

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 4013

(SENATE AUTHORS: WIKLUND)

DATE	D-PG	OFFICIAL STATUS
03/14/2022	5318	Introduction and first reading Referred to Human Services Reform Finance and Policy
03/21/2022	5412a	Comm report: Amended, No recommendation, re-referred to Health and Human Services Finance and Policy See HF4065

1.1 A bill for an act

1.2 relating to state government; modifying provisions governing child care assistance,

1.3 child welfare, economic assistance, behavioral health, health care, and health

1.4 insurance access; making forecast adjustments; requiring reports; transferring

1.5 money; making technical and conforming changes; allocating funds for a specific

1.6 purpose; establishing certain grants; appropriating money; amending Minnesota

1.7 Statutes 2020, sections 62N.25, subdivision 5; 62Q.1055; 62Q.47; 119B.011,

1.8 subdivisions 2, 5, 13, 15, 19b; 119B.02, subdivisions 1, 2; 119B.025, subdivision

1.9 4; 119B.03, subdivisions 3, 9, 10; 119B.035, subdivisions 1, 2, 4, 5; 119B.08,

1.10 subdivision 3; 119B.11, subdivision 1; 119B.15; 119B.19, subdivision 7; 119B.24;

1.11 169A.70, subdivisions 3, 4; 245.4889, by adding a subdivision; 245.713, subdivision

1.12 2; 245F.03; 245G.05, subdivision 2; 245G.22, subdivisions 2, 15; 254A.19,

1.13 subdivisions 1, 3, by adding subdivisions; 254B.01, subdivision 5, by adding

1.14 subdivisions; 254B.03, subdivisions 1, 4, 5; 254B.04, subdivision 2a, by adding

1.15 subdivisions; 256.017, subdivision 9; 256.042, subdivisions 1, 2, 5; 256B.055,

1.16 subdivision 17; 256B.056, subdivisions 3, 7; 256B.0625, subdivisions 28b, 64;

1.17 256B.0941, by adding a subdivision; 256B.0946, subdivision 7; 256B.0949,

1.18 subdivision 15; 256B.76, subdivision 1; 256D.03, by adding a subdivision;

1.19 256D.0516, subdivision 2; 256D.06, subdivisions 1, 2, 5; 256D.09, subdivision

1.20 2a; 256E.35, subdivisions 1, 2, 4a, 6; 256E.36, subdivision 1; 256I.03, subdivision

1.21 13; 256I.06, subdivisions 6, 10; 256I.09; 256J.08, subdivisions 71, 79; 256J.21,

1.22 subdivision 4; 256J.33, subdivision 2; 256J.37, subdivisions 3, 3a; 256J.95,

1.23 subdivision 19; 256K.45, subdivision 3; 256L.04, subdivisions 1c, 7a, 10, by

1.24 adding a subdivision; 256L.07, subdivision 1; 256L.12, subdivision 8; 256P.01,

1.25 by adding a subdivision; 256P.02, by adding a subdivision; 256P.07, subdivisions

1.26 1, 2, 3, 4, 6, 7, by adding subdivisions; 256P.08, subdivision 2; 260B.157,

1.27 subdivisions 1, 3; 260C.451, subdivision 8, by adding subdivisions; 260E.20,

1.28 subdivision 1; 299A.299, subdivision 1; Minnesota Statutes 2021 Supplement,

1.29 sections 119B.13, subdivision 1; 245.4889, subdivision 1; 254A.03, subdivision

1.30 3; 254A.19, subdivision 4; 254B.03, subdivision 2; 254B.04, subdivision 1;

1.31 254B.05, subdivisions 4, 5; 256.042, subdivision 4; 256B.0625, subdivision 30;

1.32 256B.0759, subdivision 4; 256B.0946, subdivisions 1, 1a, 2, 3, 4, 6; 256B.0947,

1.33 subdivisions 2, 3, 5; 256B.851, subdivision 5; 256I.06, subdivision 8; 256J.21,

1.34 subdivision 3; 256J.33, subdivision 1; 256L.03, subdivision 2; 256L.07, subdivision

1.35 2; 256L.15, subdivision 2; 256P.02, subdivisions 1a, 2; 256P.04, subdivisions 4,

1.36 8; 256P.06, subdivision 3; 260C.157, subdivision 3; Laws 2015, chapter 71, article

1.37 14, section 2, subdivision 5, as amended; Laws 2020, First Special Session chapter

1.38 7, section 1, subdivision 1, as amended; Laws 2021, First Special Session chapter

2.1 7, article 1, section 36; article 16, sections 2, subdivisions 29, 31, 33; 28; article
 2.2 17, sections 1, subdivision 2; 3; 6; 10; 11; 12; 17, subdivision 3; proposing coding
 2.3 for new law in Minnesota Statutes, chapters 119B; 245; 256B; 256E; 256L; 256P;
 2.4 repealing Minnesota Statutes 2020, sections 119B.03, subdivisions 1, 2, 4, 5, 6a,
 2.5 6b, 8; 169A.70, subdivision 6; 245G.22, subdivision 19; 254A.02, subdivision 8a;
 2.6 254A.16, subdivision 6; 254A.19, subdivisions 1a, 2; 254B.04, subdivisions 2b,
 2.7 2c; 254B.041, subdivision 2; 256J.08, subdivisions 10, 61, 62, 81, 83; 256J.30,
 2.8 subdivisions 5, 7; 256J.33, subdivisions 3, 5; 256J.34, subdivisions 1, 2, 3, 4;
 2.9 256J.37, subdivision 10; Minnesota Statutes 2021 Supplement, sections 119B.03,
 2.10 subdivisions 4a, 6; 254A.19, subdivision 5; 256J.08, subdivision 53; 256J.30,
 2.11 subdivision 8; 256J.33, subdivision 4; Minnesota Rules, parts 9530.7000, subparts
 2.12 1, 2, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17a, 19, 20, 21; 9530.7005; 9530.7010;
 2.13 9530.7012; 9530.7015, subparts 1, 2a, 4, 5, 6; 9530.7020, subparts 1, 1a, 2;
 2.14 9530.7021; 9530.7022, subpart 1; 9530.7025; 9530.7030, subpart 1.

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

2.16 **ARTICLE 1**

2.17 **CHILD CARE**

2.18 Section 1. Minnesota Statutes 2020, section 119B.011, subdivision 2, is amended to read:

2.19 Subd. 2. **Applicant.** "Child care fund applicants" means all parents;; stepparents;; legal
 2.20 guardians,~~or~~; eligible relative caregivers;; relative custodians who accepted a transfer of
 2.21 permanent legal and physical custody of a child under section 260C.515, subdivision 4, or
 2.22 similar permanency disposition in Tribal code; successor custodians or guardians as
 2.23 established by section 256N.22, subdivision 10; or foster parents providing care to a child
 2.24 placed in a family foster home under section 260C.007, subdivision 16b. who are Applicants
 2.25 must be members of the family and reside in the household that applies for child care
 2.26 assistance under the child care fund.

2.27 **EFFECTIVE DATE.** This section is effective August 7, 2023.

2.28 Sec. 2. Minnesota Statutes 2020, section 119B.011, subdivision 5, is amended to read:

2.29 Subd. 5. **Child care.** "Child care" means the care of a child by someone other than a
 2.30 parent;; stepparent;; legal guardian;; eligible relative caregiver;; relative custodian who
 2.31 accepted a transfer of permanent legal and physical custody of a child under section
 2.32 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor
 2.33 custodian or guardian as established according to section 256N.22, subdivision 10; foster
 2.34 parent providing care to a child placed in a family foster home under section 260C.007,
 2.35 subdivision 16b; or the spouses spouse of any of the foregoing in or outside the child's own
 2.36 home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

2.37 **EFFECTIVE DATE.** This section is effective August 7, 2023.

3.1 Sec. 3. Minnesota Statutes 2020, section 119B.011, subdivision 13, is amended to read:

3.2 Subd. 13. **Family.** "Family" means parents;² stepparents;² guardians and their spouses;
 3.3 ~~or~~; other eligible relative caregivers and their spouses;² relative custodians who accepted a
 3.4 transfer of permanent legal and physical custody of a child under section 260C.515,
 3.5 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor
 3.6 custodians or guardians as established according to section 256N.22, subdivision 10, and
 3.7 their spouses; or foster parents providing care to a child placed in a family foster home
 3.8 under section 260C.007, subdivision 16b, and their spouses; and ~~their blood-related~~ the
 3.9 blood-related dependent children and adoptive siblings under the age of 18 years living in
 3.10 the same home ~~including~~ of the above. This definition includes children temporarily absent
 3.11 from the household in settings such as schools, foster care, and residential treatment facilities
 3.12 ~~or parents, stepparents, guardians and their spouses, or other relative caregivers and their~~
 3.13 ~~spouses~~ and adults temporarily absent from the household in settings such as schools, military
 3.14 service, or rehabilitation programs. An adult family member who is not in an authorized
 3.15 activity under this chapter may be temporarily absent for up to 60 days. When a minor
 3.16 parent or parents and his, her, or their child or children are living with other relatives, and
 3.17 the minor parent or parents apply for a child care subsidy, "family" means only the minor
 3.18 parent or parents and their child or children. An adult age 18 or older who meets this
 3.19 definition of family and is a full-time high school or postsecondary student may be considered
 3.20 a dependent member of the family unit if 50 percent or more of the adult's support is provided
 3.21 by the parents;² stepparents;² guardians;² and their spouses; relative custodians who accepted
 3.22 a transfer of permanent legal and physical custody of a child under section 260C.515,
 3.23 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor
 3.24 custodians or guardians as established according to section 256N.22, subdivision 10, and
 3.25 their spouses; foster parents providing care to a child placed in a family foster home under
 3.26 section 260C.007, subdivision 16b, and their spouses; or eligible relative caregivers and
 3.27 their spouses residing in the same household.

3.28 **EFFECTIVE DATE.** This section is effective August 7, 2023.

3.29 Sec. 4. Minnesota Statutes 2020, section 119B.011, subdivision 19b, is amended to read:

3.30 Subd. 19b. **Student parent.** "Student parent" means a person who is:

3.31 (1) under 21 years of age and has a child;

3.32 (2) pursuing a high school diploma or commissioner of education-selected high school
 3.33 equivalency certification; and

4.1 ~~(3) residing within a county that has a basic sliding fee waiting list under section 119B.03,~~
 4.2 ~~subdivision 4; and~~

4.3 ~~(4)~~ (3) not an MFIP participant.

4.4 **EFFECTIVE DATE.** This section is effective July 10, 2023.

4.5 Sec. 5. Minnesota Statutes 2020, section 119B.02, subdivision 1, is amended to read:

4.6 Subdivision 1. **Child care services.** The commissioner shall develop standards for county
 4.7 and human services boards to provide child care services to enable eligible families to
 4.8 participate in employment, training, or education programs. ~~Within the limits of available~~
 4.9 ~~appropriations,~~ The commissioner shall distribute money to counties to reduce the costs of
 4.10 child care for eligible families. The commissioner shall adopt rules to govern the program
 4.11 in accordance with this section. The rules must establish a sliding schedule of fees for parents
 4.12 receiving child care services. The rules shall provide that funds received as a lump-sum
 4.13 payment of child support arrearages shall not be counted as income to a family in the month
 4.14 received but shall be prorated over the 12 months following receipt and added to the family
 4.15 income during those months. The commissioner shall maximize the use of federal money
 4.16 under title I and title IV of Public Law 104-193, the Personal Responsibility and Work
 4.17 Opportunity Reconciliation Act of 1996, and other programs that provide federal or state
 4.18 reimbursement for child care services for low-income families who are in education, training,
 4.19 job search, or other activities allowed under those programs. Money appropriated under
 4.20 this section must be coordinated with the programs that provide federal reimbursement for
 4.21 child care services to accomplish this purpose. ~~Federal reimbursement obtained must be~~
 4.22 ~~allocated to the county that spent money for child care that is federally reimbursable under~~
 4.23 ~~programs that provide federal reimbursement for child care services.~~ The counties
 4.24 commissioner shall use the federal money to expand child care services. The commissioner
 4.25 may adopt rules under chapter 14 to implement and coordinate federal program requirements.

4.26 **EFFECTIVE DATE.** This section is effective July 10, 2023.

4.27 Sec. 6. Minnesota Statutes 2020, section 119B.02, subdivision 2, is amended to read:

4.28 Subd. 2. **Contractual agreements with tribes.** The commissioner may enter into
 4.29 contractual agreements with a federally recognized Indian tribe with a reservation in
 4.30 Minnesota to carry out the responsibilities of county human service agencies to the extent
 4.31 necessary for the tribe to operate child care assistance programs ~~under sections 119B.03~~
 4.32 ~~and 119B.05~~ for families eligible under this chapter. An agreement may allow the state to
 4.33 make payments for child care assistance services provided under ~~section 119B.05~~ this

5.1 chapter. The commissioner shall consult with the affected county or counties in the
 5.2 contractual agreement negotiations, if the county or counties wish to be included, in order
 5.3 to avoid the duplication of county and tribal child care services. ~~Funding to support services~~
 5.4 ~~under section 119B.03 may be transferred to the federally recognized Indian tribe with a~~
 5.5 ~~reservation in Minnesota from allocations available to counties in which reservation~~
 5.6 ~~boundaries lie. When funding is transferred under section 119B.03, the amount shall be~~
 5.7 ~~commensurate to estimates of the proportion of reservation residents with characteristics~~
 5.8 ~~identified in section 119B.03, subdivision 6, to the total population of county residents with~~
 5.9 ~~those same characteristics.~~

5.10 **EFFECTIVE DATE.** This section is effective July 10, 2023.

5.11 Sec. 7. Minnesota Statutes 2020, section 119B.03, subdivision 3, is amended to read:

5.12 Subd. 3. **Eligible participants.** Families that meet the eligibility requirements under
 5.13 sections 119B.09 and 119B.10, ~~except MFIP participants, diversionary work program, and~~
 5.14 ~~transition year families~~ are eligible for child care assistance under the basic sliding fee child
 5.15 care assistance program. ~~Families enrolled in the basic sliding fee program shall be continued~~
 5.16 ~~until they are no longer eligible.~~ Child care assistance provided through the child care fund
 5.17 is considered assistance to the parent.

5.18 **EFFECTIVE DATE.** This section is effective July 10, 2023.

5.19 Sec. 8. Minnesota Statutes 2020, section 119B.03, subdivision 9, is amended to read:

5.20 Subd. 9. **Portability pool Family move; continued participation.** (a) ~~The commissioner~~
 5.21 ~~shall establish a pool of up to five percent of the annual appropriation for the basic sliding~~
 5.22 ~~fee program to provide continuous child care assistance for eligible families who move~~
 5.23 ~~between Minnesota counties. At the end of each allocation period, any unspent funds in the~~
 5.24 ~~portability pool must be used for assistance under the basic sliding fee program. If~~
 5.25 ~~expenditures from the portability pool exceed the amount of money available, the reallocation~~
 5.26 ~~pool must be reduced to cover these shortages.~~

5.27 (b) ~~A family that has moved from a county in which it~~ A family receiving child care
 5.28 assistance under the child care fund that has moved from a county where the family was
 5.29 receiving basic sliding fee child care assistance to a another Minnesota county with a waiting
 5.30 list for the basic sliding fee program must be admitted into the new county's child care
 5.31 assistance program if the family:

6.1 (1) ~~meet~~ meets the income and eligibility guidelines for the ~~basic sliding fee~~ child care
 6.2 assistance program; and

6.3 (2) ~~notify~~ notifies the family's previous county of residence of the family's move to a
 6.4 new county of residence.

6.5 ~~(e)~~ (b) The receiving county must:

6.6 ~~(1)~~ accept administrative responsibility for ~~applicants for portable basic sliding fee~~
 6.7 ~~assistance~~ a child care program-eligible family that has moved into the county at the end
 6.8 of the two months of assistance under the Unitary Residency Act;

6.9 ~~(2)~~ continue portability pool basic sliding fee assistance until the family is able to receive
 6.10 assistance under the county's regular basic sliding program; and

6.11 ~~(3)~~ notify the commissioner through the quarterly reporting process of any family that
 6.12 meets the criteria of the portable basic sliding fee assistance pool.

6.13 **EFFECTIVE DATE.** This section is effective July 10, 2023.

6.14 Sec. 9. Minnesota Statutes 2020, section 119B.03, subdivision 10, is amended to read:

6.15 Subd. 10. **Application; entry points.** Two or more methods of applying for the ~~basic~~
 6.16 ~~sliding fee~~ child care assistance program under this chapter must be available to applicants
 6.17 in each county. To meet the requirements of this subdivision, a county may provide
 6.18 alternative methods of applying for assistance, including, but not limited to, a mail
 6.19 application, or application sites that are located outside of government offices.

6.20 **EFFECTIVE DATE.** This section is effective July 10, 2023.

6.21 Sec. 10. Minnesota Statutes 2020, section 119B.035, subdivision 1, is amended to read:

6.22 Subdivision 1. **Establishment.** A family in which a parent provides care for the family's
 6.23 infant child may receive a subsidy in lieu of assistance if the family is eligible for or is
 6.24 receiving assistance under the ~~basic sliding fee~~ child care assistance program. An eligible
 6.25 family must meet the eligibility factors under section 119B.09, except as provided in
 6.26 subdivision 4, and the requirements of this section. Subject to federal match and maintenance
 6.27 of effort requirements for the child care and development fund, and up to available
 6.28 appropriations, the commissioner shall provide assistance under the at-home infant child
 6.29 care program and for administrative costs associated with the program. At the end of a fiscal
 6.30 year, the commissioner may carry forward any unspent funds under this section to the next

7.1 fiscal year within the same biennium for assistance under the ~~basic sliding fee~~ child care
 7.2 assistance program.

7.3 **EFFECTIVE DATE.** This section is effective July 10, 2023.

7.4 Sec. 11. Minnesota Statutes 2020, section 119B.035, subdivision 2, is amended to read:

7.5 Subd. 2. **Eligible families.** A family with an infant under the age of one year is eligible
 7.6 for assistance if:

7.7 (1) the family is not receiving MFIP, other cash assistance, or other child care assistance;

7.8 (2) the family has not previously received a lifelong total of 12 months of assistance
 7.9 under this section; and

7.10 (3) the family is participating in the ~~basic sliding fee~~ child care assistance program or
 7.11 provides verification of participating in an authorized activity at the time of application and
 7.12 meets the program requirements.

7.13 **EFFECTIVE DATE.** This section is effective July 10, 2023.

7.14 Sec. 12. Minnesota Statutes 2020, section 119B.035, subdivision 4, is amended to read:

7.15 Subd. 4. **Assistance.** (a) A family is limited to a lifetime total of 12 months of assistance
 7.16 under subdivision 2. The maximum rate of assistance is equal to 68 percent of the rate
 7.17 established under section 119B.13 for care of infants in licensed family child care in the
 7.18 applicant's county of residence.

7.19 (b) A participating family must report income and other family changes as specified in
 7.20 sections 256P.06 and 256P.07, and the county's plan under section 119B.08, subdivision 3.

7.21 ~~(e) Persons who are admitted to the at-home infant child care program retain their position~~
 7.22 ~~in any basic sliding fee program. Persons leaving the at-home infant child care program~~
 7.23 ~~reenter the basic sliding fee program at the position they would have occupied.~~

7.24 ~~(d)~~(c) Assistance under this section does not establish an employer-employee relationship
 7.25 between any member of the assisted family and the county or state.

7.26 **EFFECTIVE DATE.** This section is effective July 10, 2023.

7.27 Sec. 13. Minnesota Statutes 2020, section 119B.035, subdivision 5, is amended to read:

7.28 Subd. 5. **Implementation.** The commissioner shall implement the at-home infant child
 7.29 care program under this section through counties that administer the ~~basic sliding fee~~ child
 7.30 care assistance program under ~~section 119B.03~~ this chapter. The commissioner must develop

8.1 and distribute consumer information on the at-home infant child care program to assist
8.2 parents of infants or expectant parents in making informed child care decisions.

8.3 **EFFECTIVE DATE.** This section is effective July 10, 2023.

8.4 Sec. 14. Minnesota Statutes 2020, section 119B.08, subdivision 3, is amended to read:

8.5 Subd. 3. **Child care fund plan.** The county and designated administering agency shall
8.6 submit a biennial child care fund plan to the commissioner. The commissioner shall establish
8.7 the dates by which the county must submit the plans. The plan shall include:

8.8 (1) a description of strategies to coordinate and maximize public and private community
8.9 resources, including school districts, health care facilities, government agencies,
8.10 neighborhood organizations, and other resources knowledgeable in early childhood
8.11 development, in particular to coordinate child care assistance with existing community-based
8.12 programs and service providers including child care resource and referral programs, early
8.13 childhood family education, school readiness, Head Start, local interagency early intervention
8.14 committees, special education services, early childhood screening, and other early childhood
8.15 care and education services and programs to the extent possible, to foster collaboration
8.16 among agencies and other community-based programs that provide flexible, family-focused
8.17 services to families with young children and to facilitate transition into kindergarten. The
8.18 county must describe a method by which to share information, responsibility, and
8.19 accountability among service and program providers;

8.20 (2) a description of procedures and methods to be used to make copies of the proposed
8.21 state plan reasonably available to the public, including members of the public particularly
8.22 interested in child care policies such as parents, child care providers, culturally specific
8.23 service organizations, child care resource and referral programs, interagency early
8.24 intervention committees, potential collaborative partners and agencies involved in the
8.25 provision of care and education to young children, and allowing sufficient time for public
8.26 review and comment; and

8.27 (3) information as requested by the department to ensure compliance with the child care
8.28 fund statutes and rules promulgated by the commissioner.

8.29 The commissioner shall notify counties within 90 days of the date the plan is submitted
8.30 whether the plan is approved or the corrections or information needed to approve the plan.
8.31 ~~The commissioner shall withhold a county's allocation until it has an approved plan. Plans
8.32 not approved by the end of the second quarter after the plan is due may result in a 25 percent
8.33 reduction in allocation. Plans not approved by the end of the third quarter after the plan is~~

9.1 ~~due may result in a 100 percent reduction in the allocation to the county payments to a~~
 9.2 ~~county until it has an approved plan. Counties are to maintain services despite any reduction~~
 9.3 ~~in their allocation~~ withholding of payments due to plans not being approved.

9.4 **EFFECTIVE DATE.** This section is effective July 10, 2023.

9.5 Sec. 15. Minnesota Statutes 2020, section 119B.11, subdivision 1, is amended to read:

9.6 Subdivision 1. **County contributions required.** (a) In addition to payments from ~~basic~~
 9.7 ~~sliding fee~~ child care assistance program participants, each county shall contribute from
 9.8 county tax or other sources a fixed local match equal to its calendar year 1996 required
 9.9 county contribution reduced by the administrative funding loss that would have occurred
 9.10 in state fiscal year 1996 under section 119B.15. The commissioner shall recover funds from
 9.11 the county as necessary to bring county expenditures into compliance with this subdivision.
 9.12 The commissioner may accept county contributions, including contributions above the fixed
 9.13 local match, in order to make state payments.

9.14 (b) The commissioner may accept payments from counties to:

9.15 (1) fulfill the county contribution as required under subdivision 1;

9.16 (2) pay for services authorized under this chapter beyond those paid for with federal or
 9.17 state funds or with the required county contributions; or

9.18 (3) pay for child care services in addition to those authorized under this chapter, as
 9.19 authorized under other federal, state, or local statutes or regulations.

9.20 (c) The county payments must be deposited in an account in the special revenue fund.
 9.21 Money in this account is appropriated to the commissioner for child care assistance under
 9.22 this chapter and other applicable statutes and regulations and is in addition to other state
 9.23 and federal appropriations.

9.24 **EFFECTIVE DATE.** This section is effective July 10, 2023.

9.25 Sec. 16. Minnesota Statutes 2021 Supplement, section 119B.13, subdivision 1, is amended
 9.26 to read:

9.27 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~November 15, 2021~~ October 3, 2022,
 9.28 the maximum rate paid for child care assistance in any county or county price cluster under
 9.29 the child care fund shall be:

9.30 ~~(1) for all infants and toddlers,~~ the greater of the ~~40th~~ 75th percentile of the 2021 child
 9.31 care provider rate survey ~~or~~ and the rates in effect at the time of the update; ~~and~~.

