  
221.30 manufacturer or packager of nonprescription drugs or commercially packaged legend drugs  
221.31 and devices);

222.1 (3) participation in clinical interpretations and monitoring of drug therapy for assurance  
222.2 of safe and effective use of drugs, including ~~the performance of~~ ordering and performing  
222.3 laboratory tests that are waived under the federal Clinical Laboratory Improvement Act of  
222.4 1988, United States Code, title 42, section 263a et seq., ~~provided that a pharmacist may~~  
222.5 ~~interpret the results of laboratory tests but may modify~~ A pharmacist may collect specimens,  
222.6 interpret results, notify the patient of results, and refer the patient to other health care  
222.7 providers for follow-up care and may initiate, modify, or discontinue drug therapy only  
222.8 pursuant to a protocol or collaborative practice agreement. A pharmacist may delegate the  
222.9 authority to administer tests under this clause to a pharmacy technician or pharmacy intern.  
222.10 A pharmacy technician or pharmacy intern may perform tests authorized under this clause  
222.11 if the technician or intern is working under the direct supervision of a pharmacist;

222.12 (4) participation in drug and therapeutic device selection; drug administration for first  
222.13 dosage and medical emergencies; intramuscular and subcutaneous drug administration under  
222.14 a prescription drug order; drug regimen reviews; and drug or drug-related research;

222.15 (5) drug administration, through intramuscular and subcutaneous administration used  
222.16 to treat mental illnesses as permitted under the following conditions:

222.17 (i) upon the order of a prescriber and the prescriber is notified after administration is  
222.18 complete; or

222.19 (ii) pursuant to a protocol or collaborative practice agreement as defined by section  
222.20 151.01, subdivisions 27b and 27c, and participation in the initiation, management,  
222.21 modification, administration, and discontinuation of drug therapy is according to the protocol  
222.22 or collaborative practice agreement between the pharmacist and a dentist, optometrist,  
222.23 physician, physician assistant, podiatrist, or veterinarian, or an advanced practice registered  
222.24 nurse authorized to prescribe, dispense, and administer under section 148.235. Any changes  
222.25 in drug therapy or medication administration made pursuant to a protocol or collaborative  
222.26 practice agreement must be documented by the pharmacist in the patient's medical record  
222.27 or reported by the pharmacist to a practitioner responsible for the patient's care;

222.28 (6) ~~participation in administration of influenza vaccines and~~ initiating, ordering, and  
222.29 administering influenza and COVID-19 or SARS-CoV-2 vaccines authorized or approved  
222.30 by the United States Food and Drug Administration ~~related to COVID-19 or SARS-CoV-2~~  
222.31 to all eligible individuals ~~six~~ three years of age and older and all other United States Food  
222.32 and Drug Administration-approved vaccines to patients ~~13~~ six years of age and older by  
222.33 ~~written protocol with a physician licensed under chapter 147, a physician assistant authorized~~  
222.34 ~~to prescribe drugs under chapter 147A, or an advanced practice registered nurse authorized~~

223.1 ~~to prescribe drugs under section 148.235, provided that~~ according to the federal Advisory  
223.2 Committee on Immunization Practices recommendations. A pharmacist may delegate the  
223.3 authority to administer vaccines under this clause to a pharmacy technician or pharmacy  
223.4 intern who has completed training in vaccine administration if:

223.5 (i) ~~the protocol includes, at a minimum:~~

223.6 (A) ~~the name, dose, and route of each vaccine that may be given;~~

223.7 (B) ~~the patient population for whom the vaccine may be given;~~

223.8 (C) ~~contraindications and precautions to the vaccine;~~

223.9 (D) ~~the procedure for handling an adverse reaction;~~

223.10 (E) ~~the name, signature, and address of the physician, physician assistant, or advanced~~  
223.11 ~~practice registered nurse;~~

223.12 (F) ~~a telephone number at which the physician, physician assistant, or advanced practice~~  
223.13 ~~registered nurse can be contacted; and~~

223.14 (G) ~~the date and time period for which the protocol is valid;~~

223.15 (ii) (i) ~~the pharmacist has~~ and the pharmacy technician or pharmacy intern have  
223.16 successfully completed a program approved by the Accreditation Council for Pharmacy  
223.17 Education (ACPE) specifically for the administration of immunizations or a program  
223.18 approved by the board;

223.19 (iii) (ii) ~~the pharmacist utilizes the Minnesota Immunization Information Connection to~~  
223.20 ~~assess the immunization status of individuals prior to the administration of vaccines, except~~  
223.21 ~~when administering influenza vaccines to individuals age nine and older;~~

223.22 (iv) (iii) ~~the pharmacist reports the administration of the immunization to the Minnesota~~  
223.23 ~~Immunization Information Connection; and~~

223.24 (v) ~~the pharmacist complies with guidelines for vaccines and immunizations established~~  
223.25 ~~by the federal Advisory Committee on Immunization Practices, except that a pharmacist~~  
223.26 ~~does not need to comply with those portions of the guidelines that establish immunization~~  
223.27 ~~schedules when administering a vaccine pursuant to a valid, patient-specific order issued~~  
223.28 ~~by a physician licensed under chapter 147, a physician assistant authorized to prescribe~~  
223.29 ~~drugs under chapter 147A, or an advanced practice registered nurse authorized to prescribe~~  
223.30 ~~drugs under section 148.235, provided that the order is consistent with the United States~~  
223.31 ~~Food and Drug Administration approved labeling of the vaccine;~~

224.1 (iv) if the patient is 18 years of age or younger, the pharmacist, pharmacy technician,  
224.2 or pharmacy intern informs the patient and any adult caregiver accompanying the patient  
224.3 of the importance of a well-child visit with a pediatrician or other licensed primary care  
224.4 provider; and

224.5 (v) in the case of a pharmacy technician administering vaccinations while being  
224.6 supervised by a licensed pharmacist:

224.7 (A) the supervision is in-person and must not be done through telehealth as defined  
224.8 under section 62A.673, subdivision 2;

224.9 (B) the pharmacist is readily and immediately available to the immunizing pharmacy  
224.10 technician;

224.11 (C) the pharmacy technician has a current certificate in basic cardiopulmonary  
224.12 resuscitation;

224.13 (D) the pharmacy technician has completed a minimum of two hours of ACPE-approved,  
224.14 immunization-related continuing pharmacy education as part of the pharmacy technician's  
224.15 two-year continuing education schedule; and

224.16 (E) the pharmacy technician has completed one of two training programs listed under  
224.17 Minnesota Rules, part 6800.3850, subpart 1h, item B;

224.18 (7) participation in the initiation, management, modification, and discontinuation of  
224.19 drug therapy according to a written protocol or collaborative practice agreement between:

224.20 (i) one or more pharmacists and one or more dentists, optometrists, physicians, physician  
224.21 assistants, podiatrists, or veterinarians; or (ii) one or more pharmacists and one or more  
224.22 physician assistants authorized to prescribe, dispense, and administer under chapter 147A,  
224.23 or advanced practice registered nurses authorized to prescribe, dispense, and administer  
224.24 under section 148.235. Any changes in drug therapy made pursuant to a protocol or  
224.25 collaborative practice agreement must be documented by the pharmacist in the patient's  
224.26 medical record or reported by the pharmacist to a practitioner responsible for the patient's  
224.27 care;

224.28 (8) participation in the storage of drugs and the maintenance of records;

224.29 (9) patient counseling on therapeutic values, content, hazards, and uses of drugs and  
224.30 devices;

224.31 (10) offering or performing those acts, services, operations, or transactions necessary  
224.32 in the conduct, operation, management, and control of a pharmacy;

225.1 (11) participation in the initiation, management, modification, and discontinuation of  
225.2 therapy with opiate antagonists, as defined in section 604A.04, subdivision 1, pursuant to:

225.3 (i) a written protocol as allowed under clause (7); or

225.4 (ii) a written protocol with a community health board medical consultant or a practitioner  
225.5 designated by the commissioner of health, as allowed under section 151.37, subdivision 13;

225.6 (12) prescribing self-administered hormonal contraceptives; nicotine replacement  
225.7 medications; and opiate antagonists for the treatment of an acute opiate overdose pursuant  
225.8 to section 151.37, subdivision 14, 15, or 16; ~~and~~

225.9 (13) participation in the placement of drug monitoring devices according to a prescription,  
225.10 protocol, or collaborative practice agreement;

225.11 (14) prescribing, dispensing, and administering drugs for preventing the acquisition of  
225.12 human immunodeficiency virus (HIV) if the pharmacist meets the requirements in section  
225.13 151.37, subdivision 17; and

225.14 (15) ordering, conducting, and interpreting laboratory tests necessary for therapies that  
225.15 use drugs for preventing the acquisition of HIV, if the pharmacist meets the requirements  
225.16 in section 151.37, subdivision 17.

225.17 **EFFECTIVE DATE.** This section is effective July 1, 2024, except that clauses (14)  
225.18 and (15) are effective January 1, 2026.

225.19 Sec. 4. Minnesota Statutes 2022, section 151.37, is amended by adding a subdivision to  
225.20 read:

225.21 **Subd. 17. Drugs for preventing the acquisition of HIV.** (a) A pharmacist is authorized  
225.22 to prescribe and administer drugs to prevent the acquisition of human immunodeficiency  
225.23 virus (HIV) in accordance with this subdivision.

225.24 (b) By January 1, 2025, the Board of Pharmacy shall develop a standardized protocol  
225.25 for a pharmacist to follow in prescribing the drugs described in paragraph (a). In developing  
225.26 the protocol, the board may consult with community health advocacy groups, the Board of  
225.27 Medical Practice, the Board of Nursing, the commissioner of health, professional pharmacy  
225.28 associations, and professional associations for physicians, physician assistants, and advanced  
225.29 practice registered nurses.

225.30 (c) Before a pharmacist is authorized to prescribe a drug described in paragraph (a), the  
225.31 pharmacist must successfully complete a training program specifically developed for  
225.32 prescribing drugs for preventing the acquisition of HIV that is offered by a college of

226.1 pharmacy, a continuing education provider that is accredited by the Accreditation Council  
226.2 for Pharmacy Education, or a program approved by the board. To maintain authorization  
226.3 to prescribe, the pharmacist shall complete continuing education requirements as specified  
226.4 by the board.

226.5 (d) Before prescribing a drug described in paragraph (a), the pharmacist shall follow the  
226.6 appropriate standardized protocol developed under paragraph (b) and, if appropriate, may  
226.7 dispense to a patient a drug described in paragraph (a).

226.8 (e) Before dispensing a drug described in paragraph (a) that is prescribed by the  
226.9 pharmacist, the pharmacist must provide counseling to the patient on the use of the drugs  
226.10 and must provide the patient with a fact sheet that includes the indications and  
226.11 contraindications for the use of these drugs, the appropriate method for using these drugs,  
226.12 the need for medical follow up, and any additional information listed in Minnesota Rules,  
226.13 part 6800.0910, subpart 2, that is required to be provided to a patient during the counseling  
226.14 process.

226.15 (f) A pharmacist is prohibited from delegating the prescribing authority provided under  
226.16 this subdivision to any other person. A pharmacist intern registered under section 151.101  
226.17 may prepare the prescription, but before the prescription is processed or dispensed, a  
226.18 pharmacist authorized to prescribe under this subdivision must review, approve, and sign  
226.19 the prescription.

226.20 (g) Nothing in this subdivision prohibits a pharmacist from participating in the initiation,  
226.21 management, modification, and discontinuation of drug therapy according to a protocol as  
226.22 authorized in this section and in section 151.01, subdivision 27.

226.23 **EFFECTIVE DATE.** This section is effective January 1, 2026, except that paragraph  
226.24 (b) is effective the day following final enactment.

226.25 Sec. 5. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13f, is  
226.26 amended to read:

226.27 Subd. 13f. **Prior authorization.** (a) The Formulary Committee shall review and  
226.28 recommend drugs which require prior authorization. The Formulary Committee shall  
226.29 establish general criteria to be used for the prior authorization of brand-name drugs for  
226.30 which generically equivalent drugs are available, but the committee is not required to review  
226.31 each brand-name drug for which a generically equivalent drug is available.

226.32 (b) Prior authorization may be required by the commissioner before certain formulary  
226.33 drugs are eligible for payment. The Formulary Committee may recommend drugs for prior

227.1 authorization directly to the commissioner. The commissioner may also request that the  
227.2 Formulary Committee review a drug for prior authorization. Before the commissioner may  
227.3 require prior authorization for a drug:

227.4 (1) the commissioner must provide information to the Formulary Committee on the  
227.5 impact that placing the drug on prior authorization may have on the quality of patient care  
227.6 and on program costs, information regarding whether the drug is subject to clinical abuse  
227.7 or misuse, and relevant data from the state Medicaid program if such data is available;

227.8 (2) the Formulary Committee must review the drug, taking into account medical and  
227.9 clinical data and the information provided by the commissioner; and

227.10 (3) the Formulary Committee must hold a public forum and receive public comment for  
227.11 an additional 15 days.

227.12 The commissioner must provide a 15-day notice period before implementing the prior  
227.13 authorization.

227.14 (c) Except as provided in subdivision 13j, prior authorization shall not be required or  
227.15 utilized for any atypical antipsychotic drug prescribed for the treatment of mental illness  
227.16 if:

227.17 (1) there is no generically equivalent drug available; and

227.18 (2) the drug was initially prescribed for the recipient prior to July 1, 2003; or

227.19 (3) the drug is part of the recipient's current course of treatment.

227.20 This paragraph applies to any multistate preferred drug list or supplemental drug rebate  
227.21 program established or administered by the commissioner. Prior authorization shall  
227.22 automatically be granted for 60 days for brand name drugs prescribed for treatment of mental  
227.23 illness within 60 days of when a generically equivalent drug becomes available, provided  
227.24 that the brand name drug was part of the recipient's course of treatment at the time the  
227.25 generically equivalent drug became available.

227.26 (d) Prior authorization must not be required for liquid methadone if only one version of  
227.27 liquid methadone is available. If more than one version of liquid methadone is available,  
227.28 the commissioner shall ensure that at least one version of liquid methadone is available  
227.29 without prior authorization.

227.30 (e) Prior authorization may be required for an oral liquid form of a drug, except as  
227.31 described in paragraph (d). A prior authorization request under this paragraph must be  
227.32 automatically approved within 24 hours if the drug is being prescribed for a Food and Drug

228.1 Administration-approved condition for a patient who utilizes an enteral tube for feedings  
228.2 or medication administration, even if the patient has current or prior claims for pills for that  
228.3 condition. If more than one version of the oral liquid form of a drug is available, the  
228.4 commissioner may select the version that is able to be approved for a Food and Drug  
228.5 Administration-approved condition for a patient who utilizes an enteral tube for feedings  
228.6 or medication administration. This paragraph applies to any multistate preferred drug list  
228.7 or supplemental drug rebate program established or administered by the commissioner. The  
228.8 commissioner shall design and implement a streamlined prior authorization form for patients  
228.9 who utilize an enteral tube for feedings or medication administration and are prescribed an  
228.10 oral liquid form of a drug. The commissioner may require prior authorization for brand  
228.11 name drugs whenever a generically equivalent product is available, even if the prescriber  
228.12 specifically indicates "dispense as written-brand necessary" on the prescription as required  
228.13 by section 151.21, subdivision 2.

228.14 (f) Notwithstanding this subdivision, the commissioner may automatically require prior  
228.15 authorization, for a period not to exceed 180 days, for any drug that is approved by the  
228.16 United States Food and Drug Administration on or after July 1, 2005. The 180-day period  
228.17 begins no later than the first day that a drug is available for shipment to pharmacies within  
228.18 the state. The Formulary Committee shall recommend to the commissioner general criteria  
228.19 to be used for the prior authorization of the drugs, but the committee is not required to  
228.20 review each individual drug. In order to continue prior authorizations for a drug after the  
228.21 180-day period has expired, the commissioner must follow the provisions of this subdivision.

228.22 (g) Prior authorization under this subdivision shall comply with section 62Q.184.

228.23 (h) Any step therapy protocol requirements established by the commissioner must comply  
228.24 with section 62Q.1841.

228.25 (i) Notwithstanding any law to the contrary, prior authorization or step therapy shall not  
228.26 be required or utilized for any class of drugs that is approved by the United States Food and  
228.27 Drug Administration for preexposure prophylaxis of HIV and AIDS, except under the  
228.28 conditions specified in section 62Q.46, subdivision 1, paragraph (e).

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

228.30 Sec. 6. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
228.31 to read:

228.32 **Subd. 13l. Vaccines and laboratory tests provided by pharmacists.** (a) Medical  
228.33 assistance covers vaccines initiated, ordered, or administered by a licensed pharmacist,

229.1 according to the requirements of section 151.01, subdivision 27, clause (6), at no less than  
229.2 the rate for which the same services are covered when provided by any other licensed  
229.3 practitioner.

229.4 (b) Medical assistance covers laboratory tests ordered and performed by a licensed  
229.5 pharmacist, according to the requirements of section 151.01, subdivision 27, clause (3), at  
229.6 no less than the rate for which the same services are covered when provided by any other  
229.7 licensed practitioner.

229.8 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
229.9 whichever is later. The commissioner of human services shall notify the revisor of statutes  
229.10 when federal approval is obtained.

## ARTICLE 9

### MENTAL HEALTH

229.13 Section 1. Minnesota Statutes 2022, section 245.462, subdivision 6, is amended to read:

229.14 Subd. 6. **Community support services program.** "Community support services program"  
229.15 means services, other than inpatient or residential treatment services, provided or coordinated  
229.16 by an identified program and staff under the treatment supervision of a mental health  
229.17 professional designed to help adults with serious and persistent mental illness to function  
229.18 and remain in the community. A community support services program includes:

229.19 (1) client outreach,

229.20 (2) medication monitoring,

229.21 (3) assistance in independent living skills,

229.22 (4) development of employability and work-related opportunities,

229.23 (5) crisis assistance,

229.24 (6) psychosocial rehabilitation,

229.25 (7) help in applying for government benefits, and

229.26 (8) housing support services.

229.27 The community support services program must be coordinated with the case management  
229.28 services specified in section 245.4711. A program that meets the accreditation standards  
229.29 for Clubhouse International model programs meets the requirements of this subdivision.

230.1 Sec. 2. Minnesota Statutes 2022, section 245.4663, subdivision 2, is amended to read:

230.2 Subd. 2. **Eligible providers.** In order to be eligible for a grant under this section, a mental  
230.3 health provider must:

230.4 (1) provide at least 25 percent of the provider's yearly patient encounters to state public  
230.5 program enrollees or patients receiving sliding fee schedule discounts through a formal  
230.6 sliding fee schedule meeting the standards established by the United States Department of  
230.7 Health and Human Services under Code of Federal Regulations, title 42, section 51c.303;  
230.8 ~~or~~

230.9 (2) primarily serve underrepresented communities as defined in section 148E.010,  
230.10 subdivision 20; or

230.11 (3) provide services to people in a city or township that is not within the seven-county  
230.12 metropolitan area as defined in section 473.121, subdivision 2, and is not the city of Duluth,  
230.13 Mankato, Moorhead, Rochester, or St. Cloud.

230.14 Sec. 3. Minnesota Statutes 2023 Supplement, section 245.4889, subdivision 1, is amended  
230.15 to read:

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

230.18 (1) counties;

230.19 (2) Indian tribes;

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

230.21 (4) mental health service providers.

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

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

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

230.27 (3) respite care services for children with emotional disturbances or severe emotional  
230.28 disturbances who are at risk of ~~out-of-home placement or residential treatment or~~  
230.29 hospitalization, who are already in out-of-home placement in family foster settings as defined  
230.30 in chapter 245A and at risk of change in out-of-home placement or placement in a residential  
230.31 facility or other higher level of care, who have utilized crisis services or emergency room

- 231.1 services, or who have experienced a loss of in-home staffing support. Allowable activities  
231.2 and expenses for respite care services are defined under subdivision 4. A child is not required  
231.3 to have case management services to receive respite care services. Counties must work to  
231.4 provide access to regularly scheduled respite care;
- 231.5 (4) children's mental health crisis services;
- 231.6 (5) child-, youth-, and family-specific mobile response and stabilization services models;
- 231.7 (6) mental health services for people from cultural and ethnic minorities, including  
231.8 supervision of clinical trainees who are Black, indigenous, or people of color;
- 231.9 (7) children's mental health screening and follow-up diagnostic assessment and treatment;
- 231.10 (8) services to promote and develop the capacity of providers to use evidence-based  
231.11 practices in providing children's mental health services;
- 231.12 (9) school-linked mental health services under section 245.4901;
- 231.13 (10) building evidence-based mental health intervention capacity for children birth to  
231.14 age five;
- 231.15 (11) suicide prevention and counseling services that use text messaging statewide;
- 231.16 (12) mental health first aid training;
- 231.17 (13) training for parents, collaborative partners, and mental health providers on the  
231.18 impact of adverse childhood experiences and trauma and development of an interactive  
231.19 website to share information and strategies to promote resilience and prevent trauma;
- 231.20 (14) transition age services to develop or expand mental health treatment and supports  
231.21 for adolescents and young adults 26 years of age or younger;
- 231.22 (15) early childhood mental health consultation;
- 231.23 (16) evidence-based interventions for youth at risk of developing or experiencing a first  
231.24 episode of psychosis, and a public awareness campaign on the signs and symptoms of  
231.25 psychosis;
- 231.26 (17) psychiatric consultation for primary care practitioners; and
- 231.27 (18) providers to begin operations and meet program requirements when establishing a  
231.28 new children's mental health program. These may be start-up grants.
- 231.29 (c) Services under paragraph (b) must be designed to help each child to function and  
231.30 remain with the child's family in the community and delivered consistent with the child's

232.1 treatment plan. Transition services to eligible young adults under this paragraph must be  
232.2 designed to foster independent living in the community.

232.3 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party  
232.4 reimbursement sources, if applicable.

232.5 (e) The commissioner may establish and design a pilot program to expand the mobile  
232.6 response and stabilization services model for children, youth, and families. The commissioner  
232.7 may use grant funding to consult with a qualified expert entity to assist in the formulation  
232.8 of measurable outcomes and explore and position the state to submit a Medicaid state plan  
232.9 amendment to scale the model statewide.

232.10 Sec. 4. Minnesota Statutes 2022, section 245I.02, subdivision 17, is amended to read:

232.11 Subd. 17. **Functional assessment.** "Functional assessment" means the assessment of a  
232.12 client's current level of functioning relative to functioning that is appropriate for someone  
232.13 the client's age. ~~For a client five years of age or younger, a functional assessment is the~~  
232.14 ~~Early Childhood Service Intensity Instrument (ESCI). For a client six to 17 years of age,~~  
232.15 ~~a functional assessment is the Child and Adolescent Service Intensity Instrument (CASH).~~  
232.16 ~~For a client 18 years of age or older, a functional assessment is the functional assessment~~  
232.17 ~~described in section 245I.10, subdivision 9.~~

232.18 Sec. 5. Minnesota Statutes 2022, section 245I.02, subdivision 19, is amended to read:

232.19 Subd. 19. **Level of care assessment.** "Level of care assessment" means the level of care  
232.20 decision support tool appropriate to the client's age. ~~For a client five years of age or younger,~~  
232.21 ~~a level of care assessment is the Early Childhood Service Intensity Instrument (ESCI). For~~  
232.22 ~~a client six to 17 years of age, a level of care assessment is the Child and Adolescent Service~~  
232.23 ~~Intensity Instrument (CASH). For a client 18 years of age or older, a level of care assessment~~  
232.24 ~~is the Level of Care Utilization System for Psychiatric and Addiction Services (LOCUS)~~  
232.25 ~~or another tool authorized by the commissioner.~~

232.26 Sec. 6. Minnesota Statutes 2022, section 245I.04, subdivision 6, is amended to read:

232.27 Subd. 6. **Clinical trainee qualifications.** (a) A clinical trainee is a staff person who: (1)  
232.28 is enrolled in an accredited graduate program of study to prepare the staff person for  
232.29 independent licensure as a mental health professional and who is participating in a practicum  
232.30 or internship with the license holder through the individual's graduate program; ~~or~~ (2) has  
232.31 completed an accredited graduate program of study to prepare the staff person for independent  
232.32 licensure as a mental health professional and who is in compliance with the requirements

233.1 of the applicable health-related licensing board, including requirements for supervised  
233.2 practice; or (3) has completed an accredited graduate program of study to prepare the staff  
233.3 person for independent licensure as a mental health professional, has completed a practicum  
233.4 or internship and has not yet taken or received the results from the required test or is waiting  
233.5 for the final licensure decision.

233.6 (b) A clinical trainee is responsible for notifying and applying to a health-related licensing  
233.7 board to ensure that the trainee meets the requirements of the health-related licensing board.  
233.8 As permitted by a health-related licensing board, treatment supervision under this chapter  
233.9 may be integrated into a plan to meet the supervisory requirements of the health-related  
233.10 licensing board but does not supersede those requirements.

233.11 Sec. 7. Minnesota Statutes 2022, section 245I.10, subdivision 9, is amended to read:

233.12 Subd. 9. **Functional assessment; required elements.** (a) When a license holder is  
233.13 completing a functional assessment for an adult client, the license holder must:

233.14 (1) complete a functional assessment of the client after completing the client's diagnostic  
233.15 assessment;

233.16 (2) use a collaborative process that allows the client and the client's family and other  
233.17 natural supports, the client's referral sources, and the client's providers to provide information  
233.18 about how the client's symptoms of mental illness impact the client's functioning;

233.19 (3) if applicable, document the reasons that the license holder did not contact the client's  
233.20 family and other natural supports;

233.21 (4) assess and document how the client's symptoms of mental illness impact the client's  
233.22 functioning in the following areas:

233.23 (i) the client's mental health symptoms;

233.24 (ii) the client's mental health service needs;

233.25 (iii) the client's substance use;

233.26 (iv) the client's vocational and educational functioning;

233.27 (v) the client's social functioning, including the use of leisure time;

233.28 (vi) the client's interpersonal functioning, including relationships with the client's family  
233.29 and other natural supports;

233.30 (vii) the client's ability to provide self-care and live independently;

233.31 (viii) the client's medical and dental health;

234.1 (ix) the client's financial assistance needs; and

234.2 (x) the client's housing and transportation needs;

234.3 ~~(5) include a narrative summarizing the client's strengths, resources, and all areas of~~  
234.4 ~~functional impairment;~~

234.5 ~~(6)~~ (5) complete the client's functional assessment before the client's initial individual  
234.6 treatment plan unless a service specifies otherwise; and

234.7 ~~(7)~~ (6) update the client's functional assessment with the client's current functioning  
234.8 whenever there is a significant change in the client's functioning or at least every ~~180~~ 365  
234.9 days, unless a service specifies otherwise.

234.10 (b) A license holder may use any available, validated measurement tool, including but  
234.11 not limited to the Daily Living Activities-20, when completing the required elements of a  
234.12 functional assessment under this subdivision.

234.13 Sec. 8. Minnesota Statutes 2022, section 245I.11, subdivision 1, is amended to read:

234.14 Subdivision 1. **Generally.** (a) If a license holder is licensed as a residential program,  
234.15 stores or administers client medications, or observes clients self-administer medications,  
234.16 the license holder must ensure that a staff person who is a registered nurse or licensed  
234.17 prescriber is responsible for overseeing storage and administration of client medications  
234.18 and observing as a client self-administers medications, including training according to  
234.19 section 245I.05, subdivision 6, and documenting the occurrence according to section 245I.08,  
234.20 subdivision 5.

234.21 (b) For purposes of this section, "observed self-administration" means the preparation  
234.22 and administration of a medication by a client to themselves under the direct supervision  
234.23 of a registered nurse or a staff member to whom a registered nurse delegates supervision  
234.24 duty. Observed self-administration does not include a client's use of a medication that they  
234.25 keep in their own possession while participating in a program.

234.26 Sec. 9. Minnesota Statutes 2022, section 245I.11, is amended by adding a subdivision to  
234.27 read:

234.28 Subd. 6. Medication administration in children's day treatment settings. (a) For a  
234.29 program providing children's day treatment services under section 256B.0943, the license  
234.30 holder must maintain policies and procedures that state whether the program will store  
234.31 medication and administer or allow observed self-administration.

235.1 (b) For a program providing children's day treatment services under section 256B.0943  
235.2 that does not store medications but allows clients to use a medication that they keep in their  
235.3 own possession while participating in a program, the license holder must maintain  
235.4 documentation from a licensed prescriber regarding the safety of medications held by clients,  
235.5 including:

235.6 (1) an evaluation that the client is capable of holding and administering the medication  
235.7 safely;

235.8 (2) an evaluation of whether the medication is prone to diversion, misuse, or self-injury;  
235.9 and

235.10 (3) any conditions under which the license holder should no longer allow the client to  
235.11 maintain the medication in their own possession.

235.12 Sec. 10. Minnesota Statutes 2022, section 245I.20, subdivision 4, is amended to read:

235.13 Subd. 4. **Minimum staffing standards.** (a) A certification holder's treatment team must  
235.14 consist of at least four mental health professionals. At least two of the mental health  
235.15 professionals must be employed by or under contract with the mental health clinic for a  
235.16 minimum of 35 hours per week each. ~~Each of the two mental health professionals must~~  
235.17 ~~specialize in a different mental health discipline.~~

235.18 (b) The treatment team must include:

235.19 (1) a physician qualified as a mental health professional according to section 245I.04,  
235.20 subdivision 2, clause (4), or a nurse qualified as a mental health professional according to  
235.21 section 245I.04, subdivision 2, clause (1); and

235.22 (2) a psychologist qualified as a mental health professional according to section 245I.04,  
235.23 subdivision 2, clause (3).

235.24 (c) The staff persons fulfilling the requirement in paragraph (b) must provide clinical  
235.25 services at least:

235.26 (1) eight hours every two weeks if the mental health clinic has over 25.0 full-time  
235.27 equivalent treatment team members;

235.28 (2) eight hours each month if the mental health clinic has 15.1 to 25.0 full-time equivalent  
235.29 treatment team members;

235.30 (3) four hours each month if the mental health clinic has 5.1 to 15.0 full-time equivalent  
235.31 treatment team members; or

236.1 (4) two hours each month if the mental health clinic has 2.0 to 5.0 full-time equivalent  
236.2 treatment team members or only provides in-home services to clients.

236.3 (d) The certification holder must maintain a record that demonstrates compliance with  
236.4 this subdivision.

236.5 Sec. 11. Minnesota Statutes 2022, section 245I.23, subdivision 14, is amended to read:

236.6 Subd. 14. **Weekly team meetings.** (a) The license holder must hold weekly team meetings  
236.7 and ancillary meetings according to this subdivision.

236.8 (b) A mental health professional or certified rehabilitation specialist must hold at least  
236.9 one team meeting each calendar week ~~and~~. The mental health professional or certified  
236.10 rehabilitation specialist must lead and be physically present at the team meeting, except as  
236.11 permitted under paragraph (e). All treatment team members, including treatment team  
236.12 members who work on a part-time or intermittent basis, must participate in a minimum of  
236.13 one team meeting during each calendar week when the treatment team member is working  
236.14 for the license holder. The license holder must document all weekly team meetings, including  
236.15 the names of meeting attendees, and indicate whether the meeting was conducted remotely  
236.16 under paragraph (e).

236.17 (c) If a treatment team member cannot participate in a weekly team meeting, the treatment  
236.18 team member must participate in an ancillary meeting. A mental health professional, certified  
236.19 rehabilitation specialist, clinical trainee, or mental health practitioner who participated in  
236.20 the most recent weekly team meeting may lead the ancillary meeting. During the ancillary  
236.21 meeting, the treatment team member leading the ancillary meeting must review the  
236.22 information that was shared at the most recent weekly team meeting, including revisions  
236.23 to client treatment plans and other information that the treatment supervisors exchanged  
236.24 with treatment team members. The license holder must document all ancillary meetings,  
236.25 including the names of meeting attendees.

236.26 (d) If a treatment team member working only one shift during a week cannot participate  
236.27 in a weekly team meeting or participate in an ancillary meeting, the treatment team member  
236.28 must read the minutes of the weekly team meeting required to be documented in paragraph  
236.29 (b). The treatment team member must sign to acknowledge receipt of this information, and  
236.30 document pertinent information or questions. The mental health professional or certified  
236.31 rehabilitation specialist must review any documented questions or pertinent information  
236.32 before the next weekly team meeting.

237.1 (e) A license holder may permit a mental health professional or certified rehabilitation  
237.2 specialist to lead the weekly meeting remotely due to medical or weather conditions. If the  
237.3 conditions that do not permit physical presence persist for longer than one week, the license  
237.4 holder must request a variance to conduct additional meetings remotely.

237.5 **Sec. 12. [256B.0617] MENTAL HEALTH SERVICES PROVIDER**  
237.6 **CERTIFICATION.**

237.7 (a) The commissioner of human services shall establish an initial provider entity  
237.8 application and certification and recertification processes to determine whether a provider  
237.9 entity has administrative and clinical infrastructures that meet the certification requirements.  
237.10 This process applies to providers of the following services:

- 237.11 (1) children's intensive behavioral health services under section 256B.0946; and  
237.12 (2) intensive nonresidential rehabilitative mental health services under section 256B.0947.

237.13 (b) The commissioner shall recertify a provider entity every three years using the  
237.14 individual provider's certification anniversary or the calendar year end. The commissioner  
237.15 may approve a recertification extension in the interest of sustaining services when a certain  
237.16 date for recertification is identified.

237.17 (c) The commissioner shall establish a process for decertification of a provider entity  
237.18 and shall require corrective action, medical assistance repayment, or decertification of a  
237.19 provider entity that no longer meets the requirements in this section or that fails to meet the  
237.20 clinical quality standards or administrative standards provided by the commissioner in the  
237.21 application and certification process.

237.22 (d) The commissioner must provide the following to provider entities for the certification,  
237.23 recertification, and decertification processes:

- 237.24 (1) a structured listing of required provider certification criteria;  
237.25 (2) a formal written letter with a determination of certification, recertification, or  
237.26 decertification signed by the commissioner or the appropriate division director; and  
237.27 (3) a formal written communication outlining the process for necessary corrective action  
237.28 and follow-up by the commissioner signed by the commissioner or their designee, if  
237.29 applicable. In the case of corrective action, the commissioner may schedule interim  
237.30 recertification site reviews to confirm certification or decertification.

237.31 **EFFECTIVE DATE.** This section is effective July 1, 2024, and the commissioner of  
237.32 human services must implement all requirements of this section by September 1, 2024.

238.1 Sec. 13. Minnesota Statutes 2022, section 256B.0622, subdivision 2a, is amended to read:

238.2 Subd. 2a. **Eligibility for assertive community treatment.** (a) An eligible client for  
238.3 assertive community treatment is an individual who meets the following criteria as assessed  
238.4 by an ACT team:

238.5 (1) is age 18 or older. Individuals ages 16 and 17 may be eligible upon approval by the  
238.6 commissioner;

238.7 (2) has a primary diagnosis of schizophrenia, schizoaffective disorder, major depressive  
238.8 disorder with psychotic features, other psychotic disorders, or bipolar disorder. Individuals  
238.9 with other psychiatric illnesses may qualify for assertive community treatment if they have  
238.10 a serious mental illness and meet the criteria outlined in clauses (3) and (4), but no more  
238.11 than ten percent of an ACT team's clients may be eligible based on this criteria. Individuals  
238.12 with a primary diagnosis of a substance use disorder, intellectual developmental disabilities,  
238.13 borderline personality disorder, antisocial personality disorder, traumatic brain injury, or  
238.14 an autism spectrum disorder are not eligible for assertive community treatment;

238.15 (3) has significant functional impairment as demonstrated by at least one of the following  
238.16 conditions:

238.17 (i) significant difficulty consistently performing the range of routine tasks required for  
238.18 basic adult functioning in the community or persistent difficulty performing daily living  
238.19 tasks without significant support or assistance;

238.20 (ii) significant difficulty maintaining employment at a self-sustaining level or significant  
238.21 difficulty consistently carrying out the head-of-household responsibilities; or

238.22 (iii) significant difficulty maintaining a safe living situation;

238.23 (4) has a need for continuous high-intensity services as evidenced by at least two of the  
238.24 following:

238.25 (i) two or more psychiatric hospitalizations or residential crisis stabilization services in  
238.26 the previous 12 months;

238.27 (ii) frequent utilization of mental health crisis services in the previous six months;

238.28 (iii) 30 or more consecutive days of psychiatric hospitalization in the previous 24 months;

238.29 (iv) intractable, persistent, or prolonged severe psychiatric symptoms;

238.30 (v) coexisting mental health and substance use disorders lasting at least six months;

239.1 (vi) recent history of involvement with the criminal justice system or demonstrated risk  
239.2 of future involvement;

239.3 (vii) significant difficulty meeting basic survival needs;

239.4 (viii) residing in substandard housing, experiencing homelessness, or facing imminent  
239.5 risk of homelessness;

239.6 (ix) significant impairment with social and interpersonal functioning such that basic  
239.7 needs are in jeopardy;

239.8 (x) coexisting mental health and physical health disorders lasting at least six months;

239.9 (xi) residing in an inpatient or supervised community residence but clinically assessed  
239.10 to be able to live in a more independent living situation if intensive services are provided;

239.11 (xii) requiring a residential placement if more intensive services are not available; or

239.12 (xiii) difficulty effectively using traditional office-based outpatient services;

239.13 (5) there are no indications that other available community-based services would be  
239.14 equally or more effective as evidenced by consistent and extensive efforts to treat the  
239.15 individual; and

239.16 (6) in the written opinion of a licensed mental health professional, has the need for mental  
239.17 health services that cannot be met with other available community-based services, or is  
239.18 likely to experience a mental health crisis or require a more restrictive setting if assertive  
239.19 community treatment is not provided.