10.1 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~
 10.2 ~~2021 child care provider rate survey or the rates in effect at the time of the update.~~

10.3 (b) Beginning the first full service period on or after January 1, 2025, and every three
 10.4 years thereafter, the maximum rate paid for child care assistance in a county or county price
 10.5 cluster under the child care fund shall be:

10.6 ~~(1) for all infants and toddlers, the greater of the 40th 75th percentile of the 2024 most~~
 10.7 ~~recent child care provider rate survey or~~ and the rates in effect at the time of the update;
 10.8 ~~and.~~

10.9 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~
 10.10 ~~2024 child care provider rate survey or the rates in effect at the time of the update.~~

10.11 The rates under paragraph (a) continue until the rates under this paragraph go into effect.

10.12 (c) For a child care provider located within the boundaries of a city located in two or
 10.13 more of the counties of Benton, Sherburne, and Stearns, the maximum rate paid for child
 10.14 care assistance shall be equal to the maximum rate paid in the county with the highest
 10.15 maximum reimbursement rates or the provider's charge, whichever is less. The commissioner
 10.16 may: (1) assign a county with no reported provider prices to a similar price cluster; and (2)
 10.17 consider county level access when determining final price clusters.

10.18 (d) A rate which includes a special needs rate paid under subdivision 3 may be in excess
 10.19 of the maximum rate allowed under this subdivision.

10.20 (e) The department shall monitor the effect of this paragraph on provider rates. The
 10.21 county shall pay the provider's full charges for every child in care up to the maximum
 10.22 established. The commissioner shall determine the maximum rate for each type of care on
 10.23 an hourly, full-day, and weekly basis, including special needs and disability care.

10.24 (f) If a child uses one provider, the maximum payment for one day of care must not
 10.25 exceed the daily rate. The maximum payment for one week of care must not exceed the
 10.26 weekly rate.

10.27 (g) If a child uses two providers under section 119B.097, the maximum payment must
 10.28 not exceed:

10.29 (1) the daily rate for one day of care;

10.30 (2) the weekly rate for one week of care by the child's primary provider; and

10.31 (3) two daily rates during two weeks of care by a child's secondary provider.

11.1 (h) Child care providers receiving reimbursement under this chapter must not be paid
 11.2 activity fees or an additional amount above the maximum rates for care provided during
 11.3 nonstandard hours for families receiving assistance.

11.4 (i) If the provider charge is greater than the maximum provider rate allowed, the parent
 11.5 is responsible for payment of the difference in the rates in addition to any family co-payment
 11.6 fee.

11.7 (j) Beginning October 3, 2022, the maximum registration fee paid for child care assistance
 11.8 in any county or county price cluster under the child care fund shall be ~~set as follows: (1)~~
 11.9 ~~beginning November 15, 2021~~, the greater of the ~~40th~~ 75th percentile of the ~~2021~~ most
 11.10 recent child care provider rate survey ~~or~~ and the registration fee in effect at the time of the
 11.11 update; ~~and (2) beginning the first full service period on or after January 1, 2025, the~~
 11.12 ~~maximum registration fee shall be the greater of the 40th percentile of the 2024 child care~~
 11.13 ~~provider rate survey or the registration fee in effect at the time of the update. The registration~~
 11.14 ~~fees under clause (1) continue until the registration fees under clause (2) go into effect.~~

11.15 (k) Maximum registration fees must be set for licensed family child care and for child
 11.16 care centers. For a child care provider located in the boundaries of a city located in two or
 11.17 more of the counties of Benton, Sherburne, and Stearns, the maximum registration fee paid
 11.18 for child care assistance shall be equal to the maximum registration fee paid in the county
 11.19 with the highest maximum registration fee or the provider's charge, whichever is less.

11.20 Sec. 17. Minnesota Statutes 2020, section 119B.15, is amended to read:

11.21 **119B.15 ADMINISTRATIVE EXPENSES.**

11.22 The commissioner shall use up to 1/21 of the state and federal funds available for the
 11.23 ~~basic sliding fee program and 1/21 of the state and federal funds available for the MFIP~~
 11.24 child care assistance program for payments to counties for administrative expenses. The
 11.25 commissioner shall make monthly payments to each county based on direct service
 11.26 expenditures. Payments may be withheld if monthly reports are incomplete or untimely.

11.27 **EFFECTIVE DATE.** This section is effective July 10, 2023.

11.28 Sec. 18. Minnesota Statutes 2020, section 119B.19, subdivision 7, is amended to read:

11.29 Subd. 7. **Child care resource and referral programs.** Within each region, a child care
 11.30 resource and referral program must:

11.31 (1) maintain one database of all existing child care resources and services and one
 11.32 database of family referrals;

- 12.1 (2) provide a child care referral service for families;
- 12.2 (3) develop resources to meet the child care service needs of families;
- 12.3 (4) increase the capacity to provide culturally responsive child care services;
- 12.4 (5) coordinate professional development opportunities for child care and school-age
12.5 care providers;
- 12.6 (6) administer and award child care services grants;
- 12.7 (7) cooperate with the Minnesota Child Care Resource and Referral Network and its
12.8 member programs to develop effective child care services and child care resources; ~~and~~
- 12.9 (8) assist in fostering coordination, collaboration, and planning among child care programs
12.10 and community programs such as school readiness, Head Start, early childhood family
12.11 education, local interagency early intervention committees, early childhood screening,
12.12 special education services, and other early childhood care and education services and
12.13 programs that provide flexible, family-focused services to families with young children to
12.14 the extent possible;
- 12.15 (9) administer the child care one-stop regional assistance network to assist child care
12.16 providers and individuals interested in becoming child care providers with establishing and
12.17 sustaining a licensed family child care or group family child care program or a child care
12.18 center; and
- 12.19 (10) provide supports that enable economically challenged individuals to obtain the job
12.20 skills training, career counseling, and job placement assistance necessary to begin a career
12.21 path in child care.

12.22 Sec. 19. Minnesota Statutes 2020, section 119B.24, is amended to read:

12.23 **119B.24 DUTIES OF COMMISSIONER.**

12.24 In addition to the powers and duties already conferred by law, the commissioner of
12.25 human services shall:

12.26 (1) administer the child care fund, ~~including the basic sliding fee program~~ authorized
12.27 under sections 119B.011 to 119B.16;

12.28 (2) monitor the child care resource and referral programs established under section
12.29 119B.19; and

12.30 (3) encourage child care providers to participate in a nationally recognized accreditation
12.31 system for early childhood and school-age care programs. Subject to approval by the

13.1 commissioner, family child care providers and early childhood and school-age care programs
 13.2 shall be reimbursed for one-half of the direct cost of accreditation fees, upon successful
 13.3 completion of accreditation.

13.4 **EFFECTIVE DATE.** This section is effective July 10, 2023.

13.5 Sec. 20. **[119B.27] SHARED SERVICES GRANTS.**

13.6 The commissioner of human services shall establish a grant program to enable family
 13.7 child care providers to implement shared services alliances.

13.8 **EFFECTIVE DATE.** This section is effective July 1, 2023.

13.9 Sec. 21. **[119B.28] CHILD CARE PROVIDER ACCESS TO TECHNOLOGY**
 13.10 **GRANTS.**

13.11 The commissioner of human services shall distribute money provided by this section
 13.12 through grants to one or more organizations to offer grants or other supports to child care
 13.13 providers to improve their access to computers, the Internet, subscriptions to online child
 13.14 care management applications, and other technologies intended to improve their business
 13.15 practices. Up to ten percent of the grant funds may be used for administration of this program.

13.16 Sec. 22. Minnesota Statutes 2020, section 256.017, subdivision 9, is amended to read:

13.17 Subd. 9. **Timing and disposition of penalty and case disallowance funds.** Quality
 13.18 control case penalty and administrative penalty amounts shall be disallowed or withheld
 13.19 from the next regular reimbursement made to the county agency for state and federal benefit
 13.20 reimbursements and federal administrative reimbursements for all programs covered in this
 13.21 section, according to procedures established in statute, but shall not be imposed sooner than
 13.22 30 calendar days from the date of written notice of such penalties. ~~Except for penalties~~
 13.23 ~~withheld under the child care assistance program,~~ All penalties must be deposited in the
 13.24 county incentive fund provided in section 256.018. ~~Penalties withheld under the child care~~
 13.25 ~~assistance program shall be reallocated to counties using the allocation formula under section~~
 13.26 ~~119B.03, subdivision 5.~~ All penalties must be imposed according to this provision until a
 13.27 decision is made regarding the status of a written exception. Penalties must be returned to
 13.28 county agencies when a review of a written exception results in a decision in their favor.

14.1 Sec. 23. **DIRECTION TO COMMISSIONER; ALLOCATING BASIC SLIDING**
14.2 **FEE FUNDS.**

14.3 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the
14.4 commissioner of human services must allocate additional basic sliding fee child care money
14.5 for calendar year 2024 to counties and Tribes to account for the change in the definition of
14.6 family in sections 1 to 3. In allocating the additional money, the commissioner shall consider:

14.7 (1) the number of children in the county or Tribe who receive care from a relative
14.8 custodian who accepted a transfer of permanent legal and physical custody of a child under
14.9 section 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor
14.10 custodian or guardian as established according to section 256N.22, subdivision 10; or foster
14.11 parents in a family foster home under section 260C.007, subdivision 16b; and

14.12 (2) the average basic sliding fee cost of care in the county or Tribe.

14.13 Sec. 24. **DIRECTION TO COMMISSIONER OF MANAGEMENT AND BUDGET.**

14.14 The state obligation for the child care assistance program under Minnesota Statutes,
14.15 chapter 119B, must be included in the Department of Management and Budget February
14.16 and November forecast of state revenues and expenditures under Minnesota Statutes, section
14.17 16A.103, beginning with the February 2023 forecast.

14.18 Sec. 25. **INCREASE FOR MAXIMUM RATES.**

14.19 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the
14.20 commissioner of human services shall allocate the additional basic sliding fee child care
14.21 funds for calendar year 2023 to counties for updated maximum rates based on relative need
14.22 to cover maximum rate increases. In distributing the additional funds, the commissioner
14.23 shall consider the following factors by county:

14.24 (1) number of children covered by the county;

14.25 (2) provider types that care for covered children;

14.26 (3) age of covered children; and

14.27 (4) amount of the increase in maximum rates.

15.1 **Sec. 26. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; CHILD**
 15.2 **CARE AND DEVELOPMENT FUND ALLOCATION.**

15.3 The commissioner of human services shall allocate \$75,364,000 in fiscal year 2023 from
 15.4 the child care and development fund for rate and registration fee increases under Minnesota
 15.5 Statutes, section 119B.13, subdivision 1, paragraphs (a) and (j). This is a onetime allocation.

15.6 **Sec. 27. REPEALER.**

15.7 (a) Minnesota Statutes 2020, section 119B.03, subdivisions 1, 2, 4, 5, 6a, 6b, and 8, are
 15.8 repealed.

15.9 (b) Minnesota Statutes 2021 Supplement, section 119B.03, subdivisions 4a and 6, are
 15.10 repealed.

15.11 **EFFECTIVE DATE.** This section is effective July 10, 2023.

15.12 **ARTICLE 2**
 15.13 **CHILD WELFARE**

15.14 Section 1. Minnesota Statutes 2020, section 260C.451, subdivision 8, is amended to read:

15.15 Subd. 8. **Notice of termination of foster care.** When a child in foster care between the
 15.16 ages of 18 and 21 ceases to meet one of the eligibility criteria of subdivision 3a, the
 15.17 responsible social services agency shall give the child written notice that foster care will
 15.18 terminate 30 days from the date the notice is sent. The child or the child's guardian ad litem
 15.19 may file a motion asking the court to review the agency's determination within 15 days of
 15.20 receiving the notice. The agency shall work with the child to prepare for the child's transition
 15.21 out of foster care and provide the personalized transition plan required to be developed
 15.22 under section 260C.452, subdivision 4, to the court if the motion is filed. The child shall
 15.23 not be discharged from foster care until the motion is heard. ~~The agency shall work with~~
 15.24 ~~the child to transition out of foster care as required under section 260C.203, paragraph (d),~~
 15.25 ~~clause (2).~~ The written notice of termination of benefits shall be on a form prescribed by
 15.26 the commissioner and shall also give notice of the right to have the agency's determination
 15.27 reviewed by the court in the proceeding where the court conducts the reviews required under
 15.28 section 260C.203, 260C.317, or 260C.515, subdivision 5 or 6. A copy of the termination
 15.29 notice shall be sent to the child and the child's attorney, if any, the foster care provider, the
 15.30 child's guardian ad litem, and the court. The agency is not responsible for paying foster care
 15.31 benefits for any period of time after the child actually leaves foster care.

16.1 Sec. 2. Minnesota Statutes 2020, section 260C.451, is amended by adding a subdivision
16.2 to read:

16.3 Subd. 8a. **Transition planning.** For a youth who will be discharged from foster care at
16.4 18 years of age or older, the responsible social services agency must develop a personalized
16.5 transition plan as directed by the youth during the 180-day period immediately prior to the
16.6 expected date of discharge according to section 260C.452, subdivision 4. The personalized
16.7 transition plan shall include the support beyond 21 program under subdivision 8b for eligible
16.8 youth. This plan may be shared with a contracted agency providing case management
16.9 services under section 260C.452 with the youth's consent.

16.10 Sec. 3. Minnesota Statutes 2020, section 260C.451, is amended by adding a subdivision
16.11 to read:

16.12 Subd. 8b. **Support beyond 21 program.** For a youth who was eligible for extended
16.13 foster care under subdivision 3 and is discharged at age 21, the responsible social services
16.14 agency must ensure the youth is referred to the support beyond 21 program. The support
16.15 beyond 21 program provides one additional year of financial support for housing and basic
16.16 needs to assist youth aging out of extended foster care at age 21. A youth receiving benefits
16.17 under the support beyond 21 program is also eligible for the successful transition to adulthood
16.18 program for additional support under section 260C.452. A youth who transitions to residential
16.19 services under sections 256B.092 and 256B.49 is not eligible for the support beyond 21
16.20 program.

16.21 ARTICLE 3

16.22 ECONOMIC ASSISTANCE

16.23 Section 1. Minnesota Statutes 2020, section 119B.011, subdivision 15, is amended to read:

16.24 Subd. 15. **Income.** (a) "Income" means earned income as defined under section 256P.01,
16.25 subdivision 3, unearned income as defined under section 256P.01, subdivision 8, and public
16.26 assistance cash benefits, including the Minnesota family investment program, diversionary
16.27 work program, work benefit, Minnesota supplemental aid, general assistance, refugee cash
16.28 assistance, at-home infant child care subsidy payments, ~~and~~ child support and maintenance
16.29 distributed to ~~the~~ a family under section 256.741, subdivision 2a-, and nonrecurring income
16.30 over \$60 per quarter unless the nonrecurring income is:

16.31 (1) from tax refunds, tax rebates, or tax credits;

17.1 (2) from a reimbursement, rebate, award, grant, or refund of personal or real property
17.2 or costs or losses incurred when these payments are made by a public agency, a court, a
17.3 solicitation through public appeal, the federal government, a state or local unit of government,
17.4 or a disaster assistance organization;

17.5 (3) provided as an in-kind benefit; or

17.6 (4) earmarked and used for the purpose for which it was intended.

17.7 (b) The following are deducted from income: funds used to pay for health insurance
17.8 premiums for family members, and child or spousal support paid to or on behalf of a person
17.9 or persons who live outside of the household. Income sources not included in this subdivision
17.10 and section 256P.06, subdivision 3, are not counted as income.

17.11 Sec. 2. Minnesota Statutes 2020, section 119B.025, subdivision 4, is amended to read:

17.12 Subd. 4. **Changes in eligibility.** (a) The county shall process a change in eligibility
17.13 factors according to paragraphs (b) to (g).

17.14 (b) A family is subject to the reporting requirements in section 256P.07, subdivision 6.

17.15 (c) If a family reports a change or a change is known to the agency before the family's
17.16 regularly scheduled redetermination, the county must act on the change. The commissioner
17.17 shall establish standards for verifying a change.

17.18 (d) A change in income occurs on the day the participant received the first payment
17.19 reflecting the change in income.

17.20 (e) During a family's 12-month eligibility period, if the family's income increases and
17.21 remains at or below 85 percent of the state median income, adjusted for family size, there
17.22 is no change to the family's eligibility. The county shall not request verification of the
17.23 change. The co-payment fee shall not increase during the remaining portion of the family's
17.24 12-month eligibility period.

17.25 (f) During a family's 12-month eligibility period, if the family's income increases and
17.26 exceeds 85 percent of the state median income, adjusted for family size, the family is not
17.27 eligible for child care assistance. The family must be given 15 calendar days to provide
17.28 verification of the change. If the required verification is not returned or confirms ineligibility,
17.29 the family's eligibility ends following a subsequent 15-day adverse action notice.

17.30 (g) Notwithstanding Minnesota Rules, parts 3400.0040, subpart 3, and 3400.0170,
17.31 subpart 1, if an applicant or participant reports that employment ended, the agency may

18.1 accept a signed statement from the applicant or participant as verification that employment
18.2 ended.

18.3 **EFFECTIVE DATE.** This section is effective March 1, 2024.

18.4 Sec. 3. Minnesota Statutes 2020, section 256D.03, is amended by adding a subdivision to
18.5 read:

18.6 Subd. 2b. **Budgeting and reporting.** Every county agency shall determine eligibility
18.7 and calculate benefit amounts for general assistance according to chapter 256P.

18.8 **EFFECTIVE DATE.** This section is effective March 1, 2024.

18.9 Sec. 4. Minnesota Statutes 2020, section 256D.0516, subdivision 2, is amended to read:

18.10 Subd. 2. **SNAP reporting requirements.** The commissioner of human services shall
18.11 implement simplified reporting as permitted under the Food and Nutrition Act of 2008, as
18.12 amended, and the SNAP regulations in Code of Federal Regulations, title 7, part 273. SNAP
18.13 benefit recipient households required to report periodically shall not be required to report
18.14 more often than one time every six months. ~~This provision shall not apply to households
18.15 receiving food benefits under the Minnesota family investment program waiver.~~

18.16 **EFFECTIVE DATE.** This section is effective March 1, 2024.

18.17 Sec. 5. Minnesota Statutes 2020, section 256D.06, subdivision 1, is amended to read:

18.18 Subdivision 1. **Eligibility; amount of assistance.** General assistance shall be granted
18.19 to an individual or married couple in an amount that when added to the countable income
18.20 as determined to be actually equal to the difference between the countable income available
18.21 ~~to the assistance unit under section 256P.06, the total amount equals the applicable standard~~
18.22 ~~of assistance for general assistance~~ and the standard for the individual or married couple
18.23 using the MFIP transitional standard cash portion described in section 256J.24, subdivision
18.24 5, paragraph (a). In determining eligibility for and the amount of assistance for an individual
18.25 or married couple, the agency shall apply the earned income disregard as determined in
18.26 section 256P.03.

18.27 **EFFECTIVE DATE.** This section is effective October 1, 2023.

18.28 Sec. 6. Minnesota Statutes 2020, section 256D.06, subdivision 2, is amended to read:

18.29 Subd. 2. **Emergency need.** (a) Notwithstanding the provisions of subdivision 1, a grant
18.30 of emergency general assistance shall, to the extent funds are available, be made to an

19.1 eligible single adult, married couple, or family for an emergency need where the recipient
19.2 requests temporary assistance not exceeding 30 days if an emergency situation appears to
19.3 exist under written criteria adopted by the county agency. If an applicant or recipient relates
19.4 facts to the county agency which may be sufficient to constitute an emergency situation,
19.5 the county agency shall, to the extent funds are available, advise the person of the procedure
19.6 for applying for assistance according to this subdivision.

19.7 (b) The applicant must be ineligible for assistance under chapter 256J, must have annual
19.8 net income no greater than 200 percent of the federal poverty guidelines for the previous
19.9 calendar year, and may only receive an emergency assistance grant ~~not more than~~ once in
19.10 any 12-month period.

19.11 (c) Funding for an emergency general assistance program is limited to the appropriation.
19.12 Each fiscal year, the commissioner shall allocate to counties the money appropriated for
19.13 emergency general assistance grants based on each county agency's average share of state's
19.14 emergency general expenditures for the immediate past three fiscal years as determined by
19.15 the commissioner, and may reallocate any unspent amounts to other counties. The
19.16 commissioner may disregard periods of pandemic or other disaster, including fiscal years
19.17 2021 and 2022, when determining the amount allocated to counties. No county shall be
19.18 allocated less than \$1,000 for a fiscal year.

19.19 (d) Any emergency general assistance expenditures by a county above the amount of
19.20 the commissioner's allocation to the county must be made from county funds.

19.21 Sec. 7. Minnesota Statutes 2020, section 256D.06, subdivision 5, is amended to read:

19.22 Subd. 5. **Eligibility; requirements.** (a) Any applicant, otherwise eligible for general
19.23 assistance and possibly eligible for maintenance benefits from any other source shall (1)
19.24 make application for those benefits within ~~30~~ 90 days of the general assistance application,
19.25 unless an applicant had good cause to not apply within that period; and (2) execute an interim
19.26 assistance agreement on a form as directed by the commissioner.

19.27 (b) The commissioner shall review a denial of an application for other maintenance
19.28 benefits and may require a recipient of general assistance to file an appeal of the denial if
19.29 appropriate. If found eligible for benefits from other sources, and a payment received from
19.30 another source relates to the period during which general assistance was also being received,
19.31 the recipient shall be required to reimburse the county agency for the interim assistance
19.32 paid. Reimbursement shall not exceed the amount of general assistance paid during the time
19.33 period to which the other maintenance benefits apply and shall not exceed the state standard
19.34 applicable to that time period.

20.1 (c) The commissioner may contract with the county agencies, qualified agencies,
20.2 organizations, or persons to provide advocacy and support services to process claims for
20.3 federal disability benefits for applicants or recipients of services or benefits supervised by
20.4 the commissioner using money retained under this section.

20.5 (d) The commissioner may provide methods by which county agencies shall identify,
20.6 refer, and assist recipients who may be eligible for benefits under federal programs for
20.7 people with a disability.

20.8 (e) The total amount of interim assistance recoveries retained under this section for
20.9 advocacy, support, and claim processing services shall not exceed 35 percent of the interim
20.10 assistance recoveries in the prior fiscal year.

20.11 Sec. 8. Minnesota Statutes 2020, section 256E.35, subdivision 1, is amended to read:

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

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

20.16 Sec. 9. Minnesota Statutes 2020, section 256E.35, subdivision 2, is amended to read:

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

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

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

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

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

20.28 (d) "Fiduciary organization" means:

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

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

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

21.5 (4) a federally recognized Tribal nation; or

21.6 (5) a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue
 21.7 Code.

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

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

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

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

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

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

21.20 (h) "Permissible use" means:

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

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

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

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

- 22.1 (5) acquisition costs of a personal vehicle only if approved by the fiduciary organization;
- 22.2 (6) contribution to an emergency savings account; and
- 22.3 (7) contribution to a Minnesota 529 savings plan.

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

22.5 Sec. 10. Minnesota Statutes 2020, section 256E.35, subdivision 4a, is amended to read:

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

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

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

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

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

22.15 Sec. 11. Minnesota Statutes 2020, section 256E.35, subdivision 6, is amended to read:

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

22.21 (b) The fiscal agent must ensure the household's custodial account contains the applicable
22.22 matching funds to match the balance in the household's account, including interest, on at
22.23 least a quarterly basis and at the time of an approved withdrawal. Matches must be a
22.24 contribution of \$3 from state grant or TANF funds for every \$1 of funds withdrawn from
22.25 the family asset account not to exceed a ~~\$6,000~~ \$9,000 lifetime limit.

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

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

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

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

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

23.9 Sec. 12. Minnesota Statutes 2020, section 256E.36, subdivision 1, is amended to read:

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

23.11 (b) "Commissioner" means the commissioner of human services.

23.12 (c) "Eligible organization" means a local governmental unit, federally recognized Tribal
 23.13 Nation, or nonprofit organization providing or seeking to provide emergency services for
 23.14 homeless persons.