239.20 (b) An individual meets the criteria for assertive community treatment under this section  
239.21 immediately following participation in a first episode of psychosis program if the individual:

239.22 (1) meets the eligibility requirements outlined in paragraph (a), clauses (1), (2), (5), and  
239.23 (6);

239.24 (2) is currently participating in a first episode of psychosis program under section  
239.25 245.4905; and

239.26 (3) needs the level of intensity provided by an ACT team, in the opinion of the individual's  
239.27 first episode of psychosis program, in order to prevent crisis services, hospitalization,  
239.28 homelessness, and involvement with the criminal justice system.

239.29 Sec. 14. Minnesota Statutes 2022, section 256B.0622, subdivision 3a, is amended to read:

239.30 Subd. 3a. **Provider certification and contract requirements for assertive community**  
239.31 **treatment.** (a) The assertive community treatment provider must:

240.1 ~~(1) have a contract with the host county to provide assertive community treatment~~  
240.2 ~~services; and~~

240.3 ~~(2) have each ACT team be certified by the state following the certification process and~~  
240.4 ~~procedures developed by the commissioner. The certification process determines whether~~  
240.5 ~~the ACT team meets the standards for assertive community treatment under this section,~~  
240.6 ~~the standards in chapter 245I as required in section 245I.011, subdivision 5, and minimum~~  
240.7 ~~program fidelity standards as measured by a nationally recognized fidelity tool approved~~  
240.8 ~~by the commissioner. Recertification must occur at least every three years.~~

240.9 (b) An ACT team certified under this subdivision must meet the following standards:

240.10 (1) have capacity to recruit, hire, manage, and train required ACT team members;

240.11 (2) have adequate administrative ability to ensure availability of services;

240.12 (3) ensure flexibility in service delivery to respond to the changing and intermittent care  
240.13 needs of a client as identified by the client and the individual treatment plan;

240.14 (4) keep all necessary records required by law;

240.15 (5) be an enrolled Medicaid provider; and

240.16 (6) establish and maintain a quality assurance plan to determine specific service outcomes  
240.17 and the client's satisfaction with services.

240.18 (c) The commissioner may intervene at any time and decertify an ACT team with cause.  
240.19 The commissioner shall establish a process for decertification of an ACT team and shall  
240.20 require corrective action, medical assistance repayment, or decertification of an ACT team  
240.21 that no longer meets the requirements in this section or that fails to meet the clinical quality  
240.22 standards or administrative standards provided by the commissioner in the application and  
240.23 certification process. The decertification is subject to appeal to the state.

240.24 Sec. 15. Minnesota Statutes 2022, section 256B.0622, subdivision 7a, is amended to read:

240.25 Subd. 7a. **Assertive community treatment team staff requirements and roles.** (a)

240.26 The required treatment staff qualifications and roles for an ACT team are:

240.27 (1) the team leader:

240.28 (i) shall be a mental health professional. Individuals who are not licensed but who are  
240.29 eligible for licensure and are otherwise qualified may also fulfill this role ~~but must obtain~~  
240.30 ~~full licensure within 24 months of assuming the role of team leader;~~

241.1 (ii) must be an active member of the ACT team and provide some direct services to  
241.2 clients;

241.3 (iii) must be a single full-time staff member, dedicated to the ACT team, who is  
241.4 responsible for overseeing the administrative operations of the team, ~~providing treatment~~  
241.5 ~~supervision of services in conjunction with the psychiatrist or psychiatric care provider,~~ and  
241.6 supervising team members to ensure delivery of best and ethical practices; and

241.7 (iv) must be available to ~~provide~~ ensure that overall treatment supervision to the ACT  
241.8 team is available after regular business hours and on weekends and holidays. ~~The team~~  
241.9 ~~leader may delegate this duty to another~~ and is provided by a qualified member of the ACT  
241.10 team;

241.11 (2) the psychiatric care provider:

241.12 (i) must be a mental health professional permitted to prescribe psychiatric medications  
241.13 as part of the mental health professional's scope of practice. The psychiatric care provider  
241.14 must have demonstrated clinical experience working with individuals with serious and  
241.15 persistent mental illness;

241.16 (ii) shall collaborate with the team leader in sharing overall clinical responsibility for  
241.17 screening and admitting clients; monitoring clients' treatment and team member service  
241.18 delivery; educating staff on psychiatric and nonpsychiatric medications, their side effects,  
241.19 and health-related conditions; actively collaborating with nurses; and helping provide  
241.20 treatment supervision to the team;

241.21 (iii) shall fulfill the following functions for assertive community treatment clients:  
241.22 provide assessment and treatment of clients' symptoms and response to medications, including  
241.23 side effects; provide brief therapy to clients; provide diagnostic and medication education  
241.24 to clients, with medication decisions based on shared decision making; monitor clients'  
241.25 nonpsychiatric medical conditions and nonpsychiatric medications; and conduct home and  
241.26 community visits;

241.27 (iv) shall serve as the point of contact for psychiatric treatment if a client is hospitalized  
241.28 for mental health treatment and shall communicate directly with the client's inpatient  
241.29 psychiatric care providers to ensure continuity of care;

241.30 (v) shall have a minimum full-time equivalency that is prorated at a rate of 16 hours per  
241.31 50 clients. Part-time psychiatric care providers shall have designated hours to work on the  
241.32 team, with sufficient blocks of time on consistent days to carry out the provider's clinical,

242.1 supervisory, and administrative responsibilities. No more than two psychiatric care providers  
242.2 may share this role; and

242.3 (vi) shall provide psychiatric backup to the program after regular business hours and on  
242.4 weekends and holidays. The psychiatric care provider may delegate this duty to another  
242.5 qualified psychiatric provider;

242.6 (3) the nursing staff:

242.7 (i) shall consist of one to three registered nurses or advanced practice registered nurses,  
242.8 of whom at least one has a minimum of one-year experience working with adults with  
242.9 serious mental illness and a working knowledge of psychiatric medications. No more than  
242.10 two individuals can share a full-time equivalent position;

242.11 (ii) are responsible for managing medication, administering and documenting medication  
242.12 treatment, and managing a secure medication room; and

242.13 (iii) shall develop strategies, in collaboration with clients, to maximize taking medications  
242.14 as prescribed; screen and monitor clients' mental and physical health conditions and  
242.15 medication side effects; engage in health promotion, prevention, and education activities;  
242.16 communicate and coordinate services with other medical providers; facilitate the development  
242.17 of the individual treatment plan for clients assigned; and educate the ACT team in monitoring  
242.18 psychiatric and physical health symptoms and medication side effects;

242.19 (4) the co-occurring disorder specialist:

242.20 (i) shall be a full-time equivalent co-occurring disorder specialist who has received  
242.21 specific training on co-occurring disorders that is consistent with national evidence-based  
242.22 practices. The training must include practical knowledge of common substances and how  
242.23 they affect mental illnesses, the ability to assess substance use disorders and the client's  
242.24 stage of treatment, motivational interviewing, and skills necessary to provide counseling to  
242.25 clients at all different stages of change and treatment. The co-occurring disorder specialist  
242.26 may also be an individual who is a licensed alcohol and drug counselor as described in  
242.27 section 148F.01, subdivision 5, or a counselor who otherwise meets the training, experience,  
242.28 and other requirements in section 245G.11, subdivision 5. No more than two co-occurring  
242.29 disorder specialists may occupy this role; and

242.30 (ii) shall provide or facilitate the provision of co-occurring disorder treatment to clients.  
242.31 The co-occurring disorder specialist shall serve as a consultant and educator to fellow ACT  
242.32 team members on co-occurring disorders;

242.33 (5) the vocational specialist:

243.1 (i) shall be a full-time vocational specialist who has at least one-year experience providing  
243.2 employment services or advanced education that involved field training in vocational services  
243.3 to individuals with mental illness. An individual who does not meet these qualifications  
243.4 may also serve as the vocational specialist upon completing a training plan approved by the  
243.5 commissioner;

243.6 (ii) shall provide or facilitate the provision of vocational services to clients. The vocational  
243.7 specialist serves as a consultant and educator to fellow ACT team members on these services;  
243.8 and

243.9 (iii) must not refer individuals to receive any type of vocational services or linkage by  
243.10 providers outside of the ACT team;

243.11 (6) the mental health certified peer specialist:

243.12 (i) shall be a full-time equivalent. No more than two individuals can share this position.  
243.13 The mental health certified peer specialist is a fully integrated team member who provides  
243.14 highly individualized services in the community and promotes the self-determination and  
243.15 shared decision-making abilities of clients. This requirement may be waived due to workforce  
243.16 shortages upon approval of the commissioner;

243.17 (ii) must provide coaching, mentoring, and consultation to the clients to promote recovery,  
243.18 self-advocacy, and self-direction, promote wellness management strategies, and assist clients  
243.19 in developing advance directives; and

243.20 (iii) must model recovery values, attitudes, beliefs, and personal action to encourage  
243.21 wellness and resilience, provide consultation to team members, promote a culture where  
243.22 the clients' points of view and preferences are recognized, understood, respected, and  
243.23 integrated into treatment, and serve in a manner equivalent to other team members;

243.24 (7) the program administrative assistant shall be a full-time office-based program  
243.25 administrative assistant position assigned to solely work with the ACT team, providing a  
243.26 range of supports to the team, clients, and families; and

243.27 (8) additional staff:

243.28 (i) shall be based on team size. Additional treatment team staff may include mental  
243.29 health professionals; clinical trainees; certified rehabilitation specialists; mental health  
243.30 practitioners; or mental health rehabilitation workers. These individuals shall have the  
243.31 knowledge, skills, and abilities required by the population served to carry out rehabilitation  
243.32 and support functions; and

243.33 (ii) shall be selected based on specific program needs or the population served.

244.1 (b) Each ACT team must clearly document schedules for all ACT team members.

244.2 (c) Each ACT team member must serve as a primary team member for clients assigned  
244.3 by the team leader and are responsible for facilitating the individual treatment plan process  
244.4 for those clients. The primary team member for a client is the responsible team member  
244.5 knowledgeable about the client's life and circumstances and writes the individual treatment  
244.6 plan. The primary team member provides individual supportive therapy or counseling, and  
244.7 provides primary support and education to the client's family and support system.

244.8 (d) Members of the ACT team must have strong clinical skills, professional qualifications,  
244.9 experience, and competency to provide a full breadth of rehabilitation services. Each staff  
244.10 member shall be proficient in their respective discipline and be able to work collaboratively  
244.11 as a member of a multidisciplinary team to deliver the majority of the treatment,  
244.12 rehabilitation, and support services clients require to fully benefit from receiving assertive  
244.13 community treatment.

244.14 (e) Each ACT team member must fulfill training requirements established by the  
244.15 commissioner.

244.16 Sec. 16. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 7b, is  
244.17 amended to read:

244.18 Subd. 7b. **Assertive community treatment program size and opportunities scores.** (a)  
244.19 Each ACT team ~~shall maintain an annual average caseload that does not exceed 100 clients.~~  
244.20 ~~Staff to client ratios shall be based on team size as follows:~~ must demonstrate that the team  
244.21 attained a passing score according to the most recently issued Tool for Measurement of  
244.22 Assertive Community Treatment (TMACT).

244.23 ~~(1) a small ACT team must:~~

244.24 ~~(i) employ at least six but no more than seven full-time treatment team staff, excluding~~  
244.25 ~~the program assistant and the psychiatric care provider;~~

244.26 ~~(ii) serve an annual average maximum of no more than 50 clients;~~

244.27 ~~(iii) ensure at least one full-time equivalent position for every eight clients served;~~

244.28 ~~(iv) schedule ACT team staff on weekdays and on-call duty to provide crisis services~~  
244.29 ~~and deliver services after hours when staff are not working;~~

244.30 ~~(v) provide crisis services during business hours if the small ACT team does not have~~  
244.31 ~~sufficient staff numbers to operate an after-hours on-call system. During all other hours,~~  
244.32 ~~the ACT team may arrange for coverage for crisis assessment and intervention services~~

245.1 ~~through a reliable crisis-intervention provider as long as there is a mechanism by which the~~  
245.2 ~~ACT team communicates routinely with the crisis-intervention provider and the on-call~~  
245.3 ~~ACT team staff are available to see clients face-to-face when necessary or if requested by~~  
245.4 ~~the crisis-intervention services provider;~~

245.5 ~~(vi) adjust schedules and provide staff to carry out the needed service activities in the~~  
245.6 ~~evenings or on weekend days or holidays, when necessary;~~

245.7 ~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care~~  
245.8 ~~provider is not regularly scheduled to work. If availability of the ACT team's psychiatric~~  
245.9 ~~care provider during all hours is not feasible, alternative psychiatric prescriber backup must~~  
245.10 ~~be arranged and a mechanism of timely communication and coordination established in~~  
245.11 ~~writing; and~~

245.12 ~~(viii) be composed of, at minimum, one full-time team leader, at least 16 hours each~~  
245.13 ~~week per 50 clients of psychiatric provider time, or equivalent if fewer clients, one full-time~~  
245.14 ~~equivalent nursing, one full-time co-occurring disorder specialist, one full-time equivalent~~  
245.15 ~~mental health certified peer specialist, one full-time vocational specialist, one full-time~~  
245.16 ~~program assistant, and at least one additional full-time ACT team member who has mental~~  
245.17 ~~health professional, certified rehabilitation specialist, clinical trainee, or mental health~~  
245.18 ~~practitioner status; and~~

245.19 ~~(2) a midsize ACT team shall:~~

245.20 ~~(i) be composed of, at minimum, one full-time team leader, at least 16 hours of psychiatry~~  
245.21 ~~time for 51 clients, with an additional two hours for every six clients added to the team, 1.5~~  
245.22 ~~to two full-time equivalent nursing staff, one full-time co-occurring disorder specialist, one~~  
245.23 ~~full-time equivalent mental health certified peer specialist, one full-time vocational specialist,~~  
245.24 ~~one full-time program assistant, and at least 1.5 to two additional full-time equivalent ACT~~  
245.25 ~~members, with at least one dedicated full-time staff member with mental health professional~~  
245.26 ~~status. Remaining team members may have mental health professional, certified rehabilitation~~  
245.27 ~~specialist, clinical trainee, or mental health practitioner status;~~

245.28 ~~(ii) employ seven or more treatment team full-time equivalents, excluding the program~~  
245.29 ~~assistant and the psychiatric care provider;~~

245.30 ~~(iii) serve an annual average maximum caseload of 51 to 74 clients;~~

245.31 ~~(iv) ensure at least one full-time equivalent position for every nine clients served;~~

245.32 ~~(v) schedule ACT team staff for a minimum of ten-hour shift coverage on weekdays~~  
245.33 ~~and six to eight-hour shift coverage on weekends and holidays. In addition to these minimum~~

- 246.1 ~~specifications, staff are regularly scheduled to provide the necessary services on a~~  
246.2 ~~client-by-client basis in the evenings and on weekends and holidays;~~
- 246.3 ~~(vi) schedule ACT team staff on-call duty to provide crisis services and deliver services~~  
246.4 ~~when staff are not working;~~
- 246.5 ~~(vii) have the authority to arrange for coverage for crisis assessment and intervention~~  
246.6 ~~services through a reliable crisis intervention provider as long as there is a mechanism by~~  
246.7 ~~which the ACT team communicates routinely with the crisis intervention provider and the~~  
246.8 ~~on-call ACT team staff are available to see clients face-to-face when necessary or if requested~~  
246.9 ~~by the crisis intervention services provider; and~~
- 246.10 ~~(viii) arrange for and provide psychiatric backup during all hours the psychiatric care~~  
246.11 ~~provider is not regularly scheduled to work. If availability of the psychiatric care provider~~  
246.12 ~~during all hours is not feasible, alternative psychiatric prescriber backup must be arranged~~  
246.13 ~~and a mechanism of timely communication and coordination established in writing;~~
- 246.14 ~~(3) a large ACT team must:~~
- 246.15 ~~(i) be composed of, at minimum, one full-time team leader, at least 32 hours each week~~  
246.16 ~~per 100 clients, or equivalent of psychiatry time, three full-time equivalent nursing staff,~~  
246.17 ~~one full-time co-occurring disorder specialist, one full-time equivalent mental health certified~~  
246.18 ~~peer specialist, one full-time vocational specialist, one full-time program assistant, and at~~  
246.19 ~~least two additional full-time equivalent ACT team members, with at least one dedicated~~  
246.20 ~~full-time staff member with mental health professional status. Remaining team members~~  
246.21 ~~may have mental health professional or mental health practitioner status;~~
- 246.22 ~~(ii) employ nine or more treatment team full-time equivalents, excluding the program~~  
246.23 ~~assistant and psychiatric care provider;~~
- 246.24 ~~(iii) serve an annual average maximum caseload of 75 to 100 clients;~~
- 246.25 ~~(iv) ensure at least one full-time equivalent position for every nine individuals served;~~
- 246.26 ~~(v) schedule staff to work two eight-hour shifts, with a minimum of two staff on the~~  
246.27 ~~second shift providing services at least 12 hours per day weekdays. For weekends and~~  
246.28 ~~holidays, the team must operate and schedule ACT team staff to work one eight-hour shift,~~  
246.29 ~~with a minimum of two staff each weekend day and every holiday;~~
- 246.30 ~~(vi) schedule ACT team staff on-call duty to provide crisis services and deliver services~~  
246.31 ~~when staff are not working; and~~

247.1 ~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care~~  
247.2 ~~provider is not regularly scheduled to work. If availability of the ACT team psychiatric care~~  
247.3 ~~provider during all hours is not feasible, alternative psychiatric backup must be arranged~~  
247.4 ~~and a mechanism of timely communication and coordination established in writing.~~

247.5 ~~(b) An ACT team of any size may have a staff-to-client ratio that is lower than the~~  
247.6 ~~requirements described in paragraph (a) upon approval by the commissioner, but may not~~  
247.7 ~~exceed a one-to-ten staff-to-client ratio.~~

247.8 Sec. 17. Minnesota Statutes 2022, section 256B.0622, subdivision 7d, is amended to read:

247.9 Subd. 7d. **Assertive community treatment assessment and individual treatment**  
247.10 **plan.** (a) An initial assessment shall be completed the day of the client's admission to  
247.11 assertive community treatment by the ACT team leader or the psychiatric care provider,  
247.12 with participation by designated ACT team members and the client. The initial assessment  
247.13 must include obtaining or completing a standard diagnostic assessment according to section  
247.14 245I.10, subdivision 6, and completing a 30-day individual treatment plan. The team leader,  
247.15 psychiatric care provider, or other mental health professional designated by the team leader  
247.16 or psychiatric care provider, must update the client's diagnostic assessment ~~at least annually~~  
247.17 as required under section 245I.10, subdivision 2, paragraphs (f) and (g).

247.18 (b) A functional assessment must be completed according to section 245I.10, subdivision  
247.19 9. Each part of the functional assessment areas shall be completed by each respective team  
247.20 specialist or an ACT team member with skill and knowledge in the area being assessed.

247.21 (c) Between 30 and 45 days after the client's admission to assertive community treatment,  
247.22 the entire ACT team must hold a comprehensive case conference, where all team members,  
247.23 including the psychiatric provider, present information discovered from the completed  
247.24 assessments and provide treatment recommendations. The conference must serve as the  
247.25 basis for the first individual treatment plan, which must be written by the primary team  
247.26 member.

247.27 (d) The client's psychiatric care provider, primary team member, and individual treatment  
247.28 team members shall assume responsibility for preparing the written narrative of the results  
247.29 from the psychiatric and social functioning history timeline and the comprehensive  
247.30 assessment.

247.31 (e) The primary team member and individual treatment team members shall be assigned  
247.32 by the team leader in collaboration with the psychiatric care provider by the time of the first  
247.33 treatment planning meeting or 30 days after admission, whichever occurs first.

248.1 (f) Individual treatment plans must be developed through the following treatment planning  
248.2 process:

248.3 (1) The individual treatment plan shall be developed in collaboration with the client and  
248.4 the client's preferred natural supports, and guardian, if applicable and appropriate. The ACT  
248.5 team shall evaluate, together with each client, the client's needs, strengths, and preferences  
248.6 and develop the individual treatment plan collaboratively. The ACT team shall make every  
248.7 effort to ensure that the client and the client's family and natural supports, with the client's  
248.8 consent, are in attendance at the treatment planning meeting, are involved in ongoing  
248.9 meetings related to treatment, and have the necessary supports to fully participate. The  
248.10 client's participation in the development of the individual treatment plan shall be documented.

248.11 (2) The client and the ACT team shall work together to formulate and prioritize the  
248.12 issues, set goals, research approaches and interventions, and establish the plan. The plan is  
248.13 individually tailored so that the treatment, rehabilitation, and support approaches and  
248.14 interventions achieve optimum symptom reduction, help fulfill the personal needs and  
248.15 aspirations of the client, take into account the cultural beliefs and realities of the individual,  
248.16 and improve all the aspects of psychosocial functioning that are important to the client. The  
248.17 process supports strengths, rehabilitation, and recovery.

248.18 (3) Each client's individual treatment plan shall identify service needs, strengths and  
248.19 capacities, and barriers, and set specific and measurable short- and long-term goals for each  
248.20 service need. The individual treatment plan must clearly specify the approaches and  
248.21 interventions necessary for the client to achieve the individual goals, when the interventions  
248.22 shall happen, and identify which ACT team member shall carry out the approaches and  
248.23 interventions.

248.24 (4) The primary team member and the individual treatment team, together with the client  
248.25 and the client's family and natural supports with the client's consent, are responsible for  
248.26 reviewing and rewriting the treatment goals and individual treatment plan whenever there  
248.27 is a major decision point in the client's course of treatment or at least every six months.

248.28 (5) The primary team member shall prepare a summary that thoroughly describes in  
248.29 writing the client's and the individual treatment team's evaluation of the client's progress  
248.30 and goal attainment, the effectiveness of the interventions, and the satisfaction with services  
248.31 since the last individual treatment plan. The client's most recent diagnostic assessment must  
248.32 be included with the treatment plan summary.

248.33 (6) The individual treatment plan and review must be approved or acknowledged by the  
248.34 client, the primary team member, the team leader, the psychiatric care provider, and all

249.1 individual treatment team members. A copy of the approved individual treatment plan must  
249.2 be made available to the client.

249.3 Sec. 18. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 8, is  
249.4 amended to read:

249.5 Subd. 8. **Medical assistance payment for assertive community treatment and**  
249.6 **intensive residential treatment services.** (a) Payment for intensive residential treatment  
249.7 services and assertive community treatment in this section shall be based on one daily rate  
249.8 per provider inclusive of the following services received by an eligible client in a given  
249.9 calendar day: all rehabilitative services under this section, staff travel time to provide  
249.10 rehabilitative services under this section, and nonresidential crisis stabilization services  
249.11 under section 256B.0624.

249.12 (b) Except as indicated in paragraph (c), payment will not be made to more than one  
249.13 entity for each client for services provided under this section on a given day. If services  
249.14 under this section are provided by a team that includes staff from more than one entity, the  
249.15 team must determine how to distribute the payment among the members.

249.16 (c) The commissioner shall determine one rate for each provider that will bill medical  
249.17 assistance for residential services under this section and one rate for each assertive community  
249.18 treatment provider. If a single entity provides both services, one rate is established for the  
249.19 entity's residential services and another rate for the entity's nonresidential services under  
249.20 this section. A provider is not eligible for payment under this section without authorization  
249.21 from the commissioner. The commissioner shall develop rates using the following criteria:

249.22 (1) the provider's cost for services shall include direct services costs, other program  
249.23 costs, and other costs determined as follows:

249.24 (i) the direct services costs must be determined using actual costs of salaries, benefits,  
249.25 payroll taxes, and training of direct service staff and service-related transportation;

249.26 (ii) other program costs not included in item (i) must be determined as a specified  
249.27 percentage of the direct services costs as determined by item (i). The percentage used shall  
249.28 be determined by the commissioner based upon the average of percentages that represent  
249.29 the relationship of other program costs to direct services costs among the entities that provide  
249.30 similar services;

249.31 (iii) physical plant costs calculated based on the percentage of space within the program  
249.32 that is entirely devoted to treatment and programming. This does not include administrative  
249.33 or residential space;

250.1 (iv) assertive community treatment physical plant costs must be reimbursed as part of  
250.2 the costs described in item (ii); and

250.3 (v) subject to federal approval, up to an additional five percent of the total rate may be  
250.4 added to the program rate as a quality incentive based upon the entity meeting performance  
250.5 criteria specified by the commissioner;

250.6 (2) actual cost is defined as costs which are allowable, allocable, and reasonable, and  
250.7 consistent with federal reimbursement requirements under Code of Federal Regulations,  
250.8 title 48, chapter 1, part 31, relating to for-profit entities, and Office of Management and  
250.9 Budget Circular Number A-122, relating to nonprofit entities;

250.10 (3) the number of service units;

250.11 (4) the degree to which clients will receive services other than services under this section;  
250.12 and

250.13 (5) the costs of other services that will be separately reimbursed.

250.14 (d) The rate for intensive residential treatment services and assertive community treatment  
250.15 must exclude the medical assistance room and board rate, as defined in section 256B.056,  
250.16 subdivision 5d, and services not covered under this section, such as partial hospitalization,  
250.17 home care, and inpatient services.

250.18 (e) Physician services that are not separately billed may be included in the rate to the  
250.19 extent that a psychiatrist, or other health care professional providing physician services  
250.20 within their scope of practice, is a member of the intensive residential treatment services  
250.21 treatment team. Physician services, whether billed separately or included in the rate, may  
250.22 be delivered by telehealth. For purposes of this paragraph, "telehealth" has the meaning  
250.23 given to "mental health telehealth" in section 256B.0625, subdivision 46, when telehealth  
250.24 is used to provide intensive residential treatment services.

250.25 (f) When services under this section are provided by an assertive community treatment  
250.26 provider, case management functions must be an integral part of the team.

250.27 (g) The rate for a provider must not exceed the rate charged by that provider for the  
250.28 same service to other payors.

250.29 (h) The rates for existing programs must be established prospectively based upon the  
250.30 expenditures and utilization over a prior 12-month period using the criteria established in  
250.31 paragraph (c). The rates for new programs must be established based upon estimated  
250.32 expenditures and estimated utilization using the criteria established in paragraph (c).

251.1 (i) Effective for the rate years beginning on and after January 1, 2024, rates for assertive  
251.2 community treatment, adult residential crisis stabilization services, and intensive residential  
251.3 treatment services must be annually adjusted for inflation using the Centers for Medicare  
251.4 and Medicaid Services Medicare Economic Index, as forecasted in the ~~fourth~~ third quarter  
251.5 of the calendar year before the rate year. The inflation adjustment must be based on the  
251.6 12-month period from the midpoint of the previous rate year to the midpoint of the rate year  
251.7 for which the rate is being determined.

251.8 (j) Entities who discontinue providing services must be subject to a settle-up process  
251.9 whereby actual costs and reimbursement for the previous 12 months are compared. In the  
251.10 event that the entity was paid more than the entity's actual costs plus any applicable  
251.11 performance-related funding due the provider, the excess payment must be reimbursed to  
251.12 the department. If a provider's revenue is less than actual allowed costs due to lower  
251.13 utilization than projected, the commissioner may reimburse the provider to recover its actual  
251.14 allowable costs. The resulting adjustments by the commissioner must be proportional to the  
251.15 percent of total units of service reimbursed by the commissioner and must reflect a difference  
251.16 of greater than five percent.

251.17 (k) A provider may request of the commissioner a review of any rate-setting decision  
251.18 made under this subdivision.

251.19 Sec. 19. Minnesota Statutes 2022, section 256B.0623, subdivision 5, is amended to read:

251.20 Subd. 5. **Qualifications of provider staff.** Adult rehabilitative mental health services  
251.21 must be provided by qualified individual provider staff of a certified provider entity.

251.22 Individual provider staff must be qualified as:

251.23 (1) a mental health professional who is qualified according to section 245I.04, subdivision  
251.24 2;

251.25 (2) a certified rehabilitation specialist who is qualified according to section 245I.04,  
251.26 subdivision 8;

251.27 (3) a clinical trainee who is qualified according to section 245I.04, subdivision 6;

251.28 (4) a mental health practitioner qualified according to section 245I.04, subdivision 4;

251.29 (5) a mental health certified peer specialist who is qualified according to section 245I.04,  
251.30 subdivision 10; ~~or~~

251.31 (6) a mental health rehabilitation worker who is qualified according to section 245I.04,  
251.32 subdivision 14; or

252.1 (7) a licensed occupational therapist, as defined in section 148.6402, subdivision 14.

252.2 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner  
252.3 of human services must notify the revisor of statutes when federal approval is obtained.

252.4 Sec. 20. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 5m, is  
252.5 amended to read:

252.6 Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical  
252.7 assistance covers services provided by a not-for-profit certified community behavioral health  
252.8 clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

252.9 (b) The commissioner shall reimburse CCBHCs on a per-day basis for each day that an  
252.10 eligible service is delivered using the CCBHC daily bundled rate system for medical  
252.11 assistance payments as described in paragraph (c). The commissioner shall include a quality  
252.12 incentive payment in the CCBHC daily bundled rate system as described in paragraph (e).  
252.13 There is no county share for medical assistance services when reimbursed through the  
252.14 CCBHC daily bundled rate system.

252.15 (c) The commissioner shall ensure that the CCBHC daily bundled rate system for CCBHC  
252.16 payments under medical assistance meets the following requirements:

252.17 (1) the CCBHC daily bundled rate shall be a provider-specific rate calculated for each  
252.18 CCBHC, based on the daily cost of providing CCBHC services and the total annual allowable  
252.19 CCBHC costs divided by the total annual number of CCBHC visits. For calculating the  
252.20 payment rate, total annual visits include visits covered by medical assistance and visits not  
252.21 covered by medical assistance. Allowable costs include but are not limited to the salaries  
252.22 and benefits of medical assistance providers; the cost of CCBHC services provided under  
252.23 section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as  
252.24 insurance or supplies needed to provide CCBHC services;

252.25 (2) payment shall be limited to one payment per day per medical assistance enrollee  
252.26 when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement  
252.27 if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph  
252.28 (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or  
252.29 licensed agency employed by or under contract with a CCBHC;

252.30 (3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735,  
252.31 subdivision 3, shall be established by the commissioner using a provider-specific rate based  
252.32 on the newly certified CCBHC's audited historical cost report data adjusted for the expected  
252.33 cost of delivering CCBHC services. Estimates are subject to review by the commissioner

253.1 and must include the expected cost of providing the full scope of CCBHC services and the  
253.2 expected number of visits for the rate period;

253.3 (4) the commissioner shall rebase CCBHC rates once every two years following the last  
253.4 rebasing and no less than 12 months following an initial rate or a rate change due to a change  
253.5 in the scope of services. For CCBHCs certified after September 31, 2020, and before January  
253.6 1, 2021, the commissioner shall rebase rates according to this clause for services provided  
253.7 on or after January 1, 2024;

253.8 (5) the commissioner shall provide for a 60-day appeals process after notice of the results  
253.9 of the rebasing;

253.10 (6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal  
253.11 Medicaid rate is not eligible for the CCBHC rate methodology;

253.12 (7) payments for CCBHC services to individuals enrolled in managed care shall be  
253.13 coordinated with the state's phase-out of CCBHC wrap payments. The commissioner shall  
253.14 complete the phase-out of CCBHC wrap payments within 60 days of the implementation  
253.15 of the CCBHC daily bundled rate system in the Medicaid Management Information System  
253.16 (MMIS), for CCBHCs reimbursed under this chapter, with a final settlement of payments  
253.17 due made payable to CCBHCs no later than 18 months thereafter;

253.18 (8) the CCBHC daily bundled rate for each CCBHC shall be updated by trending each  
253.19 provider-specific rate by the Medicare Economic Index for primary care services. This  
253.20 update shall occur each year in between rebasing periods determined by the commissioner  
253.21 in accordance with clause (4). CCBHCs must provide data on costs and visits to the state  
253.22 annually using the CCBHC cost report established by the commissioner; and

253.23 (9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of  
253.24 services when such changes are expected to result in an adjustment to the CCBHC payment  
253.25 rate by 2.5 percent or more. The CCBHC must provide the commissioner with information  
253.26 regarding the changes in the scope of services, including the estimated cost of providing  
253.27 the new or modified services and any projected increase or decrease in the number of visits  
253.28 resulting from the change. Estimated costs are subject to review by the commissioner. Rate  
253.29 adjustments for changes in scope shall occur no more than once per year in between rebasing  
253.30 periods per CCBHC and are effective on the date of the annual CCBHC rate update.

253.31 (d) Managed care plans and county-based purchasing plans shall reimburse CCBHC  
253.32 providers at the CCBHC daily bundled rate. The commissioner shall monitor the effect of  
253.33 this requirement on the rate of access to the services delivered by CCBHC providers. If, for  
253.34 any contract year, federal approval is not received for this paragraph, the commissioner

254.1 must adjust the capitation rates paid to managed care plans and county-based purchasing  
254.2 plans for that contract year to reflect the removal of this provision. Contracts between  
254.3 managed care plans and county-based purchasing plans and providers to whom this paragraph  
254.4 applies must allow recovery of payments from those providers if capitation rates are adjusted  
254.5 in accordance with this paragraph. Payment recoveries must not exceed the amount equal  
254.6 to any increase in rates that results from this provision. This paragraph expires if federal  
254.7 approval is not received for this paragraph at any time.

254.8 (e) The commissioner shall implement a quality incentive payment program for CCBHCs  
254.9 that meets the following requirements:

254.10 (1) a CCBHC shall receive a quality incentive payment upon meeting specific numeric  
254.11 thresholds for performance metrics established by the commissioner, in addition to payments  
254.12 for which the CCBHC is eligible under the CCBHC daily bundled rate system described in  
254.13 paragraph (c);

254.14 (2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement  
254.15 year to be eligible for incentive payments;

254.16 (3) each CCBHC shall receive written notice of the criteria that must be met in order to  
254.17 receive quality incentive payments at least 90 days prior to the measurement year; and

254.18 (4) a CCBHC must provide the commissioner with data needed to determine incentive  
254.19 payment eligibility within six months following the measurement year. The commissioner  
254.20 shall notify CCBHC providers of their performance on the required measures and the  
254.21 incentive payment amount within 12 months following the measurement year.

254.22 (f) All claims to managed care plans for CCBHC services as provided under this section  
254.23 shall be submitted directly to, and paid by, the commissioner on the dates specified no later  
254.24 than January 1 of the following calendar year, if:

254.25 (1) one or more managed care plans does not comply with the federal requirement for  
254.26 payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42,  
254.27 section 447.45(b), and the managed care plan does not resolve the payment issue within 30  
254.28 days of noncompliance; and

254.29 (2) the total amount of clean claims not paid in accordance with federal requirements  
254.30 by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims  
254.31 eligible for payment by managed care plans.

254.32 If the conditions in this paragraph are met between January 1 and June 30 of a calendar  
254.33 year, claims shall be submitted to and paid by the commissioner beginning on January 1 of

255.1 the following year. If the conditions in this paragraph are met between July 1 and December  
255.2 31 of a calendar year, claims shall be submitted to and paid by the commissioner beginning  
255.3 on July 1 of the following year.

255.4 (g) Peer services provided by a CCBHC certified under section 245.735 are a covered  
255.5 service under medical assistance when a licensed mental health professional or alcohol and  
255.6 drug counselor determines that peer services are medically necessary. Eligibility under this  
255.7 subdivision for peer services provided by a CCBHC supersede eligibility standards under  
255.8 sections 256B.0615, 256B.0616, and 245G.07, subdivision 2, clause (8).

255.9 Sec. 21. Minnesota Statutes 2022, section 256B.0625, subdivision 20, is amended to read:

255.10 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the  
255.11 state agency, medical assistance covers case management services to persons with serious  
255.12 and persistent mental illness and children with severe emotional disturbance. Services  
255.13 provided under this section must meet the relevant standards in sections 245.461 to 245.4887,  
255.14 the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts  
255.15 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

255.16 (b) Entities meeting program standards set out in rules governing family community  
255.17 support services as defined in section 245.4871, subdivision 17, are eligible for medical  
255.18 assistance reimbursement for case management services for children with severe emotional  
255.19 disturbance when these services meet the program standards in Minnesota Rules, parts  
255.20 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

255.21 (c) Medical assistance and MinnesotaCare payment for mental health case management  
255.22 shall be made on a monthly basis. In order to receive payment for an eligible child, the  
255.23 provider must document at least a face-to-face contact either in person or by interactive  
255.24 video that meets the requirements of subdivision 20b with the child, the child's parents, or  
255.25 the child's legal representative. To receive payment for an eligible adult, the provider must  
255.26 document:

255.27 (1) at least a face-to-face contact with the adult or the adult's legal representative either  
255.28 in person or by interactive video that meets the requirements of subdivision 20b; or

255.29 (2) at least a telephone contact or contact via secure electronic message, if preferred by  
255.30 the adult client, with the adult or the adult's legal representative and document a face-to-face  
255.31 contact either in person or by interactive video that meets the requirements of subdivision  
255.32 20b with the adult or the adult's legal representative within the preceding two months.

256.1 (d) Payment for mental health case management provided by county or state staff shall  
256.2 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph  
256.3 (b), with separate rates calculated for child welfare and mental health, and within mental  
256.4 health, separate rates for children and adults.

256.5 (e) Payment for mental health case management provided by Indian health services or  
256.6 by agencies operated by Indian tribes may be made according to this section or other relevant  
256.7 federally approved rate setting methodology.

256.8 (f) Payment for mental health case management provided by vendors who contract with  
256.9 a county must be calculated in accordance with section 256B.076, subdivision 2. Payment  
256.10 for mental health case management provided by vendors who contract with a Tribe must  
256.11 be based on a monthly rate negotiated by the Tribe. The rate must not exceed the rate charged  
256.12 by the vendor for the same service to other payers. If the service is provided by a team of  
256.13 contracted vendors, the team shall determine how to distribute the rate among its members.  
256.14 No reimbursement received by contracted vendors shall be returned to the county or tribe,  
256.15 except to reimburse the county or tribe for advance funding provided by the county or tribe  
256.16 to the vendor.

256.17 (g) If the service is provided by a team which includes contracted vendors, tribal staff,  
256.18 and county or state staff, the costs for county or state staff participation in the team shall be  
256.19 included in the rate for county-provided services. In this case, the contracted vendor, the  
256.20 tribal agency, and the county may each receive separate payment for services provided by  
256.21 each entity in the same month. In order to prevent duplication of services, each entity must  
256.22 document, in the recipient's file, the need for team case management and a description of  
256.23 the roles of the team members.

256.24 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for  
256.25 mental health case management shall be provided by the recipient's county of responsibility,  
256.26 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds  
256.27 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal  
256.28 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state  
256.29 without a federal share through fee-for-service, 50 percent of the cost shall be provided by  
256.30 the recipient's county of responsibility.

256.31 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance  
256.32 and MinnesotaCare include mental health case management. When the service is provided  
256.33 through prepaid capitation, the nonfederal share is paid by the state and the county pays no  
256.34 share.

257.1 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider  
257.2 that does not meet the reporting or other requirements of this section. The county of  
257.3 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,  
257.4 is responsible for any federal disallowances. The county or tribe may share this responsibility  
257.5 with its contracted vendors.

257.6 (k) The commissioner shall set aside a portion of the federal funds earned for county  
257.7 expenditures under this section to repay the special revenue maximization account under  
257.8 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

257.9 (1) the costs of developing and implementing this section; and

257.10 (2) programming the information systems.

257.11 (l) Payments to counties and tribal agencies for case management expenditures under  
257.12 this section shall only be made from federal earnings from services provided under this  
257.13 section. When this service is paid by the state without a federal share through fee-for-service,  
257.14 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors  
257.15 shall include the federal earnings, the state share, and the county share.

257.16 (m) Case management services under this subdivision do not include therapy, treatment,  
257.17 legal, or outreach services.

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

257.21 (1) the last 180 days of the recipient's residency in that facility and may not exceed more  
257.22 than six months in a calendar year; or

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

257.24 (o) Payment for case management services under this subdivision shall not duplicate  
257.25 payments made under other program authorities for the same purpose.

257.26 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting  
257.27 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,  
257.28 mental health targeted case management services must actively support identification of  
257.29 community alternatives for the recipient and discharge planning.

258.1 Sec. 22. Minnesota Statutes 2023 Supplement, section 256B.0671, subdivision 5, is  
258.2 amended to read:

258.3 Subd. 5. **Child and family psychoeducation services.** (a) Medical assistance covers  
258.4 child and family psychoeducation services provided to a child up to under age 21 with and  
258.5 the child's family members when determined to be medically necessary due to a diagnosed  
258.6 mental health condition when or diagnosed mental illness identified in the child's individual  
258.7 treatment plan and provided by a mental health professional who is qualified under section  
258.8 245I.04, subdivision 2, and practicing within the scope of practice under section 245I.04,  
258.9 subdivision 3; a mental health practitioner who is qualified under section 245I.04, subdivision  
258.10 4, and practicing within the scope of practice under section 245I.04, subdivision 5; or a  
258.11 clinical trainee who has determined it medically necessary to involve family members in  
258.12 the child's care is qualified under section 245I.04, subdivision 6, and practicing within the  
258.13 scope of practice under section 245I.04, subdivision 7.

258.14 (b) "Child and family psychoeducation services" means information or demonstration  
258.15 provided to an individual or family as part of an individual, family, multifamily group, or  
258.16 peer group session to explain, educate, and support the child and family in understanding  
258.17 a child's symptoms of mental illness, the impact on the child's development, and needed  
258.18 components of treatment and skill development so that the individual, family, or group can  
258.19 help the child to prevent relapse, prevent the acquisition of comorbid disorders, and achieve  
258.20 optimal mental health and long-term resilience.

258.21 (c) Child and family psychoeducation services include individual, family, or group skills  
258.22 development or training to:

258.23 (1) support the development of psychosocial skills that are medically necessary to support  
258.24 the child to an age-appropriate developmental trajectory when the child's development was  
258.25 disrupted by a mental health condition or diagnosed mental illness; or

258.26 (2) enable the child to self-monitor, compensate for, cope with, counteract, or replace  
258.27 skills deficits or maladaptive skills acquired over the course of the child's mental health  
258.28 condition or mental illness.

258.29 (d) Skills development or training delivered to a child or the child's family under this  
258.30 subdivision must be targeted to the specific deficits related to the child's mental health  
258.31 condition or mental illness and must be prescribed in the child's individual treatment plan.  
258.32 Group skills training may be provided to multiple recipients who, because of the nature of  
258.33 their emotional, behavioral, or social functional ability, may benefit from interaction in a  
258.34 group setting.

259.1 Sec. 23. Minnesota Statutes 2022, section 256B.0943, subdivision 12, is amended to read:

259.2 Subd. 12. **Excluded services.** The following services are not eligible for medical  
259.3 assistance payment as children's therapeutic services and supports:

259.4 (1) service components of children's therapeutic services and supports simultaneously  
259.5 provided by more than one provider entity unless prior authorization is obtained;

259.6 (2) treatment by multiple providers within the same agency at the same clock time,  
259.7 unless one service is delivered to the child and the other service is delivered to the child's  
259.8 family or treatment team without the child present;

259.9 (3) children's therapeutic services and supports provided in violation of medical assistance  
259.10 policy in Minnesota Rules, part 9505.0220;

259.11 (4) mental health behavioral aide services provided by a personal care assistant who is  
259.12 not qualified as a mental health behavioral aide and employed by a certified children's  
259.13 therapeutic services and supports provider entity;

259.14 (5) service components of CTSS that are the responsibility of a residential or program  
259.15 license holder, including foster care providers under the terms of a service agreement or  
259.16 administrative rules governing licensure; and

259.17 (6) adjunctive activities that may be offered by a provider entity but are not otherwise  
259.18 covered by medical assistance, including:

259.19 (i) a service that is primarily recreation oriented or that is provided in a setting that is  
259.20 not medically supervised. This includes sports activities, exercise groups, activities such as  
259.21 craft hours, leisure time, social hours, meal or snack time, trips to community activities,  
259.22 and tours;

259.23 (ii) a social or educational service that does not have or cannot reasonably be expected  
259.24 to have a therapeutic outcome related to the client's emotional disturbance;

259.25 (iii) prevention or education programs provided to the community; and

259.26 (iv) treatment for clients with primary diagnoses of alcohol or other drug abuse.

259.27 Sec. 24. Minnesota Statutes 2022, section 256B.0947, subdivision 5, is amended to read:

259.28 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services  
259.29 must meet the standards in this section and chapter 245I as required in section 245I.011,  
259.30 subdivision 5.

260.1 (b) The treatment team must have specialized training in providing services to the specific  
260.2 age group of youth that the team serves. An individual treatment team must serve youth  
260.3 who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14  
260.4 years of age or older and under 21 years of age.

260.5 (c) The treatment team for intensive nonresidential rehabilitative mental health services  
260.6 comprises both permanently employed core team members and client-specific team members  
260.7 as follows:

260.8 (1) Based on professional qualifications and client needs, clinically qualified core team  
260.9 members are assigned on a rotating basis as the client's lead worker to coordinate a client's  
260.10 care. The core team must comprise at least four full-time equivalent direct care staff and  
260.11 must minimally include:

260.12 (i) a mental health professional who serves as team leader to provide administrative  
260.13 direction and treatment supervision to the team;

260.14 (ii) an advanced-practice registered nurse with certification in psychiatric or mental  
260.15 health care or a board-certified child and adolescent psychiatrist, either of which must be  
260.16 credentialed to prescribe medications;

260.17 ~~(iii) a licensed alcohol and drug counselor who is also trained in mental health~~  
260.18 ~~interventions; and~~

260.19 ~~(iv) (iii) a mental health certified peer specialist who is qualified according to section~~  
260.20 ~~245I.04, subdivision 10, and is also a former children's mental health consumer; and~~

260.21 (iv) a co-occurring disorder specialist who meets the requirements under section  
260.22 256B.0622, subdivision 7a, paragraph (a), clause (4), who will provide or facilitate the  
260.23 provision of co-occurring disorder treatment to clients.

260.24 (2) The core team may also include any of the following:

260.25 (i) additional mental health professionals;

260.26 (ii) a vocational specialist;

260.27 (iii) an educational specialist with knowledge and experience working with youth  
260.28 regarding special education requirements and goals, special education plans, and coordination  
260.29 of educational activities with health care activities;

260.30 (iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

260.31 (v) a clinical trainee qualified according to section 245I.04, subdivision 6;

261.1 (vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

261.2 (vii) a case management service provider, as defined in section 245.4871, subdivision  
261.3 4;

261.4 (viii) a housing access specialist; and

261.5 (ix) a family peer specialist as defined in subdivision 2, paragraph (j).

261.6 (3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc  
261.7 members not employed by the team who consult on a specific client and who must accept  
261.8 overall clinical direction from the treatment team for the duration of the client's placement  
261.9 with the treatment team and must be paid by the provider agency at the rate for a typical  
261.10 session by that provider with that client or at a rate negotiated with the client-specific  
261.11 member. Client-specific treatment team members may include:

261.12 (i) the mental health professional treating the client prior to placement with the treatment  
261.13 team;

261.14 (ii) the client's current substance use counselor, if applicable;

261.15 (iii) a lead member of the client's individualized education program team or school-based  
261.16 mental health provider, if applicable;

261.17 (iv) a representative from the client's health care home or primary care clinic, as needed  
261.18 to ensure integration of medical and behavioral health care;

261.19 (v) the client's probation officer or other juvenile justice representative, if applicable;  
261.20 and

261.21 (vi) the client's current vocational or employment counselor, if applicable.

261.22 (d) The treatment supervisor shall be an active member of the treatment team and shall  
261.23 function as a practicing clinician at least on a part-time basis. The treatment team shall meet  
261.24 with the treatment supervisor at least weekly to discuss recipients' progress and make rapid  
261.25 adjustments to meet recipients' needs. The team meeting must include client-specific case  
261.26 reviews and general treatment discussions among team members. Client-specific case  
261.27 reviews and planning must be documented in the individual client's treatment record.

261.28 (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment  
261.29 team position.

261.30 (f) The treatment team shall serve no more than 80 clients at any one time. Should local  
261.31 demand exceed the team's capacity, an additional team must be established rather than  
261.32 exceed this limit.

262.1 (g) Nonclinical staff shall have prompt access in person or by telephone to a mental  
262.2 health practitioner, clinical trainee, or mental health professional. The provider shall have  
262.3 the capacity to promptly and appropriately respond to emergent needs and make any  
262.4 necessary staffing adjustments to ensure the health and safety of clients.

262.5 (h) The intensive nonresidential rehabilitative mental health services provider shall  
262.6 participate in evaluation of the assertive community treatment for youth (Youth ACT) model  
262.7 as conducted by the commissioner, including the collection and reporting of data and the  
262.8 reporting of performance measures as specified by contract with the commissioner.

262.9 (i) A regional treatment team may serve multiple counties.

262.10 Sec. 25. Minnesota Statutes 2023 Supplement, section 256B.0947, subdivision 7, is  
262.11 amended to read:

262.12 Subd. 7. **Medical assistance payment and rate setting.** (a) Payment for services in this  
262.13 section must be based on one daily encounter rate per provider inclusive of the following  
262.14 services received by an eligible client in a given calendar day: all rehabilitative services,  
262.15 supports, and ancillary activities under this section, staff travel time to provide rehabilitative  
262.16 services under this section, and crisis response services under section 256B.0624.

262.17 (b) Payment must not be made to more than one entity for each client for services  
262.18 provided under this section on a given day. If services under this section are provided by a  
262.19 team that includes staff from more than one entity, the team shall determine how to distribute  
262.20 the payment among the members.

262.21 (c) The commissioner shall establish regional cost-based rates for entities that will bill  
262.22 medical assistance for nonresidential intensive rehabilitative mental health services. In  
262.23 developing these rates, the commissioner shall consider:

262.24 (1) the cost for similar services in the health care trade area;

262.25 (2) actual costs incurred by entities providing the services;

262.26 (3) the intensity and frequency of services to be provided to each client;

262.27 (4) the degree to which clients will receive services other than services under this section;  
262.28 and

262.29 (5) the costs of other services that will be separately reimbursed.

262.30 (d) The rate for a provider must not exceed the rate charged by that provider for the  
262.31 same service to other payers.

263.1 (e) Effective for the rate years beginning on and after January 1, 2024, rates must be  
263.2 annually adjusted for inflation using the Centers for Medicare and Medicaid Services  
263.3 Medicare Economic Index, as forecasted in the ~~fourth~~ third quarter of the calendar year  
263.4 before the rate year. The inflation adjustment must be based on the 12-month period from  
263.5 the midpoint of the previous rate year to the midpoint of the rate year for which the rate is  
263.6 being determined.

263.7 Sec. 26. Minnesota Statutes 2022, section 256B.76, subdivision 6, is amended to read:

263.8 Subd. 6. **Medicare relative value units.** (a) Effective for services rendered on or after  
263.9 January 1, 2007, the commissioner shall make payments for physician and professional  
263.10 services based on the Medicare relative value units (~~RVU's~~) (RVUs). This change shall be  
263.11 budget neutral and the cost of implementing ~~RVU's~~ RVUs will be incorporated in the  
263.12 established conversion factor.

263.13 (b) The commissioner must revise fee-for-service payment methodologies under this  
263.14 section upon the issuance of a Medicare Physician Fee Schedule final rule by the Centers  
263.15 for Medicare and Medicaid Services to ensure the payment rates under this subdivision are  
263.16 at least equal to the corresponding rates in the final rule.

263.17 (c) The commissioner must revise and implement payment rates for mental health services  
263.18 based on RVUs and rendered on or after January 1, 2025, so that the payment rates are at  
263.19 least equal to 84 percent of the Medicare Physician Fee Schedule.

263.20 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
263.21 whichever is later. The commissioner of human services shall notify the revisor of statutes  
263.22 when federal approval is obtained.

263.23 Sec. 27. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**  
263.24 **CHILDREN'S RESIDENTIAL FACILITY RULEMAKING.**

263.25 (a) The commissioner of human services must use the expedited rulemaking process  
263.26 and comply with all requirements under Minnesota Statutes, section 14.389, to adopt the  
263.27 amendments required under this section. Notwithstanding Laws 1995, chapter 226, article  
263.28 3, sections 50, 51, and 60, or any other law to the contrary, joint rulemaking authority with  
263.29 the commissioner of corrections does not apply to rule amendments applicable only to the  
263.30 commissioner of human services. An amendment to jointly administered rule parts must be  
263.31 related to requirements under this section or to amendments that are necessary for consistency  
263.32 with this section.

264.1 (b) The commissioner of human services must amend Minnesota Rules, chapter 2960,  
264.2 to replace all instances of the term "clinical supervision" with the term "treatment  
264.3 supervision."

264.4 (c) The commissioner of human services must amend Minnesota Rules, part 2960.0020,  
264.5 to replace all instances of the term "clinical supervisor" with the term "treatment supervisor."

264.6 (d) The commissioner of human services must amend Minnesota Rules, part 2960.0020,  
264.7 to add the definition of "licensed prescriber" to mean an individual who is authorized to  
264.8 prescribe legend drugs under Minnesota Statutes, section 151.37.

264.9 (e) The commissioner of human services must amend Minnesota Rules, parts 2960.0020  
264.10 to 2960.0710, to replace all instances of "physician" with "licensed prescriber." Amendments  
264.11 to rules under this paragraph must apply only to the Department of Human Services.

264.12 (f) The commissioner of human services must amend Minnesota Rules, part 2960.0620,  
264.13 subpart 2, to strike all of the current language and insert the following language: "If a resident  
264.14 is prescribed a psychotropic medication, the license holder must monitor for side effects of  
264.15 the medication. Within 24 hours of admission, a registered nurse or licensed prescriber must  
264.16 assess the resident for and document any current side effects and document instructions for  
264.17 how frequently the license holder must monitor for side effects of the psychotropic  
264.18 medications the resident is taking. When a resident begins taking a new psychotropic  
264.19 medication or stops taking a psychotropic medication, the license holder must monitor for  
264.20 side effects according to the instructions of the registered nurse or licensed prescriber. The  
264.21 license holder must monitor for side effects using standardized checklists, rating scales, or  
264.22 other tools according to the instructions of the registered nurse or licensed prescriber. The  
264.23 license holder must provide the results of the checklist, rating scale, or other tool to the  
264.24 licensed prescriber for review."

264.25 (g) The commissioner of human services must amend Minnesota Rules, part 2960.0630,  
264.26 subpart 2, to allow license holders to use the ancillary meeting process under Minnesota  
264.27 Statutes, section 245I.23, subdivision 14, paragraph (c), if a staff member cannot participate  
264.28 in a weekly clinical supervision session.

264.29 (h) The commissioner of human services must amend Minnesota Rules, part 2960.0630,  
264.30 subpart 3, to strike item D.

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

265.1 Sec. 28. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MEDICAL  
265.2 ASSISTANCE CHILDREN'S RESIDENTIAL MENTAL HEALTH CRISIS  
265.3 STABILIZATION.

265.4 (a) The commissioner of human services must consult with providers, advocates, Tribal  
265.5 Nations, counties, people with lived experience as or with a child in a mental health crisis,  
265.6 and other interested community members to develop a covered benefit under medical  
265.7 assistance to provide residential mental health crisis stabilization for children. The benefit  
265.8 must:

265.9 (1) consist of evidence-based promising practices or culturally responsive treatment  
265.10 services for children under the age of 21 experiencing a mental health crisis;

265.11 (2) embody an integrative care model that supports individuals experiencing a mental  
265.12 health crisis who may also be experiencing co-occurring conditions;

265.13 (3) qualify for federal financial participation; and

265.14 (4) include services that support children and families, including but not limited to:

265.15 (i) an assessment of the child's immediate needs and factors that led to the mental health  
265.16 crisis;

265.17 (ii) individualized care to address immediate needs and restore the child to a precrisis  
265.18 level of functioning;

265.19 (iii) 24-hour on-site staff and assistance;

265.20 (iv) supportive counseling and clinical services;

265.21 (v) skills training and positive support services, as identified in the child's individual  
265.22 crisis stabilization plan;

265.23 (vi) referrals to other service providers in the community as needed and to support the  
265.24 child's transition from residential crisis stabilization services;

265.25 (vii) development of an individualized and culturally responsive crisis response action  
265.26 plan; and

265.27 (viii) assistance to access and store medication.

265.28 (b) When developing the new benefit, the commissioner must make recommendations  
265.29 for providers to be reimbursed for room and board.

266.1 (c) The commissioner must consult with or contract with rate-setting experts to develop  
266.2 a prospective data-based rate methodology for the children's residential mental health crisis  
266.3 stabilization benefit.

266.4 (d) No later than January 15, 2025, the commissioner must submit to the chairs and  
266.5 ranking minority members of the legislative committees with jurisdiction over human  
266.6 services policy and finance a report detailing for the children's residential mental health  
266.7 crisis stabilization benefit the proposed:

266.8 (1) eligibility criteria, clinical and service requirements, provider standards, licensing  
266.9 requirements, and reimbursement rates;

266.10 (2) the process for community engagement, community input, and crisis models studied  
266.11 in other states;

266.12 (3) a deadline for the commissioner to submit a state plan amendment to the Centers for  
266.13 Medicare and Medicaid Services; and

266.14 (4) draft legislation with the statutory changes necessary to implement the benefit.

266.15 **EFFECTIVE DATE.** This section is effective July 1, 2024.

266.16 Sec. 29. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MENTAL**  
266.17 **HEALTH PROCEDURE CODES.**

266.18 The commissioner of human services must develop recommendations, in consultation  
266.19 with external partners and medical coding and compliance experts, on simplifying mental  
266.20 health procedure codes and the feasibility of converting mental health procedure codes to  
266.21 the current procedural terminology (CPT) code structure. By October 1, 2025, the  
266.22 commissioner must submit a report to the chairs and ranking minority members of the  
266.23 legislative committees with jurisdiction over mental health on the recommendations and  
266.24 methodology to simplify and restructure mental health procedure codes with corresponding  
266.25 resource-based relative value scale (RBRVS) values.

266.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

266.27 Sec. 30. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; RESPITE**  
266.28 **CARE ACCESS.**

266.29 The commissioner of human services, in coordination with interested parties, must  
266.30 develop proposals by December 31, 2025, to increase access to licensed respite foster care  
266.31 homes that take into consideration the new rule directing title IV-E agencies to adopt one

267.1 set of licensing or approval standards for all relative or kinship foster family homes that is  
267.2 different from the licensing or approval standards used for nonrelative or nonkinship foster  
267.3 family homes, as provided by the Federal Register, volume 88, page 66700.

267.4 Sec. 31. **MENTAL HEALTH SERVICES FORMULA-BASED ALLOCATION.**

267.5 The commissioner of human services shall consult with the commissioner of management  
267.6 and budget, counties, Tribes, mental health providers, and advocacy organizations to develop  
267.7 recommendations for moving from the children's and adult mental health grant funding  
267.8 structure to a formula-based allocation structure for mental health services. The  
267.9 recommendations must consider formula-based allocations for grants for respite care,  
267.10 school-linked behavioral health, mobile crisis teams, and first episode of psychosis programs.

267.11 Sec. 32. **REVISOR INSTRUCTION.**

267.12 The revisor of statutes, in consultation with the Office of Senate Counsel, Research and  
267.13 Fiscal Analysis; the House Research Department; and the commissioner of human services,  
267.14 shall prepare legislation for the 2025 legislative session to recodify Minnesota Statutes,  
267.15 section 256B.0622, to move provisions related to assertive community treatment and intensive  
267.16 residential treatment services into separate sections of statute. The revisor shall correct any  
267.17 cross-references made necessary by this recodification.

267.18 **ARTICLE 10**

267.19 **DEPARTMENT OF HUMAN SERVICES OFFICE OF INSPECTOR GENERAL**

267.20 Section 1. Minnesota Statutes 2023 Supplement, section 13.46, subdivision 4, as amended  
267.21 by Laws 2024, chapter 80, article 8, section 4, is amended to read:

267.22 Subd. 4. **Licensing data.** (a) As used in this subdivision:

267.23 (1) "licensing data" are all data collected, maintained, used, or disseminated by the  
267.24 welfare system pertaining to persons licensed or registered or who apply for licensure or  
267.25 registration or who formerly were licensed or registered under the authority of the  
267.26 commissioner of human services;

267.27 (2) "client" means a person who is receiving services from a licensee or from an applicant  
267.28 for licensure; and

267.29 (3) "personal and personal financial data" are Social Security numbers, identity of and  
267.30 letters of reference, insurance information, reports from the Bureau of Criminal  
267.31 Apprehension, health examination reports, and social/home studies.

268.1 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants,  
268.2 certification holders, license holders, and former licensees are public: name, address,  
268.3 telephone number of licensees, email addresses except for family child foster care, date of  
268.4 receipt of a completed application, dates of licensure, licensed capacity, type of client  
268.5 preferred, variances granted, record of training and education in child care and child  
268.6 development, type of dwelling, name and relationship of other family members, previous  
268.7 license history, class of license, the existence and status of complaints, and the number of  
268.8 serious injuries to or deaths of individuals in the licensed program as reported to the  
268.9 commissioner of human services; the commissioner of children, youth, and families; the  
268.10 local social services agency; or any other county welfare agency. For purposes of this clause,  
268.11 a serious injury is one that is treated by a physician.

268.12 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,  
268.13 an order of license suspension, an order of temporary immediate suspension, an order of  
268.14 license revocation, an order of license denial, or an order of conditional license has been  
268.15 issued, or a complaint is resolved, the following data on current and former licensees and  
268.16 applicants are public: the general nature of the complaint or allegations leading to the  
268.17 temporary immediate suspension; the substance and investigative findings of the licensing  
268.18 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence  
268.19 of settlement negotiations; the record of informal resolution of a licensing violation; orders  
268.20 of hearing; findings of fact; conclusions of law; specifications of the final correction order,  
268.21 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license  
268.22 contained in the record of licensing action; whether a fine has been paid; and the status of  
268.23 any appeal of these actions.

268.24 (iii) When a license denial under section 142A.15 or 245A.05 or a sanction under section  
268.25 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling  
268.26 individual is responsible for maltreatment under section 626.557 or chapter 260E, the identity  
268.27 of the applicant, license holder, or controlling individual as the individual responsible for  
268.28 maltreatment is public data at the time of the issuance of the license denial or sanction.

268.29 (iv) When a license denial under section 142A.15 or 245A.05 or a sanction under section  
268.30 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling  
268.31 individual is disqualified under chapter 245C, the identity of the license holder, applicant,  
268.32 or controlling individual as the disqualified individual is public data at the time of the  
268.33 issuance of the licensing sanction or denial. If the applicant, license holder, or controlling  
268.34 individual requests reconsideration of the disqualification and the disqualification is affirmed,

269.1 the reason for the disqualification and the reason to not set aside the disqualification are  
269.2 private data.

269.3 (v) A correction order or fine issued to a child care provider for a licensing violation is  
269.4 private data on individuals under section 13.02, subdivision 12, or nonpublic data under  
269.5 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

269.6 (2) For applicants who withdraw their application prior to licensure or denial of a license,  
269.7 the following data are public: the name of the applicant, the city and county in which the  
269.8 applicant was seeking licensure, the dates of the commissioner's receipt of the initial  
269.9 application and completed application, the type of license sought, and the date of withdrawal  
269.10 of the application.

269.11 (3) For applicants who are denied a license, the following data are public: the name and  
269.12 address of the applicant, the city and county in which the applicant was seeking licensure,  
269.13 the dates of the commissioner's receipt of the initial application and completed application,  
269.14 the type of license sought, the date of denial of the application, the nature of the basis for  
269.15 the denial, the existence of settlement negotiations, the record of informal resolution of a  
269.16 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final  
269.17 order of denial, and the status of any appeal of the denial.

269.18 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the  
269.19 victim and the substantiated perpetrator are affiliated with a program licensed under chapter  
269.20 142B or 245A; the commissioner of human services; commissioner of children, youth, and  
269.21 families; local social services agency; or county welfare agency may inform the license  
269.22 holder where the maltreatment occurred of the identity of the substantiated perpetrator and  
269.23 the victim.

269.24 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder  
269.25 and the status of the license are public if the county attorney has requested that data otherwise  
269.26 classified as public data under clause (1) be considered private data based on the best interests  
269.27 of a child in placement in a licensed program.

269.28 (c) The following are private data on individuals under section 13.02, subdivision 12,  
269.29 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data  
269.30 on family day care program and family foster care program applicants and licensees and  
269.31 their family members who provide services under the license.

269.32 (d) The following are private data on individuals: the identity of persons who have made  
269.33 reports concerning licensees or applicants that appear in inactive investigative data, and the  
269.34 records of clients or employees of the licensee or applicant for licensure whose records are

270.1 received by the licensing agency for purposes of review or in anticipation of a contested  
270.2 matter. The names of reporters of complaints or alleged violations of licensing standards  
270.3 under chapters 142B, 245A, 245B, 245C, and 245D, and applicable rules and alleged  
270.4 maltreatment under section 626.557 and chapter 260E, are confidential data and may be  
270.5 disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557,  
270.6 subdivision 12b.

270.7 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this  
270.8 subdivision become public data if submitted to a court or administrative law judge as part  
270.9 of a disciplinary proceeding in which there is a public hearing concerning a license which  
270.10 has been suspended, immediately suspended, revoked, or denied.

270.11 (f) Data generated in the course of licensing investigations that relate to an alleged  
270.12 violation of law are investigative data under subdivision 3.

270.13 (g) Data that are not public data collected, maintained, used, or disseminated under this  
270.14 subdivision that relate to or are derived from a report as defined in section 260E.03, or  
270.15 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,  
270.16 subdivision 6, and 626.557, subdivision 12b.

270.17 (h) Upon request, not public data collected, maintained, used, or disseminated under  
270.18 this subdivision that relate to or are derived from a report of substantiated maltreatment as  
270.19 defined in section 626.557 or chapter 260E may be exchanged with the Department of  
270.20 Health for purposes of completing background studies pursuant to section 144.057 and with  
270.21 the Department of Corrections for purposes of completing background studies pursuant to  
270.22 section 241.021.

270.23 (i) Data on individuals collected according to licensing activities under chapters 142B,  
270.24 245A, and 245C, data on individuals collected by the commissioner of human services  
270.25 according to investigations under section 626.557 and chapters 142B, 245A, 245B, 245C,  
270.26 245D, and 260E may be shared with the Department of Human Rights, the Department of  
270.27 Health, the Department of Corrections, the ombudsman for mental health and developmental  
270.28 disabilities, and the individual's professional regulatory board when there is reason to believe  
270.29 that laws or standards under the jurisdiction of those agencies may have been violated or  
270.30 the information may otherwise be relevant to the board's regulatory jurisdiction. Background  
270.31 study data on an individual who is the subject of a background study under chapter 245C  
270.32 for a licensed service for which the commissioner of human services or children, youth,  
270.33 and families is the license holder may be shared with the commissioner and the

271.1 commissioner's delegate by the licensing division. Unless otherwise specified in this chapter,  
271.2 the identity of a reporter of alleged maltreatment or licensing violations may not be disclosed.

271.3 (j) In addition to the notice of determinations required under sections 260E.24,  
271.4 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the  
271.5 commissioner of children, youth, and families or the local social services agency has  
271.6 determined that an individual is a substantiated perpetrator of maltreatment of a child based  
271.7 on sexual abuse, as defined in section 260E.03, and the commissioner or local social services  
271.8 agency knows that the individual is a person responsible for a child's care in another facility,  
271.9 the commissioner or local social services agency shall notify the head of that facility of this  
271.10 determination. The notification must include an explanation of the individual's available  
271.11 appeal rights and the status of any appeal. If a notice is given under this paragraph, the  
271.12 government entity making the notification shall provide a copy of the notice to the individual  
271.13 who is the subject of the notice.

271.14 (k) All not public data collected, maintained, used, or disseminated under this subdivision  
271.15 and subdivision 3 may be exchanged between the Department of Human Services, Licensing  
271.16 Division, and the Department of Corrections for purposes of regulating services for which  
271.17 the Department of Human Services and the Department of Corrections have regulatory  
271.18 authority.

271.19 **EFFECTIVE DATE.** This section is effective January 1, 2025.

271.20 Sec. 2. Minnesota Statutes 2023 Supplement, section 245A.03, subdivision 2, as amended  
271.21 by Laws 2024, chapter 80, article 2, section 35, and Laws 2024, chapter 85, section 52, is  
271.22 amended to read:

271.23 Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

271.24 (1) residential or nonresidential programs that are provided to a person by an individual  
271.25 who is related;

271.26 (2) nonresidential programs that are provided by an unrelated individual to persons from  
271.27 a single related family;

271.28 (3) residential or nonresidential programs that are provided to adults who do not misuse  
271.29 substances or have a substance use disorder, a mental illness, a developmental disability, a  
271.30 functional impairment, or a physical disability;

271.31 (4) sheltered workshops or work activity programs that are certified by the commissioner  
271.32 of employment and economic development;

- 272.1 (5) programs operated by a public school for children 33 months or older;
- 272.2 (6) nonresidential programs primarily for children that provide care or supervision for  
272.3 periods of less than three hours a day while the child's parent or legal guardian is in the  
272.4 same building as the nonresidential program or present within another building that is  
272.5 directly contiguous to the building in which the nonresidential program is located;
- 272.6 (7) nursing homes or hospitals licensed by the commissioner of health except as specified  
272.7 under section 245A.02;
- 272.8 (8) board and lodge facilities licensed by the commissioner of health that do not provide  
272.9 children's residential services under Minnesota Rules, chapter 2960, mental health or  
272.10 substance use disorder treatment;
- 272.11 (9) programs licensed by the commissioner of corrections;
- 272.12 (10) recreation programs for children or adults that are operated or approved by a park  
272.13 and recreation board whose primary purpose is to provide social and recreational activities;
- 272.14 (11) noncertified boarding care homes unless they provide services for five or more  
272.15 persons whose primary diagnosis is mental illness or a developmental disability;
- 272.16 (12) programs for children such as scouting, boys clubs, girls clubs, and sports and art  
272.17 programs, and nonresidential programs for children provided for a cumulative total of less  
272.18 than 30 days in any 12-month period;
- 272.19 (13) residential programs for persons with mental illness, that are located in hospitals;
- 272.20 (14) camps licensed by the commissioner of health under Minnesota Rules, chapter  
272.21 4630;
- 272.22 (15) mental health outpatient services for adults with mental illness or children with  
272.23 emotional disturbance;
- 272.24 (16) residential programs serving school-age children whose sole purpose is cultural or  
272.25 educational exchange, until the commissioner adopts appropriate rules;
- 272.26 (17) community support services programs as defined in section 245.462, subdivision  
272.27 6, and family community support services as defined in section 245.4871, subdivision 17;
- 272.28 (18) ~~settings registered under chapter 144G that provide home care services licensed by~~  
272.29 ~~the commissioner of health to fewer than seven adults~~ assisted living facilities licensed by  
272.30 the commissioner of health under chapter 144G;

273.1 (19) substance use disorder treatment activities of licensed professionals in private  
273.2 practice as defined in section 245G.01, subdivision 17;

273.3 (20) consumer-directed community support service funded under the Medicaid waiver  
273.4 for persons with developmental disabilities when the individual who provided the service  
273.5 is:

273.6 (i) the same individual who is the direct payee of these specific waiver funds or paid by  
273.7 a fiscal agent, fiscal intermediary, or employer of record; and

273.8 (ii) not otherwise under the control of a residential or nonresidential program that is  
273.9 required to be licensed under this chapter when providing the service;

273.10 (21) a county that is an eligible vendor under section 254B.05 to provide care coordination  
273.11 and comprehensive assessment services;

273.12 (22) a recovery community organization that is an eligible vendor under section 254B.05  
273.13 to provide peer recovery support services; or

273.14 (23) programs licensed by the commissioner of children, youth, and families in chapter  
273.15 142B.