23.15 (d) "Emergency services" means:

23.16 (1) providing emergency shelter for homeless persons; and

23.17 (2) assisting homeless persons in obtaining essential services, including:

23.18 (i) access to permanent housing;

23.19 (ii) medical and psychological help;

23.20 (iii) employment counseling and job placement;

23.21 (iv) substance abuse treatment;

23.22 (v) financial assistance available from other programs;

23.23 (vi) emergency child care;

23.24 (vii) transportation; and

23.25 (viii) other services needed to stabilize housing.

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

24.1 Sec. 13. [256E.361] EMERGENCY SHELTER FACILITIES GRANTS.

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

24.4 (b) "Commissioner" means the commissioner of human services.

24.5 (c) "Eligible organization" means a local governmental unit, federally recognized Tribal
24.6 Nation, or nonprofit organization seeking to acquire, construct, renovate, furnish, or equip
24.7 facilities for emergency homeless shelters for individuals and families experiencing
24.8 homelessness.

24.9 (d) "Emergency services" has the meaning given in section 256E.36, subdivision 1,
24.10 paragraph (d).

24.11 (e) "Emergency shelter facility" or "facility" means a facility that provides a safe, sanitary,
24.12 accessible, and suitable emergency shelter for individuals and families experiencing
24.13 homelessness, regardless of whether the facility provides emergency shelter for emergency
24.14 services during the day, overnight, or both.

24.15 Subd. 2. Program established; purpose. An emergency shelter facilities grant program
24.16 is established to help eligible organizations acquire, construct, renovate, furnish, or equip
24.17 emergency shelter facilities for individuals and families experiencing homelessness. The
24.18 program shall be administered by the commissioner.

24.19 Subd. 3. Distribution of grants. The commissioner must make grants with the purpose
24.20 of ensuring that emergency shelter facilities are available to meet the needs of individuals
24.21 and families experiencing homelessness statewide.

24.22 Subd. 4. Applications. An eligible organization may apply to the commissioner for a
24.23 grant to acquire, construct, renovate, furnish, or equip an emergency shelter facility providing
24.24 or seeking to provide emergency services for individuals and families experiencing
24.25 homelessness. The commissioner shall use a competitive request for proposal process to
24.26 identify potential projects and eligible organizations on a statewide basis.

24.27 Subd. 5. Criteria for grant awards. The commissioner shall award grants based on the
24.28 following criteria:

24.29 (1) whether the application is for a grant to acquire, construct, renovate, furnish, or equip
24.30 an emergency shelter facility for individuals and families experiencing homelessness;

24.31 (2) evidence of the applicant's need for state assistance and the need for the particular
24.32 facility to be funded; and

25.1 (3) the applicant's long-range plans for future funding if the need continues to exist for
 25.2 the emergency services provided at the facility.

25.3 Subd. 6. **Availability of appropriations.** Appropriations under this section are available
 25.4 for a four-year period that begins on July 1 of the fiscal year in which the appropriation
 25.5 occurs. Unspent funds at the end of the four-year period shall cancel back to the general
 25.6 fund.

25.7 Sec. 14. Minnesota Statutes 2020, section 256I.03, subdivision 13, is amended to read:

25.8 Subd. 13. **Prospective budgeting.** "Prospective budgeting" ~~means estimating the amount~~
 25.9 ~~of monthly income a person will have in the payment month~~ has the meaning given in
 25.10 section 256P.01, subdivision 9.

25.11 **EFFECTIVE DATE.** This section is effective March 1, 2024.

25.12 Sec. 15. Minnesota Statutes 2020, section 256I.06, subdivision 6, is amended to read:

25.13 Subd. 6. **Reports.** Recipients must report changes in circumstances according to section
 25.14 ~~256P.07 that affect eligibility or housing support payment amounts, other than changes in~~
 25.15 ~~earned income, within ten days of the change.~~ Recipients with countable earned income
 25.16 must complete a household report form ~~at least once every six months~~ according to section
 25.17 256P.10. ~~If the report form is not received before the end of the month in which it is due,~~
 25.18 ~~the county agency must terminate eligibility for housing support payments. The termination~~
 25.19 ~~shall be effective on the first day of the month following the month in which the report was~~
 25.20 ~~due. If a complete report is received within the month eligibility was terminated, the~~
 25.21 ~~individual is considered to have continued an application for housing support payment~~
 25.22 ~~effective the first day of the month the eligibility was terminated.~~

25.23 **EFFECTIVE DATE.** This section is effective March 1, 2024.

25.24 Sec. 16. Minnesota Statutes 2021 Supplement, section 256I.06, subdivision 8, is amended
 25.25 to read:

25.26 Subd. 8. **Amount of housing support payment.** (a) The amount of a room and board
 25.27 payment to be made on behalf of an eligible individual is determined by subtracting the
 25.28 individual's countable income under section 256I.04, subdivision 1, for a whole calendar
 25.29 month from the room and board rate for that same month. The housing support payment is
 25.30 determined by multiplying the housing support rate times the period of time the individual
 25.31 was a resident or temporarily absent under section 256I.05, subdivision 2a.

26.1 (b) For an individual with earned income under paragraph (a), prospective budgeting
 26.2 according to section 256P.09 must be used to determine the amount of the individual's
 26.3 payment for the following six-month period. An increase in income shall not affect an
 26.4 individual's eligibility or payment amount until the month following the reporting month.
 26.5 A decrease in income shall be effective the first day of the month after the month in which
 26.6 the decrease is reported.

26.7 (c) For an individual who receives housing support payments under section 256I.04,
 26.8 subdivision 1, paragraph (c), the amount of the housing support payment is determined by
 26.9 multiplying the housing support rate times the period of time the individual was a resident.

26.10 **EFFECTIVE DATE.** This section is effective March 1, 2024.

26.11 Sec. 17. Minnesota Statutes 2020, section 256I.06, subdivision 10, is amended to read:

26.12 Subd. 10. **Correction of overpayments and underpayments.** The agency shall make
 26.13 an adjustment to housing support payments issued to individuals consistent with requirements
 26.14 of federal law and regulation and state law and rule and shall issue or recover benefits as
 26.15 appropriate. A recipient or former recipient is not responsible for overpayments due to
 26.16 agency error; ~~unless the amount of the overpayment is large enough that a reasonable person~~
 26.17 ~~would know it is an error.~~

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

26.19 Sec. 18. Minnesota Statutes 2020, section 256I.09, is amended to read:

26.20 **256I.09 COMMUNITY LIVING INFRASTRUCTURE.**

26.21 The commissioner shall award grants to agencies through an annual competitive process.
 26.22 Grants awarded under this section may be used for: (1) outreach to locate and engage people
 26.23 who are homeless or residing in segregated settings to screen for basic needs and assist with
 26.24 referral to community living resources; (2) building capacity to provide technical assistance
 26.25 and consultation on housing and related support service resources for persons with both
 26.26 disabilities and low income; ~~or~~ (3) streamlining the administration and monitoring activities
 26.27 related to housing support funds; or (4) direct assistance to individuals to access or maintain
 26.28 housing in community settings. Agencies may collaborate and submit a joint application
 26.29 for funding under this section.

27.1 Sec. 19. Minnesota Statutes 2020, section 256J.08, subdivision 71, is amended to read:

27.2 Subd. 71. **Prospective budgeting.** "Prospective budgeting" ~~means a method of~~
 27.3 ~~determining the amount of the assistance payment in which the budget month and payment~~
 27.4 ~~month are the same~~ has the meaning given in section 256P.01, subdivision 9.

27.5 **EFFECTIVE DATE.** This section is effective March 1, 2024.

27.6 Sec. 20. Minnesota Statutes 2020, section 256J.08, subdivision 79, is amended to read:

27.7 Subd. 79. **Recurring income.** "Recurring income" means a form of income which is:

27.8 (1) received periodically, and may be received irregularly when receipt can be anticipated
 27.9 even though the date of receipt cannot be predicted; and

27.10 (2) from the same source or of the same type that is received and budgeted in a
 27.11 prospective month ~~and is received in one or both of the first two retrospective months.~~

27.12 **EFFECTIVE DATE.** This section is effective March 1, 2024.

27.13 Sec. 21. Minnesota Statutes 2021 Supplement, section 256J.21, subdivision 3, is amended
 27.14 to read:

27.15 Subd. 3. **Initial income test.** (a) The agency shall determine initial eligibility by
 27.16 considering all earned and unearned income as defined in section 256P.06. To be eligible
 27.17 for MFIP, the assistance unit's countable income minus the earned income disregards in
 27.18 paragraph (a) and section 256P.03 must be below the family wage level according to section
 27.19 256J.24, subdivision 7, for that size assistance unit.

27.20 ~~(a)~~ (b) The initial eligibility determination must disregard the following items:

27.21 (1) the earned income disregard as determined in section 256P.03;

27.22 (2) dependent care costs must be deducted from gross earned income for the actual
 27.23 amount paid for dependent care up to a maximum of \$200 per month for each child less
 27.24 than two years of age, and \$175 per month for each child two years of age and older;

27.25 (3) all payments made according to a court order for spousal support or the support of
 27.26 children not living in the assistance unit's household shall be disregarded from the income
 27.27 of the person with the legal obligation to pay support; and

27.28 (4) an allocation for the unmet need of an ineligible spouse or an ineligible child under
 27.29 the age of 21 for whom the caregiver is financially responsible and who lives with the
 27.30 caregiver according to section 256J.36.

28.1 ~~(b) After initial eligibility is established,~~ (c) The income test is for a six-month period.
 28.2 The assistance payment calculation is based on ~~the monthly income test~~ prospective budgeting
 28.3 according to section 256P.09.

28.4 **EFFECTIVE DATE.** This section is effective March 1, 2024.

28.5 Sec. 22. Minnesota Statutes 2020, section 256J.21, subdivision 4, is amended to read:

28.6 Subd. 4. **Monthly Income test and determination of assistance payment.** ~~The county~~
 28.7 ~~agency shall determine ongoing eligibility and the assistance payment amount according~~
 28.8 ~~to the monthly income test.~~ To be eligible for MFIP, the result of the computations in
 28.9 paragraphs (a) to (e) applied to prospective budgeting must be at least \$1.

28.10 (a) Apply an income disregard as defined in section 256P.03, to gross earnings and
 28.11 subtract this amount from the family wage level. If the difference is equal to or greater than
 28.12 the MFIP transitional standard, the assistance payment is equal to the MFIP transitional
 28.13 standard. If the difference is less than the MFIP transitional standard, the assistance payment
 28.14 is equal to the difference. The earned income disregard in this paragraph must be deducted
 28.15 every month there is earned income.

28.16 (b) All payments made according to a court order for spousal support or the support of
 28.17 children not living in the assistance unit's household must be disregarded from the income
 28.18 of the person with the legal obligation to pay support.

28.19 (c) An allocation for the unmet need of an ineligible spouse or an ineligible child under
 28.20 the age of 21 for whom the caregiver is financially responsible and who lives with the
 28.21 caregiver must be made according to section 256J.36.

28.22 (d) Subtract unearned income dollar for dollar from the MFIP transitional standard to
 28.23 determine the assistance payment amount.

28.24 (e) When income is both earned and unearned, the amount of the assistance payment
 28.25 must be determined by first treating gross earned income as specified in paragraph (a). After
 28.26 determining the amount of the assistance payment under paragraph (a), unearned income
 28.27 must be subtracted from that amount dollar for dollar to determine the assistance payment
 28.28 amount.

28.29 ~~(f) When the monthly income is greater than the MFIP transitional standard after~~
 28.30 ~~deductions and the income will only exceed the standard for one month, the county agency~~
 28.31 ~~must suspend the assistance payment for the payment month.~~

28.32 **EFFECTIVE DATE.** This section is effective March 1, 2024.

29.1 Sec. 23. Minnesota Statutes 2021 Supplement, section 256J.33, subdivision 1, is amended
29.2 to read:

29.3 Subdivision 1. **Determination of eligibility.** (a) A county agency must determine MFIP
29.4 eligibility prospectively ~~for a payment month~~ based on ~~retrospectively~~ assessing income
29.5 and the county agency's best estimate of the circumstances that will exist in the payment
29.6 month.

29.7 (b) ~~Except as described in section 256J.34, subdivision 1, when prospective eligibility~~
29.8 ~~exists,~~ A county agency must calculate the amount of the assistance payment using
29.9 ~~retrospective~~ prospective budgeting. To determine MFIP eligibility and the assistance
29.10 payment amount, a county agency must apply countable income, described in sections
29.11 256P.06 and 256J.37, subdivisions 3 to ~~10~~ 9, received by members of an assistance unit or
29.12 by other persons whose income is counted for the assistance unit, described under sections
29.13 256J.37, subdivisions 1 to 2, and 256P.06, subdivision 1.

29.14 (c) This income must be applied to the MFIP standard of need or family wage level
29.15 subject to this section and sections 256J.34 to 256J.36. Countable income as described in
29.16 section 256P.06, subdivision 3, received ~~in a calendar month~~ must be applied to the needs
29.17 of an assistance unit.

29.18 (d) An assistance unit is not eligible when the countable income equals or exceeds the
29.19 MFIP standard of need or the family wage level for the assistance unit.

29.20 **EFFECTIVE DATE.** This section is effective March 1, 2024, except that the amendment
29.21 to paragraph (b) striking "10" and inserting "9" is effective July 1, 2023.

29.22 Sec. 24. Minnesota Statutes 2020, section 256J.33, subdivision 2, is amended to read:

29.23 Subd. 2. **Prospective eligibility.** An agency must determine whether the eligibility
29.24 requirements that pertain to an assistance unit, including those in sections 256J.11 to 256J.15
29.25 and 256P.02, will be met prospectively for the payment month period. ~~Except for the~~
29.26 ~~provisions in section 256J.34, subdivision 1,~~ The income test will be applied ~~retrospectively~~
29.27 prospectively.

29.28 **EFFECTIVE DATE.** This section is effective March 1, 2024.

29.29 Sec. 25. Minnesota Statutes 2020, section 256J.37, subdivision 3, is amended to read:

29.30 Subd. 3. **Earned income of wage, salary, and contractual employees.** The agency
29.31 must include gross earned income less any disregards in the initial ~~and monthly~~ income
29.32 test. Gross earned income received by persons employed on a contractual basis must be

30.1 prorated over the period covered by the contract even when payments are received over a
30.2 lesser period of time.

30.3 **EFFECTIVE DATE.** This section is effective March 1, 2024.

30.4 Sec. 26. Minnesota Statutes 2020, section 256J.37, subdivision 3a, is amended to read:

30.5 Subd. 3a. **Rental subsidies; unearned income.** (a) Effective July 1, 2003, the agency
30.6 shall count \$50 of the value of public and assisted rental subsidies provided through the
30.7 Department of Housing and Urban Development (HUD) as unearned income to the cash
30.8 portion of the MFIP grant. The full amount of the subsidy must be counted as unearned
30.9 income when the subsidy is less than \$50. The income from this subsidy shall be budgeted
30.10 according to section ~~256J.34~~ 256P.09.

30.11 (b) The provisions of this subdivision shall not apply to an MFIP assistance unit which
30.12 includes a participant who is:

30.13 (1) age 60 or older;

30.14 (2) a caregiver who is suffering from an illness, injury, or incapacity that has been
30.15 certified by a qualified professional when the illness, injury, or incapacity is expected to
30.16 continue for more than 30 days and severely limits the person's ability to obtain or maintain
30.17 suitable employment; or

30.18 (3) a caregiver whose presence in the home is required due to the illness or incapacity
30.19 of another member in the assistance unit, a relative in the household, or a foster child in the
30.20 household when the illness or incapacity and the need for the participant's presence in the
30.21 home has been certified by a qualified professional and is expected to continue for more
30.22 than 30 days.

30.23 (c) The provisions of this subdivision shall not apply to an MFIP assistance unit where
30.24 the parental caregiver is an SSI participant.

30.25 **EFFECTIVE DATE.** This section is effective March 1, 2024.

30.26 Sec. 27. Minnesota Statutes 2020, section 256J.95, subdivision 19, is amended to read:

30.27 Subd. 19. **DWP overpayments and underpayments.** DWP benefits are subject to
30.28 overpayments and underpayments. Anytime an overpayment or an underpayment is
30.29 determined for DWP, the correction shall be calculated using prospective budgeting.
30.30 Corrections shall be determined based on the policy in section ~~256J.34, subdivision 1,~~
30.31 ~~paragraphs (a), (b), and (c)~~ 256P.09, subdivisions 1 to 4. ATM errors must be recovered as

31.1 specified in section 256P.08, subdivision 7. Cross program recoupment of overpayments
 31.2 cannot be assigned to or from DWP.

31.3 **EFFECTIVE DATE.** This section is effective March 1, 2024.

31.4 Sec. 28. Minnesota Statutes 2020, section 256K.45, subdivision 3, is amended to read:

31.5 Subd. 3. **Street and community outreach and drop-in program.** Youth drop-in centers
 31.6 must provide walk-in access to crisis intervention and ongoing supportive services including
 31.7 one-to-one case management services on a self-referral basis. Street and community outreach
 31.8 programs must locate, contact, and provide information, referrals, and services to homeless
 31.9 youth, youth at risk of homelessness, and runaways. Information, referrals, and services
 31.10 provided may include, but are not limited to:

31.11 (1) family reunification services;

31.12 (2) conflict resolution or mediation counseling;

31.13 (3) assistance in obtaining temporary emergency shelter;

31.14 (4) assistance in obtaining food, clothing, medical care, or mental health counseling;

31.15 (5) counseling regarding violence, sexual exploitation, substance abuse, sexually
 31.16 transmitted diseases, and pregnancy;

31.17 (6) referrals to other agencies that provide support services to homeless youth, youth at
 31.18 risk of homelessness, and runaways;

31.19 (7) assistance with education, employment, and independent living skills;

31.20 (8) aftercare services;

31.21 (9) specialized services for highly vulnerable runaways and homeless youth, including
 31.22 ~~teen~~ but not limited to youth at risk of discrimination based on sexual orientation or gender
 31.23 identity, young parents, emotionally disturbed and mentally ill youth, and sexually exploited
 31.24 youth; and

31.25 (10) homelessness prevention.

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

31.27 Sec. 29. Minnesota Statutes 2020, section 256P.01, is amended by adding a subdivision
 31.28 to read:

31.29 Subd. 9. **Prospective budgeting.** "Prospective budgeting" means estimating the amount
 31.30 of monthly income that an assistance unit will have in the payment month.

32.1 **EFFECTIVE DATE.** This section is effective March 1, 2024.

32.2 Sec. 30. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 1a, is amended
32.3 to read:

32.4 Subd. 1a. **Exemption.** Participants who qualify for child care assistance programs under
32.5 chapter 119B are exempt from this section, except that the personal property identified in
32.6 subdivision 2 is counted toward the asset limit of the child care assistance program under
32.7 chapter 119B. Vehicles under subdivision 3 and accounts under subdivision 4 are not counted
32.8 toward the asset limit of the child care assistance program under chapter 119B.

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

32.10 Sec. 31. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 2, is amended
32.11 to read:

32.12 Subd. 2. **Personal property limitations.** The equity value of an assistance unit's personal
32.13 property listed in clauses (1) to (5) must not exceed \$10,000 for applicants and participants.
32.14 For purposes of this subdivision, personal property is limited to:

32.15 (1) cash;

32.16 (2) bank accounts not excluded under subdivision 4;

32.17 (3) liquid stocks and bonds that can be readily accessed without a financial penalty;

32.18 (4) vehicles not excluded under subdivision 3; and

32.19 (5) the full value of business accounts used to pay expenses not related to the business.

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

32.21 Sec. 32. Minnesota Statutes 2020, section 256P.02, is amended by adding a subdivision
32.22 to read:

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

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

33.1 Sec. 33. Minnesota Statutes 2021 Supplement, section 256P.04, subdivision 4, is amended
33.2 to read:

33.3 Subd. 4. **Factors to be verified.** (a) The agency shall verify the following at application:

33.4 (1) identity of adults;

33.5 (2) age, if necessary to determine eligibility;

33.6 (3) immigration status;

33.7 (4) income;

33.8 (5) spousal support and child support payments made to persons outside the household;

33.9 (6) vehicles;

33.10 (7) checking and savings accounts, including but not limited to any business accounts

33.11 used to pay expenses not related to the business;

33.12 (8) inconsistent information, if related to eligibility;

33.13 (9) residence; and

33.14 (10) Social Security number; ~~and~~.

33.15 ~~(11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item~~

33.16 ~~(ix), for the intended purpose for which it was given and received.~~

33.17 (b) Applicants who are qualified noncitizens and victims of domestic violence as defined
33.18 under section 256J.08, subdivision 73, clauses (8) and (9), are not required to verify the
33.19 information in paragraph (a), clause (10). When a Social Security number is not provided
33.20 to the agency for verification, this requirement is satisfied when each member of the
33.21 assistance unit cooperates with the procedures for verification of Social Security numbers,
33.22 issuance of duplicate cards, and issuance of new numbers which have been established
33.23 jointly between the Social Security Administration and the commissioner.

33.24 **EFFECTIVE DATE.** This section is effective July 1, 2023.

33.25 Sec. 34. Minnesota Statutes 2021 Supplement, section 256P.04, subdivision 8, is amended
33.26 to read:

33.27 Subd. 8. **Recertification.** The agency shall recertify eligibility annually. During
33.28 recertification and reporting under section 256P.10, the agency shall verify the following:

33.29 (1) income, unless excluded, including self-employment earnings;

33.30 (2) assets when the value is within \$200 of the asset limit; and

34.1 (3) inconsistent information, if related to eligibility.

34.2 **EFFECTIVE DATE.** This section is effective March 1, 2024.

34.3 Sec. 35. Minnesota Statutes 2021 Supplement, section 256P.06, subdivision 3, is amended
34.4 to read:

34.5 Subd. 3. **Income inclusions.** The following must be included in determining the income
34.6 of an assistance unit:

34.7 (1) earned income; and

34.8 (2) unearned income, which includes:

34.9 (i) interest and dividends from investments and savings;

34.10 (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;

34.11 (iii) proceeds from rent and contract for deed payments in excess of the principal and
34.12 interest portion owed on property;

34.13 (iv) income from trusts, excluding special needs and supplemental needs trusts;

34.14 (v) interest income from loans made by the participant or household;

34.15 (vi) cash prizes and winnings;

34.16 (vii) unemployment insurance income that is received by an adult member of the
34.17 assistance unit unless the individual receiving unemployment insurance income is:

34.18 (A) 18 years of age and enrolled in a secondary school; or

34.19 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;

34.20 (viii) retirement, survivors, and disability insurance payments;

34.21 ~~(ix) nonrecurring income over \$60 per quarter unless the nonrecurring income is: (A)~~
34.22 ~~from tax refunds, tax rebates, or tax credits; (B) a reimbursement, rebate, award, grant, or~~
34.23 ~~refund of personal or real property or costs or losses incurred when these payments are~~
34.24 ~~made by: a public agency; a court; solicitations through public appeal; a federal, state, or~~
34.25 ~~local unit of government; or a disaster assistance organization; (C) provided as an in-kind~~
34.26 ~~benefit; or (D) earmarked and used for the purpose for which it was intended, subject to~~
34.27 ~~verification requirements under section 256P.04;~~

34.28 ~~(x)~~ (ix) retirement benefits;

34.29 ~~(xi)~~ (x) cash assistance benefits, as defined by each program in chapters 119B, 256D,
34.30 256I, and 256J;

- 35.1 ~~(xii)~~ (xi) Tribal per capita payments unless excluded by federal and state law;
- 35.2 ~~(xiii)~~ (xii) income and payments from service and rehabilitation programs that meet or
- 35.3 exceed the state's minimum wage rate;
- 35.4 ~~(xiv)~~ (xiii) income from members of the United States armed forces unless excluded
- 35.5 from income taxes according to federal or state law;
- 35.6 ~~(xv)~~ (xiv) all child support payments for programs under chapters 119B, 256D, and 256I;
- 35.7 ~~(xvi)~~ (xv) the amount of child support received that exceeds \$100 for assistance units
- 35.8 with one child and \$200 for assistance units with two or more children for programs under
- 35.9 chapter 256J;
- 35.10 ~~(xvii)~~ (xvi) spousal support; and
- 35.11 ~~(xviii)~~ (xvii) workers' compensation.

35.12 **EFFECTIVE DATE.** This section is effective July 1, 2023.