273.16 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a  
273.17 building in which a nonresidential program is located if it shares a common wall with the  
273.18 building in which the nonresidential program is located or is attached to that building by  
273.19 skyway, tunnel, atrium, or common roof.

273.20 (c) Except for the home and community-based services identified in section 245D.03,  
273.21 subdivision 1, nothing in this chapter shall be construed to require licensure for any services  
273.22 provided and funded according to an approved federal waiver plan where licensure is  
273.23 specifically identified as not being a condition for the services and funding.

273.24 Sec. 3. Minnesota Statutes 2022, section 245A.04, is amended by adding a subdivision to  
273.25 read:

273.26 Subd. 7b. Notification to commissioner of changes in key staff positions; children's  
273.27 residential facilities and detoxification programs. (a) A license holder must notify the  
273.28 commissioner within five business days of a change or vacancy in a key staff position under  
273.29 paragraph (b) or (c). The license holder must notify the commissioner of the staffing change  
273.30 on a form approved by the commissioner and include the name of the staff person now  
273.31 assigned to the key staff position and the staff person's qualifications for the position. The

274.1 license holder must notify the program licensor of a vacancy to discuss how the duties of  
274.2 the key staff position will be fulfilled during the vacancy.

274.3 (b) The key staff position for a children's residential facility licensed according to  
274.4 Minnesota Rules, parts 2960.0130 to 2960.0220, is a program director; and

274.5 (c) The key staff positions for a detoxification program licensed according to Minnesota  
274.6 Rules, parts 9530.6510 to 9530.6590, are:

274.7 (1) a program director as required by Minnesota Rules, part 9530.6560, subpart 1;

274.8 (2) a registered nurse as required by Minnesota Rules, part 9530.6560, subpart 4; and

274.9 (3) a medical director as required by Minnesota Rules, part 9530.6560, subpart 5.

274.10 **EFFECTIVE DATE.** This section is effective January 1, 2025.

274.11 Sec. 4. Minnesota Statutes 2022, section 245A.043, subdivision 2, is amended to read:

274.12 Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change  
274.13 in ownership, the commissioner shall require submission of a new license application. This  
274.14 subdivision does not apply to a licensed program or service located in a home where the  
274.15 license holder resides. A change in ownership occurs when:

274.16 (1) except as provided in paragraph (b), the license holder sells or transfers 100 percent  
274.17 of the property, stock, or assets;

274.18 (2) the license holder merges with another organization;

274.19 (3) the license holder consolidates with two or more organizations, resulting in the  
274.20 creation of a new organization;

274.21 (4) there is a change to the federal tax identification number associated with the license  
274.22 holder; or

274.23 (5) except as provided in paragraph (b), all controlling individuals ~~associated with~~ for  
274.24 the original application license have changed.

274.25 (b) ~~Notwithstanding~~ For changes under paragraph (a), clauses (1) and or (5), no change  
274.26 in ownership has occurred and a new license application is not required if at least one  
274.27 controlling individual has been ~~listed~~ affiliated as a controlling individual for the license  
274.28 for at least the previous 12 months immediately preceding the change.

274.29 **EFFECTIVE DATE.** This section is effective January 1, 2025.

275.1 Sec. 5. Minnesota Statutes 2023 Supplement, section 245A.043, subdivision 3, is amended  
275.2 to read:

275.3 Subd. 3. **Standard change of ownership process.** (a) When a change in ownership is  
275.4 proposed and the party intends to assume operation without an interruption in service longer  
275.5 than 60 days after acquiring the program or service, the license holder must provide the  
275.6 commissioner with written notice of the proposed change on a form provided by the  
275.7 commissioner at least ~~60~~ 90 days before the anticipated date of the change in ownership.  
275.8 For purposes of this ~~subdivision and subdivision 4 section~~, "party" means the party that  
275.9 intends to operate the service or program.

275.10 (b) The party must submit a license application under this chapter on the form and in  
275.11 the manner prescribed by the commissioner at least ~~30~~ 90 days before the change in  
275.12 ownership is anticipated to be complete; and must include documentation to support the  
275.13 upcoming change. The party must comply with background study requirements under chapter  
275.14 245C and shall pay the application fee required under section 245A.10.

275.15 (c) A party that intends to assume operation without an interruption in service longer  
275.16 than 60 days after acquiring the program or service is exempt from the requirements of  
275.17 sections 245G.03, subdivision 2, paragraph (b), and 254B.03, subdivision 2, paragraphs (c)  
275.18 and (d).

275.19 ~~(e)~~ (d) The commissioner may streamline application procedures when the party is an  
275.20 existing license holder under this chapter and is acquiring a program licensed under this  
275.21 chapter or service in the same service class as one or more licensed programs or services  
275.22 the party operates and those licenses are in substantial compliance. For purposes of this  
275.23 subdivision, "substantial compliance" means within the previous 12 months the commissioner  
275.24 did not (1) issue a sanction under section 245A.07 against a license held by the party, or  
275.25 (2) make a license held by the party conditional according to section 245A.06.

275.26 ~~(d) Except when a temporary change in ownership license is issued pursuant to~~  
275.27 ~~subdivision 4~~ (e) While the standard change of ownership process is pending, the existing  
275.28 license holder ~~is solely~~ remains responsible for operating the program according to applicable  
275.29 laws and rules until a license under this chapter is issued to the party.

275.30 ~~(e)~~ (f) If a licensing inspection of the program or service was conducted within the  
275.31 previous 12 months and the existing license holder's license record demonstrates substantial  
275.32 compliance with the applicable licensing requirements, the commissioner may waive the  
275.33 party's inspection required by section 245A.04, subdivision 4. The party must submit to the  
275.34 commissioner (1) proof that the premises was inspected by a fire marshal or that the fire

276.1 marshal deemed that an inspection was not warranted, and (2) proof that the premises was  
276.2 inspected for compliance with the building code or that no inspection was deemed warranted.

276.3 ~~(f)~~ (g) If the party is seeking a license for a program or service that has an outstanding  
276.4 action under section 245A.06 or 245A.07, the party must submit a ~~letter~~ written plan as part  
276.5 of the application process identifying how the party has or will come into full compliance  
276.6 with the licensing requirements.

276.7 ~~(g)~~ (h) The commissioner shall evaluate the party's application according to section  
276.8 245A.04, subdivision 6. If the commissioner determines that the party has remedied or  
276.9 demonstrates the ability to remedy the outstanding actions under section 245A.06 or 245A.07  
276.10 and has determined that the program otherwise complies with all applicable laws and rules,  
276.11 the commissioner shall issue a license or conditional license under this chapter. A conditional  
276.12 license issued under this section is final and not subject to reconsideration under section  
276.13 245A.06, subdivision 4. The conditional license remains in effect until the commissioner  
276.14 determines that the grounds for the action are corrected or no longer exist.

276.15 ~~(h)~~ (i) The commissioner may deny an application as provided in section 245A.05. An  
276.16 applicant whose application was denied by the commissioner may appeal the denial according  
276.17 to section 245A.05.

276.18 ~~(i)~~ (j) This subdivision does not apply to a licensed program or service located in a home  
276.19 where the license holder resides.

276.20 **EFFECTIVE DATE.** This section is effective January 1, 2025.

276.21 Sec. 6. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision  
276.22 to read:

276.23 Subd. 3a. **Emergency change in ownership process.** (a) In the event of a death of a  
276.24 license holder or sole controlling individual or a court order or other event that results in  
276.25 the license holder being inaccessible or unable to operate the program or service, a party  
276.26 may submit a request to the commissioner to allow the party to assume operation of the  
276.27 program or service under an emergency change in ownership process to ensure persons  
276.28 continue to receive services while the commissioner evaluates the party's license application.

276.29 (b) To request the emergency change of ownership process, the party must immediately:  
276.30 (1) notify the commissioner of the event resulting in the inability of the license holder  
276.31 to operate the program and of the party's intent to assume operations; and

277.1 (2) provide the commissioner with documentation that demonstrates the party has a legal  
277.2 or legitimate ownership interest in the program or service if applicable and is able to operate  
277.3 the program or service.

277.4 (c) If the commissioner approves the party to continue operating the program or service  
277.5 under an emergency change in ownership process, the party must:

277.6 (1) request to be added as a controlling individual or license holder to the existing license;

277.7 (2) notify persons receiving services of the emergency change in ownership in a manner  
277.8 approved by the commissioner;

277.9 (3) submit an application for a new license within 30 days of approval;

277.10 (4) comply with the background study requirements under chapter 245C; and

277.11 (5) pay the application fee required under section 245A.10.

277.12 (d) While the emergency change of ownership process is pending, a party approved  
277.13 under this subdivision is responsible for operating the program under the existing license  
277.14 according to applicable laws and rules until a new license under this chapter is issued.

277.15 (e) The provisions in subdivision 3, paragraphs (c), (d), and (f) to (i) apply to this  
277.16 subdivision.

277.17 (f) Once a party is issued a new license or has decided not to seek a new license, the  
277.18 commissioner must close the existing license.

277.19 (g) This subdivision applies to any program or service licensed under this chapter.

277.20 **EFFECTIVE DATE.** This section is effective January 1, 2025.

277.21 Sec. 7. Minnesota Statutes 2022, section 245A.043, subdivision 4, is amended to read:

277.22 Subd. 4. **Temporary change in ownership transitional license.** ~~(a) After receiving the~~  
277.23 ~~party's application pursuant to subdivision 3, upon the written request of the existing license~~  
277.24 ~~holder and the party, the commissioner may issue a temporary change in ownership license~~  
277.25 ~~to the party while the commissioner evaluates the party's application. Until a decision is~~  
277.26 ~~made to grant or deny a license under this chapter, the existing license holder and the party~~  
277.27 ~~shall both be responsible for operating the program or service according to applicable laws~~  
277.28 ~~and rules, and the sale or transfer of the existing license holder's ownership interest in the~~  
277.29 ~~licensed program or service does not terminate the existing license.~~

277.30 ~~(b) The commissioner may issue a temporary change in ownership license when a license~~  
277.31 ~~holder's death, divorce, or other event affects the ownership of the program and an applicant~~

278.1 ~~seeks to assume operation of the program or service to ensure continuity of the program or~~  
278.2 ~~service while a license application is evaluated.~~

278.3 ~~(c) This subdivision applies to any program or service licensed under this chapter.~~

278.4 If a party's application under subdivision 2 is for a satellite license for a community  
278.5 residential setting under section 245D.23 or day services facility under 245D.27 and if the  
278.6 party already holds an active license to provide services under chapter 245D, the  
278.7 commissioner may issue a temporary transitional license to the party for the community  
278.8 residential setting or day services facility while the commissioner evaluates the party's  
278.9 application. Until a decision is made to grant or deny a community residential setting or  
278.10 day services facility satellite license, the party must be solely responsible for operating the  
278.11 program according to applicable laws and rules, and the existing license must be closed.  
278.12 The temporary transitional license expires after 12 months from the date it was issued or  
278.13 upon issuance of the community residential setting or day services facility satellite license,  
278.14 whichever occurs first.

278.15 **EFFECTIVE DATE.** This section is effective January 1, 2025.

278.16 Sec. 8. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision  
278.17 to read:

278.18 Subd. 5. **Failure to comply.** If the commissioner finds that the applicant or license holder  
278.19 has not fully complied with this section, the commissioner may impose a licensing sanction  
278.20 under section 245A.05, 245A.06, or 245A.07.

278.21 **EFFECTIVE DATE.** This section is effective January 1, 2025.

278.22 Sec. 9. Minnesota Statutes 2023 Supplement, section 245A.07, subdivision 1, as amended  
278.23 by Laws 2024, chapter 80, article 2, section 44, is amended to read:

278.24 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional  
278.25 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,  
278.26 or secure an injunction against the continuing operation of the program of a license holder  
278.27 who does not comply with applicable law or rule. When applying sanctions authorized under  
278.28 this section, the commissioner shall consider the nature, chronicity, or severity of the violation  
278.29 of law or rule and the effect of the violation on the health, safety, or rights of persons served  
278.30 by the program.

278.31 (b) If a license holder appeals the suspension or revocation of a license and the license  
278.32 holder continues to operate the program pending a final order on the appeal, the commissioner

279.1 shall issue the license holder a temporary provisional license. The commissioner may include  
279.2 terms the license holder must follow pending a final order on the appeal. Unless otherwise  
279.3 specified by the commissioner, variances in effect on the date of the license sanction under  
279.4 appeal continue under the temporary provisional license. If a license holder fails to comply  
279.5 with applicable law or rule while operating under a temporary provisional license, the  
279.6 commissioner may impose additional sanctions under this section and section 245A.06, and  
279.7 may terminate any prior variance. If a temporary provisional license is set to expire, a new  
279.8 temporary provisional license shall be issued to the license holder upon payment of any fee  
279.9 required under section 245A.10. The temporary provisional license shall expire on the date  
279.10 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional  
279.11 license shall be issued for the remainder of the current license period.

279.12 (c) If a license holder is under investigation and the license issued under this chapter is  
279.13 due to expire before completion of the investigation, the program shall be issued a new  
279.14 license upon completion of the reapplication requirements and payment of any applicable  
279.15 license fee. Upon completion of the investigation, a licensing sanction may be imposed  
279.16 against the new license under this section, section 245A.06, or 245A.08.

279.17 (d) Failure to reapply or closure of a license issued under this chapter by the license  
279.18 holder prior to the completion of any investigation shall not preclude the commissioner  
279.19 from issuing a licensing sanction under this section or section 245A.06 at the conclusion  
279.20 of the investigation.

279.21 **EFFECTIVE DATE.** This section is effective January 1, 2025.

279.22 Sec. 10. Minnesota Statutes 2022, section 245A.07, subdivision 6, is amended to read:

279.23 Subd. 6. **Appeal of multiple sanctions.** (a) When the license holder appeals more than  
279.24 one licensing action or sanction that were simultaneously issued by the commissioner, the  
279.25 license holder shall specify the actions or sanctions that are being appealed.

279.26 (b) If there are different timelines prescribed in statutes for the licensing actions or  
279.27 sanctions being appealed, the license holder must submit the appeal within the longest of  
279.28 those timelines specified in statutes.

279.29 (c) The appeal must be made in writing by certified mail ~~or~~, personal service, or through  
279.30 the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent  
279.31 to the commissioner within the prescribed timeline with the first day beginning the day after  
279.32 the license holder receives the certified letter. If a request is made by personal service, it  
279.33 must be received by the commissioner within the prescribed timeline with the first day

280.1 beginning the day after the license holder receives the certified letter. If the appeal is made  
280.2 through the provider hub, the appeal must be received by the commissioner within the  
280.3 prescribed timeline with the first day beginning the day after the commissioner issued the  
280.4 order through the hub.

280.5 (d) When there are different timelines prescribed in statutes for the appeal of licensing  
280.6 actions or sanctions simultaneously issued by the commissioner, the commissioner shall  
280.7 specify in the notice to the license holder the timeline for appeal as specified under paragraph  
280.8 (b).

280.9 Sec. 11. Minnesota Statutes 2023 Supplement, section 245A.11, subdivision 7, is amended  
280.10 to read:

280.11 Subd. 7. **Adult foster care and community residential setting; variance for alternate**  
280.12 **overnight supervision.** (a) The commissioner may grant a variance under section 245A.04,  
280.13 subdivision 9, to statute or rule parts requiring a caregiver to be present in an adult foster  
280.14 care home or a community residential setting during normal sleeping hours to allow for  
280.15 alternative methods of overnight supervision. The commissioner may grant the variance if  
280.16 the local county licensing agency recommends the variance and the county recommendation  
280.17 includes documentation verifying that:

280.18 (1) the county has approved the license holder's plan for alternative methods of providing  
280.19 overnight supervision and determined the plan protects the residents' health, safety, and  
280.20 rights;

280.21 (2) the license holder has obtained written and signed informed consent from each  
280.22 resident or each resident's legal representative documenting the resident's or legal  
280.23 representative's agreement with the alternative method of overnight supervision; and

280.24 (3) the alternative method of providing overnight supervision, which may include the  
280.25 use of technology, is specified for each resident in the resident's: (i) individualized plan of  
280.26 care; (ii) ~~individual service~~ support plan under section 256B.092, subdivision 1b, if required;  
280.27 or (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105,  
280.28 subpart 19, if required.

280.29 (b) To be eligible for a variance under paragraph (a), the adult foster care or community  
280.30 residential setting license holder must not have had a conditional license issued under section  
280.31 245A.06, or any other licensing sanction issued under section 245A.07 during the prior 24  
280.32 months based on failure to provide adequate supervision, health care services, or resident  
280.33 safety in the adult foster care home or a community residential setting.

281.1 (c) A license holder requesting a variance under this subdivision to utilize technology  
281.2 as a component of a plan for alternative overnight supervision may request the commissioner's  
281.3 review in the absence of a county recommendation. Upon receipt of such a request from a  
281.4 license holder, the commissioner shall review the variance request with the county.

281.5 ~~(d) The variance requirements under this subdivision for alternative overnight supervision~~  
281.6 ~~do not apply to community residential settings licensed under chapter 245D.~~

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

281.8 Sec. 12. Minnesota Statutes 2023 Supplement, section 245A.16, subdivision 1, as amended  
281.9 by Laws 2024, chapter 80, article 2, section 65, is amended to read:

281.10 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies that have been  
281.11 designated by the commissioner to perform licensing functions and activities under section  
281.12 245A.04; to recommend denial of applicants under section 245A.05; to issue correction  
281.13 orders, to issue variances, and recommend a conditional license under section 245A.06; or  
281.14 to recommend suspending or revoking a license or issuing a fine under section 245A.07,  
281.15 shall comply with rules and directives of the commissioner governing those functions and  
281.16 with this section. The following variances are excluded from the delegation of variance  
281.17 authority and may be issued only by the commissioner:

281.18 (1) dual licensure of family child foster care and family adult foster care, dual licensure  
281.19 of child foster residence setting and community residential setting, and dual licensure of  
281.20 family adult foster care and family child care;

281.21 (2) adult foster care or community residential setting maximum capacity;

281.22 (3) adult foster care or community residential setting minimum age requirement;

281.23 (4) child foster care maximum age requirement;

281.24 (5) variances regarding disqualified individuals;

281.25 (6) the required presence of a caregiver in the adult foster care residence during normal  
281.26 sleeping hours;

281.27 (7) variances to requirements relating to chemical use problems of a license holder or a  
281.28 household member of a license holder; and

281.29 (8) variances to section 142B.46 for the use of a cradleboard for a cultural  
281.30 accommodation.

282.1 (b) For family adult day services programs, the commissioner may authorize licensing  
282.2 reviews every two years after a licensee has had at least one annual review.

282.3 (c) A license issued under this section may be issued for up to two years.

282.4 (d) During implementation of chapter 245D, the commissioner shall consider:

282.5 (1) the role of counties in quality assurance;

282.6 (2) the duties of county licensing staff; and

282.7 (3) the possible use of joint powers agreements, according to section 471.59, with counties  
282.8 through which some licensing duties under chapter 245D may be delegated by the  
282.9 commissioner to the counties.

282.10 Any consideration related to this paragraph must meet all of the requirements of the corrective  
282.11 action plan ordered by the federal Centers for Medicare and Medicaid Services.

282.12 (e) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or  
282.13 successor provisions; and section 245D.061 or successor provisions, for family child foster  
282.14 care programs providing out-of-home respite, as identified in section 245D.03, subdivision  
282.15 1, paragraph (b), clause (1), is excluded from the delegation of authority to county agencies.

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

282.17 Sec. 13. Minnesota Statutes 2023 Supplement, section 245A.211, subdivision 4, is amended  
282.18 to read:

282.19 Subd. 4. **Contraindicated physical restraints.** A license or certification holder must  
282.20 not implement a restraint on a person receiving services in a program in a way that is  
282.21 contraindicated for any of the person's known medical or psychological conditions. Prior  
282.22 to using restraints on a person, ~~the license or certification holder must assess and document~~  
282.23 ~~a determination of any~~ with a known medical or psychological conditions that restraints are  
282.24 contraindicated for, the license or certification holder must document the contraindication  
282.25 and the type of restraints that will not be used on the person based on this determination.

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

282.27 Sec. 14. Minnesota Statutes 2023 Supplement, section 245A.242, subdivision 2, is amended  
282.28 to read:

282.29 Subd. 2. **Emergency overdose treatment.** (a) A license holder must maintain a supply  
282.30 of opiate antagonists as defined in section 604A.04, subdivision 1, available for emergency  
282.31 treatment of opioid overdose and must have a written standing order protocol by a physician

283.1 who is licensed under chapter 147, advanced practice registered nurse who is licensed under  
283.2 chapter 148, or physician assistant who is licensed under chapter 147A, that permits the  
283.3 license holder to maintain a supply of opiate antagonists on site. A license holder must  
283.4 require staff to undergo training in the specific mode of administration used at the program,  
283.5 which may include intranasal administration, intramuscular injection, or both.

283.6 (b) Notwithstanding any requirements to the contrary in Minnesota Rules, chapters 2960  
283.7 and 9530, and Minnesota Statutes, chapters 245F, 245G, and 245I:

283.8 (1) emergency opiate antagonist medications are not required to be stored in a locked  
283.9 area and staff and adult clients may carry this medication on them and store it in an unlocked  
283.10 location;

283.11 (2) staff persons who only administer emergency opiate antagonist medications only  
283.12 require the training required by paragraph (a), which any knowledgeable trainer may provide.  
283.13 The trainer is not required to be a registered nurse or part of an accredited educational  
283.14 institution; and

283.15 (3) nonresidential substance use disorder treatment programs that do not administer  
283.16 client medications beyond emergency opiate antagonist medications are not required to  
283.17 have the policies and procedures required in section 245G.08, subdivisions 5 and 6, and  
283.18 must instead describe the program's procedures for administering opiate antagonist  
283.19 medications in the license holder's description of health care services under section 245G.08,  
283.20 subdivision 1.

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

283.22 Sec. 15. Minnesota Statutes 2022, section 245A.52, subdivision 2, is amended to read:

283.23 Subd. 2. **Door to attached garage.** ~~Notwithstanding Minnesota Rules, part 9502.0425,~~  
283.24 ~~subpart 5, day care residences with an attached garage are not required to have a self-closing~~  
283.25 ~~door to the residence. The door to the residence may be (a) If there is an opening between~~  
283.26 an attached garage and a day care residence, there must be a door that is:

283.27 (1) a solid wood bonded-core door at least 1-3/8 inches thick;

283.28 (2) a steel insulated door if the door is at least 1-3/8 inches thick; or

283.29 (3) a door with a fire protection rating of 20 minutes.

283.30 (b) The separation wall on the garage side between the residence and garage must consist  
283.31 of 1/2-inch-thick gypsum wallboard or its equivalent.

284.1 Sec. 16. Minnesota Statutes 2023 Supplement, section 245C.02, subdivision 13e, is  
284.2 amended to read:

284.3 Subd. 13e. **NETStudy 2.0.** (a) "NETStudy 2.0" means the commissioner's system that  
284.4 replaces both NETStudy and the department's internal background study processing system.  
284.5 NETStudy 2.0 is designed to enhance protection of children and vulnerable adults by  
284.6 improving the accuracy of background studies through fingerprint-based criminal record  
284.7 checks and expanding the background studies to include a review of information from the  
284.8 Minnesota Court Information System and the national crime information database. NETStudy  
284.9 2.0 is also designed to increase efficiencies in and the speed of the hiring process by:

284.10 (1) providing access to and updates from public web-based data related to employment  
284.11 eligibility;

284.12 (2) decreasing the need for repeat studies through electronic updates of background  
284.13 study subjects' criminal records;

284.14 (3) supporting identity verification using subjects' Social Security numbers and  
284.15 photographs;

284.16 (4) using electronic employer notifications;

284.17 (5) issuing immediate verification of subjects' eligibility to provide services as more  
284.18 studies are completed under the NETStudy 2.0 system; and

284.19 (6) providing electronic access to certain notices for entities and background study  
284.20 subjects.

284.21 (b) Information obtained by entities from public web-based data through NETStudy 2.0  
284.22 under paragraph (a), clause (1), or any other source that is not direct correspondence from  
284.23 the commissioner is not a notice of disqualification from the commissioner under this  
284.24 chapter.

284.25 Sec. 17. Minnesota Statutes 2023 Supplement, section 245C.033, subdivision 3, is amended  
284.26 to read:

284.27 Subd. 3. **Procedure; maltreatment and state licensing agency data.** (a) For requests  
284.28 paid directly by the guardian or conservator, requests for maltreatment and state licensing  
284.29 agency data checks must be submitted by the guardian or conservator to the commissioner  
284.30 on the form or in the manner prescribed by the commissioner. Upon receipt of a signed  
284.31 informed consent and payment under section 245C.10, the commissioner shall complete  
284.32 the maltreatment and state licensing agency checks. Upon completion of the checks, the

285.1 commissioner shall provide the requested information to the courts on the form or in the  
285.2 manner prescribed by the commissioner.

285.3 (b) For requests paid by the court based on the in forma pauperis status of the guardian  
285.4 or conservator, requests for maltreatment and state licensing agency data checks must be  
285.5 submitted by the court to the commissioner on the form or in the manner prescribed by the  
285.6 commissioner. The form will serve as certification that the individual has been granted in  
285.7 forma pauperis status. Upon receipt of a signed data request consent form from the court,  
285.8 the commissioner shall initiate the maltreatment and state licensing agency checks. Upon  
285.9 completion of the checks, the commissioner shall provide the requested information to the  
285.10 courts on the form or in the manner prescribed by the commissioner.

285.11 Sec. 18. [245C.041] EMERGENCY WAIVER TO TEMPORARILY MODIFY  
285.12 BACKGROUND STUDY REQUIREMENTS.

285.13 (a) In the event of an emergency identified by the commissioner, the commissioner may  
285.14 temporarily waive or modify provisions in this chapter, except that the commissioner shall  
285.15 not waive or modify:

285.16 (1) disqualification standards in section 245C.14 or 245C; or

285.17 (2) any provision regarding the scope of individuals required to be subject to a background  
285.18 study conducted under this chapter.

285.19 (b) For the purposes of this section, an emergency may include, but is not limited to a  
285.20 public health emergency, environmental emergency, natural disaster, or other unplanned  
285.21 event that the commissioner has determined prevents the requirements in this chapter from  
285.22 being met. This authority shall not exceed the amount of time needed to respond to the  
285.23 emergency and reinstate the requirements of this chapter. The commissioner has the authority  
285.24 to establish the process and time frame for returning to full compliance with this chapter.  
285.25 The commissioner shall determine the length of time an emergency study is valid.

285.26 (c) At the conclusion of the emergency, entities must submit a new, compliant background  
285.27 study application and fee for each individual who was the subject of background study  
285.28 affected by the powers created in this section, referred to as an "emergency study" to have  
285.29 a new study that fully complies with this chapter within a time frame and notice period  
285.30 established by the commissioner.

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

286.1 Sec. 19. Minnesota Statutes 2022, section 245C.05, subdivision 5, is amended to read:

286.2 Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph ~~(b)~~ (c), for  
286.3 background studies conducted by the commissioner for child foster care, children's residential  
286.4 facilities, adoptions, or a transfer of permanent legal and physical custody of a child, the  
286.5 subject of the background study, who is 18 years of age or older, shall provide the  
286.6 commissioner with a set of classifiable fingerprints obtained from an authorized agency for  
286.7 a national criminal history record check.

286.8 (b) Notwithstanding paragraph (c), for background studies conducted by the commissioner  
286.9 for Head Start programs, the subject of the background study shall provide the commissioner  
286.10 with a set of classifiable fingerprints obtained from an authorized agency for a national  
286.11 criminal history record check.

286.12 ~~(b)~~ (c) For background studies initiated on or after the implementation of NETStudy  
286.13 2.0, except as provided under subdivision 5a, every subject of a background study must  
286.14 provide the commissioner with a set of the background study subject's classifiable fingerprints  
286.15 and photograph. The photograph and fingerprints must be recorded at the same time by the  
286.16 authorized fingerprint collection vendor or vendors and sent to the commissioner through  
286.17 the commissioner's secure data system described in section 245C.32, subdivision 1a,  
286.18 paragraph (b).

286.19 ~~(e)~~ (d) The fingerprints shall be submitted by the commissioner to the Bureau of Criminal  
286.20 Apprehension and, when specifically required by law, submitted to the Federal Bureau of  
286.21 Investigation for a national criminal history record check.

286.22 ~~(d)~~ (e) The fingerprints must not be retained by the Department of Public Safety, Bureau  
286.23 of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will  
286.24 not retain background study subjects' fingerprints.

286.25 ~~(e)~~ (f) The authorized fingerprint collection vendor or vendors shall, for purposes of  
286.26 verifying the identity of the background study subject, be able to view the identifying  
286.27 information entered into NETStudy 2.0 by the entity that initiated the background study,  
286.28 but shall not retain the subject's fingerprints, photograph, or information from NETStudy  
286.29 2.0. The authorized fingerprint collection vendor or vendors shall retain no more than the  
286.30 name and date and time the subject's fingerprints were recorded and sent, only as necessary  
286.31 for auditing and billing activities.

286.32 ~~(f)~~ (g) For any background study conducted under this chapter, the subject shall provide  
286.33 the commissioner with a set of classifiable fingerprints when the commissioner has reasonable

287.1 cause to require a national criminal history record check as defined in section 245C.02,  
287.2 subdivision 15a.

287.3 Sec. 20. Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 1, is amended  
287.4 to read:

287.5 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)  
287.6 For a background study conducted by the Department of Human Services, the commissioner  
287.7 shall review:

287.8 (1) information related to names of substantiated perpetrators of maltreatment of  
287.9 vulnerable adults that has been received by the commissioner as required under section  
287.10 626.557, subdivision 9c, paragraph (j);

287.11 (2) the commissioner's records relating to the maltreatment of minors in licensed  
287.12 programs, and from findings of maltreatment of minors as indicated through the social  
287.13 service information system;

287.14 (3) information from juvenile courts as required ~~in subdivision 4 for individuals listed~~  
287.15 ~~in section 245C.03, subdivision 1, paragraph (a),~~ for studies under this chapter when there  
287.16 is reasonable cause;

287.17 (4) information from the Bureau of Criminal Apprehension, including information  
287.18 regarding a background study subject's registration in Minnesota as a predatory offender  
287.19 under section 243.166;

287.20 (5) except as provided in clause (6), information received as a result of submission of  
287.21 fingerprints for a national criminal history record check, as defined in section 245C.02,  
287.22 subdivision 13c, when the commissioner has reasonable cause for a national criminal history  
287.23 record check as defined under section 245C.02, subdivision 15a, or as required under section  
287.24 144.057, subdivision 1, clause (2);

287.25 (6) for a background study related to a child foster family setting application for licensure,  
287.26 foster residence settings, children's residential facilities, a transfer of permanent legal and  
287.27 physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a  
287.28 background study required for family child care, certified license-exempt child care, child  
287.29 care centers, and legal nonlicensed child care authorized under chapter 119B, the  
287.30 commissioner shall also review:

287.31 (i) information from the child abuse and neglect registry for any state in which the  
287.32 background study subject has resided for the past five years;

288.1 (ii) when the background study subject is 18 years of age or older, or a minor under  
288.2 section 245C.05, subdivision 5a, paragraph (c), information received following submission  
288.3 of fingerprints for a national criminal history record check; and

288.4 (iii) when the background study subject is 18 years of age or older or a minor under  
288.5 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified  
288.6 license-exempt child care, licensed child care centers, and legal nonlicensed child care  
288.7 authorized under chapter 119B, information obtained using non-fingerprint-based data  
288.8 including information from the criminal and sex offender registries for any state in which  
288.9 the background study subject resided for the past five years and information from the national  
288.10 crime information database and the national sex offender registry;

288.11 (7) for a background study required for family child care, certified license-exempt child  
288.12 care centers, licensed child care centers, and legal nonlicensed child care authorized under  
288.13 chapter 119B, the background study shall also include, to the extent practicable, a name  
288.14 and date-of-birth search of the National Sex Offender Public website; and

288.15 (8) for a background study required for treatment programs for sexual psychopathic  
288.16 personalities or sexually dangerous persons, the background study shall only include a  
288.17 review of the information required under paragraph (a), clauses (1) to (4).

288.18 (b) Except as otherwise provided in this paragraph, notwithstanding expungement by a  
288.19 court, the commissioner may consider information obtained under paragraph (a), clauses  
288.20 (3) and (4), unless:

288.21 (1) the commissioner received notice of the petition for expungement and the court order  
288.22 for expungement is directed specifically to the commissioner; or

288.23 (2) the commissioner received notice of the expungement order issued pursuant to section  
288.24 609A.017, 609A.025, or 609A.035, and the order for expungement is directed specifically  
288.25 to the commissioner.

288.26 The commissioner may not consider information obtained under paragraph (a), clauses (3)  
288.27 and (4), or from any other source that identifies a violation of chapter 152 without  
288.28 determining if the offense involved the possession of marijuana or tetrahydrocannabinol  
288.29 and, if so, whether the person received a grant of expungement or order of expungement,  
288.30 or the person was resentenced to a lesser offense. If the person received a grant of  
288.31 expungement or order of expungement, the commissioner may not consider information  
288.32 related to that violation but may consider any other relevant information arising out of the  
288.33 same incident.

289.1 (c) The commissioner shall also review criminal case information received according  
289.2 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates  
289.3 to individuals who have already been studied under this chapter and who remain affiliated  
289.4 with the agency that initiated the background study.

289.5 (d) When the commissioner has reasonable cause to believe that the identity of a  
289.6 background study subject is uncertain, the commissioner may require the subject to provide  
289.7 a set of classifiable fingerprints for purposes of completing a fingerprint-based record check  
289.8 with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph  
289.9 shall not be saved by the commissioner after they have been used to verify the identity of  
289.10 the background study subject against the particular criminal record in question.

289.11 (e) The commissioner may inform the entity that initiated a background study under  
289.12 NETStudy 2.0 of the status of processing of the subject's fingerprints.

289.13 Sec. 21. Minnesota Statutes 2022, section 245C.08, subdivision 4, is amended to read:

289.14 Subd. 4. **Juvenile court records.** (a) For a background study conducted by the  
289.15 Department of Human Services, the commissioner shall review records from the juvenile  
289.16 courts for an individual studied under ~~section 245C.03, subdivision 1, paragraph (a), this~~  
289.17 chapter when the commissioner has reasonable cause.

289.18 ~~(b) For a background study conducted by a county agency for family child care before~~  
289.19 ~~the implementation of NETStudy 2.0, the commissioner shall review records from the~~  
289.20 ~~juvenile courts for individuals listed in section 245C.03, subdivision 1, who are ages 13~~  
289.21 ~~through 23 living in the household where the licensed services will be provided. The~~  
289.22 ~~commissioner shall also review records from juvenile courts for any other individual listed~~  
289.23 ~~under section 245C.03, subdivision 1, when the commissioner has reasonable cause.~~

289.24 ~~(e)~~ (b) The juvenile courts shall help with the study by giving the commissioner existing  
289.25 juvenile court records relating to delinquency proceedings held on individuals ~~described in~~  
289.26 ~~section 245C.03, subdivision 1, paragraph (a), who are subjects of studies under this chapter~~  
289.27 when requested pursuant to this subdivision.

289.28 ~~(d)~~ (c) For purposes of this chapter, a finding that a delinquency petition is proven in  
289.29 juvenile court shall be considered a conviction in state district court.

289.30 ~~(e)~~ (d) Juvenile courts shall provide orders of involuntary and voluntary termination of  
289.31 parental rights under section 260C.301 to the commissioner upon request for purposes of  
289.32 conducting a background study under this chapter.

290.1 Sec. 22. Minnesota Statutes 2023 Supplement, section 245C.10, subdivision 15, is amended  
290.2 to read:

290.3 Subd. 15. **Guardians and conservators.** (a) The commissioner shall recover the cost  
290.4 of conducting maltreatment and state licensing agency checks for guardians and conservators  
290.5 under section 245C.033 through a fee of no more than \$50. The fees collected under this  
290.6 subdivision are appropriated to the commissioner for the purpose of conducting maltreatment  
290.7 and state licensing agency checks.

290.8 (b) The fee must be paid directly to and in the manner prescribed by the commissioner  
290.9 before any maltreatment and state licensing agency checks under section 245C.033 may be  
290.10 conducted.

290.11 (c) Notwithstanding paragraph (b), the court shall pay the fee for an applicant who has  
290.12 been granted in forma pauperis status upon receipt of the invoice from the commissioner.

290.13 Sec. 23. Minnesota Statutes 2022, section 245C.10, subdivision 18, is amended to read:

290.14 Subd. 18. **Applicants, licensees, and other occupations regulated by commissioner**  
290.15 **of health.** The applicant or license holder is responsible for paying to the Department of  
290.16 Human Services all fees associated with the preparation of the fingerprints, the criminal  
290.17 records check consent form, and, through a fee of no more than \$44 per study, the criminal  
290.18 background check.

290.19 Sec. 24. Minnesota Statutes 2022, section 245C.14, is amended by adding a subdivision  
290.20 to read:

290.21 Subd. 5. **Basis for disqualification.** Information obtained by entities from public  
290.22 web-based data through NETStudy 2.0 or any other source that is not direct correspondence  
290.23 from the commissioner is not a notice of disqualification from the commissioner under this  
290.24 chapter.

290.25 Sec. 25. Minnesota Statutes 2022, section 245C.22, subdivision 4, is amended to read:

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

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

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

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

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

291.5 (4) the harm suffered by the victim;

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

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

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

291.9 (8) documentation of successful completion by the individual studied of training or  
291.10 rehabilitation pertinent to the event; and

291.11 (9) any other information relevant to reconsideration.

291.12 (c) For an individual seeking a child foster care license who is a relative of the child,  
291.13 the commissioner shall consider the importance of maintaining the child's relationship with  
291.14 relatives as an additional significant factor in determining whether a background study  
291.15 disqualification should be set aside.

291.16 ~~(e)~~(d) If the individual requested reconsideration on the basis that the information relied  
291.17 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines  
291.18 that the information relied upon to disqualify the individual is correct, the commissioner  
291.19 must also determine if the individual poses a risk of harm to persons receiving services in  
291.20 accordance with paragraph (b).

291.21 ~~(d)~~(e) For an individual seeking employment in the substance use disorder treatment  
291.22 field, the commissioner shall set aside the disqualification if the following criteria are met:

291.23 (1) the individual is not disqualified for a crime of violence as listed under section  
291.24 624.712, subdivision 5, except for the following crimes: crimes listed under section 152.021,  
291.25 subdivision 2 or 2a; 152.022, subdivision 2; 152.023, subdivision 2; 152.024; or 152.025;

291.26 (2) the individual is not disqualified under section 245C.15, subdivision 1;

291.27 (3) the individual is not disqualified under section 245C.15, subdivision 4, paragraph  
291.28 (b);

291.29 (4) the individual provided documentation of successful completion of treatment, at least  
291.30 one year prior to the date of the request for reconsideration, at a program licensed under

292.1 chapter 245G, and has had no disqualifying crimes or conduct under section 245C.15 after  
292.2 the successful completion of treatment;

292.3 (5) the individual provided documentation demonstrating abstinence from controlled  
292.4 substances, as defined in section 152.01, subdivision 4, for the period of one year prior to  
292.5 the date of the request for reconsideration; and

292.6 (6) the individual is seeking employment in the substance use disorder treatment field.

292.7 Sec. 26. Minnesota Statutes 2022, section 245C.24, subdivision 2, is amended to read:

292.8 Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in  
292.9 paragraphs (b) to ~~(f)~~ (g), the commissioner may not set aside the disqualification of any  
292.10 individual disqualified pursuant to this chapter, regardless of how much time has passed,  
292.11 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision  
292.12 1.

292.13 (b) For an individual in the substance use disorder or corrections field who was  
292.14 disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and whose  
292.15 disqualification was set aside prior to July 1, 2005, the commissioner must consider granting  
292.16 a variance pursuant to section 245C.30 for the license holder for a program dealing primarily  
292.17 with adults. A request for reconsideration evaluated under this paragraph must include a  
292.18 letter of recommendation from the license holder that was subject to the prior set-aside  
292.19 decision addressing the individual's quality of care to children or vulnerable adults and the  
292.20 circumstances of the individual's departure from that service.

292.21 (c) If an individual who requires a background study for nonemergency medical  
292.22 transportation services under section 245C.03, subdivision 12, was disqualified for a crime  
292.23 or conduct listed under section 245C.15, subdivision 1, and if more than 40 years have  
292.24 passed since the discharge of the sentence imposed, the commissioner may consider granting  
292.25 a set-aside pursuant to section 245C.22. A request for reconsideration evaluated under this  
292.26 paragraph must include a letter of recommendation from the employer. This paragraph does  
292.27 not apply to a person disqualified based on a violation of sections 243.166; 609.185 to  
292.28 609.205; 609.25; 609.342 to 609.3453; 609.352; 617.23, subdivision 2, clause (1), or 3,  
292.29 clause (1); 617.246; or 617.247.

292.30 (d) When a licensed foster care provider adopts an individual who had received foster  
292.31 care services from the provider for over six months, and the adopted individual is required  
292.32 to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause  
292.33 (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30

293.1 to permit the adopted individual with a permanent disqualification to remain affiliated with  
293.2 the license holder under the conditions of the variance when the variance is recommended  
293.3 by the county of responsibility for each of the remaining individuals in placement in the  
293.4 home and the licensing agency for the home.

293.5 (e) For an individual 18 years of age or older affiliated with a licensed family foster  
293.6 setting, the commissioner must not set aside or grant a variance for the disqualification of  
293.7 any individual disqualified pursuant to this chapter, regardless of how much time has passed,  
293.8 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision  
293.9 4a, paragraphs (a) and (b).

293.10 (f) In connection with a family foster setting license, the commissioner may grant a  
293.11 variance to the disqualification for an individual who is under 18 years of age at the time  
293.12 the background study is submitted.

293.13 (g) In connection with foster residence settings and children's residential facilities, the  
293.14 commissioner must not set aside or grant a variance for the disqualification of any individual  
293.15 disqualified pursuant to this chapter, regardless of how much time has passed, if the individual  
293.16 was disqualified for a crime or conduct listed in section 245C.15, subdivision 4a, paragraph  
293.17 (a) or (b).

293.18 Sec. 27. Minnesota Statutes 2022, section 245C.24, subdivision 5, is amended to read:

293.19 Subd. 5. **Five-year bar to set aside or variance disqualification; children's residential**  
293.20 **facilities, foster residence settings.** The commissioner shall not set aside or grant a variance  
293.21 for the disqualification of an individual in connection with a license for a children's residential  
293.22 facility or foster residence setting who was convicted of a felony within the past five years  
293.23 for: (1) physical assault or battery; or (2) a drug-related offense.

293.24 Sec. 28. Minnesota Statutes 2022, section 245C.24, subdivision 6, is amended to read:

293.25 Subd. 6. **Five-year bar to set aside disqualification; family foster setting.** (a) The  
293.26 commissioner shall not set aside or grant a variance for the disqualification of an individual  
293.27 18 years of age or older in connection with a foster family setting license if within five years  
293.28 preceding the study the individual is convicted of a felony in section 245C.15, subdivision  
293.29 4a, paragraph (d).

293.30 (b) In connection with a foster family setting license, the commissioner may set aside  
293.31 or grant a variance to the disqualification for an individual who is under 18 years of age at  
293.32 the time the background study is submitted.

294.1 (c) In connection with a foster family setting license, the commissioner may set aside  
294.2 or grant a variance to the disqualification for an individual who is under 18 years of age at  
294.3 the time the background study is submitted.

294.4 Sec. 29. Minnesota Statutes 2022, section 245C.30, is amended by adding a subdivision  
294.5 to read:

294.6 Subd. 1b. **Child foster care variances.** For an individual seeking a child foster care  
294.7 license who is a relative of the child, the commissioner shall consider the importance of  
294.8 maintaining the child's relationship with relatives as an additional significant factor in  
294.9 determining whether the individual should be granted a variance.

294.10 Sec. 30. Minnesota Statutes 2022, section 245F.09, subdivision 2, is amended to read:

294.11 **Subd. 2. Protective procedures plan.** A license holder must have a written policy and  
294.12 procedure that establishes the protective procedures that program staff must follow when  
294.13 a patient is in imminent danger of harming self or others. The policy must be appropriate  
294.14 to the type of facility and the level of staff training. The protective procedures policy must  
294.15 include:

294.16 (1) an approval signed and dated by the program director and medical director prior to  
294.17 implementation. Any changes to the policy must also be approved, signed, and dated by the  
294.18 current program director and the medical director prior to implementation;

294.19 (2) which protective procedures the license holder will use to prevent patients from  
294.20 imminent danger of harming self or others;

294.21 (3) the emergency conditions under which the protective procedures are permitted to be  
294.22 used, if any;

294.23 (4) the patient's health conditions that limit the specific procedures that may be used and  
294.24 alternative means of ensuring safety;

294.25 (5) emergency resources the program staff must contact when a patient's behavior cannot  
294.26 be controlled by the procedures established in the policy;

294.27 (6) the training that staff must have before using any protective procedure;

294.28 (7) documentation of approved therapeutic holds;

294.29 (8) the use of law enforcement personnel as described in subdivision 4;

295.1 (9) standards governing emergency use of seclusion. Seclusion must be used only when  
295.2 less restrictive measures are ineffective or not feasible. The standards in items (i) to (vii)  
295.3 must be met when seclusion is used with a patient:

295.4 (i) seclusion must be employed solely for the purpose of preventing a patient from  
295.5 imminent danger of harming self or others;

295.6 (ii) seclusion rooms must be equipped in a manner that prevents patients from self-harm  
295.7 using projections, windows, electrical fixtures, or hard objects, and must allow the patient  
295.8 to be readily observed without being interrupted;

295.9 (iii) seclusion must be authorized by the program director, a licensed physician, a  
295.10 registered nurse, or a licensed physician assistant. If one of these individuals is not present  
295.11 in the facility, the program director or a licensed physician, registered nurse, or physician  
295.12 assistant must be contacted and authorization must be obtained within 30 minutes of initiating  
295.13 seclusion, according to written policies;

295.14 (iv) patients must not be placed in seclusion for more than 12 hours at any one time;

295.15 (v) once the condition of a patient in seclusion has been determined to be safe enough  
295.16 to end continuous observation, a patient in seclusion must be observed at a minimum of  
295.17 every 15 minutes for the duration of seclusion and must always be within hearing range of  
295.18 program staff;

295.19 (vi) a process for program staff to use to remove a patient to other resources available  
295.20 to the facility if seclusion does not sufficiently assure patient safety; and

295.21 (vii) a seclusion area may be used for other purposes, such as intensive observation, if  
295.22 the room meets normal standards of care for the purpose and if the room is not locked; and

295.23 (10) physical holds may only be used when less restrictive measures are not feasible.  
295.24 The standards in items (i) to (iv) must be met when physical holds are used with a patient:

295.25 (i) physical holds must be employed solely for preventing a patient from imminent  
295.26 danger of harming self or others;

295.27 (ii) physical holds must be authorized by the program director, a licensed physician, a  
295.28 registered nurse, or a physician assistant. If one of these individuals is not present in the  
295.29 facility, the program director or a licensed physician, registered nurse, or physician assistant  
295.30 must be contacted and authorization must be obtained within 30 minutes of initiating a  
295.31 physical hold, according to written policies;

296.1 (iii) the patient's health concerns must be considered in deciding whether to use physical  
296.2 holds and which holds are appropriate for the patient; and

296.3 (iv) only approved holds may be utilized. Prone and contraindicated holds are not allowed  
296.4 according to section 245A.211 and must not be authorized.

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

296.6 Sec. 31. Minnesota Statutes 2022, section 245F.14, is amended by adding a subdivision  
296.7 to read:

296.8 **Subd. 8. Notification to commissioner of changes in key staff positions.** A license  
296.9 holder must notify the commissioner within five business days of a change or vacancy in a  
296.10 key staff position. The key positions are a program director as required by subdivision 1, a  
296.11 registered nurse as required by subdivision 4, and a medical director as required by  
296.12 subdivision 5. The license holder must notify the commissioner of the staffing change on  
296.13 a form approved by the commissioner and include the name of the staff person now assigned  
296.14 to the key staff position and the staff person's qualifications for the position. The license  
296.15 holder must notify the program licenser of a vacancy to discuss how the duties of the key  
296.16 staff position will be fulfilled during the vacancy.

296.17 **EFFECTIVE DATE.** This section is effective January 1, 2025.

296.18 Sec. 32. Minnesota Statutes 2022, section 245F.17, is amended to read:

296.19 **245F.17 PERSONNEL FILES.**

296.20 A license holder must maintain a separate personnel file for each staff member. At a  
296.21 minimum, the file must contain:

296.22 (1) a completed application for employment signed by the staff member that contains  
296.23 the staff member's qualifications for employment and documentation related to the applicant's  
296.24 background study data, as defined in chapter 245C;

296.25 (2) documentation of the staff member's current professional license or registration, if  
296.26 relevant;

296.27 (3) documentation of orientation and subsequent training; and

296.28 ~~(4) documentation of a statement of freedom from substance use problems; and~~

296.29 ~~(5)~~ (4) an annual job performance evaluation.

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

297.1 Sec. 33. Minnesota Statutes 2022, section 245G.07, subdivision 4, is amended to read:

297.2 Subd. 4. **Location of service provision.** ~~The license holder may provide services at any~~  
297.3 ~~of the license holder's licensed locations or at another suitable location including a school,~~  
297.4 ~~government building, medical or behavioral health facility, or social service organization,~~  
297.5 ~~upon notification and approval of the commissioner. If services are provided off site from~~  
297.6 ~~the licensed site, the reason for the provision of services remotely must be documented.~~  
297.7 ~~The license holder may provide additional services under subdivision 2, clauses (2) to (5),~~  
297.8 ~~off-site if the license holder includes a policy and procedure detailing the off-site location~~  
297.9 ~~as a part of the treatment service description and the program abuse prevention plan.~~

297.10 (a) The license holder must provide all treatment services a client receives at one of the  
297.11 license holder's substance use disorder treatment licensed locations or at a location allowed  
297.12 under paragraphs (b) to (f). If the services are provided at the locations in paragraphs (b) to  
297.13 (d), the license holder must document in the client record the location services were provided.

297.14 (b) The license holder may provide nonresidential individual treatment services at a  
297.15 client's home or place of residence.

297.16 (c) If the license holder provides treatment services by telehealth, the services must be  
297.17 provided according to this paragraph:

297.18 (1) the license holder must maintain a licensed physical location in Minnesota where  
297.19 the license holder must offer all treatment services in subdivision 1, paragraph (a), clauses  
297.20 (1) to (4), physically in-person to each client;

297.21 (2) the license holder must meet all requirements for the provision of telehealth in sections  
297.22 254B.05, subdivision 5, paragraph (f), and 256B.0625, subdivision 3b. The license holder  
297.23 must document all items in section 256B.0625, subdivision 3b, paragraph (c), for each client  
297.24 receiving services by telehealth, regardless of payment type or whether the client is a medical  
297.25 assistance enrollee;

297.26 (3) the license holder may provide treatment services by telehealth to clients individually;

297.27 (4) the license holder may provide treatment services by telehealth to a group of clients  
297.28 that are each in a separate physical location;

297.29 (5) the license holder must not provide treatment services remotely by telehealth to a  
297.30 group of clients meeting together in person, unless permitted under clause (7);

297.31 (6) clients and staff may join an in-person group by telehealth if a staff member qualified  
297.32 to provide the treatment service is physically present with the group of clients meeting  
297.33 together in person; and

298.1 (7) the qualified professional providing a residential group treatment service by telehealth  
298.2 must be physically present on-site at the licensed residential location while the service is  
298.3 being provided. If weather conditions or short-term illness prohibit a qualified professional  
298.4 from traveling to the residential program and another qualified professional is not available  
298.5 to provide the service, a qualified professional may provide a residential group treatment  
298.6 service by telehealth from a location away from the licensed residential location. In such  
298.7 circumstances, a qualified professional must not provide a residential group treatment service  
298.8 by telehealth from a location away from the licensed residential location for more than three  
298.9 consecutive days and must document the reason for providing the remote telehealth service  
298.10 in the records of clients receiving the service.

298.11 (d) The license holder may provide the additional treatment services under subdivision  
298.12 2, clauses (2) to (6) and (8), away from the licensed location at a suitable location appropriate  
298.13 to the treatment service.

298.14 (e) Upon written approval from the commissioner for each satellite location, the license  
298.15 holder may provide nonresidential treatment services at satellite locations that are in a  
298.16 school, jail, or nursing home. A satellite location may only provide services to students of  
298.17 the school, inmates of the jail, or residents of the nursing home. Schools, jails, and nursing  
298.18 homes are exempt from the licensing requirements in section 245A.04, subdivision 2a, to  
298.19 document compliance with building codes, fire and safety codes, health rules, and zoning  
298.20 ordinances.

298.21 (f) The commissioner may approve other suitable locations as satellite locations for  
298.22 nonresidential treatment services. The commissioner may require satellite locations under  
298.23 this paragraph to meet all applicable licensing requirements. The license holder may not  
298.24 have more than two satellite locations per license under this paragraph.

298.25 (g) The license holder must provide the commissioner access to all files, documentation,  
298.26 staff persons, and any other information the commissioner requires at the main licensed  
298.27 location for all clients served at any location under paragraphs (b) to (f).

298.28 (h) Notwithstanding sections 245A.65, subdivision 2, and 626.557, subdivision 14, a  
298.29 program abuse prevention plan is not required for satellite or other locations under paragraphs  
298.30 (b) to (e). An individual abuse prevention plan is still required for any client that is a  
298.31 vulnerable adult as defined in section 626.5572, subdivision 21.

298.32 **EFFECTIVE DATE.** This section is effective January 1, 2025.

299.1 Sec. 34. Minnesota Statutes 2022, section 245G.08, subdivision 5, is amended to read:

299.2 Subd. 5. **Administration of medication and assistance with self-medication.** (a) A  
299.3 license holder must meet the requirements in this subdivision if a service provided includes  
299.4 the administration of medication.

299.5 (b) A staff member, other than a licensed practitioner or nurse, who is delegated by a  
299.6 licensed practitioner or a registered nurse the task of administration of medication or assisting  
299.7 with self-medication, must:

299.8 (1) successfully complete a medication administration training program for unlicensed  
299.9 personnel through an accredited Minnesota postsecondary educational institution. A staff  
299.10 member's completion of the course must be documented in writing and placed in the staff  
299.11 member's personnel file;

299.12 (2) be trained according to a formalized training program that is taught by a registered  
299.13 nurse and offered by the license holder. ~~The training must include the process for~~  
299.14 ~~administration of naloxone, if naloxone is kept on site.~~ A staff member's completion of the  
299.15 training must be documented in writing and placed in the staff member's personnel records;  
299.16 or

299.17 (3) demonstrate to a registered nurse competency to perform the delegated activity. A  
299.18 registered nurse must be employed or contracted to develop the policies and procedures for  
299.19 administration of medication or assisting with self-administration of medication, or both.

299.20 (c) A registered nurse must provide supervision as defined in section 148.171, subdivision  
299.21 23. The registered nurse's supervision must include, at a minimum, monthly on-site  
299.22 supervision or more often if warranted by a client's health needs. The policies and procedures  
299.23 must include:

299.24 (1) a provision that a delegation of administration of medication is limited to a method  
299.25 a staff member has been trained to administer and limited to:

299.26 (i) a medication that is administered orally, topically, or as a suppository, an eye drop,  
299.27 an ear drop, an inhalant, or an intranasal; and

299.28 (ii) an intramuscular injection of ~~naloxone~~ an opiate antagonist as defined in section  
299.29 604A.04, subdivision 1, or epinephrine;

299.30 (2) a provision that each client's file must include documentation indicating whether  
299.31 staff must conduct the administration of medication or the client must self-administer  
299.32 medication, or both;

300.1 (3) a provision that a client may carry emergency medication such as nitroglycerin as  
300.2 instructed by the client's physician, advanced practice registered nurse, or physician assistant;

300.3 (4) a provision for the client to self-administer medication when a client is scheduled to  
300.4 be away from the facility;

300.5 (5) a provision that if a client self-administers medication when the client is present in  
300.6 the facility, the client must self-administer medication under the observation of a trained  
300.7 staff member;

300.8 (6) a provision that when a license holder serves a client who is a parent with a child,  
300.9 the parent may only administer medication to the child under a staff member's supervision;

300.10 (7) requirements for recording the client's use of medication, including staff signatures  
300.11 with date and time;

300.12 (8) guidelines for when to inform a nurse of problems with self-administration of  
300.13 medication, including a client's failure to administer, refusal of a medication, adverse  
300.14 reaction, or error; and

300.15 (9) procedures for acceptance, documentation, and implementation of a prescription,  
300.16 whether written, verbal, telephonic, or electronic.

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

300.18 Sec. 35. Minnesota Statutes 2022, section 245G.08, subdivision 6, is amended to read:

300.19 Subd. 6. **Control of drugs.** A license holder must have and implement written policies  
300.20 and procedures developed by a registered nurse that contain:

300.21 (1) a requirement that each drug must be stored in a locked compartment. A Schedule  
300.22 II drug, as defined by section 152.02, subdivision 3, must be stored in a separately locked  
300.23 compartment, permanently affixed to the physical plant or medication cart;

300.24 (2) a system which accounts for all scheduled drugs each shift;

300.25 (3) a procedure for recording the client's use of medication, including the signature of  
300.26 the staff member who completed the administration of the medication with the time and  
300.27 date;

300.28 (4) a procedure to destroy a discontinued, outdated, or deteriorated medication;

300.29 (5) a statement that only authorized personnel are permitted access to the keys to a locked  
300.30 compartment;

301.1 (6) a statement that no legend drug supply for one client shall be given to another client;  
301.2 and

301.3 (7) a procedure for monitoring the available supply of ~~naloxone~~ an opiate antagonist as  
301.4 defined in section 604A.04, subdivision 1, on site; and replenishing the ~~naloxone~~ supply  
301.5 when needed, ~~and destroying naloxone according to clause (4).~~

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

301.7 Sec. 36. Minnesota Statutes 2022, section 245G.10, is amended by adding a subdivision  
301.8 to read:

301.9 **Subd. 6. Notification to commissioner of changes in key staff positions.** A license  
301.10 holder must notify the commissioner within five business days of a change or vacancy in a  
301.11 key staff position. The key positions are a treatment director as required by subdivision 1,  
301.12 an alcohol and drug counselor supervisor as required by subdivision 2, and a registered  
301.13 nurse as required by section 245G.08, subdivision 5, paragraph (c). The license holder must  
301.14 notify the commissioner of the staffing change on a form approved by the commissioner  
301.15 and include the name of the staff person now assigned to the key staff position and the staff  
301.16 person's qualifications for the position. The license holder must notify the program licensor  
301.17 of a vacancy to discuss how the duties of the key staff position will be fulfilled during the  
301.18 vacancy.

301.19 **EFFECTIVE DATE.** This section is effective January 1, 2025.

301.20 Sec. 37. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 2, is amended  
301.21 to read:

301.22 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision  
301.23 have the meanings given them.

301.24 (b) "Diversion" means the use of a medication for the treatment of opioid addiction being  
301.25 diverted from intended use of the medication.

301.26 (c) "Guest dose" means administration of a medication used for the treatment of opioid  
301.27 addiction to a person who is not a client of the program that is administering or dispensing  
301.28 the medication.

301.29 (d) "Medical director" means a practitioner licensed to practice medicine in the  
301.30 jurisdiction that the opioid treatment program is located who assumes responsibility for  
301.31 administering all medical services performed by the program, either by performing the

302.1 services directly or by delegating specific responsibility to a practitioner of the opioid  
302.2 treatment program.

302.3 (e) "Medication used for the treatment of opioid use disorder" means a medication  
302.4 approved by the Food and Drug Administration for the treatment of opioid use disorder.

302.5 (f) "Minnesota health care programs" has the meaning given in section 256B.0636.

302.6 (g) "Opioid treatment program" has the meaning given in Code of Federal Regulations,  
302.7 title 42, section 8.12, and includes programs licensed under this chapter.

302.8 (h) "Practitioner" means a staff member holding a current, unrestricted license to practice  
302.9 medicine issued by the Board of Medical Practice or nursing issued by the Board of Nursing  
302.10 and is currently registered with the Drug Enforcement Administration to order or dispense  
302.11 controlled substances in Schedules II to V under the Controlled Substances Act, United  
302.12 States Code, title 21, part B, section 821. ~~Practitioner includes an advanced practice registered~~  
302.13 ~~nurse and physician assistant if the staff member receives a variance by the state opioid~~  
302.14 ~~treatment authority under section 254A.03 and the federal Substance Abuse and Mental~~  
302.15 ~~Health Services Administration.~~

302.16 (i) "Unsupervised use" or "take-home" means the use of a medication for the treatment  
302.17 of opioid use disorder dispensed for use by a client outside of the program setting.

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

302.19 Sec. 38. Minnesota Statutes 2022, section 245G.22, subdivision 6, is amended to read:

302.20 Subd. 6. **Criteria for unsupervised use.** (a) To limit the potential for diversion of  
302.21 medication used for the treatment of opioid use disorder to the illicit market, medication  
302.22 dispensed to a client for unsupervised use shall be subject to the requirements of this  
302.23 subdivision. Any client in an opioid treatment program may receive ~~a single unsupervised~~  
302.24 ~~use dose for a day that the clinic is closed for business, including Sundays and state and~~  
302.25 ~~federal holidays~~ their individualized take-home doses as ordered for days that the clinic is  
302.26 closed for business, on one weekend day (e.g., Sunday) and state and federal holidays, no  
302.27 matter their length of time in treatment, as allowed under Code of Federal Regulations, title  
302.28 42, part 8.12 (i)(1).

302.29 (b) For take-home doses beyond those allowed by paragraph (a), a practitioner with  
302.30 ~~authority to prescribe~~ must review and document the criteria in ~~this paragraph and paragraph~~  
302.31 ~~(e)~~ the Code of Federal Regulations, title 42, part 8.12 (i)(2), when determining whether  
302.32 dispensing medication for a client's unsupervised use is safe and it is appropriate to

303.1 implement, increase, or extend the amount of time between visits to the program. ~~The criteria~~  
303.2 ~~are:~~

303.3 ~~(1) absence of recent abuse of drugs including but not limited to opioids, non-narcotics,~~  
303.4 ~~and alcohol;~~

303.5 ~~(2) regularity of program attendance;~~

303.6 ~~(3) absence of serious behavioral problems at the program;~~

303.7 ~~(4) absence of known recent criminal activity such as drug dealing;~~

303.8 ~~(5) stability of the client's home environment and social relationships;~~

303.9 ~~(6) length of time in comprehensive maintenance treatment;~~

303.10 ~~(7) reasonable assurance that unsupervised use medication will be safely stored within~~  
303.11 ~~the client's home; and~~

303.12 ~~(8) whether the rehabilitative benefit the client derived from decreasing the frequency~~  
303.13 ~~of program attendance outweighs the potential risks of diversion or unsupervised use.~~

303.14 (c) The determination, including the basis of the determination must be documented by  
303.15 a practitioner in the client's medical record.

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

303.17 Sec. 39. Minnesota Statutes 2022, section 245G.22, subdivision 7, is amended to read:

303.18 Subd. 7. **Restrictions for unsupervised use of methadone hydrochloride.** (a) If a  
303.19 ~~medical director or prescribing practitioner assesses and~~<sub>2</sub> determines, and documents that  
303.20 a client meets the criteria in subdivision 6 ~~and may be dispensed a medication used for the~~  
303.21 ~~treatment of opioid addiction, the restrictions in this subdivision must be followed when~~  
303.22 ~~the medication to be dispensed is methadone hydrochloride. The results of the assessment~~  
303.23 ~~must be contained in the client file. The number of unsupervised use medication doses per~~  
303.24 ~~week in paragraphs (b) to (d) is in addition to the number of unsupervised use medication~~  
303.25 ~~doses a client may receive for days the clinic is closed for business as allowed by subdivision~~  
303.26 ~~6, paragraph (a) and that a patient is safely able to manage unsupervised doses of methadone,~~  
303.27 the number of take-home doses the client receives must be limited by the number allowed  
303.28 by the Code of Federal Regulations, title 42, part 8.12 (i)(3).

303.29 (b) ~~During the first 90 days of treatment, the unsupervised use medication supply must~~  
303.30 ~~be limited to a maximum of a single dose each week and the client shall ingest all other~~  
303.31 ~~doses under direct supervision.~~

304.1 ~~(e) In the second 90 days of treatment, the unsupervised use medication supply must be~~  
304.2 ~~limited to two doses per week.~~

304.3 ~~(d) In the third 90 days of treatment, the unsupervised use medication supply must not~~  
304.4 ~~exceed three doses per week.~~

304.5 ~~(e) In the remaining months of the first year, a client may be given a maximum six-day~~  
304.6 ~~unsupervised use medication supply.~~

304.7 ~~(f) After one year of continuous treatment, a client may be given a maximum two-week~~  
304.8 ~~unsupervised use medication supply.~~

304.9 ~~(g) After two years of continuous treatment, a client may be given a maximum one-month~~  
304.10 ~~unsupervised use medication supply, but must make monthly visits to the program.~~

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

304.12 Sec. 40. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 17, is amended  
304.13 to read:

304.14 Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the  
304.15 policies and procedures required in this subdivision.

304.16 (b) For a program that is not open every day of the year, the license holder must maintain  
304.17 a policy and procedure that covers requirements under section 245G.22, subdivisions 6 and  
304.18 7. Unsupervised use of medication used for the treatment of opioid use disorder for days  
304.19 that the program is closed for business, ~~including but not limited to Sundays~~ on one weekend  
304.20 day and state and federal holidays, must meet the requirements under section 245G.22,  
304.21 subdivisions 6 and 7.

304.22 (c) The license holder must maintain a policy and procedure that includes specific  
304.23 measures to reduce the possibility of diversion. The policy and procedure must:

304.24 (1) specifically identify and define the responsibilities of the medical and administrative  
304.25 staff for performing diversion control measures; and

304.26 (2) include a process for contacting no less than five percent of clients who have  
304.27 unsupervised use of medication, excluding clients approved solely under subdivision 6,  
304.28 paragraph (a), to require clients to physically return to the program each month. The system  
304.29 must require clients to return to the program within a stipulated time frame and turn in all  
304.30 unused medication containers related to opioid use disorder treatment. The license holder  
304.31 must document all related contacts on a central log and the outcome of the contact for each

305.1 client in the client's record. The medical director must be informed of each outcome that  
305.2 results in a situation in which a possible diversion issue was identified.

305.3 (d) Medication used for the treatment of opioid use disorder must be ordered,  
305.4 administered, and dispensed according to applicable state and federal regulations and the  
305.5 standards set by applicable accreditation entities. If a medication order requires assessment  
305.6 by the person administering or dispensing the medication to determine the amount to be  
305.7 administered or dispensed, the assessment must be completed by an individual whose  
305.8 professional scope of practice permits an assessment. For the purposes of enforcement of  
305.9 this paragraph, the commissioner has the authority to monitor the person administering or  
305.10 dispensing the medication for compliance with state and federal regulations and the relevant  
305.11 standards of the license holder's accreditation agency and may issue licensing actions  
305.12 according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's  
305.13 determination of noncompliance.

305.14 (e) A counselor in an opioid treatment program must not supervise more than 50 clients.

305.15 (f) Notwithstanding paragraph (e), from July 1, 2023, to June 30, 2024, a counselor in  
305.16 an opioid treatment program may supervise up to 60 clients. The license holder may continue  
305.17 to serve a client who was receiving services at the program on June 30, 2024, at a counselor  
305.18 to client ratio of up to one to 60 and is not required to discharge any clients in order to return  
305.19 to the counselor to client ratio of one to 50. The license holder may not, however, serve a  
305.20 new client after June 30, 2024, unless the counselor who would supervise the new client is  
305.21 supervising fewer than 50 existing clients.

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

305.23 Sec. 41. Minnesota Statutes 2023 Supplement, section 256.046, subdivision 3, is amended  
305.24 to read:

305.25 Subd. 3. **Administrative disqualification of child care providers caring for children**  
305.26 **receiving child care assistance.** (a) The department shall pursue an administrative  
305.27 disqualification, if the child care provider is accused of committing an intentional program  
305.28 violation, in lieu of a criminal action when it has not been pursued. Intentional program  
305.29 violations include intentionally making false or misleading statements; intentionally  
305.30 misrepresenting, concealing, or withholding facts; and repeatedly and intentionally violating  
305.31 program regulations under chapters 119B and 245E. Intent may be proven by demonstrating  
305.32 a pattern of conduct that violates program rules under chapters 119B and 245E.

306.1 (b) To initiate an administrative disqualification, the commissioner must ~~mail~~ send  
306.2 written notice ~~by certified mail~~ using a signature-verified confirmed delivery method to the  
306.3 provider against whom the action is being taken. Unless otherwise specified under chapter  
306.4 119B or 245E or Minnesota Rules, chapter 3400, the commissioner must ~~mail~~ send the  
306.5 written notice at least 15 calendar days before the adverse action's effective date. The notice  
306.6 shall state (1) the factual basis for the agency's determination, (2) the action the agency  
306.7 intends to take, (3) the dollar amount of the monetary recovery or recoupment, if known,  
306.8 and (4) the provider's right to appeal the agency's proposed action.

306.9 (c) The provider may appeal an administrative disqualification by submitting a written  
306.10 request to the Department of Human Services, Appeals Division. A provider's request must  
306.11 be received by the Appeals Division no later than 30 days after the date the commissioner  
306.12 mails the notice.

306.13 (d) The provider's appeal request must contain the following:

306.14 (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the  
306.15 dollar amount involved for each disputed item;

306.16 (2) the computation the provider believes to be correct, if applicable;

306.17 (3) the statute or rule relied on for each disputed item; and

306.18 (4) the name, address, and telephone number of the person at the provider's place of  
306.19 business with whom contact may be made regarding the appeal.

306.20 (e) On appeal, the issuing agency bears the burden of proof to demonstrate by a  
306.21 preponderance of the evidence that the provider committed an intentional program violation.

306.22 (f) The hearing is subject to the requirements of sections 256.045 and 256.0451. The  
306.23 human services judge may combine a fair hearing and administrative disqualification hearing  
306.24 into a single hearing if the factual issues arise out of the same or related circumstances and  
306.25 the provider receives prior notice that the hearings will be combined.

306.26 (g) A provider found to have committed an intentional program violation and is  
306.27 administratively disqualified shall be disqualified, for a period of three years for the first  
306.28 offense and permanently for any subsequent offense, from receiving any payments from  
306.29 any child care program under chapter 119B.