35.13 Sec. 36. Minnesota Statutes 2020, section 256P.07, subdivision 1, is amended to read:

35.14 Subdivision 1. **Exempted programs.** Participants who receive Supplemental Security

35.15 Income and qualify for Minnesota supplemental aid under chapter 256D ~~and~~ or for housing

35.16 support under chapter 256I ~~on the basis of eligibility for Supplemental Security Income~~ are

35.17 exempt from ~~this section~~ reporting income under this chapter.

35.18 **EFFECTIVE DATE.** This section is effective March 1, 2024.

35.19 Sec. 37. Minnesota Statutes 2020, section 256P.07, is amended by adding a subdivision

35.20 to read:

35.21 Subd. 1a. **Child care assistance programs.** Participants who qualify for child care

35.22 assistance programs under chapter 119B are exempt from this section except the reporting

35.23 requirements in subdivision 6.

35.24 **EFFECTIVE DATE.** This section is effective March 1, 2024.

35.25 Sec. 38. Minnesota Statutes 2020, section 256P.07, subdivision 2, is amended to read:

35.26 Subd. 2. **Reporting requirements.** An applicant or participant must provide information

35.27 on an application and any subsequent reporting forms about the assistance unit's

35.28 circumstances that affect eligibility or benefits. An applicant or assistance unit must report

35.29 changes that affect eligibility or benefits as identified in subdivision subdivisions 3, 4, 5,

35.30 7, 8, and 9, during the application period or by the tenth of the month following the month

36.1 the assistance unit's circumstances changed. When information is not accurately reported,
 36.2 both an overpayment and a referral for a fraud investigation may result. When information
 36.3 or documentation is not provided, the receipt of any benefit may be delayed or denied,
 36.4 depending on the type of information required and its effect on eligibility.

36.5 **EFFECTIVE DATE.** This section is effective March 1, 2024.

36.6 Sec. 39. Minnesota Statutes 2020, section 256P.07, subdivision 3, is amended to read:

36.7 Subd. 3. **Changes that must be reported.** ~~An assistance unit must report the changes~~
 36.8 ~~or anticipated changes specified in clauses (1) to (12) within ten days of the date they occur,~~
 36.9 ~~at the time of recertification of eligibility under section 256P.04, subdivisions 8 and 9, or~~
 36.10 ~~within eight calendar days of a reporting period, whichever occurs first. An assistance unit~~
 36.11 ~~must report other changes at the time of recertification of eligibility under section 256P.04,~~
 36.12 ~~subdivisions 8 and 9, or at the end of a reporting period, as applicable. When an agency~~
 36.13 ~~could have reduced or terminated assistance for one or more payment months if a delay in~~
 36.14 ~~reporting a change specified under clauses (1) to (12) had not occurred, the agency must~~
 36.15 ~~determine whether a timely notice could have been issued on the day that the change~~
 36.16 ~~occurred. When a timely notice could have been issued, each month's overpayment~~
 36.17 ~~subsequent to that notice must be considered a client error overpayment under section~~
 36.18 ~~119B.11, subdivision 2a, or 256P.08. Changes in circumstances that must be reported within~~
 36.19 ~~ten days must also be reported for the reporting period in which those changes occurred.~~
 36.20 ~~Within ten days, an assistance unit must report:~~

36.21 ~~(1) a change in earned income of \$100 per month or greater with the exception of a~~
 36.22 ~~program under chapter 119B;~~

36.23 ~~(2) a change in unearned income of \$50 per month or greater with the exception of a~~
 36.24 ~~program under chapter 119B;~~

36.25 ~~(3) a change in employment status and hours with the exception of a program under~~
 36.26 ~~chapter 119B;~~

36.27 ~~(4) a change in address or residence;~~

36.28 ~~(5) a change in household composition with the exception of programs under chapter~~
 36.29 ~~256I;~~

36.30 ~~(6) a receipt of a lump-sum payment with the exception of a program under chapter~~
 36.31 ~~119B;~~

37.1 ~~(7) an increase in assets if over \$9,000 with the exception of programs under chapter~~
 37.2 ~~119B;~~

37.3 ~~(8) a change in citizenship or immigration status;~~

37.4 ~~(9) a change in family status with the exception of programs under chapter 256I;~~

37.5 ~~(10) a change in disability status of a unit member, with the exception of programs under~~
 37.6 ~~chapter 119B;~~

37.7 ~~(11) a new rent subsidy or a change in rent subsidy with the exception of a program~~
 37.8 ~~under chapter 119B; and~~

37.9 ~~(12) a sale, purchase, or transfer of real property with the exception of a program under~~
 37.10 ~~chapter 119B.~~

37.11 (a) An assistance unit must report changes or anticipated changes as described in this
 37.12 subdivision.

37.13 (b) An assistance unit must report:

37.14 (1) a change in eligibility for Supplemental Security Income, Retirement Survivors
 37.15 Disability Insurance, or another federal income support;

37.16 (2) a change in address or residence;

37.17 (3) a change in household composition with the exception of programs under chapter
 37.18 256I;

37.19 (4) cash prizes and winnings according to guidance provided for the Supplemental
 37.20 Nutrition Assistance Program;

37.21 (5) a change in citizenship or immigration status;

37.22 (6) a change in family status with the exception of programs under chapter 256I; and

37.23 (7) a change that makes the value of the unit's assets at or above the asset limit.

37.24 (c) When an agency could have reduced or terminated assistance for one or more payment
 37.25 months if a delay in reporting a change specified under paragraph (b) had not occurred, the
 37.26 agency must determine whether the agency could have issued a timely notice on the day
 37.27 that the change occurred. When a timely notice could have been issued, each month's
 37.28 overpayment subsequent to the notice must be considered a client error overpayment under
 37.29 section 256P.08.

37.30 **EFFECTIVE DATE.** This section is effective March 1, 2024, except that the amendment
 37.31 striking clause (6) is effective July 1, 2023.

38.1 Sec. 40. Minnesota Statutes 2020, section 256P.07, subdivision 4, is amended to read:

38.2 Subd. 4. **MFIP-specific reporting.** In addition to subdivision 3, an assistance unit under
38.3 chapter 256J, ~~within ten days of the change,~~ must report:

38.4 (1) a pregnancy not resulting in birth when there are no other minor children; ~~and~~

38.5 (2) a change in school attendance of a parent under 20 years of age ~~or of an employed~~
38.6 ~~child;~~ and

38.7 (3) an individual in the household who is 18 or 19 years of age attending high school
38.8 who graduates or drops out of school.

38.9 **EFFECTIVE DATE.** This section is effective March 1, 2024.

38.10 Sec. 41. Minnesota Statutes 2020, section 256P.07, subdivision 6, is amended to read:

38.11 Subd. 6. **Child care assistance programs-specific reporting.** (a) ~~In addition to~~
38.12 ~~subdivision 3,~~ An assistance unit under chapter 119B, within ten days of the change, must
38.13 report:

38.14 (1) a change in a parentally responsible individual's custody schedule for any child
38.15 receiving child care assistance program benefits;

38.16 (2) a permanent end in a parentally responsible individual's authorized activity; ~~and~~

38.17 (3) if the unit's family's annual included income exceeds 85 percent of the state median
38.18 income, adjusted for family size; ;

38.19 (4) a change in address or residence;

38.20 (5) a change in household composition;

38.21 (6) a change in citizenship or immigration status; and

38.22 (7) a change in family status.

38.23 (b) An assistance unit subject to section 119B.095, subdivision 1, paragraph (b), must
38.24 report a change in the unit's authorized activity status.

38.25 (c) An assistance unit must notify the county when the unit wants to reduce the number
38.26 of authorized hours for children in the unit.

38.27 **EFFECTIVE DATE.** This section is effective March 1, 2024.

39.1 Sec. 42. Minnesota Statutes 2020, section 256P.07, subdivision 7, is amended to read:

39.2 Subd. 7. **Minnesota supplemental aid-specific reporting.** (a) In addition to subdivision
 39.3 3, an assistance unit participating in the Minnesota supplemental aid program under section
 39.4 256D.44, subdivision 5, paragraph (g), within ten days of the change, chapter 256D and not
 39.5 receiving Supplemental Security Income must report shelter expenses.:

39.6 (1) a change in unearned income of \$50 per month or greater; and

39.7 (2) a change in earned income of \$100 per month or greater.

39.8 (b) An assistance unit receiving housing assistance under section 256D.44, subdivision
 39.9 5, paragraph (g), including assistance units that also receive Supplemental Security Income,
 39.10 must report:

39.11 (1) a change in shelter expenses; and

39.12 (2) a new rent subsidy or a change in rent subsidy.

39.13 **EFFECTIVE DATE.** This section is effective March 1, 2024.

39.14 Sec. 43. Minnesota Statutes 2020, section 256P.07, is amended by adding a subdivision
 39.15 to read:

39.16 Subd. 8. **Housing support-specific reporting.** (a) In addition to subdivision 3, an
 39.17 assistance unit participating in the housing support program under chapter 256I and not
 39.18 receiving Supplemental Security Income must report:

39.19 (1) a change in unearned income of \$50 per month or greater; and

39.20 (2) a change in earned income of \$100 per month or greater, unless the assistance unit
 39.21 is already subject to six-month reporting requirements in section 256P.10.

39.22 (b) Notwithstanding the exemptions in subdivisions 1 and 3, an assistance unit receiving
 39.23 housing support under chapter 256I, including an assistance unit that receives Supplemental
 39.24 Security Income, must report:

39.25 (1) a new rent subsidy or a change in rent subsidy;

39.26 (2) a change in the disability status of a unit member; and

39.27 (3) a change in household composition if the assistance unit is a participant in housing
 39.28 support under section 256I.04, subdivision 3, paragraph (a), clause (3).

39.29 **EFFECTIVE DATE.** This section is effective March 1, 2024.

40.1 Sec. 44. Minnesota Statutes 2020, section 256P.07, is amended by adding a subdivision
40.2 to read:

40.3 Subd. 9. **General assistance-specific reporting.** In addition to subdivision 3, an
40.4 assistance unit participating in the general assistance program under chapter 256D must
40.5 report:

40.6 (1) a change in unearned income of \$50 per month or greater;

40.7 (2) a change in earned income of \$100 per month or greater, unless the assistance unit
40.8 is already subject to six-month reporting requirements in section 256P.10; and

40.9 (3) changes in any condition that would result in the loss of basis for eligibility in section
40.10 256D.05, subdivision 1, paragraph (a).

40.11 **EFFECTIVE DATE.** This section is effective March 1, 2024.

40.12 Sec. 45. Minnesota Statutes 2020, section 256P.08, subdivision 2, is amended to read:

40.13 Subd. 2. **Scope of overpayment.** (a) When a participant or former participant receives
40.14 an overpayment due to client or ATM error, or due to assistance received while an appeal
40.15 is pending and the participant or former participant is determined ineligible for assistance
40.16 or for less assistance than was received, except as provided for interim assistance in section
40.17 256D.06, subdivision 5, the county agency must recoup or recover the overpayment using
40.18 the following methods:

40.19 (1) reconstruct each affected budget month and corresponding payment month;

40.20 (2) use the policies and procedures that were in effect for the payment month; and

40.21 (3) do not allow employment disregards in the calculation of the overpayment when the
40.22 unit has not reported within two calendar months following the end of the month in which
40.23 the income was received.

40.24 (b) Establishment of an overpayment is limited to six years prior to the month of discovery
40.25 due to client error or an intentional program violation determined under section 256.046.

40.26 (c) A participant or former participant is not responsible for overpayments due to agency
40.27 error, ~~unless the amount of the overpayment is large enough that a reasonable person would~~
40.28 ~~know it is an error.~~

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

41.1 Sec. 46. **[256P.09] PROSPECTIVE BUDGETING OF BENEFITS.**

41.2 Subdivision 1. Exempted programs. Assistance units that qualify for child care
41.3 assistance programs under chapter 119B, assistance units that receive housing support under
41.4 chapter 256I and are not subject to reporting under section 256P.10, and assistance units
41.5 that qualify for Minnesota supplemental aid under chapter 256D are exempt from this
41.6 section.

41.7 Subd. 2. Prospective budgeting of benefits. An agency subject to this chapter must use
41.8 prospective budgeting to calculate the assistance payment amount.

41.9 Subd. 3. Initial income. For the purpose of determining an assistance unit's level of
41.10 benefits, an agency must take into account the income already received by the assistance
41.11 unit during or anticipated to be received during the application period. Income anticipated
41.12 to be received only in the initial month of eligibility should only be counted in the initial
41.13 month.

41.14 Subd. 4. Income determination. An agency must use prospective budgeting to determine
41.15 the amount of the assistance unit's benefit for the eligibility period based on the best
41.16 information available at the time of approval. An agency shall only count anticipated income
41.17 when the participant and the agency are reasonably certain of the amount of the payment
41.18 and the month in which the payment will be received. If the exact amount of the income is
41.19 not known, the agency shall consider only the amounts that can be anticipated as income.

41.20 Subd. 5. Income changes. An increase in income shall not affect an assistance unit's
41.21 eligibility or benefit amount until the next review unless otherwise required to be reported
41.22 in section 256P.07. A decrease in income shall be effective on the date that the change
41.23 occurs if the change is reported by the tenth of the month following the month when the
41.24 change occurred. If the assistance unit does not report the change in income by the tenth of
41.25 the month following the month when the change occurred, the change in income shall be
41.26 effective on the date the change was reported.

41.27 **EFFECTIVE DATE.** This section is effective March 1, 2024.

41.28 Sec. 47. **[256P.10] SIX-MONTH REPORTING.**

41.29 Subdivision 1. Exempted programs. Assistance units that qualify for child care
41.30 assistance programs under chapter 119B, assistance units that qualify for Minnesota
41.31 supplemental aid under chapter 256D, and assistance units that qualify for housing support
41.32 under chapter 256I and also receive Supplemental Security Income are exempt from this
41.33 section.

42.1 Subd. 2. **Reporting.** (a) Every six months, an assistance unit that qualifies for the
 42.2 Minnesota family investment program under chapter 256J, an assistance unit that qualifies
 42.3 for general assistance under chapter 256D with an earned income of \$100 per month or
 42.4 greater, or an assistance unit that qualifies for housing support under chapter 256I with an
 42.5 earned income of \$100 per month or greater is subject to six-month reviews. The initial
 42.6 reporting period may be shorter than six months in order to align with other programs'
 42.7 reporting periods.

42.8 (b) An assistance unit that qualifies for the Minnesota family investment program or an
 42.9 assistance unit that qualifies for general assistance with an earned income of \$100 per month
 42.10 or greater must complete household report forms as required by the commissioner for
 42.11 redetermination of benefits.

42.12 (c) An assistance unit that qualifies for housing support with an earned income of \$100
 42.13 per month or greater must complete household report forms as prescribed by the
 42.14 commissioner to provide information about earned income.

42.15 (d) An assistance unit that qualifies for housing support and also receives assistance
 42.16 through the Minnesota family investment program shall be subject to requirements of this
 42.17 section for purposes of the Minnesota family investment program but not for housing support.

42.18 (e) An assistance unit covered by this section must submit a household report form in
 42.19 compliance with the provisions in section 256P.04, subdivision 11.

42.20 (f) An assistance unit covered by this section may choose to report changes under this
 42.21 section at any time.

42.22 Subd. 3. **When to terminate assistance.** (a) An agency must terminate benefits when
 42.23 the assistance unit fails to submit the household report form before the end of the six-month
 42.24 review period as described in subdivision 2, paragraph (a). If the assistance unit submits
 42.25 the household report form within 30 days of the termination of benefits and remains eligible,
 42.26 benefits must be reinstated and made available retroactively for the full benefit month.

42.27 (b) When an assistance unit is determined to be ineligible for assistance according to
 42.28 this section and chapter 256D, 256I, or 256J, the commissioner must terminate assistance.

42.29 Sec. 48. **HOMELESSNESS AND HOUSING STABILITY WORKFORCE STUDY.**

42.30 The commissioner of human services must conduct a survey to study workforce
 42.31 information, including average wage and benefits, among other elements, for workers in
 42.32 emergency shelters, transitional housing, street outreach, and site-based housing for long-term
 42.33 homeless supportive services programs. The commissioner must submit a report to the

43.1 chairs and ranking minority members of the legislative committees and divisions with
 43.2 jurisdiction over housing and homelessness issues by February 1, 2024. The report must
 43.3 comply with Minnesota Statutes, sections 3.195 and 3.197.

43.4 Sec. 49. **REPEALER.**

43.5 (a) Minnesota Statutes 2020, sections 256J.08, subdivisions 10, 61, 62, 81, and 83;
 43.6 256J.30, subdivisions 5 and 7; 256J.33, subdivisions 3 and 5; 256J.34, subdivisions 1, 2, 3,
 43.7 and 4; and 256J.37, subdivision 10, are repealed.

43.8 (b) Minnesota Statutes 2021 Supplement, sections 256J.08, subdivision 53; 256J.30,
 43.9 subdivision 8; and 256J.33, subdivision 4, are repealed.

43.10 **EFFECTIVE DATE.** This section is effective March 1, 2024, except the repeal of
 43.11 Minnesota Statutes 2020, sections 256J.08, subdivision 62, and 256J.37, subdivision 10,
 43.12 and Minnesota Statutes 2021 Supplement, section 256J.08, subdivision 53, is effective July
 43.13 1, 2023.

43.14 **ARTICLE 4**

43.15 **BEHAVIORAL HEALTH**

43.16 Section 1. Minnesota Statutes 2020, section 62N.25, subdivision 5, is amended to read:

43.17 Subd. 5. **Benefits.** Community integrated service networks must offer the health
 43.18 maintenance organization benefit set, as defined in chapter 62D, and other laws applicable
 43.19 to entities regulated under chapter 62D. Community networks and chemical dependency
 43.20 facilities under contract with a community network shall use the assessment criteria in
 43.21 ~~Minnesota Rules, parts 9530.6600 to 9530.6655,~~ section 245G.05 when assessing enrollees
 43.22 for chemical dependency treatment.

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

43.24 Sec. 2. Minnesota Statutes 2020, section 62Q.1055, is amended to read:

43.25 **62Q.1055 CHEMICAL DEPENDENCY.**

43.26 All health plan companies shall use the assessment criteria in ~~Minnesota Rules, parts~~
 43.27 ~~9530.6600 to 9530.6655,~~ section 245G.05 when assessing and ~~placing~~ treating enrollees
 43.28 for chemical dependency treatment.

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

44.1 Sec. 3. Minnesota Statutes 2020, section 62Q.47, is amended to read:

44.2 **62Q.47 ALCOHOLISM, MENTAL HEALTH, AND CHEMICAL DEPENDENCY**
44.3 **SERVICES.**

44.4 (a) All health plans, as defined in section 62Q.01, that provide coverage for alcoholism,
44.5 mental health, or chemical dependency services, must comply with the requirements of this
44.6 section.

44.7 (b) Cost-sharing requirements and benefit or service limitations for outpatient mental
44.8 health and outpatient chemical dependency and alcoholism services, except for persons
44.9 ~~placed in seeking~~ chemical dependency services under ~~Minnesota Rules, parts 9530.6600~~
44.10 ~~to 9530.6655~~ section 245G.05, must not place a greater financial burden on the insured or
44.11 enrollee, or be more restrictive than those requirements and limitations for outpatient medical
44.12 services.

44.13 (c) Cost-sharing requirements and benefit or service limitations for inpatient hospital
44.14 mental health and inpatient hospital and residential chemical dependency and alcoholism
44.15 services, except for persons ~~placed in seeking~~ chemical dependency services under ~~Minnesota~~
44.16 ~~Rules, parts 9530.6600 to 9530.6655~~ section 245G.05, must not place a greater financial
44.17 burden on the insured or enrollee, or be more restrictive than those requirements and
44.18 limitations for inpatient hospital medical services.

44.19 (d) A health plan company must not impose an NQTL with respect to mental health and
44.20 substance use disorders in any classification of benefits unless, under the terms of the health
44.21 plan as written and in operation, any processes, strategies, evidentiary standards, or other
44.22 factors used in applying the NQTL to mental health and substance use disorders in the
44.23 classification are comparable to, and are applied no more stringently than, the processes,
44.24 strategies, evidentiary standards, or other factors used in applying the NQTL with respect
44.25 to medical and surgical benefits in the same classification.

44.26 (e) All health plans must meet the requirements of the federal Mental Health Parity Act
44.27 of 1996, Public Law 104-204; Paul Wellstone and Pete Domenici Mental Health Parity and
44.28 Addiction Equity Act of 2008; the Affordable Care Act; and any amendments to, and federal
44.29 guidance or regulations issued under, those acts.

44.30 (f) The commissioner may require information from health plan companies to confirm
44.31 that mental health parity is being implemented by the health plan company. Information
44.32 required may include comparisons between mental health and substance use disorder
44.33 treatment and other medical conditions, including a comparison of prior authorization

45.1 requirements, drug formulary design, claim denials, rehabilitation services, and other
45.2 information the commissioner deems appropriate.

45.3 (g) Regardless of the health care provider's professional license, if the service provided
45.4 is consistent with the provider's scope of practice and the health plan company's credentialing
45.5 and contracting provisions, mental health therapy visits and medication maintenance visits
45.6 shall be considered primary care visits for the purpose of applying any enrollee cost-sharing
45.7 requirements imposed under the enrollee's health plan.

45.8 (h) By June 1 of each year, beginning June 1, 2021, the commissioner of commerce, in
45.9 consultation with the commissioner of health, shall submit a report on compliance and
45.10 oversight to the chairs and ranking minority members of the legislative committees with
45.11 jurisdiction over health and commerce. The report must:

45.12 (1) describe the commissioner's process for reviewing health plan company compliance
45.13 with United States Code, title 42, section 18031(j), any federal regulations or guidance
45.14 relating to compliance and oversight, and compliance with this section and section 62Q.53;

45.15 (2) identify any enforcement actions taken by either commissioner during the preceding
45.16 12-month period regarding compliance with parity for mental health and substance use
45.17 disorders benefits under state and federal law, summarizing the results of any market conduct
45.18 examinations. The summary must include: (i) the number of formal enforcement actions
45.19 taken; (ii) the benefit classifications examined in each enforcement action; and (iii) the
45.20 subject matter of each enforcement action, including quantitative and nonquantitative
45.21 treatment limitations;

45.22 (3) detail any corrective action taken by either commissioner to ensure health plan
45.23 company compliance with this section, section 62Q.53, and United States Code, title 42,
45.24 section 18031(j); and

45.25 (4) describe the information provided by either commissioner to the public about
45.26 alcoholism, mental health, or chemical dependency parity protections under state and federal
45.27 law.

45.28 The report must be written in nontechnical, readily understandable language and must be
45.29 made available to the public by, among other means as the commissioners find appropriate,
45.30 posting the report on department websites. Individually identifiable information must be
45.31 excluded from the report, consistent with state and federal privacy protections.

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

46.1 Sec. 4. Minnesota Statutes 2020, section 169A.70, subdivision 3, is amended to read:

46.2 Subd. 3. **Assessment report.** (a) The assessment report must be on a form prescribed
46.3 by the commissioner and shall contain an evaluation of the convicted defendant concerning
46.4 the defendant's prior traffic and criminal record, characteristics and history of alcohol and
46.5 chemical use problems, and amenability to rehabilitation through the alcohol safety program.
46.6 The report is classified as private data on individuals as defined in section 13.02, subdivision
46.7 12.

46.8 (b) The assessment report must include:

46.9 (1) a diagnosis of the nature of the offender's chemical and alcohol involvement;

46.10 (2) an assessment of the severity level of the involvement;

46.11 (3) a recommended level of care for the offender in accordance with the criteria contained
46.12 in ~~rules adopted by the commissioner of human services under section 254A.03, subdivision~~
46.13 ~~3 (chemical dependency treatment rules)~~ section 245G.05;

46.14 (4) an assessment of the offender's placement needs;

46.15 (5) recommendations for other appropriate remedial action or care, including aftercare
46.16 services in section 254B.01, subdivision 3, that may consist of educational programs,
46.17 one-on-one counseling, a program or type of treatment that addresses mental health concerns,
46.18 or a combination of them; and

46.19 (6) a specific explanation why no level of care or action was recommended, if applicable.