306.30 (h) Unless a timely and proper appeal made under this section is received by the  
306.31 department, the administrative determination of the department is final and binding.

306.32 **EFFECTIVE DATE.** This section is effective August 1, 2024.

307.1 Sec. 42. Minnesota Statutes 2023 Supplement, section 256B.064, subdivision 4, is amended  
307.2 to read:

307.3 Subd. 4. **Notice.** (a) The department shall serve the notice required under subdivision 2  
307.4 ~~by certified mail at~~ using a signature-verified confirmed delivery method to the address  
307.5 submitted to the department by the individual or entity. Service is complete upon mailing.

307.6 (b) The department shall give notice in writing to a recipient placed in the Minnesota  
307.7 restricted recipient program under section 256B.0646 and Minnesota Rules, part 9505.2200.  
307.8 The department shall send the notice by first class mail to the recipient's current address on  
307.9 file with the department. A recipient placed in the Minnesota restricted recipient program  
307.10 may contest the placement by submitting a written request for a hearing to the department  
307.11 within 90 days of the notice being mailed.

307.12 Sec. 43. Minnesota Statutes 2022, section 260E.33, subdivision 2, as amended by Laws  
307.13 2024, chapter 80, article 8, section 44, is amended to read:

307.14 Subd. 2. **Request for reconsideration.** (a) Except as provided under subdivision 5, an  
307.15 individual or facility that the commissioner of human services; commissioner of children,  
307.16 youth, and families; a local welfare agency; or the commissioner of education determines  
307.17 has maltreated a child, an interested person acting on behalf of the child, regardless of the  
307.18 determination, who contests the investigating agency's final determination regarding  
307.19 maltreatment may request the investigating agency to reconsider its final determination  
307.20 regarding maltreatment. The request for reconsideration must be submitted in writing or  
307.21 submitted in the provider licensing and reporting hub to the investigating agency within 15  
307.22 calendar days after receipt of notice of the final determination regarding maltreatment or,  
307.23 if the request is made by an interested person who is not entitled to notice, within 15 days  
307.24 after receipt of the notice by the parent or guardian of the child. If mailed, the request for  
307.25 reconsideration must be postmarked and sent to the investigating agency within 15 calendar  
307.26 days of the individual's or facility's receipt of the final determination. If the request for  
307.27 reconsideration is made by personal service, it must be received by the investigating agency  
307.28 within 15 calendar days after the individual's or facility's receipt of the final determination.  
307.29 Upon implementation of the provider licensing and reporting hub, the individual or facility  
307.30 must use the hub to request reconsideration. The reconsideration must be received by the  
307.31 commissioner within 15 calendar days of the individual's receipt of the notice of  
307.32 disqualification.

307.33 (b) An individual who was determined to have maltreated a child under this chapter and  
307.34 who was disqualified on the basis of serious or recurring maltreatment under sections

308.1 245C.14 and 245C.15 may request reconsideration of the maltreatment determination and  
308.2 the disqualification. The request for reconsideration of the maltreatment determination and  
308.3 the disqualification must be submitted within 30 calendar days of the individual's receipt  
308.4 of the notice of disqualification under sections 245C.16 and 245C.17. If mailed, the request  
308.5 for reconsideration of the maltreatment determination and the disqualification must be  
308.6 postmarked and sent to the investigating agency within 30 calendar days of the individual's  
308.7 receipt of the maltreatment determination and notice of disqualification. If the request for  
308.8 reconsideration is made by personal service, it must be received by the investigating agency  
308.9 within 30 calendar days after the individual's receipt of the notice of disqualification.

308.10 Sec. 44. Laws 2024, chapter 80, article 2, section 6, subdivision 2, is amended to read:

308.11 Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change  
308.12 in ownership, the commissioner shall require submission of a new license application. This  
308.13 subdivision does not apply to a licensed program or service located in a home where the  
308.14 license holder resides. A change in ownership occurs when:

308.15 (1) except as provided in paragraph (b), the license holder sells or transfers 100 percent  
308.16 of the property, stock, or assets;

308.17 (2) the license holder merges with another organization;

308.18 (3) the license holder consolidates with two or more organizations, resulting in the  
308.19 creation of a new organization;

308.20 (4) there is a change to the federal tax identification number associated with the license  
308.21 holder; or

308.22 (5) except as provided in paragraph (b), all controlling individuals ~~associated with~~ for  
308.23 the original ~~application~~ license have changed.

308.24 (b) ~~Notwithstanding~~ For changes under paragraph (a), clauses clause (1) and or (5), no  
308.25 change in ownership has occurred and a new license application is not required if at least  
308.26 one controlling individual has been ~~listed~~ affiliated as a controlling individual for the license  
308.27 for at least the previous 12 months immediately preceding the change.

308.28 **EFFECTIVE DATE.** This section is effective January 1, 2025.

308.29 Sec. 45. Laws 2024, chapter 80, article 2, section 6, subdivision 3, is amended to read:

308.30 Subd. 3. **Standard change of ownership process.** (a) When a change in ownership is  
308.31 proposed and the party intends to assume operation without an interruption in service longer

309.1 than 60 days after acquiring the program or service, the license holder must provide the  
309.2 commissioner with written notice of the proposed change on a form provided by the  
309.3 commissioner at least ~~60~~ 90 days before the anticipated date of the change in ownership.  
309.4 For purposes of this ~~subdivision and subdivision 4~~ section, "party" means the party that  
309.5 intends to operate the service or program.

309.6 (b) The party must submit a license application under this chapter on the form and in  
309.7 the manner prescribed by the commissioner at least ~~30~~ 90 days before the change in  
309.8 ownership is anticipated to be complete and must include documentation to support the  
309.9 upcoming change. The party must comply with background study requirements under chapter  
309.10 245C and shall pay the application fee required under section 245A.10.

309.11 (c) The commissioner may streamline application procedures when the party is an existing  
309.12 license holder under this chapter and is acquiring a program licensed under this chapter or  
309.13 service in the same service class as one or more licensed programs or services the party  
309.14 operates and those licenses are in substantial compliance. For purposes of this subdivision,  
309.15 "substantial compliance" means within the previous 12 months the commissioner did not  
309.16 (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make  
309.17 a license held by the party conditional according to section 245A.06.

309.18 (d) ~~Except when a temporary change in ownership license is issued pursuant to~~  
309.19 ~~subdivision 4~~ While the standard change of ownership process is pending, the existing  
309.20 license holder ~~is solely~~ remains responsible for operating the program according to applicable  
309.21 laws and rules until a license under this chapter is issued to the party.

309.22 (e) If a licensing inspection of the program or service was conducted within the previous  
309.23 12 months and the existing license holder's license record demonstrates substantial  
309.24 compliance with the applicable licensing requirements, the commissioner may waive the  
309.25 party's inspection required by section 245A.04, subdivision 4. The party must submit to the  
309.26 commissioner (1) proof that the premises was inspected by a fire marshal or that the fire  
309.27 marshal deemed that an inspection was not warranted, and (2) proof that the premises was  
309.28 inspected for compliance with the building code or that no inspection was deemed warranted.

309.29 (f) If the party is seeking a license for a program or service that has an outstanding action  
309.30 under section 245A.06 or 245A.07, the party must submit a letter as part of the application  
309.31 process identifying how the party has or will come into full compliance with the licensing  
309.32 requirements.

309.33 (g) The commissioner shall evaluate the party's application according to section 245A.04,  
309.34 subdivision 6. If the commissioner determines that the party has remedied or demonstrates

310.1 the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has  
310.2 determined that the program otherwise complies with all applicable laws and rules, the  
310.3 commissioner shall issue a license or conditional license under this chapter. A conditional  
310.4 license issued under this section is final and not subject to reconsideration under section  
310.5 142B.16, subdivision 4. The conditional license remains in effect until the commissioner  
310.6 determines that the grounds for the action are corrected or no longer exist.

310.7 (h) The commissioner may deny an application as provided in section 245A.05. An  
310.8 applicant whose application was denied by the commissioner may appeal the denial according  
310.9 to section 245A.05.

310.10 (i) This subdivision does not apply to a licensed program or service located in a home  
310.11 where the license holder resides.

310.12 **EFFECTIVE DATE.** This section is effective January 1, 2025.

310.13 Sec. 46. Laws 2024, chapter 80, article 2, section 6, is amended by adding a subdivision  
310.14 to read:

310.15 **Subd. 3a. Emergency change in ownership process.** (a) In the event of a death of a  
310.16 license holder or sole controlling individual or a court order or other event that results in  
310.17 the license holder being inaccessible or unable to operate the program or service, a party  
310.18 may submit a request to the commissioner to allow the party to assume operation of the  
310.19 program or service under an emergency change in ownership process to ensure persons  
310.20 continue to receive services while the commissioner evaluates the party's license application.

310.21 (b) To request the emergency change of ownership process, the party must immediately:

310.22 (1) notify the commissioner of the event resulting in the inability of the license holder  
310.23 to operate the program and of the party's intent to assume operations; and

310.24 (2) provide the commissioner with documentation that demonstrates the party has a legal  
310.25 or legitimate ownership interest in the program or service if applicable and is able to operate  
310.26 the program or service.

310.27 (c) If the commissioner approves the party to continue operating the program or service  
310.28 under an emergency change in ownership process, the party must:

310.29 (1) request to be added as a controlling individual or license holder to the existing license;

310.30 (2) notify persons receiving services of the emergency change in ownership in a manner  
310.31 approved by the commissioner;

310.32 (3) submit an application for a new license within 30 days of approval;

311.1 (4) comply with the background study requirements under chapter 245C; and

311.2 (5) pay the application fee required under section 142B.12.

311.3 (d) While the emergency change of ownership process is pending, a party approved  
311.4 under this subdivision is responsible for operating the program under the existing license  
311.5 according to applicable laws and rules until a new license under this chapter is issued.

311.6 (e) The provisions in subdivision 3, paragraphs (c), (g), and (h), apply to this subdivision.

311.7 (f) Once a party is issued a new license or has decided not to seek a new license, the  
311.8 commissioner must close the existing license.

311.9 (g) This subdivision applies to any program or service licensed under this chapter.

311.10 **EFFECTIVE DATE.** This section is effective January 1, 2025.

311.11 Sec. 47. Laws 2024, chapter 80, article 2, section 6, is amended by adding a subdivision  
311.12 to read:

311.13 Subd. 5. **Failure to comply.** If the commissioner finds that the applicant or license holder  
311.14 has not fully complied with this section, the commissioner may impose a licensing sanction  
311.15 under section 142B.15, 142B.16, or 142B.18.

311.16 **EFFECTIVE DATE.** This section is effective January 1, 2025.

311.17 Sec. 48. Laws 2024, chapter 80, article 2, section 10, subdivision 1, is amended to read:

311.18 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional  
311.19 under section 142B.16, the commissioner may suspend or revoke the license, impose a fine,  
311.20 or secure an injunction against the continuing operation of the program of a license holder  
311.21 who:

311.22 (1) does not comply with applicable law or rule;

311.23 (2) has nondisqualifying background study information, as described in section 245C.05,  
311.24 subdivision 4, that reflects on the license holder's ability to safely provide care to foster  
311.25 children; or

311.26 (3) has an individual living in the household where the licensed services are provided  
311.27 or is otherwise subject to a background study, and the individual has nondisqualifying  
311.28 background study information, as described in section 245C.05, subdivision 4, that reflects  
311.29 on the license holder's ability to safely provide care to foster children.

312.1 When applying sanctions authorized under this section, the commissioner shall consider  
312.2 the nature, chronicity, or severity of the violation of law or rule and the effect of the violation  
312.3 on the health, safety, or rights of persons served by the program.

312.4 (b) If a license holder appeals the suspension or revocation of a license and the license  
312.5 holder continues to operate the program pending a final order on the appeal, the commissioner  
312.6 shall issue the license holder a temporary provisional license. Unless otherwise specified  
312.7 by the commissioner, variances in effect on the date of the license sanction under appeal  
312.8 continue under the temporary provisional license. The commissioner may include terms the  
312.9 license holder must follow pending a final order on the appeal. If a license holder fails to  
312.10 comply with applicable law or rule while operating under a temporary provisional license,  
312.11 the commissioner may impose additional sanctions under this section and section 142B.16  
312.12 and may terminate any prior variance. If a temporary provisional license is set to expire, a  
312.13 new temporary provisional license shall be issued to the license holder upon payment of  
312.14 any fee required under section 142B.12. The temporary provisional license shall expire on  
312.15 the date the final order is issued. If the license holder prevails on the appeal, a new  
312.16 nonprovisional license shall be issued for the remainder of the current license period.

312.17 (c) If a license holder is under investigation and the license issued under this chapter is  
312.18 due to expire before completion of the investigation, the program shall be issued a new  
312.19 license upon completion of the reapplication requirements and payment of any applicable  
312.20 license fee. Upon completion of the investigation, a licensing sanction may be imposed  
312.21 against the new license under this section or section 142B.16 or 142B.20.

312.22 (d) Failure to reapply or closure of a license issued under this chapter by the license  
312.23 holder prior to the completion of any investigation shall not preclude the commissioner  
312.24 from issuing a licensing sanction under this section or section 142B.16 at the conclusion of  
312.25 the investigation.

312.26 **EFFECTIVE DATE.** This section is effective January 1, 2025.

312.27 Sec. 49. Laws 2024, chapter 80, article 2, section 10, subdivision 6, is amended to read:

312.28 Subd. 6. **Appeal of multiple sanctions.** (a) When the license holder appeals more than  
312.29 one licensing action or sanction that were simultaneously issued by the commissioner, the  
312.30 license holder shall specify the actions or sanctions that are being appealed.

312.31 (b) If there are different timelines prescribed in statutes for the licensing actions or  
312.32 sanctions being appealed, the license holder must submit the appeal within the longest of  
312.33 those timelines specified in statutes.

313.1 (c) The appeal must be made in writing by certified mail ~~or~~, personal service, or through  
313.2 the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent  
313.3 to the commissioner within the prescribed timeline with the first day beginning the day after  
313.4 the license holder receives the certified letter. If a request is made by personal service, it  
313.5 must be received by the commissioner within the prescribed timeline with the first day  
313.6 beginning the day after the license holder receives the certified letter. If the appeal is made  
313.7 through the provider hub, the appeal must be received by the commissioner within the  
313.8 prescribed timeline with the first day beginning the day after the commissioner issued the  
313.9 order through the hub.

313.10 (d) When there are different timelines prescribed in statutes for the appeal of licensing  
313.11 actions or sanctions simultaneously issued by the commissioner, the commissioner shall  
313.12 specify in the notice to the license holder the timeline for appeal as specified under paragraph  
313.13 (b).

313.14 Sec. 50. **REPEALER**.

313.15 (a) Minnesota Statutes 2022, section 245C.125, is repealed.

313.16 (b) Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 2, is repealed.

313.17 (c) Minnesota Rules, part 9502.0425, subpart 5, is repealed.

313.18 (d) Laws 2024, chapter 80, article 2, section 6, subdivision 4, is repealed.

313.19 **ARTICLE 11**

313.20 **MISCELLANEOUS**

313.21 Section 1. Minnesota Statutes 2022, section 148F.025, subdivision 2, is amended to read:

313.22 Subd. 2. **Education requirements for licensure.** An applicant for licensure must submit  
313.23 evidence satisfactory to the board that the applicant has:

313.24 (1) received a bachelor's or master's degree from an accredited school or educational  
313.25 program; and

313.26 (2) received 18 semester credits or 270 clock hours of academic course work and 880  
313.27 clock hours of supervised alcohol and drug counseling practicum from an accredited school  
313.28 or education program. The course work and practicum do not have to be part of the bachelor's  
313.29 degree earned under clause (1). The academic course work must be in the following areas:

313.30 (i) an overview of the transdisciplinary foundations of alcohol and drug counseling,  
313.31 including theories of chemical dependency, the continuum of care, and the process of change;

- 314.1 (ii) pharmacology of substance abuse disorders and the dynamics of addiction, including  
314.2 substance use disorder treatment with medications for opioid use disorder;
- 314.3 (iii) professional and ethical responsibilities;
- 314.4 (iv) multicultural aspects of chemical dependency;
- 314.5 (v) co-occurring disorders; and
- 314.6 (vi) the core functions defined in section 148F.01, subdivision 10.

314.7 Sec. 2. Minnesota Statutes 2023 Supplement, section 245.991, subdivision 1, is amended  
314.8 to read:

314.9 Subdivision 1. **Establishment.** The commissioner of human services must establish the  
314.10 projects for assistance in transition from homelessness program to prevent or end  
314.11 homelessness for people with serious mental illness, substance use disorder, or co-occurring  
314.12 substance use disorder and ensure the commissioner achieves the goals of the housing  
314.13 mission statement in section 245.461, subdivision 4.

314.14 Sec. 3. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 1a, is amended  
314.15 to read:

314.16 Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal  
314.17 Regulations, title 25, part 20, who meet the income standards of section 256B.056,  
314.18 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health  
314.19 fund services. State money appropriated for this paragraph must be placed in a separate  
314.20 account established for this purpose.

314.21 (b) Persons with dependent children who are determined to be in need of substance use  
314.22 disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in  
314.23 need of chemical dependency treatment pursuant to a case plan under section 260C.201,  
314.24 subdivision 6, or 260C.212, shall be assisted by the local agency to access needed treatment  
314.25 services. Treatment services must be appropriate for the individual or family, which may  
314.26 include long-term care treatment or treatment in a facility that allows the dependent children  
314.27 to stay in the treatment facility. The county shall pay for out-of-home placement costs, if  
314.28 applicable.

314.29 (c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible  
314.30 for room and board services under section 254B.05, subdivision 5, paragraph (b), clause  
314.31 (12).

315.1 (d) A client is eligible to have substance use disorder treatment paid for with funds from  
315.2 the behavioral health fund when the client:

315.3 (1) is eligible for MFIP as determined under chapter 256J;

315.4 (2) is eligible for medical assistance as determined under Minnesota Rules, parts  
315.5 9505.0010 to 9505.0150;

315.6 (3) is eligible for general assistance, general assistance medical care, or work readiness  
315.7 as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

315.8 (4) has income that is within current household size and income guidelines for entitled  
315.9 persons, as defined in this subdivision and subdivision 7.

315.10 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have  
315.11 a third-party payment source are eligible for the behavioral health fund if the third-party  
315.12 payment source pays less than 100 percent of the cost of treatment services for eligible  
315.13 clients.

315.14 (f) A client is ineligible to have substance use disorder treatment services paid for with  
315.15 behavioral health fund money if the client:

315.16 (1) has an income that exceeds current household size and income guidelines for entitled  
315.17 persons as defined in this subdivision and subdivision 7; or

315.18 (2) has an available third-party payment source that will pay the total cost of the client's  
315.19 treatment.

315.20 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode  
315.21 is eligible for continued treatment service that is paid for by the behavioral health fund until  
315.22 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan  
315.23 if the client:

315.24 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance  
315.25 medical care; or

315.26 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local  
315.27 agency under section 254B.04.

315.28 (h) When a county commits a client under chapter 253B to a regional treatment center  
315.29 for substance use disorder services and the client is ineligible for the behavioral health fund,  
315.30 the county is responsible for the payment to the regional treatment center according to  
315.31 section 254B.05, subdivision 4.

316.1 (i) Notwithstanding paragraph (a), persons enrolled in MinnesotaCare are eligible for  
316.2 room and board services under section 254B.05, subdivision 1a, paragraph (e).

316.3 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
316.4 whichever is later. The commissioner of human services shall notify the revisor of statutes  
316.5 when federal approval is obtained.

316.6 Sec. 4. Minnesota Statutes 2023 Supplement, section 256D.01, subdivision 1a, is amended  
316.7 to read:

316.8 Subd. 1a. **Standards.** (a) A principal objective in providing general assistance is to  
316.9 provide for single adults, childless couples, or children as defined in section 256D.02,  
316.10 subdivision 2b, ineligible for federal programs who are unable to provide for themselves.  
316.11 The minimum standard of assistance determines the total amount of the general assistance  
316.12 grant without separate standards for shelter, utilities, or other needs.

316.13 (b) The standard of assistance for an assistance unit consisting of a recipient who is  
316.14 childless and unmarried or living apart from children and spouse and who does not live with  
316.15 a parent or parents or a legal custodian, or consisting of a childless couple, is \$350 per month  
316.16 effective October 1, 2024, and must be adjusted by a percentage equal to the change in the  
316.17 consumer price index as of January 1 every year, beginning October 1, 2025.

316.18 (c) For an assistance unit consisting of a single adult who lives with a parent or parents,  
316.19 the general assistance standard of assistance is \$350 per month effective October 1, ~~2023~~  
316.20 2024, and must be adjusted by a percentage equal to the change in the consumer price index  
316.21 as of January 1 every year, beginning October 1, 2025. Benefits received by a responsible  
316.22 relative of the assistance unit under the Supplemental Security Income program, a workers'  
316.23 compensation program, the Minnesota supplemental aid program, or any other program  
316.24 based on the responsible relative's disability, and any benefits received by a responsible  
316.25 relative of the assistance unit under the Social Security retirement program, may not be  
316.26 counted in the determination of eligibility or benefit level for the assistance unit. Except as  
316.27 provided below, the assistance unit is ineligible for general assistance if the available  
316.28 resources or the countable income of the assistance unit and the parent or parents with whom  
316.29 the assistance unit lives are such that a family consisting of the assistance unit's parent or  
316.30 parents, the parent or parents' other family members and the assistance unit as the only or  
316.31 additional minor child would be financially ineligible for general assistance. For the purposes  
316.32 of calculating the countable income of the assistance unit's parent or parents, the calculation  
316.33 methods must follow the provisions under section 256P.06.

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

317.1 Sec. 5. Minnesota Statutes 2022, section 256I.04, subdivision 2f, is amended to read:

317.2 Subd. 2f. **Required services.** (a) In ~~licensed and registered~~ authorized settings under  
317.3 subdivision 2a, providers shall ensure that participants have at a minimum:

317.4 (1) food preparation and service for three nutritional meals a day on site;

317.5 (2) a bed, clothing storage, linen, bedding, laundering, and laundry supplies or service;

317.6 (3) housekeeping, including cleaning and lavatory supplies or service; and

317.7 (4) maintenance and operation of the building and grounds, including heat, water, garbage  
317.8 removal, electricity, telephone for the site, cooling, supplies, and parts and tools to repair  
317.9 and maintain equipment and facilities.

317.10 (b) In addition, when providers serve participants described in subdivision 1, paragraph

317.11 (c), the providers are required to assist the participants in applying for continuing housing  
317.12 support payments before the end of the eligibility period.

317.13 Sec. 6. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 1a, is amended  
317.14 to read:

317.15 Subd. 1a. **Supplementary service rates.** (a) Subject to the provisions of section 256I.04,  
317.16 subdivision 3, the agency may negotiate a payment not to exceed \$494.91 for other services  
317.17 necessary to provide room and board if the residence is licensed by or registered by the  
317.18 Department of Health, or licensed by the Department of Human Services to provide services  
317.19 in addition to room and board, and if the provider of services is not also concurrently  
317.20 receiving funding for services for a recipient in the residence under the following programs  
317.21 or funding sources: (1) home and community-based waiver services under chapter 256S or  
317.22 section 256B.0913, 256B.092, or 256B.49; (2) personal care assistance under section  
317.23 256B.0659; (3) community first services and supports under section 256B.85; or (4) services  
317.24 for adults with mental illness grants under section 245.73. If funding is available for other  
317.25 necessary services through a home and community-based waiver under chapter 256S, or  
317.26 section 256B.0913, 256B.092, or 256B.49; personal care assistance services under section  
317.27 256B.0659; community first services and supports under section 256B.85; or services for  
317.28 adults with mental illness grants under section 245.73, then the housing support rate is  
317.29 limited to the rate set in subdivision 1. Unless otherwise provided in law, in no case may  
317.30 the supplementary service rate exceed \$494.91. The registration and licensure requirement  
317.31 does not apply to establishments which are exempt from state licensure because they are  
317.32 located on Indian reservations and for which the tribe has prescribed health and safety

318.1 requirements. Service payments under this section may be prohibited under rules to prevent  
318.2 the supplanting of federal funds with state funds.

318.3 ~~(b) The commissioner is authorized to make cost-neutral transfers from the housing~~  
318.4 ~~support fund for beds under this section to other funding programs administered by the~~  
318.5 ~~department after consultation with the agency in which the affected beds are located. The~~  
318.6 ~~commissioner may also make cost-neutral transfers from the housing support fund to agencies~~  
318.7 ~~for beds permanently removed from the housing support census under a plan submitted by~~  
318.8 ~~the agency and approved by the commissioner. The commissioner shall report the amount~~  
318.9 ~~of any transfers under this provision annually to the legislature.~~

318.10 ~~(e)~~ (b) Agencies must not negotiate supplementary service rates with providers of housing  
318.11 support that are licensed as board and lodging with special services and that do not encourage  
318.12 a policy of sobriety on their premises and make referrals to available community services  
318.13 for volunteer and employment opportunities for residents.

318.14 Sec. 7. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 11, is amended  
318.15 to read:

318.16 Subd. 11. ~~Transfer of emergency shelter funds~~ Cost-neutral transfers from the  
318.17 housing support fund. (a) The commissioner is authorized to make cost-neutral transfers  
318.18 from the housing support fund for beds under this section to other funding programs  
318.19 administered by the department after consultation with the agency in which the affected  
318.20 beds are located.

318.21 (b) The commissioner may also make cost-neutral transfers from the housing support  
318.22 fund to agencies for beds removed from the housing support census under a plan submitted  
318.23 by the agency and approved by the commissioner.

318.24 ~~(a)~~ (c) The commissioner shall make a cost-neutral transfer of funding from the housing  
318.25 support fund to the agency for emergency shelter beds removed from the housing support  
318.26 census under a ~~biennial~~ plan submitted by the agency and approved by the commissioner.  
318.27 Plans submitted under this paragraph must include anticipated and actual outcomes for  
318.28 persons experiencing homelessness in emergency shelters.

318.29 ~~The plan~~ (d) Plans submitted under paragraph (b) or (c) must describe: (1) anticipated  
318.30 and actual outcomes for persons experiencing homelessness in emergency shelters; (2)  
318.31 improved efficiencies in administration; (3) (2) requirements for individual eligibility; and  
318.32 (4) (3) plans for quality assurance monitoring and quality assurance outcomes. The

319.1 commissioner shall review ~~the agency plan~~ plans to monitor implementation and outcomes  
319.2 at least biennially, and more frequently if the commissioner deems necessary.

319.3 ~~(b)~~ (e) Funding under paragraph ~~(a)~~ (b), (c), or (d) may be used for the provision  
319.4 of room and board or supplemental services according to section 256I.03, subdivisions 14a  
319.5 and 14b. Providers must meet the requirements of section 256I.04, subdivisions 2a to 2f.  
319.6 Funding must be allocated annually, and the room and board portion of the allocation shall  
319.7 be adjusted according to the percentage change in the housing support room and board rate.  
319.8 ~~The room and board portion of the allocation shall be determined at the time of transfer.~~  
319.9 The commissioner or agency may return beds to the housing support fund with 180 days'  
319.10 notice, including financial reconciliation.

319.11 Sec. 8. Minnesota Statutes 2023 Supplement, section 342.06, is amended to read:

319.12 **342.06 APPROVAL OF CANNABIS FLOWER, PRODUCTS, AND**  
319.13 **CANNABINOIDS.**

319.14 (a) For the purposes of this section, "product category" means a type of product that  
319.15 may be sold in different sizes, distinct packaging, or at various prices but is still created  
319.16 using the same manufacturing or agricultural processes. A new or additional stock keeping  
319.17 unit (SKU) or Universal Product Code (UPC) shall not prevent a product from being  
319.18 considered the same type as another unit. All other terms have the meanings provided in  
319.19 section 342.01.

319.20 (b) The office shall approve product categories of cannabis flower, cannabis products,  
319.21 lower-potency hemp edibles, and hemp-derived consumer products for retail sale.

319.22 (c) The office may establish limits on the total THC of cannabis flower, cannabis products,  
319.23 and hemp-derived consumer products. As used in this paragraph, "total THC" means the  
319.24 sum of the percentage by weight of tetrahydrocannabinolic acid multiplied by 0.877 plus  
319.25 the percentage by weight of all tetrahydrocannabinols.

319.26 (d) The office shall not approve any cannabis product, lower-potency hemp edible, or  
319.27 hemp-derived consumer product that:

319.28 (1) is or appears to be a lollipop or ice cream;

319.29 (2) bears the likeness or contains characteristics of a real or fictional person, animal, or  
319.30 fruit;

319.31 (3) is modeled after a type or brand of products primarily consumed by or marketed to  
319.32 children;

320.1 (4) is substantively similar to a meat food product; poultry food product as defined in  
320.2 section 31A.02, subdivision 10; or a dairy product as defined in section 32D.01, subdivision  
320.3 7;

320.4 (5) contains a synthetic cannabinoid;

320.5 (6) is made by applying a cannabinoid, including but not limited to an artificially derived  
320.6 cannabinoid, to a finished food product that does not contain cannabinoids and is sold to  
320.7 consumers, including but not limited to a candy or snack food; or

320.8 (7) if the product is an edible cannabis product or lower-potency hemp edible, contains  
320.9 an ingredient, other than a cannabinoid, that is not approved by the United States Food and  
320.10 Drug Administration for use in food.

320.11 (e) The office must not approve any cannabis flower, cannabis product, or hemp-derived  
320.12 consumer product intended to be inhaled as smoke, aerosol, or vapor from the product that  
320.13 contains any added artificial flavoring or synthetic flavoring, either in the product itself or  
320.14 in its components or parts, that are not naturally occurring in the cannabis plants or hemp  
320.15 plants. For purposes of this paragraph, artificial flavoring or synthetic flavoring does not  
320.16 include naturally occurring terpenes.

320.17 Sec. 9. Minnesota Statutes 2022, section 383B.908, subdivision 7, is amended to read:

320.18 Subd. 7. **Dissolution or reorganization of corporation.** (a) The county board shall  
320.19 retain the right to dissolve the corporation, reorganize the corporation, or remove the majority  
320.20 of or the entire corporate board in order to resume management of Hennepin County Medical  
320.21 Center upon: (1) a two-thirds vote of the entire county board; and (2) identification of one  
320.22 or more of the following: (i) a crime committed by the corporate board; (ii) a violation by  
320.23 the corporate board of ethical and legal duties as specified in section 383B.905; or (iii)  
320.24 repeated failure by the corporate board to act in the best interests of the corporation.

320.25 (b) The county board must comply with subdivision 8 before taking any action to dissolve  
320.26 the corporation, reorganize the corporation, or remove the majority of or the entire corporate  
320.27 board.

320.28 Sec. 10. Minnesota Statutes 2022, section 383B.908, is amended by adding a subdivision  
320.29 to read:

320.30 Subd. 8. **Investigation.** (a) The county board must conduct a formal investigation into  
320.31 the acts identified by the county board under subdivision 7, paragraph (a), before taking

321.1 any action to dissolve the corporation, reorganize the corporation, or remove the majority  
321.2 of or the entire corporate board. As part of the formal investigation, the county board must:

321.3 (1) at least 90 business days before taking any action to dissolve the corporation,  
321.4 reorganize the corporation, or remove the majority of or the entire corporate board, provide  
321.5 notice to the corporate board and to the commissioner of health of the county board's  
321.6 proposed action and identify the specific acts that constitute grounds for the proposed action;

321.7 (2) accept a response from the corporate board, within 45 business days after the corporate  
321.8 board receives the notice and information required under clause (1), to the allegations by  
321.9 the county board. In its response, the corporate board may present any mitigating factors  
321.10 or defenses to the allegations; and

321.11 (3) assess the legal and practical implications of the proposed action, including how the  
321.12 proposed action would affect obligations to creditors; existing contracts; outstanding bond  
321.13 obligations; accredited programs and services; research and education commitments;  
321.14 reimbursements; regulatory requirements; clinical care and patients, especially patients  
321.15 covered by public programs who have complicated care needs; other providers and health  
321.16 systems; and critical statewide services such as the Minnesota Poison Control System and  
321.17 the emergency preparedness resources hub.

321.18 (b) Following the formal investigation, the county board must evaluate the results of the  
321.19 investigation and must develop a written plan detailing the procedures for the proposed  
321.20 action in a manner that provides continuity and minimal disruption to the items in paragraph  
321.21 (a), clause (3). The county board must hold a public hearing on the plan and must provide  
321.22 an opportunity for public testimony at the hearing. The county board may implement the  
321.23 proposed action only if it finds there is sufficient evidence to support a finding of a crime  
321.24 committed by the corporate board, a violation by the corporate board of ethical and legal  
321.25 duties as specified in section 383B.905, or repeated failure by the corporate board to act in  
321.26 the best interests of the corporation to warrant taking the proposed action.

321.27 Sec. 11. Minnesota Statutes 2022, section 383B.922, is amended to read:

321.28 **383B.922 LEGAL COUNSEL.**

321.29 Subdivision 1. **Hennepin County attorney.** With respect to the provisions of section  
321.30 388.051, the corporation shall be deemed a part of Hennepin County for purposes of the  
321.31 Hennepin County attorney serving as legal counsel to the corporation; provided, however,  
321.32 that the corporation and the Hennepin County attorney may enter into an arrangement with  
321.33 respect to the hiring of outside counsel on behalf of the corporation. The corporation shall

322.1 reimburse the county for legal services provided by the Hennepin County attorney, including  
322.2 any and all costs, and the reimbursement shall be credited to the budget of the Hennepin  
322.3 County attorney.

322.4 Subd. 2. **Separate legal counsel; investigation.** Notwithstanding subdivision 1, upon  
322.5 written notification to the county board, the corporate board may hire separate legal counsel  
322.6 to represent the corporate board and the corporation in matters related to an investigation  
322.7 under section 383B.908, subdivision 8. Approval from the county board or the Hennepin  
322.8 County attorney is not required.

322.9 Sec. 12. **REVIVAL AND REENACTMENT.**

322.10 Minnesota Statutes 2022, section 25B.051, subdivision 7, is revived and reenacted  
322.11 effective retroactively from August 1, 2023. Any time frames within or dependent on the  
322.12 subdivision are based on the original effective date in Laws 2017, First Special Session  
322.13 chapter 6, article 2, section 10.

322.14 Sec. 13. **REVISOR INSTRUCTION.**

322.15 The revisor of statutes shall renumber Minnesota Statutes, section 256D.21, as Minnesota  
322.16 Statutes, section 261.004.

322.17 Sec. 14. **REPEALER.**

322.18 Minnesota Statutes 2022, sections 256D.19, subdivisions 1 and 2; 256D.20, subdivisions  
322.19 1, 2, 3, and 4; and 256D.23, subdivisions 1, 2, and 3, are repealed.