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

46.21 Sec. 5. Minnesota Statutes 2020, section 169A.70, subdivision 4, is amended to read:

46.22 Subd. 4. **Assessor standards; rules; assessment time limits.** A chemical use assessment
46.23 required by this section must be conducted by an assessor appointed by the court. The
46.24 assessor must meet the training and qualification requirements of ~~rules adopted by the~~
46.25 ~~commissioner of human services under section 254A.03, subdivision 3 (chemical dependency~~
46.26 ~~treatment rules)~~ section 245G.11, subdivisions 1 and 5. Notwithstanding section 13.82 (law
46.27 enforcement data), the assessor shall have access to any police reports, laboratory test results,
46.28 and other law enforcement data relating to the current offense or previous offenses that are
46.29 necessary to complete the evaluation. ~~An assessor providing an assessment under this section~~
46.30 ~~may not have any direct or shared financial interest or referral relationship resulting in~~
46.31 ~~shared financial gain with a treatment provider, except as authorized under section 254A.19,~~
46.32 ~~subdivision 3. If an independent assessor is not available, the court may use the services of~~

47.1 ~~an assessor authorized to perform assessments for the county social services agency under~~
 47.2 ~~a variance granted under rules adopted by the commissioner of human services under section~~
 47.3 ~~254A.03, subdivision 3.~~ An appointment for the defendant to undergo the assessment must
 47.4 be made by the court, a court services probation officer, or the court administrator as soon
 47.5 as possible but in no case more than one week after the defendant's court appearance. The
 47.6 assessment must be completed no later than three weeks after the defendant's court
 47.7 appearance. If the assessment is not performed within this time limit, the county where the
 47.8 defendant is to be sentenced shall perform the assessment. The county of financial
 47.9 responsibility must be determined under chapter 256G.

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

47.11 Sec. 6. **[245.4866] CHILDREN'S MENTAL HEALTH COMMUNITY OF**
 47.12 **PRACTICE.**

47.13 **Subdivision 1. Establishment; purpose.** The commissioner of human services, in
 47.14 consultation with children's mental health subject matter experts, shall establish a children's
 47.15 mental health community of practice. The purposes of the community of practice are to
 47.16 improve treatment outcomes for children and adolescents with mental illness and reduce
 47.17 disparities. The community of practice shall use evidence-based and best practices through
 47.18 peer-to-peer and person-to-provider sharing.

47.19 **Subd. 2. Participants; meetings.** (a) The community of practice must include the
 47.20 following participants:

47.21 (1) researchers or members of the academic community who are children's mental health
 47.22 subject matter experts who do not have financial relationships with treatment providers;

47.23 (2) children's mental health treatment providers;

47.24 (3) a representative from a mental health advocacy organization;

47.25 (4) a representative from the Department of Human Services;

47.26 (5) a representative from the Department of Health;

47.27 (6) a representative from the Department of Education;

47.28 (7) representatives from county social services agencies;

47.29 (8) representatives from Tribal nations or Tribal social services providers; and

47.30 (9) representatives from managed care organizations.

48.1 (b) The community of practice must include, to the extent possible, individuals and
 48.2 family members who have used mental health treatment services and must highlight the
 48.3 voices and experiences of individuals who are Black, Indigenous, people of color, and
 48.4 people from other communities that are disproportionately impacted by mental illness.

48.5 (c) The community of practice must meet regularly and must hold its first meeting before
 48.6 January 1, 2023.

48.7 (d) Compensation and reimbursement for expenses for participants in paragraph (b) are
 48.8 governed by section 15.059, subdivision 3.

48.9 Subd. 3. Duties. (a) The community of practice must:

48.10 (1) identify gaps in children's mental health treatment services;

48.11 (2) enhance collective knowledge of issues related to children's mental health;

48.12 (3) understand evidence-based practices, best practices, and promising approaches to
 48.13 address children's mental health;

48.14 (4) use knowledge gathered through the community of practice to develop strategic plans
 48.15 to improve outcomes for children who participate in mental health treatment and related
 48.16 services in Minnesota;

48.17 (5) increase knowledge about the challenges and opportunities learned by implementing
 48.18 strategies; and

48.19 (6) develop capacity for community advocacy.

48.20 (b) The commissioner, in collaboration with subject matter experts and other participants,
 48.21 may issue reports and recommendations to the chairs and ranking minority members of the
 48.22 legislative committees with jurisdiction over health and human services policy and finance
 48.23 and to local and regional governments.

48.24 Sec. 7. Minnesota Statutes 2021 Supplement, section 245.4889, subdivision 1, is amended
 48.25 to read:

48.26 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
 48.27 make grants from available appropriations to assist:

48.28 (1) counties;

48.29 (2) Indian tribes;

48.30 (3) children's collaboratives under section 124D.23 or 245.493; or

- 49.1 (4) mental health service providers.
- 49.2 (b) The following services are eligible for grants under this section:
- 49.3 (1) services to children with emotional disturbances as defined in section 245.4871,
49.4 subdivision 15, and their families;
- 49.5 (2) transition services under section 245.4875, subdivision 8, for young adults under
49.6 age 21 and their families;
- 49.7 (3) respite care services for children with emotional disturbances or severe emotional
49.8 disturbances who are at risk of out-of-home placement or already in out-of-home placement
49.9 in family foster settings as defined in chapter 245A and at risk of change in out-of-home
49.10 placement or placement in a residential facility or other higher level of care. Allowable
49.11 activities and expenses for respite care services are defined under subdivision 4. A child is
49.12 not required to have case management services to receive respite care services;
- 49.13 (4) children's mental health crisis services;
- 49.14 (5) mental health services for people from cultural and ethnic minorities, including
49.15 supervision of clinical trainees who are Black, indigenous, or people of color;
- 49.16 (6) children's mental health screening and follow-up diagnostic assessment and treatment;
- 49.17 (7) services to promote and develop the capacity of providers to use evidence-based
49.18 practices in providing children's mental health services;
- 49.19 (8) school-linked mental health services under section 245.4901;
- 49.20 (9) building evidence-based mental health intervention capacity for children birth to age
49.21 five;
- 49.22 (10) suicide prevention and counseling services that use text messaging statewide;
- 49.23 (11) mental health first aid training;
- 49.24 (12) training for parents, collaborative partners, and mental health providers on the
49.25 impact of adverse childhood experiences and trauma and development of an interactive
49.26 website to share information and strategies to promote resilience and prevent trauma;
- 49.27 (13) transition age services to develop or expand mental health treatment and supports
49.28 for adolescents and young adults 26 years of age or younger;
- 49.29 (14) early childhood mental health consultation;

50.1 (15) evidence-based interventions for youth at risk of developing or experiencing a first
 50.2 episode of psychosis, and a public awareness campaign on the signs and symptoms of
 50.3 psychosis;

50.4 (16) psychiatric consultation for primary care practitioners; ~~and~~

50.5 (17) providers to begin operations and meet program requirements when establishing a
 50.6 new children's mental health program. These may be start-up grants; and

50.7 (18) evidence-informed interventions for youth and young adults who are at risk of
 50.8 developing a mood disorder or are experiencing an emerging mood disorder, including
 50.9 major depression and bipolar disorders, and a public awareness campaign on the signs and
 50.10 symptoms of mood disorders in youth and young adults.

50.11 (c) Services under paragraph (b) must be designed to help each child to function and
 50.12 remain with the child's family in the community and delivered consistent with the child's
 50.13 treatment plan. Transition services to eligible young adults under this paragraph must be
 50.14 designed to foster independent living in the community.

50.15 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party
 50.16 reimbursement sources, if applicable.

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

50.18 Sec. 8. Minnesota Statutes 2020, section 245.4889, is amended by adding a subdivision
 50.19 to read:

50.20 **Subd. 4. Respite care services.** Respite care services under subdivision 1, paragraph
 50.21 (b), clause (3), include hourly or overnight stays at a licensed foster home or with a qualified
 50.22 and approved family member or friend and may occur at a child's or provider's home. Respite
 50.23 care services may also include the following activities and expenses:

50.24 (1) recreational, sport, and nonsport extracurricular activities and programs for the child
 50.25 including camps, clubs, activities, lessons, group outings, sports, or other activities and
 50.26 programs;

50.27 (2) family activities, camps, and retreats that the family does together and provide a
 50.28 break from the family's circumstance;

50.29 (3) cultural programs and activities for the child and family designed to address the
 50.30 unique needs of individuals who share a common language, racial, ethnic, or social
 50.31 background; and

51.1 (4) costs of transportation, food, supplies, and equipment directly associated with
 51.2 approved respite care services and expenses necessary for the child and family to access
 51.3 and participate in respite care services.

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

51.5 Sec. 9. **[245.4903] FIRST EPISODE OF PSYCHOSIS GRANT PROGRAM.**

51.6 Subdivision 1. **Creation.** The first episode of psychosis grant program is established in
 51.7 the Department of Human Services to fund evidence-based interventions for youth at risk
 51.8 of developing or experiencing a first episode of psychosis and a public awareness campaign
 51.9 on the signs and symptoms of psychosis. First episode of psychosis services are eligible for
 51.10 children's mental health grants as specified in section 245.4889, subdivision 1, paragraph
 51.11 (b), clause (15).

51.12 Subd. 2. **Activities.** (a) All first episode of psychosis grant programs must:

51.13 (1) provide intensive treatment and support for adolescents and adults experiencing or
 51.14 at risk of experiencing a first psychotic episode. Intensive treatment and support includes
 51.15 medication management, psychoeducation for an individual and an individual's family, case
 51.16 management, employment support, education support, cognitive behavioral approaches,
 51.17 social skills training, peer support, crisis planning, and stress management;

51.18 (2) conduct outreach and provide training and guidance to mental health and health care
 51.19 professionals, including postsecondary health clinicians, on early psychosis symptoms,
 51.20 screening tools, and best practices;

51.21 (3) ensure access for individuals to first psychotic episode services under this section,
 51.22 including access for individuals who live in rural areas; and

51.23 (4) use all available funding streams.

51.24 (b) Grant money may also be used to pay for housing or travel expenses for individuals
 51.25 receiving services or to address other barriers preventing individuals and their families from
 51.26 participating in first psychotic episode services.

51.27 Subd. 3. **Eligibility.** Program activities must be provided to people 15 to 40 years old
 51.28 with early signs of psychosis.

51.29 Subd. 4. **Outcomes.** Evaluation of program activities must utilize evidence-based
 51.30 practices and must include the following outcome evaluation criteria:

51.31 (1) whether individuals experience a reduction in psychotic symptoms;

52.1 (2) whether individuals experience a decrease in inpatient mental health hospitalizations;
 52.2 and

52.3 (3) whether individuals experience an increase in educational attainment.

52.4 Subd. 5. **Federal aid or grants.** The commissioner of human services must comply with
 52.5 all conditions and requirements necessary to receive federal aid or grants.

52.6 Sec. 10. **[245.4904] EMERGING MOOD DISORDER GRANT PROGRAM.**

52.7 Subdivision 1. **Creation.** (a) The emerging mood disorder grant program is established
 52.8 in the Department of Human Services to fund:

52.9 (1) evidence-informed interventions for youth and young adults who are at risk of
 52.10 developing a mood disorder or are experiencing an emerging mood disorder, including
 52.11 major depression and bipolar disorders; and

52.12 (2) a public awareness campaign on the signs and symptoms of mood disorders in youth
 52.13 and young adults.

52.14 (b) Emerging mood disorder services are eligible for children's mental health grants as
 52.15 specified in section 245.4889, subdivision 1, paragraph (b), clause (18).

52.16 Subd. 2. **Activities.** (a) All emerging mood disorder grant programs must:

52.17 (1) provide intensive treatment and support to adolescents and young adults experiencing
 52.18 or at risk of experiencing an emerging mood disorder. Intensive treatment and support
 52.19 includes medication management, psychoeducation for the individual and the individual's
 52.20 family, case management, employment support, education support, cognitive behavioral
 52.21 approaches, social skills training, peer support, crisis planning, and stress management;

52.22 (2) conduct outreach and provide training and guidance to mental health and health care
 52.23 professionals, including postsecondary health clinicians, on early symptoms of mood
 52.24 disorders, screening tools, and best practices;

52.25 (3) ensure access for individuals to emerging mood disorder services under this section,
 52.26 including ensuring access for individuals who live in rural areas; and

52.27 (4) use all available funding streams.

52.28 (b) Grant money may also be used to pay for housing or travel expenses for individuals
 52.29 receiving services or to address other barriers preventing individuals and their families from
 52.30 participating in emerging mood disorder services.

53.1 (c) Grant money may be used by the grantee to evaluate the efficacy of providing
 53.2 intensive services and supports to people with emerging mood disorders.

53.3 Subd. 3. **Eligibility.** Program activities must be provided to youth and young adults with
 53.4 early signs of an emerging mood disorder.

53.5 Subd. 4. **Outcomes.** Evaluation of program activities must utilize evidence-based
 53.6 practices and must include the following outcome evaluation criteria:

53.7 (1) whether individuals experience a reduction in mood disorder symptoms; and

53.8 (2) whether individuals experience a decrease in inpatient mental health hospitalizations.

53.9 Sec. 11. Minnesota Statutes 2020, section 245.713, subdivision 2, is amended to read:

53.10 Subd. 2. **Total funds available; allocation.** Funds granted to the state by the federal
 53.11 government under United States Code, title 42, sections 300X to 300X-9 each federal fiscal
 53.12 year for mental health services must be allocated as follows:

53.13 (a) Any amount set aside by the commissioner of human services for American Indian
 53.14 organizations within the state, which funds shall not duplicate any direct federal funding of
 53.15 American Indian organizations and which funds shall be at least 25 percent of the total
 53.16 federal allocation to the state for mental health services; ~~provided that sufficient applications~~
 53.17 ~~for funding are received by the commissioner which meet the specifications contained in~~
 53.18 ~~requests for proposals.~~ Money from this source may be used for special committees to advise
 53.19 the commissioner on mental health programs and services for American Indians and other
 53.20 minorities or underserved groups. For purposes of this subdivision, "American Indian
 53.21 organization" means an American Indian tribe or band or an organization providing mental
 53.22 health services that is legally incorporated as a nonprofit organization registered with the
 53.23 secretary of state and governed by a board of directors having at least a majority of American
 53.24 Indian directors.

53.25 (b) An amount not to exceed five percent of the federal block grant allocation for mental
 53.26 health services to be retained by the commissioner for administration.

53.27 (c) Any amount permitted under federal law which the commissioner approves for
 53.28 demonstration or research projects for severely disturbed children and adolescents, the
 53.29 underserved, special populations or multiply disabled mentally ill persons. The groups to
 53.30 be served, the extent and nature of services to be provided, the amount and duration of any
 53.31 grant awards are to be based on criteria set forth in the Alcohol, Drug Abuse and Mental
 53.32 Health Block Grant Law, United States Code, title 42, sections 300X to 300X-9, and on
 53.33 state policies and procedures determined necessary by the commissioner. Grant recipients

54.1 must comply with applicable state and federal requirements and demonstrate fiscal and
54.2 program management capabilities that will result in provision of quality, cost-effective
54.3 services.

54.4 (d) The amount required under federal law, for federally mandated expenditures.

54.5 (e) An amount not to exceed 15 percent of the federal block grant allocation for mental
54.6 health services to be retained by the commissioner for planning and evaluation.

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

54.8 Sec. 12. **[245.991] PROJECTS FOR ASSISTANCE IN TRANSITION FROM**
54.9 **HOMELESSNESS PROGRAM.**

54.10 **Subdivision 1. Creation.** The projects for assistance in transition from homelessness
54.11 program is established in the Department of Human Services to prevent or end homelessness
54.12 for people with serious mental illness and substance use disorders and ensure the
54.13 commissioner may achieve the goals of the housing mission statement in section 245.461,
54.14 subdivision 4.

54.15 **Subd. 2. Activities.** All projects for assistance in transition from homelessness must
54.16 provide homeless outreach and case management services. Projects may provide clinical
54.17 assessment, habilitation and rehabilitation services, community mental health services,
54.18 substance use disorder treatment, housing transition and sustaining services, direct assistance
54.19 funding, and other activities as determined by the commissioner.

54.20 **Subd. 3. Eligibility.** Program activities must be provided to people with serious mental
54.21 illness or a substance use disorder who meet homeless criteria determined by the
54.22 commissioner. People receiving homeless outreach may be presumed eligible until a serious
54.23 mental illness or a substance use disorder can be verified.

54.24 **Subd. 4. Outcomes.** Evaluation of each project must include the following outcome
54.25 evaluation criteria:

54.26 (1) whether people are contacted through homeless outreach services;

54.27 (2) whether people are enrolled in case management services;

54.28 (3) whether people access behavioral health services; and

54.29 (4) whether people transition from homelessness to housing.

55.1 Subd. 5. **Federal aid or grants.** The commissioner of human services must comply with
 55.2 all conditions and requirements necessary to receive federal aid or grants with respect to
 55.3 homeless services or programs as specified in section 245.70.

55.4 Sec. 13. **[245.992] HOUSING WITH SUPPORT FOR BEHAVIORAL HEALTH.**

55.5 Subdivision 1. **Creation.** The housing with support for behavioral health program is
 55.6 established in the Department of Human Services to prevent or end homelessness for people
 55.7 with serious mental illness and substance use disorders, increase the availability of housing
 55.8 with support, and ensure the commissioner may achieve the goals of the housing mission
 55.9 statement in section 245.461, subdivision 4.

55.10 Subd. 2. **Activities.** The housing with support for behavioral health program may provide
 55.11 a range of activities and supportive services to ensure that people obtain and retain permanent
 55.12 supportive housing. Program activities may include case management, site-based housing
 55.13 services, housing transition and sustaining services, outreach services, community support
 55.14 services, direct assistance funding, and other activities as determined by the commissioner.

55.15 Subd. 3. **Eligibility.** Program activities must be provided to people with a serious mental
 55.16 illness or a substance use disorder who meet homeless criteria determined by the
 55.17 commissioner.

55.18 Subd. 4. **Outcomes.** Evaluation of program activities must utilize evidence-based
 55.19 practices and must include the following outcome evaluation criteria:

55.20 (1) whether housing and activities utilize evidence-based practices;

55.21 (2) whether people transition from homelessness to housing;

55.22 (3) whether people retain housing; and

55.23 (4) whether people are satisfied with their current housing.

55.24 Sec. 14. Minnesota Statutes 2020, section 245F.03, is amended to read:

55.25 **245F.03 APPLICATION.**

55.26 (a) This chapter establishes minimum standards for withdrawal management programs
 55.27 licensed by the commissioner that serve one or more unrelated persons.

55.28 (b) This chapter does not apply to a withdrawal management program licensed as a
 55.29 hospital under sections 144.50 to 144.581. A withdrawal management program located in
 55.30 a hospital licensed under sections 144.50 to 144.581 that chooses to be licensed under this
 55.31 chapter is deemed to be in compliance with section 245F.13.

56.1 ~~(e) Minnesota Rules, parts 9530.6600 to 9530.6655, do not apply to withdrawal~~
56.2 ~~management programs licensed under this chapter.~~

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

56.4 Sec. 15. Minnesota Statutes 2020, section 245G.05, subdivision 2, is amended to read:

56.5 Subd. 2. **Assessment summary.** (a) An alcohol and drug counselor must complete an
56.6 assessment summary within three calendar days from the day of service initiation for a
56.7 residential program and within three calendar days on which a treatment session has been
56.8 provided from the day of service initiation for a client in a nonresidential program. The
56.9 comprehensive assessment summary is complete upon a qualified staff member's dated
56.10 signature. If the comprehensive assessment is used to authorize the treatment service, the
56.11 alcohol and drug counselor must prepare an assessment summary on the same date the
56.12 comprehensive assessment is completed. If the comprehensive assessment and assessment
56.13 summary are to authorize treatment services, the assessor must determine appropriate level
56.14 of care and services for the client using the ~~dimensions in Minnesota Rules, part 9530.6622~~
56.15 criteria established in section 254B.04, subdivision 4, and document the recommendations.

56.16 (b) An assessment summary must include:

56.17 (1) a risk description according to section 245G.05 for each dimension listed in paragraph
56.18 (c);

56.19 (2) a narrative summary supporting the risk descriptions; and

56.20 (3) a determination of whether the client has a substance use disorder.

56.21 (c) An assessment summary must contain information relevant to treatment service
56.22 planning and recorded in the dimensions in clauses (1) to (6). The license holder must
56.23 consider:

56.24 (1) Dimension 1, acute intoxication/withdrawal potential; the client's ability to cope with
56.25 withdrawal symptoms and current state of intoxication;

56.26 (2) Dimension 2, biomedical conditions and complications; the degree to which any
56.27 physical disorder of the client would interfere with treatment for substance use, and the
56.28 client's ability to tolerate any related discomfort. The license holder must determine the
56.29 impact of continued substance use on the unborn child, if the client is pregnant;

56.30 (3) Dimension 3, emotional, behavioral, and cognitive conditions and complications;
56.31 the degree to which any condition or complication is likely to interfere with treatment for

57.1 substance use or with functioning in significant life areas and the likelihood of harm to self
57.2 or others;

57.3 (4) Dimension 4, readiness for change; the support necessary to keep the client involved
57.4 in treatment service;

57.5 (5) Dimension 5, relapse, continued use, and continued problem potential; the degree
57.6 to which the client recognizes relapse issues and has the skills to prevent relapse of either
57.7 substance use or mental health problems; and

57.8 (6) Dimension 6, recovery environment; whether the areas of the client's life are
57.9 supportive of or antagonistic to treatment participation and recovery.

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

57.11 Sec. 16. Minnesota Statutes 2020, section 245G.22, subdivision 2, is amended to read:

57.12 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
57.13 have the meanings given them.

57.14 (b) "Diversion" means the use of a medication for the treatment of opioid addiction being
57.15 diverted from intended use of the medication.

57.16 (c) "Guest dose" means administration of a medication used for the treatment of opioid
57.17 addiction to a person who is not a client of the program that is administering or dispensing
57.18 the medication.

57.19 (d) "Medical director" means a practitioner licensed to practice medicine in the
57.20 jurisdiction that the opioid treatment program is located who assumes responsibility for
57.21 administering all medical services performed by the program, either by performing the
57.22 services directly or by delegating specific responsibility to a practitioner of the opioid
57.23 treatment program.

57.24 (e) "Medication used for the treatment of opioid use disorder" means a medication
57.25 approved by the Food and Drug Administration for the treatment of opioid use disorder.

57.26 (f) "Minnesota health care programs" has the meaning given in section 256B.0636.

57.27 (g) "Opioid treatment program" has the meaning given in Code of Federal Regulations,
57.28 title 42, section 8.12, and includes programs licensed under this chapter.

57.29 (h) "~~Placing authority~~" ~~has the meaning given in Minnesota Rules, part 9530.6605,~~
57.30 ~~subpart 21a.~~

58.1 ~~(h)~~ (h) "Practitioner" means a staff member holding a current, unrestricted license to
 58.2 practice medicine issued by the Board of Medical Practice or nursing issued by the Board
 58.3 of Nursing and is currently registered with the Drug Enforcement Administration to order
 58.4 or dispense controlled substances in Schedules II to V under the Controlled Substances Act,
 58.5 United States Code, title 21, part B, section 821. Practitioner includes an advanced practice
 58.6 registered nurse and physician assistant if the staff member receives a variance by the state
 58.7 opioid treatment authority under section 254A.03 and the federal Substance Abuse and
 58.8 Mental Health Services Administration.

58.9 ~~(i)~~ (i) "Unsupervised use" means the use of a medication for the treatment of opioid use
 58.10 disorder dispensed for use by a client outside of the program setting.

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

58.12 Sec. 17. Minnesota Statutes 2020, section 245G.22, subdivision 15, is amended to read:

58.13 Subd. 15. **Nonmedication treatment services; documentation.** ~~(a) The program must~~
 58.14 ~~offer at least 50 consecutive minutes of individual or group therapy treatment services as~~
 58.15 ~~defined in section 245G.07, subdivision 1, paragraph (a), clause (1), per week, for the first~~
 58.16 ~~ten weeks following the day of service initiation, and at least 50 consecutive minutes per~~
 58.17 ~~month thereafter. As clinically appropriate, the program may offer these services cumulatively~~
 58.18 ~~and not consecutively in increments of no less than 15 minutes over the required time period,~~
 58.19 ~~and for a total of 60 minutes of treatment services over the time period, and must document~~
 58.20 ~~the reason for providing services cumulatively in the client's record. The program may offer~~
 58.21 ~~additional levels of service when deemed clinically necessary.~~

58.22 ~~(b)~~ (a) Notwithstanding the requirements of comprehensive assessments in section
 58.23 245G.05, the assessment must be completed within 21 days from the day of service initiation.

58.24 ~~(e)~~ (b) Notwithstanding the requirements of individual treatment plans set forth in section
 58.25 245G.06:

58.26 (1) treatment plan contents for a maintenance client are not required to include goals
 58.27 the client must reach to complete treatment and have services terminated;

58.28 (2) treatment plans for a client in a taper or detox status must include goals the client
 58.29 must reach to complete treatment and have services terminated; and

58.30 (3) for the ten weeks following the day of service initiation for all new admissions,
 58.31 readmissions, and transfers, a weekly treatment plan review must be documented once the
 58.32 treatment plan is completed. Subsequently, the counselor must document treatment plan

59.1 reviews in the six dimensions at least once monthly or, when clinical need warrants, more
59.2 frequently.

59.3 Sec. 18. Minnesota Statutes 2021 Supplement, section 254A.03, subdivision 3, is amended
59.4 to read:

59.5 Subd. 3. **Rules for substance use disorder care.** (a) ~~The commissioner of human~~
59.6 ~~services shall establish by rule criteria to be used in determining the appropriate level of~~
59.7 ~~chemical dependency care for each recipient of public assistance seeking treatment for~~
59.8 ~~substance misuse or substance use disorder. Upon federal approval of a comprehensive~~
59.9 ~~assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding~~
59.10 ~~the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655, An eligible vendor of~~
59.11 ~~comprehensive assessments under section 254B.05 may determine and approve the~~
59.12 ~~appropriate level of substance use disorder treatment for a recipient of public assistance.~~
59.13 ~~The process for determining an individual's financial eligibility for the behavioral health~~
59.14 ~~fund or determining an individual's enrollment in or eligibility for a publicly subsidized~~
59.15 ~~health plan is not affected by the individual's choice to access a comprehensive assessment~~
59.16 ~~for placement.~~

59.17 (b) The commissioner shall develop and implement a utilization review process for
59.18 publicly funded treatment placements to monitor and review the clinical appropriateness
59.19 and timeliness of all publicly funded placements in treatment.

59.20 (c) If a screen result is positive for alcohol or substance misuse, a brief screening for
59.21 alcohol or substance use disorder that is provided to a recipient of public assistance within
59.22 a primary care clinic, hospital, or other medical setting or school setting establishes medical
59.23 necessity and approval for an initial set of substance use disorder services identified in
59.24 section 254B.05, subdivision 5. The initial set of services approved for a recipient whose
59.25 screen result is positive may include any combination of up to four hours of individual or
59.26 group substance use disorder treatment, two hours of substance use disorder treatment
59.27 coordination, or two hours of substance use disorder peer support services provided by a
59.28 qualified individual according to chapter 245G. A recipient must obtain an assessment
59.29 pursuant to paragraph (a) to be approved for additional treatment services. ~~Minnesota Rules,~~
59.30 ~~parts 9530.6600 to 9530.6655, and A comprehensive assessment pursuant to section 245G.05~~
59.31 ~~are not applicable~~ is not required to receive the initial set of services allowed under this
59.32 subdivision. A positive screen result establishes eligibility for the initial set of services
59.33 allowed under this subdivision.

60.1 ~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655,~~ An individual
 60.2 may choose to obtain a comprehensive assessment as provided in section 245G.05.
 60.3 Individuals obtaining a comprehensive assessment may access any enrolled provider that
 60.4 is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision
 60.5 3, ~~paragraph (d).~~ If the individual is enrolled in a prepaid health plan, the individual must
 60.6 comply with any provider network requirements or limitations. ~~This paragraph expires July~~
 60.7 ~~1, 2022.~~

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

60.9 Sec. 19. Minnesota Statutes 2020, section 254A.19, subdivision 1, is amended to read:

60.10 Subdivision 1. **Persons arrested outside of ~~home county~~ county of residence.** When
 60.11 a chemical use assessment is required ~~under Minnesota Rules, parts 9530.6600 to 9530.6655,~~
 60.12 for a person who is arrested and taken into custody by a peace officer outside of the person's
 60.13 county of residence, the assessment ~~must be completed by the person's county of residence~~
 60.14 ~~no later than three weeks after the assessment is initially requested. If the assessment is not~~
 60.15 ~~performed within this time limit, the county where the person is to be sentenced shall perform~~
 60.16 ~~the assessment~~ county where the person is detained must facilitate access to an assessor
 60.17 qualified under subdivision 3. The county of financial responsibility is determined under
 60.18 chapter 256G.

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

60.20 Sec. 20. Minnesota Statutes 2020, section 254A.19, subdivision 3, is amended to read:

60.21 Subd. 3. **Financial conflicts of interest Comprehensive assessments.** ~~(a) Except as~~
 60.22 ~~provided in paragraph (b), (c), or (d), an assessor conducting a chemical use assessment~~
 60.23 ~~under Minnesota Rules, parts 9530.6600 to 9530.6655, may not have any direct or shared~~
 60.24 ~~financial interest or referral relationship resulting in shared financial gain with a treatment~~
 60.25 ~~provider.~~

60.26 ~~(b) A county may contract with an assessor having a conflict described in paragraph (a)~~
 60.27 ~~if the county documents that:~~

60.28 ~~(1) the assessor is employed by a culturally specific service provider or a service provider~~
 60.29 ~~with a program designed to treat individuals of a specific age, sex, or sexual preference;~~

60.30 ~~(2) the county does not employ a sufficient number of qualified assessors and the only~~
 60.31 ~~qualified assessors available in the county have a direct or shared financial interest or a~~
 60.32 ~~referral relationship resulting in shared financial gain with a treatment provider; or~~

61.1 ~~(3) the county social service agency has an existing relationship with an assessor or~~
 61.2 ~~service provider and elects to enter into a contract with that assessor to provide both~~
 61.3 ~~assessment and treatment under circumstances specified in the county's contract, provided~~
 61.4 ~~the county retains responsibility for making placement decisions.~~

61.5 ~~(e) The county may contract with a hospital to conduct chemical assessments if the~~
 61.6 ~~requirements in subdivision 1a are met.~~

61.7 ~~An assessor under this paragraph may not place clients in treatment. The assessor shall~~
 61.8 ~~gather required information and provide it to the county along with any required~~
 61.9 ~~documentation. The county shall make all placement decisions for clients assessed by~~
 61.10 ~~assessors under this paragraph.~~

61.11 ~~(d) An eligible vendor under section 254B.05 conducting a comprehensive assessment~~
 61.12 ~~for an individual seeking treatment shall approve the nature, intensity level, and duration~~
 61.13 ~~of treatment service if a need for services is indicated, but the individual assessed can access~~
 61.14 ~~any enrolled provider that is licensed to provide the level of service authorized, including~~
 61.15 ~~the provider or program that completed the assessment. If an individual is enrolled in a~~
 61.16 ~~prepaid health plan, the individual must comply with any provider network requirements~~
 61.17 ~~or limitations. An eligible vendor of a comprehensive assessment must provide information,~~
 61.18 ~~in a format provided by the commissioner, on medical assistance and the behavioral health~~
 61.19 ~~fund to individuals seeking an assessment.~~

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

61.21 Sec. 21. Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 4, is amended
 61.22 to read:

61.23 Subd. 4. **Civil commitments.** ~~A Rule 25 assessment, under Minnesota Rules, part~~
 61.24 ~~9530.6615, For the purposes of determining level of care, a comprehensive assessment does~~
 61.25 ~~not need to be completed for an individual being committed as a chemically dependent~~
 61.26 ~~person, as defined in section 253B.02, and for the duration of a civil commitment under~~
 61.27 ~~section 253B.065, 253B.09, or 253B.095 in order for a county to access the behavioral~~
 61.28 ~~health fund under section 254B.04. The county must determine if the individual meets the~~
 61.29 ~~financial eligibility requirements for the behavioral health fund under section 254B.04.~~
 61.30 ~~Nothing in this subdivision prohibits placement in a treatment facility or treatment program~~
 61.31 ~~governed under this chapter or Minnesota Rules, parts 9530.6600 to 9530.6655.~~

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

62.1 Sec. 22. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision
62.2 to read:

62.3 Subd. 6. **Assessments for detoxification programs.** For detoxification programs licensed
62.4 under chapter 245A according to Minnesota Rules, parts 9530.6510 to 9530.6590, a
62.5 "chemical use assessment" means a comprehensive assessment and assessment summary
62.6 completed according to section 245G.05 and a "chemical dependency assessor" or "assessor"
62.7 means an individual who meets the qualifications of section 245G.11, subdivisions 1 and
62.8 5.

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

62.10 Sec. 23. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision
62.11 to read:

62.12 Subd. 7. **Assessments for children's residential facilities.** For children's residential
62.13 facilities licensed under chapter 245A according to Minnesota Rules, parts 2960.0010 to
62.14 2960.0220 and 2960.0430 to 2960.0500, a "chemical use assessment" means a comprehensive
62.15 assessment and assessment summary completed according to section 245G.05 by an
62.16 individual who meets the qualifications of section 245G.11, subdivisions 1 and 5.

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

62.18 Sec. 24. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
62.19 to read:

62.20 Subd. 2a. **Behavioral health fund.** "Behavioral health fund" means money allocated
62.21 for payment of treatment services under this chapter.

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

62.23 Sec. 25. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
62.24 to read:

62.25 Subd. 2b. **Client.** "Client" means an individual who has requested substance use disorder
62.26 services, or for whom substance use disorder services have been requested.

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

63.1 Sec. 26. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
63.2 to read:

63.3 Subd. 2c. **Co-payment.** "Co-payment" means the amount an insured person is obligated
63.4 to pay before the person's third-party payment source is obligated to make a payment, or
63.5 the amount an insured person is obligated to pay in addition to the amount the person's
63.6 third-party payment source is obligated to pay.

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

63.8 Sec. 27. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
63.9 to read:

63.10 Subd. 4c. **Department.** "Department" means the Department of Human Services.

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

63.12 Sec. 28. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
63.13 to read:

63.14 Subd. 4d. **Drug and alcohol abuse normative evaluation system or DAANES.** "Drug
63.15 and alcohol abuse normative evaluation system" or "DAANES" means the reporting system
63.16 used to collect substance use disorder treatment data across all levels of care and providers.

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

63.18 Sec. 29. Minnesota Statutes 2020, section 254B.01, subdivision 5, is amended to read:

63.19 Subd. 5. **Local agency.** "Local agency" means the agency designated by a board of
63.20 county commissioners, a local social services agency, or a human services board to make
63.21 placements and submit state invoices according to Laws 1986, chapter 394, sections 8 to
63.22 20 authorized under section 254B.03, subdivision 1, to determine financial eligibility for
63.23 the behavioral health fund.

63.24 Sec. 30. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
63.25 to read:

63.26 Subd. 6a. **Minor child.** "Minor child" means an individual under the age of 18 years.

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

64.1 Sec. 31. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
64.2 to read:

64.3 Subd. 6b. **Policy holder.** "Policy holder" means a person who has a third-party payment
64.4 policy under which a third-party payment source has an obligation to pay all or part of a
64.5 client's treatment costs.

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

64.7 Sec. 32. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
64.8 to read:

64.9 Subd. 9. **Responsible relative.** "Responsible relative" means a person who is a member
64.10 of the client's household and is a client's spouse or the parent of a minor child who is a
64.11 client.

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

64.13 Sec. 33. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
64.14 to read:

64.15 Subd. 10. **Third-party payment source.** "Third-party payment source" means a person,
64.16 entity, or public or private agency other than medical assistance or general assistance medical
64.17 care that has a probable obligation to pay all or part of the costs of a client's substance use
64.18 disorder treatment.

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

64.20 Sec. 34. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
64.21 to read:

64.22 Subd. 11. **Vendor.** "Vendor" means a provider of substance use disorder treatment
64.23 services that meets the criteria established in section 254B.05 and that has applied to
64.24 participate as a provider in the medical assistance program according to Minnesota Rules,
64.25 part 9505.0195.

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

64.27 Sec. 35. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
64.28 to read:

64.29 Subd. 12. **American Society of Addiction Medicine criteria or ASAM**
64.30 **criteria.** "American Society of Addiction Medicine criteria" or "ASAM criteria" means the

65.1 clinical guidelines for purposes of the assessment, treatment, placement, and transfer or
 65.2 discharge of individuals with substance use disorders. The ASAM criteria are contained in
 65.3 the current edition of the ASAM Criteria: Treatment Criteria for Addictive,
 65.4 Substance-Related, and Co-Occurring Conditions.

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

65.6 Sec. 36. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
 65.7 to read:

65.8 Subd. 13. **Skilled treatment services.** "Skilled treatment services" means the "treatment
 65.9 services" described by section 245G.07, subdivisions 1, paragraph (a), clauses (1) to (4);
 65.10 and 2, clauses (1) to (6). Skilled treatment services must be provided by qualified
 65.11 professionals as identified in section 245G.07, subdivision 3.

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

65.13 Sec. 37. Minnesota Statutes 2020, section 254B.03, subdivision 1, is amended to read:

65.14 Subdivision 1. **Local agency duties.** (a) Every local agency ~~shall~~ must determine financial
 65.15 eligibility for substance use disorder services and provide chemical dependency substance
 65.16 use disorder services to persons residing within its jurisdiction who meet criteria established
 65.17 by the commissioner for placement in a chemical dependency residential or nonresidential
 65.18 treatment service. Chemical dependency money must be administered by the local agencies
 65.19 according to law and rules adopted by the commissioner under sections 14.001 to 14.69.

65.20 (b) In order to contain costs, the commissioner of human services shall select eligible
 65.21 vendors of chemical dependency services who can provide economical and appropriate
 65.22 treatment. Unless the local agency is a social services department directly administered by
 65.23 a county or human services board, the local agency shall not be an eligible vendor under
 65.24 section 254B.05. The commissioner may approve proposals from county boards to provide
 65.25 services in an economical manner or to control utilization, with safeguards to ensure that
 65.26 necessary services are provided. If a county implements a demonstration or experimental
 65.27 medical services funding plan, the commissioner shall transfer the money as appropriate.

65.28 ~~(e) A culturally specific vendor that provides assessments under a variance under~~
 65.29 ~~Minnesota Rules, part 9530.6610, shall be allowed to provide assessment services to persons~~
 65.30 ~~not covered by the variance.~~

65.31 ~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655, (c) An individual~~
 65.32 ~~may choose to obtain a comprehensive assessment as provided in section 245G.05.~~

66.1 Individuals obtaining a comprehensive assessment may access any enrolled provider that
66.2 is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision
66.3 3, ~~paragraph (d)~~. If the individual is enrolled in a prepaid health plan, the individual must
66.4 comply with any provider network requirements or limitations.

66.5 ~~(e)~~ (d) Beginning July 1, 2022, local agencies shall not make placement location
66.6 determinations.

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

66.8 Sec. 38. Minnesota Statutes 2021 Supplement, section 254B.03, subdivision 2, is amended
66.9 to read:

66.10 Subd. 2. **Behavioral health fund payment.** (a) Payment from the behavioral health
66.11 fund is limited to payments for services identified in section 254B.05, other than
66.12 detoxification licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, and
66.13 detoxification provided in another state that would be required to be licensed as a chemical
66.14 dependency program if the program were in the state. Out of state vendors must also provide
66.15 the commissioner with assurances that the program complies substantially with state licensing
66.16 requirements and possesses all licenses and certifications required by the host state to provide
66.17 chemical dependency treatment. Vendors receiving payments from the behavioral health
66.18 fund must not require co-payment from a recipient of benefits for services provided under
66.19 this subdivision. The vendor is prohibited from using the client's public benefits to offset
66.20 the cost of services paid under this section. The vendor shall not require the client to use
66.21 public benefits for room or board costs. This includes but is not limited to cash assistance
66.22 benefits under chapters 119B, 256D, and 256J, or SNAP benefits. Retention of SNAP
66.23 benefits is a right of a client receiving services through the behavioral health fund or through
66.24 state contracted managed care entities. Payment from the behavioral health fund shall be
66.25 made for necessary room and board costs provided by vendors meeting the criteria under
66.26 section 254B.05, subdivision 1a, or in a community hospital licensed by the commissioner
66.27 of health according to sections 144.50 to 144.56 to a client who is:

66.28 (1) determined to meet the criteria for placement in a residential chemical dependency
66.29 treatment program according to rules adopted under section 254A.03, subdivision 3; and

66.30 (2) concurrently receiving a chemical dependency treatment service in a program licensed
66.31 by the commissioner and reimbursed by the behavioral health fund.

66.32 ~~(b) A county may, from its own resources, provide chemical dependency services for~~
66.33 ~~which state payments are not made. A county may elect to use the same invoice procedures~~

67.1 ~~and obtain the same state payment services as are used for chemical dependency services~~
 67.2 ~~for which state payments are made under this section if county payments are made to the~~
 67.3 ~~state in advance of state payments to vendors. When a county uses the state system for~~
 67.4 ~~payment, the commissioner shall make monthly billings to the county using the most recent~~
 67.5 ~~available information to determine the anticipated services for which payments will be made~~
 67.6 ~~in the coming month. Adjustment of any overestimate or underestimate based on actual~~
 67.7 ~~expenditures shall be made by the state agency by adjusting the estimate for any succeeding~~
 67.8 ~~month.~~

67.9 ~~(e)~~ (b) The commissioner shall coordinate chemical dependency services and determine
 67.10 whether there is a need for any proposed expansion of chemical dependency treatment
 67.11 services. The commissioner shall deny vendor certification to any provider that has not
 67.12 received prior approval from the commissioner for the creation of new programs or the
 67.13 expansion of existing program capacity. The commissioner shall consider the provider's
 67.14 capacity to obtain clients from outside the state based on plans, agreements, and previous
 67.15 utilization history, when determining the need for new treatment services.

67.16 ~~(d)~~ (c) At least 60 days prior to submitting an application for new licensure under chapter
 67.17 245G, the applicant must notify the county human services director in writing of the
 67.18 applicant's intent to open a new treatment program. The written notification must include,
 67.19 at a minimum:

67.20 (1) a description of the proposed treatment program; and

67.21 (2) a description of the target population to be served by the treatment program.

67.22 ~~(e)~~ (d) The county human services director may submit a written statement to the
 67.23 commissioner, within 60 days of receiving notice from the applicant, regarding the county's
 67.24 support of or opposition to the opening of the new treatment program. The written statement
 67.25 must include documentation of the rationale for the county's determination. The commissioner
 67.26 shall consider the county's written statement when determining whether there is a need for
 67.27 the treatment program as required by paragraph ~~(e)~~ (b).

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

67.29 Sec. 39. Minnesota Statutes 2020, section 254B.03, subdivision 4, is amended to read:

67.30 Subd. 4. **Division of costs.** (a) Except for services provided by a county under section
 67.31 254B.09, subdivision 1, or services provided under section 256B.69, the county shall, out
 67.32 of local money, pay the state for 22.95 percent of the cost of chemical dependency services,
 67.33 except for those services provided to persons enrolled in medical assistance under chapter

68.1 256B and room and board services under section 254B.05, subdivision 5, paragraph (b),
 68.2 clause ~~(12)~~ (11). Counties may use the indigent hospitalization levy for treatment and hospital
 68.3 payments made under this section.

68.4 (b) 22.95 percent of any state collections from private or third-party pay, less 15 percent
 68.5 for the cost of payment and collections, must be distributed to the county that paid for a
 68.6 portion of the treatment under this section.

68.7 Sec. 40. Minnesota Statutes 2020, section 254B.03, subdivision 5, is amended to read:

68.8 Subd. 5. **Rules; appeal.** The commissioner shall adopt rules as necessary to implement
 68.9 this chapter. ~~The commissioner shall establish an appeals process for use by recipients when~~
 68.10 ~~services certified by the county are disputed. The commissioner shall adopt rules and~~
 68.11 ~~standards for the appeal process to assure adequate redress for persons referred to~~
 68.12 ~~inappropriate services.~~

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

68.14 Sec. 41. Minnesota Statutes 2021 Supplement, section 254B.04, subdivision 1, is amended
 68.15 to read:

68.16 Subdivision 1. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal
 68.17 Regulations, title 25, part 20, who meet the income standards of section 256B.056,
 68.18 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health
 68.19 fund services. State money appropriated for this paragraph must be placed in a separate
 68.20 account established for this purpose.

68.21 (b) Persons with dependent children who are determined to be in need of chemical
 68.22 dependency treatment pursuant to an assessment under section 260E.20, subdivision 1, or
 68.23 a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the
 68.24 local agency to access needed treatment services. Treatment services must be appropriate
 68.25 for the individual or family, which may include long-term care treatment or treatment in a
 68.26 facility that allows the dependent children to stay in the treatment facility. The county shall
 68.27 pay for out-of-home placement costs, if applicable.

68.28 (c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible
 68.29 for room and board services under section 254B.05, subdivision 5, paragraph (b), clause
 68.30 ~~(12)~~ (11).

68.31 (d) A client is eligible to have substance use disorder treatment paid for with funds from
 68.32 the behavioral health fund if:

- 69.1 (1) the client is eligible for MFIP as determined under chapter 256J;
- 69.2 (2) the client is eligible for medical assistance as determined under Minnesota Rules,
69.3 parts 9505.0010 to 9505.0150;
- 69.4 (3) the client is eligible for general assistance, general assistance medical care, or work
69.5 readiness as determined under Minnesota Rules, parts 9500.1200 to 9500.1272; or
- 69.6 (4) the client's income is within current household size and income guidelines for entitled
69.7 persons, as defined in this subdivision and subdivision 7.
- 69.8 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have
69.9 a third-party payment source are eligible for the behavioral health fund if the third-party
69.10 payment source pays less than 100 percent of the cost of treatment services for eligible
69.11 clients.
- 69.12 (f) A client is ineligible to have substance use disorder treatment services paid for by
69.13 the behavioral health fund if the client:
- 69.14 (1) has an income that exceeds current household size and income guidelines for entitled
69.15 persons, as defined in this subdivision and subdivision 7; or
- 69.16 (2) has an available third-party payment source that will pay the total cost of the client's
69.17 treatment.
- 69.18 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode
69.19 is eligible for continued treatment service paid for by the behavioral health fund until the
69.20 treatment episode is completed or the client is re-enrolled in a state prepaid health plan if
69.21 the client:
- 69.22 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance
69.23 medical care; or
- 69.24 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local
69.25 agency under this section.
- 69.26 (h) If a county commits a client under chapter 253B to a regional treatment center for
69.27 substance use disorder services and the client is ineligible for the behavioral health fund,
69.28 the county is responsible for payment to the regional treatment center according to section
69.29 254B.05, subdivision 4.
- 69.30 **EFFECTIVE DATE.** This section is effective July 1, 2022.

70.1 Sec. 42. Minnesota Statutes 2020, section 254B.04, subdivision 2a, is amended to read:

70.2 Subd. 2a. **Eligibility for ~~treatment in residential settings~~ room and board services**
70.3 **for persons in outpatient substance use disorder treatment.** ~~Notwithstanding provisions~~
70.4 ~~of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's discretion in~~
70.5 ~~making placements to residential treatment settings,~~ A person eligible for room and board
70.6 services under ~~this section~~ 254B.05, subdivision 5, paragraph (b), clause (12), must score
70.7 at level 4 on assessment dimensions related to readiness to change, relapse, continued use,
70.8 or recovery environment ~~in order~~ to be assigned to services with a room and board component
70.9 reimbursed under this section. Whether a treatment facility has been designated an institution
70.10 for mental diseases under United States Code, title 42, section 1396d, shall not be a factor
70.11 in making placements.

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

70.13 Sec. 43. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision
70.14 to read:

70.15 Subd. 4. **Assessment criteria and risk descriptions.** (a) The level of care determination
70.16 must follow criteria approved by the commissioner.

70.17 (b) Dimension 1: the vendor must use the criteria in Dimension 1 to determine a client's
70.18 acute intoxication and withdrawal potential.

70.19 (1) "0" The client displays full functioning with good ability to tolerate and cope with
70.20 withdrawal discomfort. The client displays no signs or symptoms of intoxication or
70.21 withdrawal or diminishing signs or symptoms.