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

## 322.21 **ARTICLE 12**

### 322.22 **HUMAN SERVICES FORECAST ADJUSTMENTS**

322.23 Section 1. **HUMAN SERVICES FORECAST ADJUSTMENTS.**

322.24 The sums shown in the columns marked "Appropriations" are added to or, if shown in  
322.25 parentheses, subtracted from the appropriations in Laws 2023, chapter 61, article 9, and  
322.26 Laws 2023, chapter 70, article 20, to the commissioner of human services from the general  
322.27 fund or other named fund for the purposes specified in section 2 and are available for the  
322.28 fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article  
322.29 mean that the addition to or subtraction from the appropriation listed under them is available  
322.30 for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.

|        |  |                            |                                      |                              |
|--------|--|----------------------------|--------------------------------------|------------------------------|
| 323.1  |  |                            | <b><u>APPROPRIATIONS</u></b>         |                              |
| 323.2  |  |                            | <b><u>Available for the Year</u></b> |                              |
| 323.3  |  |                            | <b><u>Ending June 30</u></b>         |                              |
| 323.4  |  |                            | <b><u>2024</u></b>                   | <b><u>2025</u></b>           |
| 323.5  | <b>Sec. 2. <u>COMMISSIONER OF HUMAN</u></b>                                |                            |                                      |                              |
| 323.6  | <b><u>SERVICES</u></b>   |                            |                                      |                              |
| 323.7  | <b><u>Subdivision 1. Total Appropriation</u></b>                           | <b>\$</b>                  | <b><u>137,604,000</u></b>            | <b>\$ <u>329,432,000</u></b> |
| 323.8  | <b><u>Appropriations by Fund</u></b>                                       |                            |                                      |                              |
| 323.9  | <b><u>General Fund</u></b>   | <b><u>139,746,000</u></b>  |                                      | <b><u>325,606,000</u></b>    |
| 323.10 | <b><u>Health Care Access</u></b>   |                            |                                      |                              |
| 323.11 | <b><u>Fund</u></b>   | <b><u>10,542,000</u></b>   |                                      | <b><u>6,224,000</u></b>      |
| 323.12 | <b><u>Federal TANF</u></b>   | <b><u>(12,684,000)</u></b> |                                      | <b><u>(2,398,000)</u></b>    |
| 323.13 | <b><u>Subd. 2. Forecasted Programs</u></b>                                 |                            |                                      |                              |
| 323.14 | <b><u>(a) MFIP/DWP</u></b>   |                            |                                      |                              |
| 323.15 | <b><u>Appropriations by Fund</u></b>                                       |                            |                                      |                              |
| 323.16 | <b><u>General Fund</u></b>   | <b><u>(5,990,000)</u></b>  |                                      | <b><u>(2,793,000)</u></b>    |
| 323.17 | <b><u>Federal TANF</u></b>   | <b><u>(12,684,000)</u></b> |                                      | <b><u>(2,398,000)</u></b>    |
| 323.18 | <b><u>(b) MFIP Child Care Assistance</u></b>                               |                            | <b><u>(36,726,000)</u></b>           | <b><u>(26,004,000)</u></b>   |
| 323.19 | <b><u>(c) General Assistance</u></b>                                       |                            | <b><u>(567,000)</u></b>              | <b><u>292,000</u></b>        |
| 323.20 | <b><u>(d) Minnesota Supplemental Aid</u></b>                               |                            | <b><u>1,424,000</u></b>              | <b><u>1,500,000</u></b>      |
| 323.21 | <b><u>(e) Housing Support</u></b>  |                            | <b><u>11,200,000</u></b>             | <b><u>14,667,000</u></b>     |
| 323.22 | <b><u>(f) Northstar Care for Children</u></b>                              |                            | <b><u>(3,697,000)</u></b>            | <b><u>(11,309,000)</u></b>   |
| 323.23 | <b><u>(g) MinnesotaCare</u></b>  |                            | <b><u>10,542,000</u></b>             | <b><u>6,224,000</u></b>      |
| 323.24 | <b><u>These appropriations are from the health care</u></b>                |                            |                                      |                              |
| 323.25 | <b><u>access fund.</u></b>   |                            |                                      |                              |
| 323.26 | <b><u>(h) Medical Assistance</u></b>                                       |                            | <b><u>180,321,000</u></b>            | <b><u>352,357,000</u></b>    |
| 323.27 | <b><u>(i) Behavioral Health Fund</u></b>                                   |                            | <b><u>(6,219,000)</u></b>            | <b><u>(3,104,000)</u></b>    |
| 323.28 | <b>Sec. 3. <u>EFFECTIVE DATE.</u></b>                                      |                            |                                      |                              |
| 323.29 | <b><u>This article is effective the day following final enactment.</u></b> |                            |                                      |                              |

**ARTICLE 13**

**APPROPRIATIONS**

**Section 1. HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2023, chapter 70, article 20, to the agencies and for the purposes specified in this article. The appropriations are from the general fund or other named fund and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. Base adjustments mean the addition to or subtraction from the base level adjustment set in Laws 2023, chapter 70, article 20. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2024, are effective the day following final enactment unless a different effective date is explicit.

|                                      |                    |
|--------------------------------------|--------------------|
| <b><u>APPROPRIATIONS</u></b>         |                    |
| <b><u>Available for the Year</u></b> |                    |
| <b><u>Ending June 30</u></b>         |                    |
| <b><u>2024</u></b>                   | <b><u>2025</u></b> |

**Sec. 2. COMMISSIONER OF HUMAN SERVICES**

|  |                  |                            |                  |                          |
|--|------------------|----------------------------|------------------|--------------------------|
| <b><u>Subdivision 1. Total Appropriation</u></b> | <b><u>\$</u></b> | <b><u>(10,083,000)</u></b> | <b><u>\$</u></b> | <b><u>12,926,000</u></b> |
|--|------------------|----------------------------|------------------|--------------------------|

**Appropriations by Fund**

|                                  |                           |                         |
|----------------------------------|---------------------------|-------------------------|
|                                  | <b><u>2024</u></b>        | <b><u>2025</u></b>      |
| <b><u>General</u></b>            | <b><u>(6,867,000)</u></b> | <b><u>9,760,000</u></b> |
| <b><u>Health Care Access</u></b> | <b><u>(3,216,000)</u></b> | <b><u>3,166,000</u></b> |

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

**Subd. 2. Central Office; Operations**

**Appropriations by Fund**

|                                  |                           |                           |
|----------------------------------|---------------------------|---------------------------|
| <b><u>General</u></b>            | <b><u>(1,443,000)</u></b> | <b><u>(1,443,000)</u></b> |
| <b><u>Health Care Access</u></b> | <b><u>-0-</u></b>         | <b><u>572,000</u></b>     |

**Base Level Adjustment.** The general fund base is increased by \$331,000 in fiscal year 2026 and \$252,000 in fiscal year 2027. The

325.1 health care access fund base is increased by  
 325.2 \$114,000 in fiscal year 2026 and \$114,000 in  
 325.3 fiscal year 2027.

325.4 **Subd. 3. Central Office; Health Care**

325.5 Appropriations by Fund

|       |                           |                    |                  |
|-------|---------------------------|--------------------|------------------|
| 325.6 | <u>General</u>            | <u>-0-</u>         | <u>400,000</u>   |
| 325.7 | <u>Health Care Access</u> | <u>(3,216,000)</u> | <u>3,216,000</u> |

325.8 **Base Level Adjustment.** The general fund  
 325.9 base is increased by \$900,000 in fiscal year  
 325.10 2026 and \$900,000 in fiscal year 2027.

325.11 **Subd. 4. Central Office; Behavioral Health,**  
 325.12 **Housing, and Deaf and Hard-of-Hearing**  
 325.13 **Services**

|  |                  |                  |
|--|------------------|------------------|
|  | <u>(136,000)</u> | <u>1,558,000</u> |
|--|------------------|------------------|

325.14 **Residential Mental Health Crisis**

325.15 **Stabilization.** \$204,000 in fiscal year 2025 is  
 325.16 to develop a covered benefit under medical  
 325.17 assistance to provide residential mental health  
 325.18 crisis stabilization for children and to submit  
 325.19 a report to the legislature. This is a onetime  
 325.20 appropriation.

325.21 **Subd. 5. Forecasted Programs; MinnesotaCare** -0- (2,070,000)

325.22 This appropriation is from the health care  
 325.23 access fund.

325.24 **Subd. 6. Forecasted Programs; Medical**  
 325.25 **Assistance**

325.26 Appropriations by Fund

|        |                           |            |                  |
|--------|---------------------------|------------|------------------|
| 325.27 | <u>General</u>            | <u>-0-</u> | <u>1,988,000</u> |
| 325.28 | <u>Health Care Access</u> | <u>-0-</u> | <u>1,448,000</u> |

326.1 **Subd. 7. Forecasted Programs; Behavioral**  
326.2 **Health Fund** -0- 127,000

326.3 **Subd. 8. Grant Programs; Adult Mental Health**  
326.4 **Grants** (6,731,000) -0-

326.5 **Subd. 9. Grant Programs; Children's Mental**  
326.6 **Health Grants** -0- 13,239,000

326.7 **(a) Respite Care Services.** \$5,000,000 in  
326.8 **fiscal year 2025 is for respite care services**  
326.9 **under Minnesota Statutes, section 245.4889,**  
326.10 **subdivision 1, paragraph (b), clause (3). Of**  
326.11 **this appropriation, \$1,000,000 in fiscal year**  
326.12 **2025 only is for grants to private child-placing**  
326.13 **agencies, as defined in Minnesota Rules,**  
326.14 **chapter 9545, to conduct recruitment and**  
326.15 **support licensing activities that are specific to**  
326.16 **increasing the availability of licensed foster**  
326.17 **homes to provide respite care services. The**  
326.18 **base for this appropriation is \$8,945,000 in**  
326.19 **fiscal year 2026 and \$8,945,000 in fiscal year**  
326.20 **2027.**

326.21 **(b) School-Linked Behavioral Health**  
326.22 **Grants.** \$8,239,000 in fiscal year 2025 is for  
326.23 **school-linked behavioral health grants under**  
326.24 **Minnesota Statutes, section 245.4901. This is**  
326.25 **a onetime appropriation and is available until**  
326.26 **June 30, 2027.**

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

326.28 **Sec. 3. COMMISSIONER OF HEALTH**

326.29 **Subdivision 1. Total Appropriation** \$ (541,000) \$ (2,446,000)

326.30 **Appropriations by Fund**

|                                       | <u>2024</u> | <u>2025</u> |
|---------------------------------------|-------------|-------------|
| 326.31                                |             |             |
| 326.32 <b><u>General</u></b>          | (545,000)   | 481,000     |
| 326.33 <b><u>State Government</u></b> |             |             |
| 326.34 <b><u>Special Revenue</u></b>  | 4,000       | (2,736,000) |

327.1 The amount that may be spent for each  
 327.2 purpose is specified in the following  
 327.3 subdivisions.

327.4 **Subd. 2. Health Improvement**

327.5 Appropriations by Fund

|       |                         |                  |                    |
|-------|-------------------------|------------------|--------------------|
| 327.6 | <u>General</u>          | <u>(545,000)</u> | <u>91,000</u>      |
| 327.7 | <u>State Government</u> |                  |                    |
| 327.8 | <u>Special Revenue</u>  | <u>-0-</u>       | <u>(2,880,000)</u> |

327.9 **(a) Request for Information; Evaluation of**  
 327.10 **Statewide Health Care Needs and Capacity.**

327.11 \$150,000 in fiscal year 2025 is from the  
 327.12 general fund for a request for information for  
 327.13 a future evaluation of statewide health care  
 327.14 needs and capacity and projections of future  
 327.15 health care needs. This is a onetime  
 327.16 appropriation.

327.17 **(b) Reports on Prior Authorization**

327.18 **Requests.** \$191,000 in fiscal year 2025 is from  
 327.19 the general fund for purposes of Minnesota  
 327.20 Statutes, section 62M.19. The base for this  
 327.21 appropriation is \$22,000 in fiscal year 2026  
 327.22 and \$22,000 in fiscal year 2027.

327.23 **(c) Base Level Adjustment.** The general fund  
 327.24 base is reduced by \$22,000 in fiscal year 2026  
 327.25 and increased by \$323,000 in fiscal year 2027.

327.26 **Subd. 3. Health Protection**

327.27 Appropriations by Fund

|        |                         |            |                |
|--------|-------------------------|------------|----------------|
| 327.28 | <u>General</u>          | <u>-0-</u> | <u>390,000</u> |
| 327.29 | <u>State Government</u> |            |                |
| 327.30 | <u>Special Revenue</u>  | <u>-0-</u> | <u>144,000</u> |

327.31 **(a) Natural Organic Reduction.** \$140,000 in  
 327.32 fiscal year 2025 is from the state government  
 327.33 special revenue fund for the licensure of  
 327.34 natural organic reduction facilities. The base

328.1 for this appropriation is \$85,000 in fiscal year  
328.2 2026 and \$16,000 in fiscal year 2027.

328.3 **(b) Groundwater Thermal Exchange Device**  
328.4 **Permitting.** \$4,000 in fiscal year 2024 and  
328.5 \$4,000 in fiscal year 2025 are from the state  
328.6 government special revenue fund for costs  
328.7 related to issuing permits for groundwater  
328.8 thermal exchange devices.

328.9 **(c) Base Level Adjustment.** The general fund  
328.10 base is increased by \$448,000 in fiscal year  
328.11 2026 and \$185,000 in fiscal year 2027. The  
328.12 state government special revenue fund base is  
328.13 increased by \$89,000 in fiscal year 2026 and  
328.14 \$20,000 in fiscal year 2027.

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

|        |   |                  |                         |                  |                      |
|--------|---|------------------|-------------------------|------------------|----------------------|
| 328.16 | Sec. 4. <b><u>BOARD OF PHARMACY</u></b> | <b><u>\$</u></b> | <b><u>1,500,000</u></b> | <b><u>\$</u></b> | <b><u>36,000</u></b> |
| 328.17 | <u>Appropriations by Fund</u>           |                  |                         |                  |                      |
| 328.18 | <u>General</u>                          | <u>1,500,000</u> | <u>-0-</u>              |                  |                      |
| 328.19 | <u>State Government</u>                 |                  |                         |                  |                      |
| 328.20 | <u>Special Revenue</u>                  | <u>-0-</u>       | <u>36,000</u>           |                  |                      |

328.21 **(a) Legal Costs.** \$1,500,000 in fiscal year  
328.22 2024 is from the general fund for legal costs  
328.23 of the board. This is a onetime appropriation.

328.24 **(b) Pharmacist Authority; Laboratory Tests**  
328.25 **and Vaccines.** \$27,000 in fiscal year 2025 is  
328.26 from the state government special revenue  
328.27 fund for board costs related to pharmacist  
328.28 authority to order and perform laboratory tests  
328.29 and initiate, order, and administer vaccines.

328.30 **(c) Statewide Protocol; Drugs to Prevent**  
328.31 **the Acquisition of HIV.** \$9,000 in fiscal year  
328.32 2025 is from the state government special  
328.33 revenue fund for the board to develop a  
328.34 statewide protocol for administering drugs to

329.1 prevent the acquisition of human  
329.2 immunodeficiency virus (HIV). This is a  
329.3 onetime appropriation.

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

329.5 Sec. 5. **BOARD OF DIRECTORS OF MNSURE** \$ -0- \$ 807,000

329.6 **Cost-Sharing Reduction Program**

329.7 **Administration.** \$807,000 in fiscal year 2025  
329.8 is from the general fund for MNsure  
329.9 information technology and administrative  
329.10 costs for the cost-sharing reduction program.  
329.11 The base for this appropriation is \$506,000 in  
329.12 fiscal year 2026 and \$0 in fiscal year 2027.

329.13 Sec. 6. **ATTORNEY GENERAL** \$ -0- \$ \$159,000

329.14 **Oversight of Nonprofit Health Coverage**

329.15 **Entity Transactions.** \$159,000 in fiscal year  
329.16 2025 is for oversight and enforcement of  
329.17 nonprofit health coverage entity transactions  
329.18 under Minnesota Statutes, sections 145D.30  
329.19 to 145D.37. This is a onetime appropriation  
329.20 and is available until June 30, 2027.

329.21 Sec. 7. **COMMISSIONER OF COMMERCE**

329.22 **Base Level Adjustment.** The general fund  
329.23 base is increased by \$111,000 in fiscal year  
329.24 2026 and \$54,000 in fiscal year 2027 for  
329.25 administrative costs for defrayal requirements  
329.26 under Minnesota Statutes, sections 62A.3098,  
329.27 62Q.524, and 62Q.665.

329.28 Sec. 8. **TRANSFERS.**

329.29 (a) \$8,830,000 in fiscal year 2026 is transferred from the premium security plan account  
329.30 under Minnesota Statutes, section 62E.25, subdivision 1, to the general fund. This is a  
329.31 onetime transfer.

330.1 (b) \$50,000 in fiscal year 2025, \$50,000 in fiscal year 2026, and \$50,000 in fiscal year  
330.2 2027 are transferred from the health care access fund to the insulin repayment account under  
330.3 Minnesota Statutes, section 151.741, subdivision 5. These are onetime transfers.

330.4 Sec. 9. Laws 2023, chapter 22, section 4, subdivision 2, is amended to read:

330.5 Subd. 2. **Grants to navigators.**

330.6 (a) \$1,936,000 in fiscal year 2024 is  
330.7 appropriated from the health care access fund  
330.8 to the commissioner of human services for  
330.9 grants to organizations with a MNsure grant  
330.10 services navigator assister contract in good  
330.11 standing as of the date of enactment. The grant  
330.12 payment to each organization must be in  
330.13 proportion to the number of medical assistance  
330.14 and MinnesotaCare enrollees each  
330.15 organization assisted that resulted in a  
330.16 successful enrollment in the second quarter of  
330.17 fiscal years 2020 and 2023, as determined by  
330.18 MNsure's navigator payment process. This is  
330.19 a onetime appropriation and is available until  
330.20 June 30, 2025.

330.21 (b) \$3,000,000 in fiscal year 2024 is  
330.22 appropriated from the health care access fund  
330.23 to the commissioner of human services for  
330.24 grants to organizations with a MNsure grant  
330.25 services navigator assister contract for  
330.26 successful enrollments in medical assistance  
330.27 and MinnesotaCare. This is a onetime  
330.28 appropriation and is available until June 30,  
330.29 2025.

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

330.31 Sec. 10. Laws 2023, chapter 70, article 20, section 2, subdivision 5, is amended to read:

330.32 Subd. 5. **Central Office; Health Care**

|       |                        |            |            |
|-------|------------------------|------------|------------|
| 331.1 | Appropriations by Fund |            |            |
| 331.2 | General                | 35,807,000 | 31,349,000 |
| 331.3 | Health Care Access     | 30,668,000 | 50,168,000 |

331.4 **(a) Medical assistance and MinnesotaCare**

331.5 **accessibility improvements. \$4,000,000**

331.6 \$784,000 in fiscal year 2024 is and \$3,216,000

331.7 in fiscal year 2025 are from the general fund

331.8 for interactive voice response upgrades and

331.9 translation services for medical assistance and

331.10 MinnesotaCare enrollees with limited English

331.11 proficiency. This appropriation is available

331.12 until June 30, ~~2025~~ 2027.

331.13 **(b) Transforming service delivery. \$155,000**

331.14 in fiscal year 2024 and \$180,000 in fiscal year

331.15 2025 are from the general fund for

331.16 transforming service delivery projects.

331.17 **(c) Improving the Minnesota eligibility**

331.18 **technology system functionality. \$1,604,000**

331.19 in fiscal year 2024 and \$711,000 in fiscal year

331.20 2025 are from the general fund for improving

331.21 the Minnesota eligibility technology system

331.22 functionality. The base for this appropriation

331.23 is \$1,421,000 in fiscal year 2026 and \$0 in

331.24 fiscal year 2027.

331.25 **(d) Actuarial and economic analyses.**

331.26 \$2,500,000 is from the health care access fund

331.27 for actuarial and economic analyses and to

331.28 prepare and submit a state innovation waiver

331.29 under section 1332 of the federal Affordable

331.30 Care Act for a Minnesota public option health

331.31 care plan. This is a onetime appropriation and

331.32 is available until June 30, 2025.

331.33 **(e) Contingent appropriation for Minnesota**

331.34 **public option health care plan. \$22,000,000**

331.35 in fiscal year 2025 is from the health care

332.1 access fund to implement a Minnesota public  
332.2 option health care plan. This is a onetime  
332.3 appropriation and is available upon approval  
332.4 of a state innovation waiver under section  
332.5 1332 of the federal Affordable Care Act. This  
332.6 appropriation is available until June 30, 2027.

332.7 **(f) Carryforward authority.** Notwithstanding  
332.8 Minnesota Statutes, section 16A.28,  
332.9 subdivision 3, \$2,367,000 of the appropriation  
332.10 in fiscal year 2024 is available until June 30,  
332.11 2027.

332.12 **(g) Base level adjustment.** The general fund  
332.13 base is \$32,315,000 in fiscal year 2026 and  
332.14 \$27,536,000 in fiscal year 2027. The health  
332.15 care access fund base is \$28,168,000 in fiscal  
332.16 year 2026 and \$28,168,000 in fiscal year 2027.

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

332.18 Sec. 11. Laws 2023, chapter 70, article 20, section 2, subdivision 7, is amended to read:

332.19 Subd. 7. **Central Office; Behavioral Health, Deaf**  
332.20 **and Hard of Hearing, and Housing Services**

|        |                        |                       |
|--------|------------------------|-----------------------|
| 332.21 | Appropriations by Fund |                       |
| 332.22 | <del>27,870,000</del>  | <del>27,592,000</del> |
| 332.23 | <u>27,734,000</u>      | <u>27,728,000</u>     |
| 332.24 | 163,000                | 163,000               |

332.25 **(a) Homeless management system.** \$250,000  
332.26 in fiscal year 2024 and \$1,000,000 in fiscal  
332.27 year 2025 are from the general fund for a  
332.28 homeless management information system.  
332.29 The base for this appropriation is \$1,140,000  
332.30 in fiscal year 2026 and \$1,140,000 in fiscal  
332.31 year 2027.

332.32 **(b) Online behavioral health program**  
332.33 **locator.** \$959,000 in fiscal year 2024 and  
332.34 \$959,000 in fiscal year 2025 are from the

333.1 general fund for an online behavioral health  
333.2 program locator.

333.3 **(c) Integrated services for children and**  
333.4 **families.** \$286,000 in fiscal year 2024 and  
333.5 \$286,000 in fiscal year 2025 are from the  
333.6 general fund for integrated services for  
333.7 children and families projects.

333.8 Notwithstanding Minnesota Statutes, section  
333.9 16A.28, subdivision 3, \$1,797,000 of the  
333.10 appropriation in fiscal year 2024 is available  
333.11 until June 30, 2027.

333.12 **(d) Carryforward authority.**

333.13 Notwithstanding Minnesota Statutes, section  
333.14 16A.28, subdivision 3, \$842,000 of the  
333.15 appropriation in fiscal year 2024 is available  
333.16 until June 30, 2027, \$136,000 of the  
333.17 appropriation in fiscal year 2025 is available  
333.18 until June 30, 2027, and \$852,000 of the  
333.19 appropriation in fiscal year 2025 is available  
333.20 until June 30, 2028.

333.21 **(f) Base level adjustment.** The general fund  
333.22 base is \$25,243,000 in fiscal year 2026 and  
333.23 \$24,682,000 in fiscal year 2027.

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

333.25 Sec. 12. Laws 2023, chapter 70, article 20, section 2, subdivision 29, is amended to read:

|        |  |             |             |
|--------|--|-------------|-------------|
| 333.26 | <b>Subd. 29. Grant Programs; Adult Mental Health</b> |             |             |
| 333.27 | <b>Grants</b>  | 132,327,000 | 121,270,000 |

333.28 **(a) Mobile crisis grants to Tribal Nations.**  
333.29 \$1,000,000 in fiscal year 2024 and \$1,000,000  
333.30 in fiscal year 2025 are for mobile crisis grants  
333.31 under Minnesota Statutes ~~section,~~ sections  
333.32 245.4661, subdivision 9, paragraph (b), clause  
333.33 (15), and 245.4889, subdivision 1, paragraph  
333.34 (b), clause (4), to Tribal Nations.

334.1 **(b) Mental health provider supervision**  
334.2 **grant program.** \$1,500,000 in fiscal year  
334.3 2024 and \$1,500,000 in fiscal year 2025 are  
334.4 for the mental health provider supervision  
334.5 grant program under Minnesota Statutes,  
334.6 section 245.4663.

334.7 **(c) Minnesota State University, Mankato**  
334.8 **community behavioral health center.**  
334.9 \$750,000 in fiscal year 2024 and \$750,000 in  
334.10 fiscal year 2025 are for a grant to the Center  
334.11 for Rural Behavioral Health at Minnesota State  
334.12 University, Mankato to establish a community  
334.13 behavioral health center and training clinic.  
334.14 The community behavioral health center must  
334.15 provide comprehensive, culturally specific,  
334.16 trauma-informed, practice- and  
334.17 evidence-based, person- and family-centered  
334.18 mental health and substance use disorder  
334.19 treatment services in Blue Earth County and  
334.20 the surrounding region to individuals of all  
334.21 ages, regardless of an individual's ability to  
334.22 pay or place of residence. The community  
334.23 behavioral health center and training clinic  
334.24 must also provide training and workforce  
334.25 development opportunities to students enrolled  
334.26 in the university's training programs in the  
334.27 fields of social work, counseling and student  
334.28 personnel, alcohol and drug studies,  
334.29 psychology, and nursing. Upon request, the  
334.30 commissioner must make information  
334.31 regarding the use of this grant funding  
334.32 available to the chairs and ranking minority  
334.33 members of the legislative committees with  
334.34 jurisdiction over behavioral health. This is a  
334.35 onetime appropriation and is available until  
334.36 June 30, 2027.

335.1 **(d) White Earth Nation; adult mental health**  
 335.2 **initiative.** \$300,000 in fiscal year 2024 and  
 335.3 \$300,000 in fiscal year 2025 are for adult  
 335.4 mental health initiative grants to the White  
 335.5 Earth Nation. This is a onetime appropriation.

335.6 **(e) Mobile crisis grants.** \$8,472,000 in fiscal  
 335.7 year 2024 and \$8,380,000 in fiscal year 2025  
 335.8 are for the mobile crisis grants under  
 335.9 Minnesota Statutes, ~~section~~ sections 245.4661,  
 335.10 subdivision 9, paragraph (b), clause (15), and  
 335.11 245.4889, subdivision 1, paragraph (b), clause  
 335.12 (4). This is a onetime appropriation and is  
 335.13 available until June 30, 2027.

335.14 **(f) Base level adjustment.** The general fund  
 335.15 base is \$121,980,000 in fiscal year 2026 and  
 335.16 \$121,980,000 in fiscal year 2027.

335.17 Sec. 13. Laws 2023, chapter 70, article 20, section 3, subdivision 2, is amended to read:

335.18 **Subd. 2. Health Improvement**

| 335.19                    | Appropriations by Fund |             |  |
|---------------------------|------------------------|-------------|--|
| 335.20 General            | 229,600,000            | 210,030,000 |  |
| 335.21 State Government   |                        |             |  |
| 335.22 Special Revenue    | 12,392,000             | 12,682,000  |  |
| 335.23 Health Care Access | 49,051,000             | 53,290,000  |  |
| 335.24 Federal TANF       | 11,713,000             | 11,713,000  |  |

335.25 **(a) Studies of telehealth expansion and**  
 335.26 **payment parity.** \$1,200,000 in fiscal year  
 335.27 2024 is from the general fund for studies of  
 335.28 telehealth expansion and payment parity. This  
 335.29 is a onetime appropriation and is available  
 335.30 until June 30, 2025.

335.31 **(b) Advancing equity through capacity**  
 335.32 **building and resource allocation grant**  
 335.33 **program.** \$916,000 in fiscal year 2024 and  
 335.34 \$916,000 in fiscal year 2025 are from the

336.1 general fund for grants under Minnesota  
336.2 Statutes, section 144.9821. This is a onetime  
336.3 appropriation.

336.4 **(c) Grant to Minnesota Community Health**  
336.5 **Worker Alliance.** \$971,000 in fiscal year  
336.6 2024 and \$971,000 in fiscal year 2025 are  
336.7 from the general fund for Minnesota Statutes,  
336.8 section 144.1462.

336.9 **(d) Community solutions for healthy child**  
336.10 **development grants.** \$2,730,000 in fiscal year  
336.11 2024 and \$2,730,000 in fiscal year 2025 are  
336.12 from the general fund for grants under  
336.13 Minnesota Statutes, section 145.9257. The  
336.14 base for this appropriation is \$2,415,000 in  
336.15 fiscal year 2026 and \$2,415,000 in fiscal year  
336.16 2027.

336.17 **(e) Comprehensive Overdose and Morbidity**  
336.18 **Prevention Act.** \$9,794,000 in fiscal year  
336.19 2024 and \$10,458,000 in fiscal year 2025 are  
336.20 from the general fund for comprehensive  
336.21 overdose and morbidity prevention strategies  
336.22 under Minnesota Statutes, section 144.0528.  
336.23 The base for this appropriation is \$10,476,000  
336.24 in fiscal year 2026 and \$10,476,000 in fiscal  
336.25 year 2027.

336.26 **(f) Emergency preparedness and response.**  
336.27 \$10,486,000 in fiscal year 2024 and  
336.28 \$14,314,000 in fiscal year 2025 are from the  
336.29 general fund for public health emergency  
336.30 preparedness and response, the sustainability  
336.31 of the strategic stockpile, and COVID-19  
336.32 pandemic response transition. The base for  
336.33 this appropriation is \$11,438,000 in fiscal year  
336.34 2026 and \$11,362,000 in fiscal year 2027.

- 337.1 **(g) Healthy Beginnings, Healthy Families.**  
337.2 (1) \$8,440,000 in fiscal year 2024 and  
337.3 \$7,305,000 in fiscal year 2025 are from the  
337.4 general fund for grants under Minnesota  
337.5 Statutes, sections 145.9571 to 145.9576. The  
337.6 base for this appropriation is \$1,500,000 in  
337.7 fiscal year 2026 and \$1,500,000 in fiscal year  
337.8 2027. (2) Of the amount in clause (1),  
337.9 \$400,000 in fiscal year 2024 is to support the  
337.10 transition from implementation of activities  
337.11 under Minnesota Statutes, section 145.4235,  
337.12 to implementation of activities under  
337.13 Minnesota Statutes, sections 145.9571 to  
337.14 145.9576. The commissioner shall award four  
337.15 sole-source grants of \$100,000 each to Face  
337.16 to Face, Cradle of Hope, Division of Indian  
337.17 Work, and Minnesota Prison Doula Project.  
337.18 The amount in this clause is a onetime  
337.19 appropriation.
- 337.20 **(h) Help Me Connect.** \$463,000 in fiscal year  
337.21 2024 and \$921,000 in fiscal year 2025 are  
337.22 from the general fund for the Help Me  
337.23 Connect program under Minnesota Statutes,  
337.24 section 145.988.
- 337.25 **(i) Home visiting.** \$2,000,000 in fiscal year  
337.26 2024 and \$2,000,000 in fiscal year 2025 are  
337.27 from the general fund for home visiting under  
337.28 Minnesota Statutes, section 145.87, to provide  
337.29 home visiting to priority populations under  
337.30 Minnesota Statutes, section 145.87,  
337.31 subdivision 1, paragraph (e).
- 337.32 **(j) No Surprises Act enforcement.**  
337.33 \$1,210,000 in fiscal year 2024 and \$1,090,000  
337.34 in fiscal year 2025 are from the general fund  
337.35 for implementation of the federal No Surprises

338.1 Act under Minnesota Statutes, section  
338.2 62Q.021, and an assessment of the feasibility  
338.3 of a statewide provider directory. The general  
338.4 fund base for this appropriation is \$855,000  
338.5 in fiscal year 2026 and \$855,000 in fiscal year  
338.6 2027.

338.7 **(k) Office of African American Health.**  
338.8 \$1,000,000 in fiscal year 2024 and \$1,000,000  
338.9 in fiscal year 2025 are from the general fund  
338.10 for grants under the authority of the Office of  
338.11 African American Health under Minnesota  
338.12 Statutes, section 144.0756.

338.13 **(l) Office of American Indian Health.**  
338.14 \$1,000,000 in fiscal year 2024 and \$1,000,000  
338.15 in fiscal year 2025 are from the general fund  
338.16 for grants under the authority of the Office of  
338.17 American Indian Health under Minnesota  
338.18 Statutes, section 144.0757.

338.19 **(m) Public health system transformation**  
338.20 **grants.** (1) \$9,844,000 in fiscal year 2024 and  
338.21 \$9,844,000 in fiscal year 2025 are from the  
338.22 general fund for grants under Minnesota  
338.23 Statutes, section 145A.131, subdivision 1,  
338.24 paragraph (f).

338.25 (2) \$535,000 in fiscal year 2024 and \$535,000  
338.26 in fiscal year 2025 are from the general fund  
338.27 for grants under Minnesota Statutes, section  
338.28 145A.14, subdivision 2b.

338.29 (3) \$321,000 in fiscal year 2024 and \$321,000  
338.30 in fiscal year 2025 are from the general fund  
338.31 for grants under Minnesota Statutes, section  
338.32 144.0759.

338.33 **(n) Health care workforce.** (1) \$1,010,000  
338.34 in fiscal year 2024 and \$2,550,000 in fiscal

339.1 year 2025 are from the health care access fund  
339.2 for rural training tracks and rural clinicals  
339.3 grants under Minnesota Statutes, sections  
339.4 144.1505 and 144.1507. The base for this  
339.5 appropriation is \$4,060,000 in fiscal year 2026  
339.6 and \$3,600,000 in fiscal year 2027.

339.7 (2) \$420,000 in fiscal year 2024 and \$420,000  
339.8 in fiscal year 2025 are from the health care  
339.9 access fund for immigrant international  
339.10 medical graduate training grants under  
339.11 Minnesota Statutes, section 144.1911.

339.12 (3) \$5,654,000 in fiscal year 2024 and  
339.13 \$5,550,000 in fiscal year 2025 are from the  
339.14 health care access fund for site-based clinical  
339.15 training grants under Minnesota Statutes,  
339.16 section 144.1508. The base for this  
339.17 appropriation is \$4,657,000 in fiscal year 2026  
339.18 and \$3,451,000 in fiscal year 2027.

339.19 (4) \$1,000,000 in fiscal year 2024 and  
339.20 \$1,000,000 in fiscal year 2025 are from the  
339.21 health care access fund for mental health for  
339.22 health care professional grants. This is a  
339.23 onetime appropriation and is available until  
339.24 June 30, 2027.

339.25 (5) \$502,000 in fiscal year 2024 and \$502,000  
339.26 in fiscal year 2025 are from the health care  
339.27 access fund for workforce research and data  
339.28 analysis of shortages, maldistribution of health  
339.29 care providers in Minnesota, and the factors  
339.30 that influence decisions of health care  
339.31 providers to practice in rural areas of  
339.32 Minnesota.

339.33 (o) **School health.** \$800,000 in fiscal year  
339.34 2024 and \$1,300,000 in fiscal year 2025 are

340.1 from the general fund for grants under  
340.2 Minnesota Statutes, section 145.903. The base  
340.3 for this appropriation is \$2,300,000 in fiscal  
340.4 year 2026 and \$2,300,000 in fiscal year 2027.

340.5 **(p) Long COVID.** \$3,146,000 in fiscal year  
340.6 2024 and \$3,146,000 in fiscal year 2025 are  
340.7 from the general fund for grants and to  
340.8 implement Minnesota Statutes, section  
340.9 145.361.

340.10 **(q) Workplace safety grants.** \$4,400,000 in  
340.11 fiscal year 2024 is from the general fund for  
340.12 grants to health care entities to improve  
340.13 employee safety or security. This is a onetime  
340.14 appropriation and is available until June 30,  
340.15 2027. The commissioner may use up to ten  
340.16 percent of this appropriation for  
340.17 administration.

340.18 **(r) Clinical dental education innovation**  
340.19 **grants.** \$1,122,000 in fiscal year 2024 and  
340.20 \$1,122,000 in fiscal year 2025 are from the  
340.21 general fund for clinical dental education  
340.22 innovation grants under Minnesota Statutes,  
340.23 section 144.1913.

340.24 **(s) Emmett Louis Till Victims Recovery**  
340.25 **Program.** \$500,000 in fiscal year 2024 is from  
340.26 the general fund for a grant to the Emmett  
340.27 Louis Till Victims Recovery Program. The  
340.28 commissioner must not use any of this  
340.29 appropriation for administration. This is a  
340.30 onetime appropriation and is available until  
340.31 June 30, 2025.

340.32 **(t) Center for health care affordability.**  
340.33 \$2,752,000 in fiscal year 2024 and \$3,989,000  
340.34 in fiscal year 2025 are from the general fund

341.1 to establish a center for health care  
341.2 affordability and to implement Minnesota  
341.3 Statutes, section 62J.312. The general fund  
341.4 base for this appropriation is \$3,988,000 in  
341.5 fiscal year 2026 and \$3,988,000 in fiscal year  
341.6 2027.

341.7 **(u) Federally qualified health centers**  
341.8 **apprenticeship program.** \$690,000 in fiscal  
341.9 year 2024 and \$690,000 in fiscal year 2025  
341.10 are from the general fund for grants under  
341.11 Minnesota Statutes, section 145.9272.