70.22 (2) "1" The client can tolerate and cope with withdrawal discomfort. The client displays
70.23 mild to moderate intoxication or signs and symptoms interfering with daily functioning but
70.24 does not immediately endanger self or others. The client poses minimal risk of severe
70.25 withdrawal.

70.26 (3) "2" The client has some difficulty tolerating and coping with withdrawal discomfort.
70.27 The client's intoxication may be severe, but the client responds to support and treatment
70.28 such that the client does not immediately endanger self or others. The client displays moderate
70.29 signs and symptoms with moderate risk of severe withdrawal.

70.30 (4) "3" The client tolerates and copes with withdrawal discomfort poorly. The client has
70.31 severe intoxication, such that the client endangers self or others, or has intoxication that has
70.32 not abated with less intensive services. The client displays severe signs and symptoms, risk

71.1 of severe but manageable withdrawal, or worsening withdrawal despite detoxification at a
71.2 less intensive level.

71.3 (5) "4" The client is incapacitated with severe signs and symptoms. The client displays
71.4 severe withdrawal and is a danger to self or others.

71.5 (c) Dimension 2: the vendor must use the criteria in Dimension 2 to determine a client's
71.6 biomedical conditions and complications.

71.7 (1) "0" The client displays full functioning with good ability to cope with physical
71.8 discomfort.

71.9 (2) "1" The client tolerates and copes with physical discomfort and is able to get the
71.10 services that the client needs.

71.11 (3) "2" The client has difficulty tolerating and coping with physical problems or has
71.12 other biomedical problems that interfere with recovery and treatment. The client neglects
71.13 or does not seek care for serious biomedical problems.

71.14 (4) "3" The client tolerates and copes poorly with physical problems or has poor general
71.15 health. The client neglects the client's medical problems without active assistance.

71.16 (5) "4" The client is unable to participate in substance use disorder treatment and has
71.17 severe medical problems, has a condition that requires immediate intervention, or is
71.18 incapacitated.

71.19 (d) Dimension 3: the vendor must use the criteria in Dimension 3 to determine a client's
71.20 emotional, behavioral, and cognitive conditions and complications.

71.21 (1) "0" The client has good impulse control and coping skills and presents no risk of
71.22 harm to self or others. The client functions in all life areas and displays no emotional,
71.23 behavioral, or cognitive problems or the problems are stable.

71.24 (2) "1" The client has impulse control and coping skills. The client presents a mild to
71.25 moderate risk of harm to self or others or displays symptoms of emotional, behavioral, or
71.26 cognitive problems. The client has a mental health diagnosis and is stable. The client
71.27 functions adequately in significant life areas.

71.28 (3) "2" The client has difficulty with impulse control and lacks coping skills. The client
71.29 has thoughts of suicide or harm to others without means; however, the thoughts may interfere
71.30 with participation in some activities. The client has difficulty functioning in significant life
71.31 areas. The client has moderate symptoms of emotional, behavioral, or cognitive problems.
71.32 The client is able to participate in most treatment activities.

72.1 (4) "3" The client has a severe lack of impulse control and coping skills. The client also
72.2 has frequent thoughts of suicide or harm to others, including a plan and the means to carry
72.3 out the plan. In addition, the client is severely impaired in significant life areas and has
72.4 severe symptoms of emotional, behavioral, or cognitive problems that interfere with the
72.5 client's participation in treatment activities.

72.6 (5) "4" The client has severe emotional or behavioral symptoms that place the client or
72.7 others at acute risk of harm. The client also has intrusive thoughts of harming self or others.
72.8 The client is unable to participate in treatment activities.

72.9 (e) Dimension 4: the vendor must use the criteria in Dimension 4 to determine a client's
72.10 readiness for change.

72.11 (1) "0" The client admits to problems and is cooperative, motivated, ready to change,
72.12 committed to change, and engaged in treatment as a responsible participant.

72.13 (2) "1" The client is motivated with active reinforcement to explore treatment and
72.14 strategies for change but ambivalent about the client's illness or need for change.

72.15 (3) "2" The client displays verbal compliance but lacks consistent behaviors, has low
72.16 motivation for change, and is passively involved in treatment.

72.17 (4) "3" The client displays inconsistent compliance, has minimal awareness of either
72.18 the client's addiction or mental disorder, and is minimally cooperative.

72.19 (5) "4" The client is:

72.20 (i) noncompliant with treatment and has no awareness of addiction or mental disorder
72.21 and does not want or is unwilling to explore change or is in total denial of the client's illness
72.22 and its implications; or

72.23 (ii) dangerously oppositional to the extent that the client is a threat of imminent harm
72.24 to self and others.

72.25 (f) Dimension 5: the vendor must use the criteria in Dimension 5 to determine a client's
72.26 relapse, continued substance use, and continued problem potential.

72.27 (1) "0" The client recognizes risk well and is able to manage potential problems.

72.28 (2) "1" The client recognizes relapse issues and prevention strategies, but displays some
72.29 vulnerability for further substance use or mental health problems.

72.30 (3) "2" The client has minimal recognition and understanding of relapse and recidivism
72.31 issues and displays moderate vulnerability for further substance use or mental health
72.32 problems. The client has some coping skills inconsistently applied.

73.1 (4) "3" The client has poor recognition and understanding of relapse and recidivism
 73.2 issues and displays moderately high vulnerability for further substance use or mental health
 73.3 problems. The client has few coping skills and rarely applies coping skills.

73.4 (5) "4" The client has no coping skills to arrest mental health or addiction illnesses or
 73.5 to prevent relapse. The client has no recognition or understanding of relapse and recidivism
 73.6 issues and displays high vulnerability for further substance use or mental health problems.

73.7 (g) Dimension 6: the vendor must use the criteria in Dimension 6 to determine a client's
 73.8 recovery environment.

73.9 (1) "0" The client is engaged in structured, meaningful activity and has a supportive
 73.10 significant other, family, and living environment.

73.11 (2) "1" The client has passive social network support or the client's family and significant
 73.12 other are not interested in the client's recovery. The client is engaged in structured, meaningful
 73.13 activity.

73.14 (3) "2" The client is engaged in structured, meaningful activity, but the client's peers,
 73.15 family, significant other, and living environment are unsupportive, or there is criminal
 73.16 justice system involvement by the client or among the client's peers or significant other or
 73.17 in the client's living environment.

73.18 (4) "3" The client is not engaged in structured, meaningful activity and the client's peers,
 73.19 family, significant other, and living environment are unsupportive, or there is significant
 73.20 criminal justice system involvement.

73.21 (5) "4" The client has:

73.22 (i) a chronically antagonistic significant other, living environment, family, or peer group
 73.23 or long-term criminal justice system involvement that is harmful to the client's recovery or
 73.24 treatment progress; or

73.25 (ii) an actively antagonistic significant other, family, work, or living environment, with
 73.26 an immediate threat to the client's safety and well-being.

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

73.28 Sec. 44. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision
 73.29 to read:

73.30 Subd. 5. **Scope and applicability.** This section governs administration of the behavioral
 73.31 health fund, establishes the criteria to be applied by local agencies to determine a client's

74.1 financial eligibility under the behavioral health fund, and determines a client's obligation
74.2 to pay for substance use disorder treatment services.

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

74.4 Sec. 45. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision
74.5 to read:

74.6 Subd. 6. **Local agency responsibility to provide services.** The local agency may employ
74.7 individuals to conduct administrative activities and facilitate access to substance use disorder
74.8 treatment services.

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

74.10 Sec. 46. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision
74.11 to read:

74.12 Subd. 7. **Local agency to determine client financial eligibility.** (a) The local agency
74.13 shall determine a client's financial eligibility for the behavioral health fund according to
74.14 subdivision 1 with the income calculated prospectively for one year from the date of
74.15 comprehensive assessment. The local agency shall pay for eligible clients according to
74.16 chapter 256G. The local agency shall enter the financial eligibility span within ten calendar
74.17 days of request. Client eligibility must be determined using forms prescribed by the
74.18 commissioner. The local agency must determine a client's eligibility as follows:

74.19 (1) The local agency must determine the client's income. A client who is a minor child
74.20 must not be deemed to have income available to pay for substance use disorder treatment,
74.21 unless the minor child is responsible for payment under section 144.347 for substance use
74.22 disorder treatment services sought under section 144.343, subdivision 1.

74.23 (2) The local agency must determine the client's household size according to the
74.24 following:

74.25 (i) If the client is a minor child, the household size includes the following persons living
74.26 in the same dwelling unit:

74.27 (A) the client;

74.28 (B) the client's birth or adoptive parents; and

74.29 (C) the client's siblings who are minors.

74.30 (ii) If the client is an adult, the household size includes the following persons living in
74.31 the same dwelling unit:

75.1 (A) the client;

75.2 (B) the client's spouse;

75.3 (C) the client's minor children; and

75.4 (D) the client's spouse's minor children.

75.5 (iii) Household size includes a person listed in items (i) and (ii) who is in out-of-home
75.6 placement if a person listed in item (i) or (ii) is contributing to the cost of care of the person
75.7 in out-of-home placement.

75.8 (3) The local agency must determine the client's current prepaid health plan enrollment
75.9 and the availability of a third-party payment source, including the availability of total or
75.10 partial payment and the amount of co-payment.

75.11 (4) The local agency must provide the required eligibility information to the commissioner
75.12 in the manner specified by the commissioner.

75.13 (5) The local agency must require the client and policyholder to conditionally assign to
75.14 the department the client's and policyholder's rights and the rights of minor children to
75.15 benefits or services provided to the client if the commissioner is required to collect from a
75.16 third-party payment source.

75.17 (b) The local agency must redetermine a client's eligibility for the behavioral health fund
75.18 every 12 months.

75.19 (c) A client, responsible relative, and policyholder must provide income or wage
75.20 verification and household size verification under paragraph (a), clause (3), and must make
75.21 an assignment of third-party payment rights under paragraph (a), clause (5). If a client,
75.22 responsible relative, or policyholder does not comply with this subdivision, the client is
75.23 ineligible for behavioral health fund payment for substance use disorder treatment, and the
75.24 client and responsible relative are obligated to pay the full cost of substance use disorder
75.25 treatment services provided to the client.

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

75.27 Sec. 47. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision
75.28 to read:

75.29 Subd. 8. **Client fees.** A client whose household income is within current household size
75.30 and income guidelines for entitled persons as defined in subdivision 1 must pay no fee.

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

76.1 Sec. 48. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision
76.2 to read:

76.3 Subd. 9. Vendor must participate in DAANES. To be eligible for payment under the
76.4 behavioral health fund, a vendor must participate in DAANES or submit to the commissioner
76.5 the information required in DAANES in the format specified by the commissioner.

76.6 EFFECTIVE DATE. This section is effective July 1, 2022.

76.7 Sec. 49. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 4, is amended
76.8 to read:

76.9 Subd. 4. **Regional treatment centers.** Regional treatment center chemical dependency
76.10 treatment units are eligible vendors. The commissioner may expand the capacity of chemical
76.11 dependency treatment units beyond the capacity funded by direct legislative appropriation
76.12 to serve individuals who are referred for treatment by counties and whose treatment will be
76.13 paid for by funding under this chapter or other funding sources. Notwithstanding the
76.14 provisions of sections 254B.03 to ~~254B.04~~ 254B.04, payment for any person committed
76.15 at county request to a regional treatment center under chapter 253B for chemical dependency
76.16 treatment and determined to be ineligible under the behavioral health fund, shall become
76.17 the responsibility of the county.

76.18 Sec. 50. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 5, is amended
76.19 to read:

76.20 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance
76.21 use disorder services and service enhancements funded under this chapter.

76.22 (b) Eligible substance use disorder treatment services include:

76.23 ~~(1) outpatient treatment services that are licensed according to sections 245G.01 to~~
76.24 ~~245G.17, or applicable tribal license;~~

76.25 (1) outpatient treatment services licensed according to sections 245G.01 to 245G.17, or
76.26 applicable Tribal license, including:

76.27 (i) ASAM 1.0 Outpatient: zero to eight hours per week of skilled treatment services for
76.28 adults and zero to five hours per week for adolescents. Peer recovery and treatment
76.29 coordination may be provided beyond the skilled treatment service hours allowable per
76.30 week; and

- 77.1 (ii) ASAM 2.1 Intensive Outpatient: nine or more hours per week of skilled treatment
 77.2 services for adults and six or more hours per week for adolescents in accordance with the
 77.3 limitations in paragraph (h). Peer recovery and treatment coordination may be provided
 77.4 beyond the skilled treatment service hours allowable per week;
- 77.5 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),
 77.6 and 245G.05;
- 77.7 (3) care coordination services provided according to section 245G.07, subdivision 1,
 77.8 paragraph (a), clause (5);
- 77.9 (4) peer recovery support services provided according to section 245G.07, subdivision
 77.10 2, clause (8);
- 77.11 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management
 77.12 services provided according to chapter 245F;
- 77.13 (6) medication-assisted therapy services that are licensed according to sections 245G.01
 77.14 to 245G.17 and 245G.22, or applicable tribal license;
- 77.15 ~~(7) medication-assisted therapy plus enhanced treatment services that meet the~~
 77.16 ~~requirements of clause (6) and provide nine hours of clinical services each week;~~
- 77.17 ~~(8)~~ (7) high, medium, and low intensity residential treatment services that are licensed
 77.18 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which
 77.19 provide, respectively, 30, 15, and five hours of clinical services each week;
- 77.20 ~~(9)~~ (8) hospital-based treatment services that are licensed according to sections 245G.01
 77.21 to 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to
 77.22 144.56;
- 77.23 ~~(10)~~ (9) adolescent treatment programs that are licensed as outpatient treatment programs
 77.24 according to sections 245G.01 to 245G.18 or as residential treatment programs according
 77.25 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
 77.26 applicable tribal license;
- 77.27 ~~(11)~~ (10) high-intensity residential treatment services that are licensed according to
 77.28 sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30
 77.29 hours of clinical services each week provided by a state-operated vendor or to clients who
 77.30 have been civilly committed to the commissioner, present the most complex and difficult
 77.31 care needs, and are a potential threat to the community; and
- 77.32 ~~(12)~~ (11) room and board facilities that meet the requirements of subdivision 1a.

78.1 (c) The commissioner shall establish higher rates for programs that meet the requirements
78.2 of paragraph (b) and one of the following additional requirements:

78.3 (1) programs that serve parents with their children if the program:

78.4 (i) provides on-site child care during the hours of treatment activity that:

78.5 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
78.6 9503; or

78.7 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph
78.8 (a), clause (6), and meets the requirements under section 245G.19, subdivision 4; or

78.9 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
78.10 licensed under chapter 245A as:

78.11 (A) a child care center under Minnesota Rules, chapter 9503; or

78.12 (B) a family child care home under Minnesota Rules, chapter 9502;

78.13 (2) culturally specific or culturally responsive programs as defined in section 254B.01,
78.14 subdivision 4a;

78.15 (3) disability responsive programs as defined in section 254B.01, subdivision 4b;

78.16 (4) programs that offer medical services delivered by appropriately credentialed health
78.17 care staff in an amount equal to two hours per client per week if the medical needs of the
78.18 client and the nature and provision of any medical services provided are documented in the
78.19 client file; or

78.20 (5) programs that offer services to individuals with co-occurring mental health and
78.21 chemical dependency problems if:

78.22 (i) the program meets the co-occurring requirements in section 245G.20;

78.23 (ii) 25 percent of the counseling staff are licensed mental health professionals, as defined
78.24 in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing candidates
78.25 under the supervision of a licensed alcohol and drug counselor supervisor and licensed
78.26 mental health professional, except that no more than 50 percent of the mental health staff
78.27 may be students or licensing candidates with time documented to be directly related to
78.28 provisions of co-occurring services;

78.29 (iii) clients scoring positive on a standardized mental health screen receive a mental
78.30 health diagnostic assessment within ten days of admission;

79.1 (iv) the program has standards for multidisciplinary case review that include a monthly
79.2 review for each client that, at a minimum, includes a licensed mental health professional
79.3 and licensed alcohol and drug counselor, and their involvement in the review is documented;

79.4 (v) family education is offered that addresses mental health and substance abuse disorders
79.5 and the interaction between the two; and

79.6 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
79.7 training annually.

79.8 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
79.9 that provides arrangements for off-site child care must maintain current documentation at
79.10 the chemical dependency facility of the child care provider's current licensure to provide
79.11 child care services. Programs that provide child care according to paragraph (c), clause (1),
79.12 must be deemed in compliance with the licensing requirements in section 245G.19.

79.13 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
79.14 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
79.15 in paragraph (c), clause (4), items (i) to (iv).

79.16 (f) Subject to federal approval, substance use disorder services that are otherwise covered
79.17 as direct face-to-face services may be provided via telehealth as defined in section 256B.0625,
79.18 subdivision 3b. The use of telehealth to deliver services must be medically appropriate to
79.19 the condition and needs of the person being served. Reimbursement shall be at the same
79.20 rates and under the same conditions that would otherwise apply to direct face-to-face services.

79.21 (g) For the purpose of reimbursement under this section, substance use disorder treatment
79.22 services provided in a group setting without a group participant maximum or maximum
79.23 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.
79.24 At least one of the attending staff must meet the qualifications as established under this
79.25 chapter for the type of treatment service provided. A recovery peer may not be included as
79.26 part of the staff ratio.

79.27 (h) Payment for outpatient substance use disorder services that are licensed according
79.28 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless
79.29 prior authorization of a greater number of hours is obtained from the commissioner.

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

80.1 Sec. 51. Minnesota Statutes 2020, section 256.042, subdivision 1, is amended to read:

80.2 Subdivision 1. **Establishment of the advisory council.** (a) The Opiate Epidemic
80.3 Response Advisory Council is established to develop and implement a comprehensive and
80.4 effective statewide effort to address the opioid addiction and overdose epidemic in Minnesota.

80.5 The council shall focus on:

80.6 (1) prevention and education, including public education and awareness for adults and
80.7 youth, prescriber education, the development and sustainability of opioid overdose prevention
80.8 and education programs, the role of adult protective services in prevention and response,
80.9 and providing financial support to local law enforcement agencies for opiate antagonist
80.10 programs;

80.11 (2) training on the treatment of opioid addiction, including the use of all Food and Drug
80.12 Administration approved opioid addiction medications, detoxification, relapse prevention,
80.13 patient assessment, individual treatment planning, counseling, recovery supports, diversion
80.14 control, and other best practices;

80.15 (3) the expansion and enhancement of a continuum of care for opioid-related substance
80.16 use disorders, including primary prevention, early intervention, treatment, recovery, and
80.17 aftercare services; and

80.18 (4) the development of measures to assess and protect the ability of cancer patients and
80.19 survivors, persons battling life-threatening illnesses, persons suffering from severe chronic
80.20 pain, and persons at the end stages of life, who legitimately need prescription pain
80.21 medications, to maintain their quality of life by accessing these pain medications without
80.22 facing unnecessary barriers. The measures must also address the needs of individuals
80.23 described in this clause who are elderly or who reside in underserved or rural areas of the
80.24 state.

80.25 (b) The council shall:

80.26 (1) review local, state, and federal initiatives and activities related to education,
80.27 prevention, treatment, and services for individuals and families experiencing and affected
80.28 by opioid use disorder;

80.29 (2) establish priorities to address the state's opioid epidemic, for the purpose of
80.30 recommending initiatives to fund;

80.31 (3) recommend to the commissioner of human services specific projects and initiatives
80.32 to be funded;

81.1 (4) ensure that available funding is allocated to align with other state and federal funding,
81.2 to achieve the greatest impact and ensure a coordinated state effort;

81.3 (5) consult with the commissioners of human services, health, and management and
81.4 budget to develop measurable outcomes to determine the effectiveness of funds allocated;
81.5 ~~and~~

81.6 (6) develop recommendations for an administrative and organizational framework for
81.7 the allocation, on a sustainable and ongoing basis, of any money deposited into the separate
81.8 account under section 16A.151, subdivision 2, paragraph (f), in order to address the opioid
81.9 abuse and overdose epidemic in Minnesota and the areas of focus specified in paragraph
81.10 (a);

81.11 (7) review reports, data, and performance measures submitted by municipalities, as
81.12 defined in section 466.01, subdivision 1, in receipt of direct payments from settlement
81.13 agreements, as described in section 256.043, subdivision 4; and

81.14 (8) consult with relevant stakeholders, including lead agencies and municipalities, to
81.15 review and provide recommendations for necessary revisions to required reporting to ensure
81.16 the reporting reflects measures of progress in addressing the harms of the opioid epidemic.

81.17 (c) The council, in consultation with the commissioner of management and budget, and
81.18 within available appropriations, shall select from the awarded grants projects or may select
81.19 municipality projects funded by settlement monies as described in section 256.043,
81.20 subdivision 4, that include promising practices or theory-based activities for which the
81.21 commissioner of management and budget shall conduct evaluations using experimental or
81.22 quasi-experimental design. Grants awarded to proposals or municipality projects funded by
81.23 settlement monies that include promising practices or theory-based activities and that are
81.24 selected for an evaluation shall be administered to support the experimental or
81.25 quasi-experimental evaluation and require grantees and municipality projects to collect and
81.26 report information that is needed to complete the evaluation. The commissioner of
81.27 management and budget, under section 15.08, may obtain additional relevant data to support
81.28 the experimental or quasi-experimental evaluation studies. For the purposes of this paragraph,
81.29 "municipality" has the meaning given in section 466.01, subdivision 1.

81.30 (d) The council, in consultation with the commissioners of human services, health, public
81.31 safety, and management and budget, shall establish goals related to addressing the opioid
81.32 epidemic and determine a baseline against which progress shall be monitored and set
81.33 measurable outcomes, including benchmarks. The goals established must include goals for
81.34 prevention and public health, access to treatment, and multigenerational impacts. The council

82.1 shall use existing measures and data collection systems to determine baseline data against
82.2 which progress shall be measured. The council shall include the proposed goals, the
82.3 measurable outcomes, and proposed benchmarks to meet these goals in its initial report to
82.4 the legislature under subdivision 5, paragraph (a), due January 31, 2021.

82.5 Sec. 52. Minnesota Statutes 2020, section 256.042, subdivision 2, is amended to read:

82.6 Subd. 2. **Membership.** (a) The council shall consist of the following ~~19~~ 30 voting
82.7 members, appointed by the commissioner of human services except as otherwise specified,
82.8 and three nonvoting members:

82.9 (1) two members of the house of representatives, appointed in the following sequence:
82.10 the first from the majority party appointed by the speaker of the house and the second from
82.11 the minority party appointed by the minority leader. Of these two members, one member
82.12 must represent a district outside of the seven-county metropolitan area, and one member
82.13 must represent a district that includes the seven-county metropolitan area. The appointment
82.14 by the minority leader must ensure that this requirement for geographic diversity in
82.15 appointments is met;

82.16 (2) two members of the senate, appointed in the following sequence: the first from the
82.17 majority party appointed by the senate majority leader and the second from the minority
82.18 party appointed by the senate minority leader. Of these two members, one member must
82.19 represent a district outside of the seven-county metropolitan area and one member must
82.20 represent a district that includes the seven-county metropolitan area. The appointment by
82.21 the minority leader must ensure that this requirement for geographic diversity in appointments
82.22 is met;

82.23 (3) one member appointed by the Board of Pharmacy;

82.24 (4) one member who is a physician appointed by the Minnesota Medical Association;

82.25 (5) one member representing opioid treatment programs, sober living programs, or
82.26 substance use disorder programs licensed under chapter 245G;

82.27 (6) one member appointed by the Minnesota Society of Addiction Medicine who is an
82.28 addiction psychiatrist;

82.29 (7) one member representing professionals providing alternative pain management
82.30 therapies, including, but not limited to, acupuncture, chiropractic, or massage therapy;

82.31 (8) one member representing nonprofit organizations conducting initiatives to address
82.32 the opioid epidemic, with the commissioner's initial appointment being a member

83.1 representing the Steve Rummeler Hope Network, and subsequent appointments representing
83.2 this or other organizations;

83.3 (9) one member appointed by the Minnesota Ambulance Association who is serving
83.4 with an ambulance service as an emergency medical technician, advanced emergency
83.5 medical technician, or paramedic;

83.6 (10) one member representing the Minnesota courts who is a judge or law enforcement
83.7 officer;

83.8 (11) one public member who is a Minnesota resident and who is in opioid addiction
83.9 recovery;

83.10 (12) ~~two~~ 11 members representing Indian tribes, one representing the ~~Ojibwe tribes and~~
83.11 ~~one representing the Dakota tribes~~ each of Minnesota's Tribal Nations;

83.12 (13) two members representing the urban American Indian population;

83.13 ~~(13)~~ (14) one public member who is a Minnesota resident and who is suffering from
83.14 chronic pain, intractable pain, or a rare disease or condition;

83.15 ~~(14)~~ (15) one mental health advocate representing persons with mental illness;

83.16 ~~(15)~~ (16) one member appointed by the Minnesota Hospital Association;

83.17 ~~(16)~~ (17) one member representing a local health department; and

83.18 ~~(17)~~ (18) the commissioners of human services, health, and corrections, or their designees,
83.19 who shall be ex officio nonvoting members of the council.