341.12 **(v) Alzheimer's public information**  
341.13 **program.** \$80,000 in fiscal year 2024 and  
341.14 \$80,000 in fiscal year 2025 are from the  
341.15 general fund for grants to community-based  
341.16 organizations to co-create culturally specific  
341.17 messages to targeted communities and to  
341.18 promote public awareness materials online  
341.19 through diverse media channels.

341.20 ~~(w) **Keeping Nurses at the Bedside Act;**~~  
341.21 ~~**contingent appropriation Nurse and Patient**~~  
341.22 ~~**Safety Act.** The appropriations in this~~  
341.23 ~~paragraph are contingent upon legislative~~  
341.24 ~~enactment of 2023 Senate File 1384 by the~~  
341.25 ~~93rd Legislature. The appropriations in this~~  
341.26 paragraph are available until June 30, 2027.

341.27 (1) \$5,317,000 in fiscal year 2024 and  
341.28 \$5,317,000 in fiscal year 2025 are from the  
341.29 general fund for loan forgiveness under  
341.30 Minnesota Statutes, section 144.1501, for  
341.31 eligible nurses who have agreed to work as  
341.32 hospital nurses in accordance with Minnesota  
341.33 Statutes, section 144.1501, subdivision 2,  
341.34 paragraph (a), clause (7).

342.1 (2) \$66,000 in fiscal year 2024 and \$66,000  
342.2 in fiscal year 2025 are from the general fund  
342.3 for loan forgiveness under Minnesota Statutes,  
342.4 section 144.1501, for eligible nurses who have  
342.5 agreed to teach in accordance with Minnesota  
342.6 Statutes, section 144.1501, subdivision 2,  
342.7 paragraph (a), clause (3).

342.8 ~~(3) \$545,000 in fiscal year 2024 and \$879,000~~  
342.9 ~~in fiscal year 2025 are from the general fund~~  
342.10 ~~to administer Minnesota Statutes, section~~  
342.11 ~~144.7057; to perform the evaluation duties~~  
342.12 ~~described in Minnesota Statutes, section~~  
342.13 ~~144.7058; to continue prevention of violence~~  
342.14 ~~in health care program activities; to analyze~~  
342.15 ~~potential links between adverse events and~~  
342.16 ~~understaffing; to convene stakeholder groups~~  
342.17 ~~and create a best practices toolkit; and for a~~  
342.18 ~~report on the current status of the state's~~  
342.19 ~~nursing workforce employed by hospitals. The~~  
342.20 ~~base for this appropriation is \$624,000 in fiscal~~  
342.21 ~~year 2026 and \$454,000 in fiscal year 2027.~~

342.22 **(x) Supporting healthy development of**  
342.23 **babies.** \$260,000 in fiscal year 2024 and  
342.24 \$260,000 in fiscal year 2025 are from the  
342.25 general fund for a grant to the Amherst H.  
342.26 Wilder Foundation for the African American  
342.27 Babies Coalition initiative. The base for this  
342.28 appropriation is \$520,000 in fiscal year 2026  
342.29 and \$0 in fiscal year 2027. Any appropriation  
342.30 in fiscal year 2026 is available until June 30,  
342.31 2027. This paragraph expires on June 30,  
342.32 2027.

342.33 **(y) Health professional education loan**  
342.34 **forgiveness.** \$2,780,000 in fiscal year 2024  
342.35 is from the general fund for eligible mental

343.1 health professional loan forgiveness under  
343.2 Minnesota Statutes, section 144.1501. This is  
343.3 a onetime appropriation. The commissioner  
343.4 may use up to ten percent of this appropriation  
343.5 for administration.

343.6 **(z) Primary care residency expansion grant**  
343.7 **program.** \$400,000 in fiscal year 2024 and  
343.8 \$400,000 in fiscal year 2025 are from the  
343.9 general fund for a psychiatry resident under  
343.10 Minnesota Statutes, section 144.1506.

343.11 **(aa) Pediatric primary care mental health**  
343.12 **training grant program.** \$1,000,000 in fiscal  
343.13 year 2024 and \$1,000,000 in fiscal year 2025  
343.14 are from the general fund for grants under  
343.15 Minnesota Statutes, section 144.1509. The  
343.16 commissioner may use up to ten percent of  
343.17 this appropriation for administration.

343.18 **(bb) Mental health cultural community**  
343.19 **continuing education grant program.**  
343.20 \$500,000 in fiscal year 2024 and \$500,000 in  
343.21 fiscal year 2025 are from the general fund for  
343.22 grants under Minnesota Statutes, section  
343.23 144.1511. The commissioner may use up to  
343.24 ten percent of this appropriation for  
343.25 administration.

343.26 **(cc) Labor trafficking services grant**  
343.27 **program.** \$500,000 in fiscal year 2024 and  
343.28 \$500,000 in fiscal year 2025 are from the  
343.29 general fund for grants under Minnesota  
343.30 Statutes, section 144.3885.

343.31 **(dd) Palliative Care Advisory Council.**  
343.32 ~~\$40,000~~ \$44,000 in fiscal year 2024 and  
343.33 ~~\$40,000~~ \$44,000 in fiscal year 2025 are from

344.1 the general fund for ~~grants~~ administration  
344.2 under Minnesota Statutes, section 144.059.

344.3 **(ee) Analysis of a universal health care**  
344.4 **financing system.** \$1,815,000 in fiscal year  
344.5 2024 and \$580,000 in fiscal year 2025 are  
344.6 from the general fund to the commissioner to  
344.7 contract for an analysis of the benefits and  
344.8 costs of a legislative proposal for a universal  
344.9 health care financing system and a similar  
344.10 analysis of the current health care financing  
344.11 system. The base for this appropriation is  
344.12 \$580,000 in fiscal year 2026 and \$0 in fiscal  
344.13 year 2027. This appropriation is available until  
344.14 June 30, 2027.

344.15 **(ff) Charitable assets public interest review.**  
344.16 (1) The appropriations under this paragraph  
344.17 are contingent upon legislative enactment of  
344.18 2023 House File 402 by the 93rd Legislature.

344.19 (2) \$1,584,000 in fiscal year 2024 and  
344.20 \$769,000 in fiscal year 2025 are from the  
344.21 general fund to review certain health care  
344.22 entity transactions; to conduct analyses of the  
344.23 impacts of health care transactions on health  
344.24 care cost, quality, and competition; and to  
344.25 issue public reports on health care transactions  
344.26 in Minnesota and their impacts. The base for  
344.27 this appropriation is \$710,000 in fiscal year  
344.28 2026 and \$710,000 in fiscal year 2027.

344.29 **(gg) Study of the development of a statewide**  
344.30 **registry for provider orders for**  
344.31 **life-sustaining treatment.** \$365,000 in fiscal  
344.32 year 2024 and \$365,000 in fiscal year 2025  
344.33 are from the general fund for a study of the  
344.34 development of a statewide registry for

- 345.1 provider orders for life-sustaining treatment.
- 345.2 This is a onetime appropriation.
- 345.3 **(hh) Task Force on Pregnancy Health and**
- 345.4 **Substance Use Disorders.** \$199,000 in fiscal
- 345.5 year 2024 and \$100,000 in fiscal year 2025
- 345.6 are from the general fund for the Task Force
- 345.7 on Pregnancy Health and Substance Use
- 345.8 Disorders. This is a onetime appropriation and
- 345.9 is available until June 30, 2025.
- 345.10 **(ii) 988 Suicide and crisis lifeline.** \$4,000,000
- 345.11 in fiscal year 2024 is from the general fund
- 345.12 for 988 national suicide prevention lifeline
- 345.13 grants under Minnesota Statutes, section
- 345.14 145.561. This is a onetime appropriation.
- 345.15 **(jj) Equitable Health Care Task Force.**
- 345.16 \$779,000 in fiscal year 2024 and \$749,000 in
- 345.17 fiscal year 2025 are from the general fund for
- 345.18 the Equitable Health Care Task Force. This is
- 345.19 a onetime appropriation.
- 345.20 **(kk) Psychedelic Medicine Task Force.**
- 345.21 \$338,000 in fiscal year 2024 and \$171,000 in
- 345.22 fiscal year 2025 are from the general fund for
- 345.23 the Psychedelic Medicine Task Force. This is
- 345.24 a onetime appropriation.
- 345.25 **(ll) Medical education and research costs.**
- 345.26 \$300,000 in fiscal year 2024 and \$300,000 in
- 345.27 fiscal year 2025 are from the general fund for
- 345.28 the medical education and research costs
- 345.29 program under Minnesota Statutes, section
- 345.30 62J.692.
- 345.31 **(mm) Special Guerilla Unit Veterans grant**
- 345.32 **program.** \$250,000 in fiscal year 2024 and
- 345.33 \$250,000 in fiscal year 2025 are from the
- 345.34 general fund for a grant to the Special

346.1 Guerrilla Units Veterans and Families of the  
346.2 United States of America to offer  
346.3 programming and culturally specific and  
346.4 specialized assistance to support the health  
346.5 and well-being of Special Guerilla Unit  
346.6 Veterans. The base for this appropriation is  
346.7 \$500,000 in fiscal year 2026 and \$0 in fiscal  
346.8 year 2027. Any amount appropriated in fiscal  
346.9 year 2026 is available until June 30, 2027.

346.10 This paragraph expires June 30, 2027.

346.11 **(nn) Safe harbor regional navigator.**

346.12 \$300,000 in fiscal year 2024 and \$300,000 in  
346.13 fiscal year 2025 are for a regional navigator  
346.14 in northwestern Minnesota. The commissioner  
346.15 may use up to ten percent of this appropriation  
346.16 for administration.

346.17 **(oo) Network adequacy.** \$798,000 in fiscal  
346.18 year 2024 and \$491,000 in fiscal year 2025  
346.19 are from the general fund for reviews of  
346.20 provider networks under Minnesota Statutes,  
346.21 section 62K.10, to determine network  
346.22 adequacy.

346.23 **(pp) Grants to Minnesota Alliance for**  
346.24 **Volunteer Advancement.** \$278,000 in fiscal  
346.25 year 2024 is from the general fund for a grant  
346.26 to the Minnesota Alliance for Volunteer  
346.27 Advancement to administer needs-based  
346.28 volunteerism subgrants targeting  
346.29 underresourced nonprofit organizations in  
346.30 greater Minnesota. Subgrants must be used to  
346.31 support the ongoing efforts of selected  
346.32 organizations to address and minimize  
346.33 disparities in access to human services through  
346.34 increased volunteerism. Subgrant applicants  
346.35 must demonstrate that the populations to be

347.1 served by the subgrantee are underserved or  
347.2 suffer from or are at risk of homelessness,  
347.3 hunger, poverty, lack of access to health care,  
347.4 or deficits in education. The Minnesota  
347.5 Alliance for Volunteer Advancement must  
347.6 give priority to organizations that are serving  
347.7 the needs of vulnerable populations. This is a  
347.8 onetime appropriation and is available until  
347.9 June 30, 2025.

347.10 ~~(pp)(1)~~(qq)(1) **TANF Appropriations.** TANF  
347.11 funds must be used as follows:

347.12 (i) \$3,579,000 in fiscal year 2024 and  
347.13 \$3,579,000 in fiscal year 2025 are from the  
347.14 TANF fund for home visiting and nutritional  
347.15 services listed under Minnesota Statutes,  
347.16 section 145.882, subdivision 7, clauses (6) and  
347.17 (7). Funds must be distributed to community  
347.18 health boards according to Minnesota Statutes,  
347.19 section 145A.131, subdivision 1;

347.20 (ii) \$2,000,000 in fiscal year 2024 and  
347.21 \$2,000,000 in fiscal year 2025 are from the  
347.22 TANF fund for decreasing racial and ethnic  
347.23 disparities in infant mortality rates under  
347.24 Minnesota Statutes, section 145.928,  
347.25 subdivision 7;

347.26 (iii) \$4,978,000 in fiscal year 2024 and  
347.27 \$4,978,000 in fiscal year 2025 are from the  
347.28 TANF fund for the family home visiting grant  
347.29 program under Minnesota Statutes, section  
347.30 145A.17. \$4,000,000 of the funding in fiscal  
347.31 year 2024 and \$4,000,000 in fiscal year 2025  
347.32 must be distributed to community health  
347.33 boards under Minnesota Statutes, section  
347.34 145A.131, subdivision 1. \$978,000 of the  
347.35 funding in fiscal year 2024 and \$978,000 in



349.1 (a) **Outcomes and evaluation consultation.**  
349.2 \$450,000 in fiscal year 2024 and \$450,000 in  
349.3 fiscal year 2025 are for outcomes and  
349.4 evaluation consultation requirements.

349.5 (b) **Department of Children, Youth, and**  
349.6 **Families.** \$11,931,000 in fiscal year 2024 and  
349.7 \$2,066,000 in fiscal year 2025 are to establish  
349.8 the Department of Children, Youth, and  
349.9 Families. This is a onetime appropriation.

349.10 ~~(e) **Keeping Nurses at the Bedside Act**~~  
349.11 ~~**impact evaluation; contingent**~~  
349.12 ~~**appropriation.** \$232,000 in fiscal year 2025~~  
349.13 ~~is for the Keeping Nurses at the Bedside Act~~  
349.14 ~~impact evaluation. This appropriation is~~  
349.15 ~~contingent upon legislative enactment by the~~  
349.16 ~~93rd Legislature of a provision substantially~~  
349.17 ~~similar to the impact evaluation provision in~~  
349.18 ~~2023 S.F. No. 2995, the third engrossment,~~  
349.19 ~~article 3, section 22. This is a onetime~~  
349.20 ~~appropriation and is available until June 30,~~  
349.21 ~~2029.~~

349.22 ~~(d)~~ (c) **Health care subcabinet.** \$551,000 in  
349.23 fiscal year 2024 and \$664,000 in fiscal year  
349.24 2025 are to hire an executive director for the  
349.25 health care subcabinet and to provide staffing  
349.26 and administrative support for the health care  
349.27 subcabinet.

349.28 ~~(e)~~ (d) **Base level adjustment.** The general  
349.29 fund base is \$1,114,000 in fiscal year 2026  
349.30 and \$1,114,000 in fiscal year 2027.

349.31 Sec. 15. **APPROPRIATIONS GIVEN EFFECT ONCE.**

349.32 If an appropriation or transfer in this article is enacted more than once during the 2024  
349.33 regular session, the appropriation or transfer must be given effect once.

350.1 Sec. 16. **EXPIRATION OF UNCODIFIED LANGUAGE.**

350.2 All uncodified language contained in this article expires on June 30, 2025, unless a  
350.3 different expiration date is explicit.

350.4 Sec. 17. **REPEALER.**

350.5 (a) Laws 2023, chapter 70, article 20, section 2, subdivision 31, as amended by Laws  
350.6 2023, chapter 75, section 12, is repealed.

350.7 (b) Laws 2023, chapter 75, section 10, is repealed.

350.8 **EFFECTIVE DATE.** Paragraph (b) is effective the day following final enactment.

**62A.041 MATERNITY BENEFITS.**

Subd. 3. **Abortion.** For the purposes of this section, the term "maternity benefits" shall not include elective, induced abortion whether performed in a hospital, other abortion facility, or the office of a physician.

This section applies to policies and contracts issued, delivered, or renewed after August 1, 1985, that cover Minnesota residents.

**62J.312 CENTER FOR HEALTH CARE AFFORDABILITY.**

Subd. 6. **340B covered entity report.** (a) Beginning April 1, 2024, each 340B covered entity, as defined by section 340B(a)(4) of the Public Health Service Act, must report to the commissioner of health by April 1 of each year the following information related to its participation in the federal 340B program for the previous calendar year:

- (1) the National Provider Identification (NPI) number;
- (2) the name of the 340B covered entity;
- (3) the servicing address of the 340B covered entity;
- (4) the classification of the 340B covered entity;
- (5) the aggregated acquisition cost for prescription drugs obtained under the 340B program;
- (6) the aggregated payment amount received for drugs obtained under the 340B program and dispensed to patients;
- (7) the aggregated payment made to pharmacies under contract to dispense drugs obtained under the 340B program; and
- (8) the number of claims for prescription drugs described in clause (6).

(b) The information required under paragraph (a) must be reported by payer type, including commercial insurance, medical assistance and MinnesotaCare, and Medicare, in the form and manner defined by the commissioner. For covered entities that are hospitals, the information required under paragraph (a), clauses (5) to (8), must also be reported at the national drug code level for the 50 most frequently dispensed drugs by the facility under the 340B program.

(c) Data submitted under paragraph (a) must include prescription drugs dispensed by outpatient facilities that are identified as child facilities under the federal 340B program based on their inclusion on the hospital's Medicare cost report.

(d) Data submitted to the commissioner under paragraph (a) must be classified as nonpublic data as defined in section 13.02, subdivision 9.

(e) Beginning November 15, 2024, and by November 15 of each year thereafter, the commissioner shall prepare a report that aggregates the data submitted under paragraph (a). The commissioner shall submit this report to the chairs and ranking minority members of the legislative committees with jurisdiction over health care finance and policy.

**62Q.522 COVERAGE OF CONTRACEPTIVE METHODS AND SERVICES.**

Subd. 3. **Exemption.** (a) An exempt organization is not required to cover contraceptives or contraceptive services if the exempt organization has religious objections to the coverage. An exempt organization that chooses to not provide coverage for some or all contraceptives and contraceptive services must notify employees as part of the hiring process and to all employees at least 30 days before:

- (1) an employee enrolls in the health plan; or
- (2) the effective date of the health plan, whichever occurs first.

(b) If the exempt organization provides coverage for some contraceptive methods or services, the notice required under paragraph (a) must provide a list of the contraceptive methods or services the organization refuses to cover.

Subd. 4. **Accommodation for eligible organizations.** (a) A health plan established or maintained by an eligible organization complies with the requirements of subdivision 2 to provide coverage of contraceptive methods and services, with respect to the contraceptive methods or services identified in the notice under this paragraph, if the eligible organization provides notice to any health plan

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company the eligible organization contracts with that it is an eligible organization and that the eligible organization has a religious objection to coverage for all or a subset of contraceptive methods or services.

(b) The notice from an eligible organization to a health plan company under paragraph (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to coverage for some or all of contraceptive methods or services, including a list of the contraceptive methods or services the eligible organization objects to, if applicable; and (3) the health plan name. The notice must be executed by a person authorized to provide notice on behalf of the eligible organization.

(c) An eligible organization must provide a copy of the notice under paragraph (a) to prospective employees as part of the hiring process and to all employees at least 30 days before:

- (1) an employee enrolls in the health plan; or
- (2) the effective date of the health plan, whichever occurs first.

(d) A health plan company that receives a copy of the notice under paragraph (a) with respect to a health plan established or maintained by an eligible organization must, for all future enrollments in the health plan:

(1) expressly exclude coverage for those contraceptive methods or services identified in the notice under paragraph (a) from the health plan; and

(2) provide separate payments for any contraceptive methods or services required to be covered under subdivision 2 for enrollees as long as the enrollee remains enrolled in the health plan.

(e) The health plan company must not impose any cost-sharing requirements, including co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or other charge for contraceptive services or methods on the eligible organization, health plan, or enrollee.

(f) On January 1, 2024, and every year thereafter a health plan company must notify the commissioner, in a manner determined by the commissioner, of the number of eligible organizations granted an accommodation under this subdivision.

**144.0528 COMPREHENSIVE DRUG OVERDOSE AND MORBIDITY PREVENTION ACT.**

Subd. 5. **Promotion; administration.** In fiscal years 2026 and beyond, the commissioner may spend up to 25 percent of the total funding appropriated for the comprehensive drug overdose and morbidity program in each fiscal year to promote, administer, support, and evaluate the programs authorized under this section and to provide technical assistance to program grantees.

**144.497 ST ELEVATION MYOCARDIAL INFARCTION.**

The commissioner of health shall assess and report on the quality of care provided in the state for ST elevation myocardial infarction response and treatment. The commissioner shall:

(1) utilize and analyze data provided by ST elevation myocardial infarction receiving centers to the ACTION Registry-Get with the guidelines or an equivalent data platform that does not identify individuals or associate specific ST elevation myocardial infarction heart attack events with an identifiable individual;

(2) annually post a summary report of the data in aggregate form on the Department of Health website; and

(3) coordinate to the extent possible with national voluntary health organizations involved in ST elevation myocardial infarction heart attack quality improvement to encourage ST elevation myocardial infarction receiving centers to report data consistent with nationally recognized guidelines on the treatment of individuals with confirmed ST elevation myocardial infarction heart attacks within the state and encourage sharing of information among health care providers on ways to improve the quality of care of ST elevation myocardial infarction patients in Minnesota.

**144E.001 DEFINITIONS.**

Subd. 5. **Board.** "Board" means the Emergency Medical Services Regulatory Board.

**144E.01 EMERGENCY MEDICAL SERVICES REGULATORY BOARD.**

Subdivision 1. **Membership.** (a) The Emergency Medical Services Regulatory Board consists of the following members, all of whom must work in Minnesota, except for the person listed in clause (14):

- (1) an emergency physician certified by the American Board of Emergency Physicians;
- (2) a representative of Minnesota hospitals;
- (3) a representative of fire chiefs;
- (4) a full-time firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency and who is a member of a professional firefighter's union;
- (5) a volunteer firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency;
- (6) an attendant currently practicing on a licensed ambulance service who is a paramedic or an emergency medical technician;
- (7) an ambulance director for a licensed ambulance service;
- (8) a representative of sheriffs;
- (9) a member of a community health board to represent community health services;
- (10) two representatives of regional emergency medical services programs, one of whom must be from the metropolitan regional emergency medical services program;
- (11) a registered nurse currently practicing in a hospital emergency department;
- (12) a pediatrician, certified by the American Board of Pediatrics, with experience in emergency medical services;
- (13) a family practice physician who is currently involved in emergency medical services;
- (14) a public member who resides in Minnesota; and
- (15) the commissioners of health and public safety or their designees.

(b) The governor shall appoint members under paragraph (a). Appointments under paragraph (a), clauses (1) to (9) and (11) to (13), are subject to the advice and consent of the senate. In making appointments under paragraph (a), clauses (1) to (9) and (11) to (13), the governor shall consider recommendations of the American College of Emergency Physicians, the Minnesota Hospital Association, the Minnesota and State Fire Chief's Association, the Minnesota Ambulance Association, the Minnesota Emergency Medical Services Association, the Minnesota State Sheriff's Association, the Association of Minnesota Counties, the Minnesota Nurses Association, and the Minnesota chapter of the Academy of Pediatrics.

(c) At least seven members appointed under paragraph (a) must reside outside of the seven-county metropolitan area, as defined in section 473.121.

Subd. 2. **Ex officio members.** The speaker of the house and the Committee on Rules and Administration of the senate shall appoint one representative and one senator to serve as ex officio, nonvoting members.

Subd. 3. **Chair.** The governor shall designate one of the members appointed under subdivision 1 as chair of the board.

Subd. 4. **Compensation; terms.** Membership terms, compensation, and removal of members appointed under subdivision 1, are governed by section 15.0575.

Subd. 5. **Staff.** The board shall appoint an executive director who shall serve in the unclassified service and may appoint other staff. The service of the executive director shall be subject to the terms described in section 214.04, subdivision 2a.

Subd. 6. **Duties of board.** (a) The Emergency Medical Services Regulatory Board shall:

- (1) administer and enforce the provisions of this chapter and other duties as assigned to the board;

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(2) advise applicants for state or federal emergency medical services funds, review and comment on such applications, and approve the use of such funds unless otherwise required by federal law;

(3) make recommendations to the legislature on improving the access, delivery, and effectiveness of the state's emergency medical services delivery system; and

(4) establish procedures for investigating, hearing, and resolving complaints against emergency medical services providers.

(b) The Emergency Medical Services Board may prepare an initial work plan, which may be updated biennially. The work plan may include provisions to:

(1) prepare an emergency medical services assessment which addresses issues affecting the statewide delivery system;

(2) establish a statewide public information and education system regarding emergency medical services;

(3) create, in conjunction with the Department of Public Safety, a statewide injury and trauma prevention program; and

(4) designate an annual emergency medical services personnel recognition day.

Subd. 7. **Conflict of interest.** No member of the Emergency Medical Services Board may participate or vote in board proceedings in which the member has a direct conflict of interest, financial or otherwise.

#### **144E.123 PREHOSPITAL CARE DATA.**

Subd. 5. **Working group.** By October 1, 2011, the board must convene a working group composed of six members, three of which must be appointed by the board and three of which must be appointed by the Minnesota Ambulance Association, to redesign the board's policies related to collection of data from licenses. The issues to be considered include, but are not limited to, the following: user-friendly reporting requirements; data sets; improved accuracy of reported information; appropriate use of information gathered through the reporting system; and methods for minimizing the financial impact of data reporting on licenses, particularly for rural volunteer services. The working group must report its findings and recommendations to the board no later than July 1, 2012.

#### **144E.27 EDUCATION PROGRAMS; BOARD APPROVAL.**

Subdivision 1. **Education program instructor.** An education program instructor must be an emergency medical responder, EMT, AEMT, paramedic, physician, physician assistant, or registered nurse.

Subd. 1a. **Approval required.** (a) All education programs for an emergency medical responder must be approved by the board.

(b) To be approved by the board, an education program must:

(1) submit an application prescribed by the board that includes:

(i) type and length of course to be offered;

(ii) names, addresses, and qualifications of the program medical director, program education coordinator, and instructors;

(iii) admission criteria for students; and

(iv) materials and equipment to be used;

(2) for each course, implement the most current version of the United States Department of Transportation EMS Education Standards, or its equivalent as determined by the board applicable to Emergency Medical Responder registration education;

(3) have a program medical director and a program coordinator;

(4) have at least one instructor for every ten students at the practical skill stations;

(5) retain documentation of program approval by the board, course outline, and student information; and

(6) submit the appropriate fee as required under section 144E.29.

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(c) The National EMS Education Standards by the NHTSA, United States Department of Transportation contains the minimal entry level of knowledge and skills for emergency medical responders. Medical directors of emergency medical responder groups may expand the knowledge and skill set.

**144E.50 EMERGENCY MEDICAL SERVICES FUND.**

Subd. 3. **Definition.** For purposes of this section, "board" means the Emergency Medical Services Regulatory Board.

**151.74 INSULIN SAFETY NET PROGRAM.**

Subd. 16. **Legislative review; sunset.** (a) The legislature shall review the reports from the Board of Pharmacy under subdivision 13, paragraph (b); the program review by the legislative auditor under subdivision 14; and the report from the commissioner of health on the survey results under subdivision 15, paragraph (e); and any other relevant information related to the cost, access, and affordability of insulin, and make a determination on whether there is a need for the continued implementation of the long-term safety net program described in subdivisions 4 to 6 to ensure that Minnesota residents have access to affordable emergency and long-term insulin or whether the market has sufficiently changed to where the continuation of this program is no longer needed past December 31, 2024, or whether there are more appropriate options available to ensure access to affordable insulin for all Minnesota residents.

(b) Subdivisions 4 to 6, 8, and 9 expire December 31, 2024, unless the legislature affirmatively determines the need for the continuation of the long-term safety net program described in subdivisions 4 to 6.

**245C.08 BACKGROUND STUDY; COMMISSIONER REVIEWS.**

Subd. 2. **Background studies conducted by a county agency for family child care.** (a) Before the implementation of NETStudy 2.0, for a background study conducted by a county agency for family child care services, the commissioner shall review:

(1) information from the county agency's record of substantiated maltreatment of adults and the maltreatment of minors;

(2) information from juvenile courts as required in subdivision 4 for:

(i) individuals listed in section 245C.03, subdivision 1, paragraph (a), who are ages 13 through 23 living in the household where the licensed services will be provided; and

(ii) any other individual listed under section 245C.03, subdivision 1, when there is reasonable cause; and

(3) information from the Bureau of Criminal Apprehension.

(b) If the individual has resided in the county for less than five years, the study shall include the records specified under paragraph (a) for the previous county or counties of residence for the past five years.

(c) Notwithstanding expungement by a court, the county agency may consider information obtained under paragraph (a), clause (3), unless:

(1) the commissioner received notice of the petition for expungement and the court order for expungement is directed specifically to the commissioner; or

(2) the commissioner received notice of the expungement order issued pursuant to section 609A.017, 609A.025, or 609A.035, and the order for expungement is directed specifically to the commissioner.

**245C.125 BACKGROUND STUDY; HEAD START PROGRAMS.**

(a) Head Start programs that receive funds under section 119A.52 may contract with the commissioner to:

(1) conduct background studies on individuals affiliated with a Head Start program; and

(2) obtain background study data on individuals affiliated with a Head Start program.

(b) The commissioner must include a national criminal history record check in a background study conducted under paragraph (a).

(c) A Head Start program site that does not contract with the commissioner, is not licensed, and is not registered to receive payments under chapter 119B is exempt from the relevant requirements in this chapter. Nothing in this section supersedes requirements for background studies in this chapter or chapter 119B or 245H that relate to licensed child care programs or programs registered to receive payments under chapter 119B. For a background study conducted under this section to be transferable to other child care entities, the study must include all components of studies for a certified license-exempt child care center under this chapter.

#### **256D.19 ABOLITION OF TOWNSHIP SYSTEM OF POOR RELIEF.**

Subdivision 1. **Town system abolished.** The town system for caring for the poor in each of the counties in which it is in effect is hereby abolished. The local social services agency of each county shall administer general assistance under the provisions of Laws 1973, chapter 650, article 21.

Subd. 2. **Local social services agencies duty.** All local social services agencies affected by Laws 1973, chapter 650, article 21 are hereby authorized to take over for the county as of January 1, 1974, the ownership of all case records relating to the administration of poor relief.

#### **256D.20 TRANSFER OF TOWN EMPLOYEES.**

Subdivision 1. **Rules for merit system.** The term "merit system" as used herein shall mean the rules for a merit system of personnel administration for employees of local social services agencies adopted by the commissioner of human services in accordance with the provisions of section 393.07, including the merit system established for Hennepin County pursuant to Laws 1965, chapter 855, as amended, the federal Social Security article as amended, and merit system standards and regulations issued by the federal Social Security Board and the United States Children's Bureau.

Subd. 2. **Designation of employees.** All employees of any municipality or town who are engaged full time in poor relief work therein on January 1, 1974 shall be retained as employees of the county and placed under the jurisdiction of its local social services agency.

All transferred employees shall be blanketed into the merit system with comparable status, classification, longevity, and seniority, and subject to the administrative requirements of the local social services agency. Employees with permanent status under any civil service provision on January 1, 1974, shall be granted permanent status under the merit system at comparable classifications and in accordance with work assignments made under the authority of the local social services agency as provided by the merit system rules.

The determination of proper job allocation shall be the responsibility of the personnel officer or director as provided under merit system rules applicable to the county involved with the right of appeal of allocation to the Merit System Council or personnel board by any employee affected by this transfer.

All transferred employees shall receive salaries for the classification to which they are allocated in accordance with the schedule in effect for local social services agency employees and at a salary step which they normally would have received had they been employed by the local social services agency for the same period of service they had previously served under the civil service provisions of any municipality or town; provided, however, that no salary shall be reduced as a result of the transfer.

All accumulated sick leave of transferred employees in the amount of 60 days or less shall be transferred to the records of the local social services agency and such accumulated sick leave shall be the legal liability of the local social services agency. All accumulated sick leave in excess of 60 days shall be paid in cash to transferred employees by the municipality or town by which they were employed prior to their transfer, at the time of transfer. In lieu of the cash payment, the municipality or town shall, at the option of the employee concerned, allow a leave of absence with pay, prior to transfer, for all or part of the accumulated sick leave.

Subd. 3. **Merit system transfer.** Employees of municipalities and towns engaged in the work of administering poor relief who are not covered by civil service provisions shall be blanketed into the merit system subject to a qualifying examination. Employees with one year or more service shall be subject to a qualifying examination and those with less than one year's service shall be subject to an open competitive examination.

Subd. 4. **Disbursement of vacation time.** All vacation leave of employees referred to in subdivision 2, accumulated prior to their transfer to county employment shall be paid in cash to them by the municipality or town by which they were employed prior to their transfer, and at the time of their transfer. In lieu of the cash payment, the municipality or town shall, at the option of

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the employee concerned, allow a leave of absence with pay, prior to such transfer, for all or part of the accumulated vacation time.

**256D.23 TEMPORARY COUNTY ASSISTANCE PROGRAM.**

Subdivision 1. **Program established.** Minnesota residents who meet the income and resource standards of section 256D.01, subdivision 1a, but do not qualify for cash benefits under sections 256D.01 to 256D.21, may qualify for a county payment under this section.

Subd. 2. **Payment amount, duration, and method.** (a) A county may make a payment of up to \$203 for a single individual and up to \$260 for a married couple under the terms of this subdivision.

(b) Payments to an individual or married couple may only be made once in a calendar year. If the applicant qualifies for a payment as a result of an emergency, as defined by the county, the payment shall be made within ten working days of the date of application. If the applicant does not qualify under the county definition of emergency, the payment shall be made at the beginning of the second month following the month of application, and the applicant must receive the payment in person at the local agency office.

(c) Payments may be made in the form of cash or as vendor payments for rent and utilities. If vendor payments are made, they shall be equal to \$203 for a single individual or \$260 for a married couple, or the actual amount of rent and utilities, whichever is less.

(d) Each county must develop policies and procedures as necessary to implement this section.

(e) Payments under this section are not an entitlement. No county is required to make a payment in excess of the amount available to the county under subdivision 3.

Subd. 3. **State allocation to counties.** The commissioner shall allocate to each county on an annual basis the amount specifically appropriated for payments under this section. The allocation shall be based on each county's proportionate share of state fiscal year 1994 work readiness expenditures.

**256R.02 DEFINITIONS.**

Subd. 46. **Resource utilization group.** "Resource utilization groups" or "RUG" has the meaning given in section 144.0724, subdivision 2, paragraph (f).

*Laws 2023, chapter 70, article 20, section 2, subdivision 31, as amended by Laws 2023, chapter 75, section 12;*

Sec. 2. COMMISSIONER OF HUMAN SERVICES

Subd. 31. **Direct Care and Treatment - Mental Health and Substance Abuse** -0- 6,109,000

(a) **Keeping Nurses at the Bedside Act; contingent appropriation.** The appropriation in this subdivision is contingent upon legislative enactment by the 93rd Legislature of 2023 ~~Senate File 1384~~ by the 93rd Legislature provisions substantially similar to 2023 S.F. No. 1561, the second engrossment, article 2.

(b) **Base level adjustment.** The general fund base is increased by \$7,566,000 in fiscal year 2026 and increased by \$7,566,000 in fiscal year 2027.

*Laws 2023, chapter 75, section 10*

Sec. 10. USE OF APPROPRIATION; LOAN FORGIVENESS ADMINISTRATION.

The commissioner of health may also use the appropriation in S.F. No. 2995, article 20, section 3, subdivision 2, paragraph (w), clause (3), if enacted during 2023 regular legislative session, for administering sections 2 to 5.

*Laws 2024, chapter 80, article 2, section 6, subdivision 4*

Sec. 6. [142B.11] LICENSE APPLICATION AFTER CHANGE OF OWNERSHIP.

Subd. 4. **Temporary change in ownership license.** (a) After receiving the party's application pursuant to subdivision 3, upon the written request of the existing license holder and the party, the commissioner may issue a temporary change in ownership license to the party while the commissioner evaluates the party's application. Until a decision is made to grant or deny a license under this chapter, the existing license holder and the party shall both be responsible for operating the program or service according to applicable laws and rules, and the sale or transfer of the existing license holder's ownership interest in the licensed program or service does not terminate the existing license.

(b) The commissioner may issue a temporary change in ownership license when a license holder's death, divorce, or other event affects the ownership of the program and an applicant seeks to assume operation of the program or service to ensure continuity of the program or service while a license application is evaluated.

(c) This subdivision applies to any program or service licensed under this chapter.

**9502.0425 PHYSICAL ENVIRONMENT.**

Subp. 5. **Occupancy separations.** Day care residences with an attached garage must have a self-closing, tight fitting solid wood bonded core door at least 1-3/8 inch thick, or door with a fire protection rating of 20 minutes or greater and a separation wall consisting of 5/8 inch thick gypsum wallboard or its equivalent on the garage side between the residence and garage.