83.20 (b) The commissioner of human services shall coordinate the commissioner's
83.21 appointments to provide geographic, racial, and gender diversity, and shall ensure that at
83.22 least one-half of council members appointed by the commissioner reside outside of the
83.23 seven-county metropolitan area and that at least one-half of the members have lived
83.24 experience with opiate addiction. Of the members appointed by the commissioner, to the
83.25 extent practicable, at least one member must represent a community of color
83.26 disproportionately affected by the opioid epidemic.

83.27 (c) The council is governed by section 15.059, except that members of the council shall
83.28 serve three-year terms and shall receive no compensation other than reimbursement for
83.29 expenses. Notwithstanding section 15.059, subdivision 6, the council shall not expire.

83.30 (d) The chair shall convene the council at least quarterly, and may convene other meetings
83.31 as necessary. The chair shall convene meetings at different locations in the state to provide

84.1 geographic access, and shall ensure that at least one-half of the meetings are held at locations
84.2 outside of the seven-county metropolitan area.

84.3 (e) The commissioner of human services shall provide staff and administrative services
84.4 for the advisory council.

84.5 (f) The council is subject to chapter 13D.

84.6 Sec. 53. Minnesota Statutes 2021 Supplement, section 256.042, subdivision 4, is amended
84.7 to read:

84.8 Subd. 4. **Grants.** (a) The commissioner of human services shall submit a report of the
84.9 grants proposed by the advisory council to be awarded for the upcoming calendar year to
84.10 the chairs and ranking minority members of the legislative committees with jurisdiction
84.11 over health and human services policy and finance, by December 1 of each year, beginning
84.12 March 1, 2020.

84.13 (b) The grants shall be awarded to proposals selected by the advisory council that address
84.14 the priorities in subdivision 1, paragraph (a), clauses (1) to (4), unless otherwise appropriated
84.15 by the legislature. The advisory council shall determine grant awards and funding amounts
84.16 based on the funds appropriated to the commissioner under section 256.043, subdivision 3,
84.17 paragraph (e). The commissioner shall award the grants from the opiate epidemic response
84.18 fund and administer the grants in compliance with section 16B.97. No more than ten percent
84.19 of the grant amount may be used by a grantee for administration. The commissioner must
84.20 award at least 40 percent of grants to projects that include a focus on addressing the opiate
84.21 crisis in Black and Indigenous communities and communities of color.

84.22 Sec. 54. Minnesota Statutes 2020, section 256.042, subdivision 5, is amended to read:

84.23 Subd. 5. **Reports.** (a) The advisory council shall report annually to the chairs and ranking
84.24 minority members of the legislative committees with jurisdiction over health and human
84.25 services policy and finance by January 31 of each year, ~~beginning January 31, 2021~~. The
84.26 report shall include information about the individual projects that receive grants, the
84.27 municipality projects funded by settlement monies as described in section 256.043,
84.28 subdivision 4, and the overall role of the ~~project~~ projects in addressing the opioid addiction
84.29 and overdose epidemic in Minnesota. The report must describe the grantees and the activities
84.30 implemented, along with measurable outcomes as determined by the council in consultation
84.31 with the commissioner of human services and the commissioner of management and budget.
84.32 At a minimum, the report must include information about the number of individuals who
84.33 received information or treatment, the outcomes the individuals achieved, and demographic

85.1 information about the individuals participating in the project; an assessment of the progress
85.2 toward achieving statewide access to qualified providers and comprehensive treatment and
85.3 recovery services; and an update on the evaluations implemented by the commissioner of
85.4 management and budget for the promising practices and theory-based projects that receive
85.5 funding.

85.6 (b) The commissioner of management and budget, in consultation with the Opiate
85.7 Epidemic Response Advisory Council, shall report to the chairs and ranking minority
85.8 members of the legislative committees with jurisdiction over health and human services
85.9 policy and finance when an evaluation study described in subdivision 1, paragraph (c), is
85.10 complete on the promising practices or theory-based projects that are selected for evaluation
85.11 activities. The report shall include demographic information; outcome information for the
85.12 individuals in the program; the results for the program in promoting recovery, employment,
85.13 family reunification, and reducing involvement with the criminal justice system; and other
85.14 relevant outcomes determined by the commissioner of management and budget that are
85.15 specific to the projects that are evaluated. The report shall include information about the
85.16 ability of grant programs to be scaled to achieve the statewide results that the grant project
85.17 demonstrated.

85.18 (c) The advisory council, in its annual report to the legislature under paragraph (a) due
85.19 by January 31, 2024, shall include recommendations on whether the appropriations to the
85.20 specified entities under Laws 2019, chapter 63, should be continued, adjusted, or
85.21 discontinued; whether funding should be appropriated for other purposes related to opioid
85.22 abuse prevention, education, and treatment; and on the appropriate level of funding for
85.23 existing and new uses.

85.24 (d) Municipalities receiving direct payments for settlement agreements as described in
85.25 section 256.043, subdivision 4, must annually report to the commissioner on how the funds
85.26 were used on opioid remediation. The report must be submitted in a format prescribed by
85.27 the commissioner.

85.28 The report must include data and measurable outcomes on expenditures funded with
85.29 opioid settlement funds, as identified by the commissioner, including details on services
85.30 drawn from the categories of approved uses, as identified in agreements between the state
85.31 of Minnesota, the Association of Minnesota Counties, and the League of Minnesota Cities.
85.32 Minimum reporting requirements must include:

85.33 (1) contact information;

85.34 (2) information on funded services and programs; and

86.1 (3) target populations for each funded service and program.

86.2 (e) In reporting data and outcomes under paragraph (d), municipalities should include
86.3 information on the use of evidence-based and culturally relevant services, to the extent
86.4 feasible.

86.5 (f) Reporting requirements for municipal projects using \$25,000 or more of settlement
86.6 funds in a calendar year must also include:

86.7 (1) a brief qualitative description of successes or challenges; and

86.8 (2) results using process and quality measures.

86.9 (g) For the purposes of this subdivision, "municipality" or "municipalities" has the
86.10 meaning given in section 466.01, subdivision 1.

86.11 Sec. 55. Minnesota Statutes 2021 Supplement, section 256B.0759, subdivision 4, is
86.12 amended to read:

86.13 Subd. 4. **Provider payment rates.** (a) Payment rates for participating providers must
86.14 be increased for services provided to medical assistance enrollees. To receive a rate increase,
86.15 participating providers must meet demonstration project requirements and provide evidence
86.16 of formal referral arrangements with providers delivering step-up or step-down levels of
86.17 care. Providers that have enrolled in the demonstration project but have not met the provider
86.18 standards under subdivision 3 as of July 1, 2022, are not eligible for a rate increase under
86.19 this subdivision until the date that the provider meets the provider standards in subdivision
86.20 3. Services provided from July 1, 2022, to the date that the provider meets the provider
86.21 standards under subdivision 3 shall be reimbursed at rates according to section 254B.05,
86.22 subdivision 5, paragraph (b). Rate increases paid under this subdivision to a provider for
86.23 services provided between July 1, 2021, and July 1, 2022, are not subject to recoupment
86.24 when the provider is taking meaningful steps to meet demonstration project requirements
86.25 that are not otherwise required by law, and the provider provides documentation to the
86.26 commissioner, upon request, of the steps being taken.

86.27 (b) The commissioner may temporarily suspend payments to the provider according to
86.28 section 256B.04, subdivision 21, paragraph (d), if the provider does not meet the requirements
86.29 in paragraph (a). Payments withheld from the provider must be made once the commissioner
86.30 determines that the requirements in paragraph (a) are met.

86.31 (c) For substance use disorder services under section 254B.05, subdivision 5, paragraph
86.32 (b), clause ~~(8)~~ (7), provided on or after July 1, 2020, payment rates must be increased by
86.33 25 percent over the rates in effect on December 31, 2019.

87.1 (d) For substance use disorder services under section 254B.05, subdivision 5, paragraph
 87.2 (b), clauses (1), and (6), ~~and (7)~~, and adolescent treatment programs that are licensed as
 87.3 outpatient treatment programs according to sections 245G.01 to 245G.18, provided on or
 87.4 after January 1, 2021, payment rates must be increased by 20 percent over the rates in effect
 87.5 on December 31, 2020.

87.6 (e) Effective January 1, 2021, and contingent on annual federal approval, managed care
 87.7 plans and county-based purchasing plans must reimburse providers of the substance use
 87.8 disorder services meeting the criteria described in paragraph (a) who are employed by or
 87.9 under contract with the plan an amount that is at least equal to the fee-for-service base rate
 87.10 payment for the substance use disorder services described in paragraphs (c) and (d). The
 87.11 commissioner must monitor the effect of this requirement on the rate of access to substance
 87.12 use disorder services and residential substance use disorder rates. Capitation rates paid to
 87.13 managed care organizations and county-based purchasing plans must reflect the impact of
 87.14 this requirement. This paragraph expires if federal approval is not received at any time as
 87.15 required under this paragraph.

87.16 (f) Effective July 1, 2021, contracts between managed care plans and county-based
 87.17 purchasing plans and providers to whom paragraph (e) applies must allow recovery of
 87.18 payments from those providers if, for any contract year, federal approval for the provisions
 87.19 of paragraph (e) is not received, and capitation rates are adjusted as a result. Payment
 87.20 recoveries must not exceed the amount equal to any decrease in rates that results from this
 87.21 provision.

87.22 Sec. 56. Minnesota Statutes 2020, section 256B.0941, is amended by adding a subdivision
 87.23 to read:

87.24 Subd. 5. **Start-up grants.** Start-up grants to prospective psychiatric residential treatment
 87.25 facility sites may be used for:

87.26 (1) administrative expenses;

87.27 (2) consulting services;

87.28 (3) Health Insurance Portability and Accountability Act of 1996 compliance;

87.29 (4) therapeutic resources including evidence-based, culturally appropriate curriculums,
 87.30 and training programs for staff and clients;

87.31 (5) allowable physical renovations to the property; and

87.32 (6) emergency workforce shortage uses, as determined by the commissioner.

88.1 Sec. 57. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 1, is
88.2 amended to read:

88.3 Subdivision 1. **Required covered service components.** (a) Subject to federal approval,
88.4 medical assistance covers medically necessary intensive treatment services when the services
88.5 are provided by a provider entity certified under and meeting the standards in this section.
88.6 The provider entity must make reasonable and good faith efforts to report individual client
88.7 outcomes to the commissioner, using instruments and protocols approved by the
88.8 commissioner.

88.9 (b) Intensive treatment services to children with mental illness residing in foster family
88.10 settings or with legal guardians that comprise specific required service components provided
88.11 in clauses (1) to (6) are reimbursed by medical assistance when they meet the following
88.12 standards:

88.13 (1) psychotherapy provided by a mental health professional or a clinical trainee;

88.14 (2) crisis planning;

88.15 (3) individual, family, and group psychoeducation services provided by a mental health
88.16 professional or a clinical trainee;

88.17 (4) clinical care consultation provided by a mental health professional or a clinical
88.18 trainee;

88.19 (5) individual treatment plan development as defined in Minnesota Rules, part 9505.0371,
88.20 subpart 7; and

88.21 (6) service delivery payment requirements as provided under subdivision 4.

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

88.25 Sec. 58. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 1a, is
88.26 amended to read:

88.27 Subd. 1a. **Definitions.** For the purposes of this section, the following terms have the
88.28 meanings given them.

88.29 (a) "At risk of out-of-home placement" means the child has participated in
88.30 community-based therapeutic or behavioral services including psychotherapy within the
88.31 past 30 days and has experienced severe difficulty in managing mental health and behavior
88.32 in multiple settings and has one of the following:

89.1 (1) has previously been in out-of-home placement for mental health issues within the
 89.2 past six months;

89.3 (2) has a history of threatening harm to self or others and has actively engaged in
 89.4 self-harming or threatening behavior in the past 30 days;

89.5 (3) demonstrates extremely inappropriate or dangerous social behavior in home,
 89.6 community, and school settings;

89.7 (4) has a history of repeated intervention from mental health programs, social services,
 89.8 mobile crisis programs, or law enforcement to maintain safety in the home, community, or
 89.9 school within the past 60 days; or

89.10 (5) whose parent is unable to safely manage the child's mental health, behavioral, or
 89.11 emotional problems in the home and has been actively seeking placement for at least two
 89.12 weeks.

89.13 ~~(a)~~ (b) "Clinical care consultation" means communication from a treating clinician to
 89.14 other providers working with the same client to inform, inquire, and instruct regarding the
 89.15 client's symptoms, strategies for effective engagement, care and intervention needs, and
 89.16 treatment expectations across service settings, including but not limited to the client's school,
 89.17 social services, day care, probation, home, primary care, medication prescribers, disabilities
 89.18 services, and other mental health providers and to direct and coordinate clinical service
 89.19 components provided to the client and family.

89.20 ~~(b)~~ (c) "Clinical trainee" means a staff person who is qualified according to section
 89.21 245I.04, subdivision 6.

89.22 ~~(e)~~ (d) "Crisis planning" has the meaning given in section 245.4871, subdivision 9a.

89.23 ~~(d)~~ (e) "Culturally appropriate" means providing mental health services in a manner that
 89.24 incorporates the child's cultural influences into interventions as a way to maximize resiliency
 89.25 factors and utilize cultural strengths and resources to promote overall wellness.

89.26 ~~(e)~~ (f) "Culture" means the distinct ways of living and understanding the world that are
 89.27 used by a group of people and are transmitted from one generation to another or adopted
 89.28 by an individual.

89.29 ~~(f)~~ (g) "Standard diagnostic assessment" means the assessment described in section
 89.30 245I.10, subdivision 6.

89.31 ~~(g)~~ (h) "Family" means a person who is identified by the client or the client's parent or
 89.32 guardian as being important to the client's mental health treatment. Family may include,

90.1 but is not limited to, parents, foster parents, children, spouse, committed partners, former
90.2 spouses, persons related by blood or adoption, persons who are a part of the client's
90.3 permanency plan, or persons who are presently residing together as a family unit.

90.4 ~~(h)~~ (i) "Foster care" has the meaning given in section 260C.007, subdivision 18.

90.5 ~~(i)~~ (j) "Foster family setting" means the foster home in which the license holder resides.

90.6 ~~(j)~~ (k) "Individual treatment plan" means the plan described in section 245I.10,
90.7 subdivisions 7 and 8.

90.8 ~~(k)~~ (l) "Mental health certified family peer specialist" means a staff person who is
90.9 qualified according to section 245I.04, subdivision 12.

90.10 ~~(l)~~ (m) "Mental health professional" means a staff person who is qualified according to
90.11 section 245I.04, subdivision 2.

90.12 ~~(m)~~ (n) "Mental illness" has the meaning given in section 245I.02, subdivision 29.

90.13 ~~(n)~~ (o) "Parent" has the meaning given in section 260C.007, subdivision 25.

90.14 ~~(o)~~ (p) "Psychoeducation services" means information or demonstration provided to an
90.15 individual, family, or group to explain, educate, and support the individual, family, or group
90.16 in understanding a child's symptoms of mental illness, the impact on the child's development,
90.17 and needed components of treatment and skill development so that the individual, family,
90.18 or group can help the child to prevent relapse, prevent the acquisition of comorbid disorders,
90.19 and achieve optimal mental health and long-term resilience.

90.20 ~~(p)~~ (q) "Psychotherapy" means the treatment described in section 256B.0671, subdivision
90.21 11.

90.22 ~~(q)~~ (r) "Team consultation and treatment planning" means the coordination of treatment
90.23 plans and consultation among providers in a group concerning the treatment needs of the
90.24 child, including disseminating the child's treatment service schedule to all members of the
90.25 service team. Team members must include all mental health professionals working with the
90.26 child, a parent, the child unless the team lead or parent deem it clinically inappropriate, and
90.27 at least two of the following: an individualized education program case manager; probation
90.28 agent; children's mental health case manager; child welfare worker, including adoption or
90.29 guardianship worker; primary care provider; foster parent; and any other member of the
90.30 child's service team.

90.31 ~~(r)~~ (s) "Trauma" has the meaning given in section 245I.02, subdivision 38.

90.32 ~~(s)~~ (t) "Treatment supervision" means the supervision described under section 245I.06.

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

91.4 Sec. 59. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 2, is
 91.5 amended to read:

91.6 Subd. 2. **Determination of client eligibility.** An eligible recipient is an individual, from
 91.7 birth through age 20, who is currently placed in a foster home licensed under Minnesota
 91.8 Rules, parts 2960.3000 to 2960.3340, or placed in a foster home licensed under the
 91.9 regulations established by a federally recognized Minnesota Tribe, or who is residing in the
 91.10 legal guardian's home and is at risk of out-of-home placement, and has received: (1) a
 91.11 standard diagnostic assessment within 180 days before the start of service that documents
 91.12 that intensive treatment services are medically necessary within a foster family setting to
 91.13 ameliorate identified symptoms and functional impairments; and (2) a level of care
 91.14 assessment as defined in section 245I.02, subdivision 19, that demonstrates that the individual
 91.15 requires intensive intervention without 24-hour medical monitoring, and a functional
 91.16 assessment as defined in section 245I.02, subdivision 17. The level of care assessment and
 91.17 the functional assessment must include information gathered from the placing county, Tribe,
 91.18 or case manager.

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

91.22 Sec. 60. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 3, is
 91.23 amended to read:

91.24 Subd. 3. **Eligible mental health services providers.** (a) Eligible providers for intensive
 91.25 children's mental health services ~~in a foster family setting~~ must be certified by the state ~~and~~
 91.26 ~~have a service provision contract with a county board or a reservation tribal council~~ and
 91.27 must be able to demonstrate the ability to provide all of the services required in this section
 91.28 and meet the standards in chapter 245I, as required in section 245I.011, subdivision 5.

91.29 (b) For purposes of this section, a provider agency must be:

91.30 (1) a county-operated entity certified by the state;

92.1 (2) an Indian Health Services facility operated by a Tribe or Tribal organization under
92.2 funding authorized by United States Code, title 25, sections 450f to 450n, or title 3 of the
92.3 Indian Self-Determination Act, Public Law 93-638, section 638 (facilities or providers); or

92.4 (3) a noncounty entity.

92.5 (c) Certified providers that do not meet the service delivery standards required in this
92.6 section shall be subject to a decertification process.

92.7 (d) For the purposes of this section, all services delivered to a client must be provided
92.8 by a mental health professional or a clinical trainee.

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

92.12 Sec. 61. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 4, is
92.13 amended to read:

92.14 Subd. 4. **Service delivery payment requirements.** (a) To be eligible for payment under
92.15 this section, a provider must develop and practice written policies and procedures for
92.16 intensive treatment ~~in foster care~~ for children, consistent with subdivision 1, paragraph (b),
92.17 and comply with the following requirements in paragraphs (b) to (n).

92.18 (b) Each previous and current mental health, school, and physical health treatment
92.19 provider must be contacted to request documentation of treatment and assessments that the
92.20 eligible client has received. This information must be reviewed and incorporated into the
92.21 standard diagnostic assessment and team consultation and treatment planning review process.

92.22 (c) Each client receiving treatment must be assessed for a trauma history, and the client's
92.23 treatment plan must document how the results of the assessment will be incorporated into
92.24 treatment.

92.25 (d) The level of care assessment as defined in section 245I.02, subdivision 19, and
92.26 functional assessment as defined in section 245I.02, subdivision 17, must be updated at
92.27 least every 90 days or prior to discharge from the service, whichever comes first.

92.28 (e) Each client receiving treatment services must have an individual treatment plan that
92.29 is reviewed, evaluated, and approved every 90 days using the team consultation and treatment
92.30 planning process.

92.31 (f) Clinical care consultation must be provided in accordance with the client's individual
92.32 treatment plan.

93.1 (g) Each client must have a crisis plan within ten days of initiating services and must
93.2 have access to clinical phone support 24 hours per day, seven days per week, during the
93.3 course of treatment. The crisis plan must demonstrate coordination with the local or regional
93.4 mobile crisis intervention team.

93.5 (h) Services must be delivered and documented at least three days per week, equaling
93.6 at least six hours of treatment per week. If the mental health professional, client, and family
93.7 agree, service units may be temporarily reduced for a period of no more than 60 days in
93.8 order to meet the needs of the client and family, or as part of transition or on a discharge
93.9 plan to another service or level of care. The reasons for service reduction must be identified,
93.10 documented, and included in the treatment plan. Billing and payment are prohibited for
93.11 days on which no services are delivered and documented.

93.12 (i) Location of service delivery must be in the client's home, day care setting, school, or
93.13 other community-based setting that is specified on the client's individualized treatment plan.

93.14 (j) Treatment must be developmentally and culturally appropriate for the client.

93.15 (k) Services must be delivered in continual collaboration and consultation with the
93.16 client's medical providers and, in particular, with prescribers of psychotropic medications,
93.17 including those prescribed on an off-label basis. Members of the service team must be aware
93.18 of the medication regimen and potential side effects.

93.19 (l) Parents, siblings, foster parents, legal guardians, and members of the child's
93.20 permanency plan must be involved in treatment and service delivery unless otherwise noted
93.21 in the treatment plan.

93.22 (m) Transition planning for ~~the~~ a child in foster care must be conducted starting with
93.23 the first treatment plan and must be addressed throughout treatment to support the child's
93.24 permanency plan and postdischarge mental health service needs.

93.25 (n) In order for a provider to receive the daily per-client encounter rate, at least one of
93.26 the services listed in subdivision 1, paragraph (b), clauses (1) to (3), must be provided. The
93.27 services listed in subdivision 1, paragraph (b), clauses (4) and (5), may be included as part
93.28 of the daily per-client encounter rate.

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

94.1 Sec. 62. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 6, is
94.2 amended to read:

94.3 Subd. 6. **Excluded services.** (a) Services in clauses (1) to (7) are not covered under this
94.4 section and are not eligible for medical assistance payment as components of children's
94.5 intensive ~~treatment in foster care~~ behavioral health services, but may be billed separately:

94.6 (1) inpatient psychiatric hospital treatment;

94.7 (2) mental health targeted case management;

94.8 (3) partial hospitalization;

94.9 (4) medication management;

94.10 (5) children's mental health day treatment services;

94.11 (6) crisis response services under section 256B.0624;

94.12 (7) transportation; and

94.13 (8) mental health certified family peer specialist services under section 256B.0616.

94.14 (b) Children receiving intensive ~~treatment in foster care~~ behavioral health services are
94.15 not eligible for medical assistance reimbursement for the following services while receiving
94.16 children's intensive ~~treatment in foster care~~ behavioral health services:

94.17 (1) psychotherapy and skills training components of children's therapeutic services and
94.18 supports under section 256B.0943;

94.19 (2) mental health behavioral aide services as defined in section 256B.0943, subdivision
94.20 1, paragraph (1);

94.21 (3) home and community-based waiver services;

94.22 (4) mental health residential treatment; and

94.23 (5) room and board costs as defined in section 256I.03, subdivision 6.

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

94.27 Sec. 63. Minnesota Statutes 2020, section 256B.0946, subdivision 7, is amended to read:

94.28 Subd. 7. **Medical assistance payment and rate setting.** The commissioner shall establish
94.29 a single daily per-client encounter rate for children's intensive ~~treatment in foster care~~
94.30 behavioral health services. The rate must be constructed to cover only eligible services

95.1 delivered to an eligible recipient by an eligible provider, as prescribed in subdivision 1,
 95.2 paragraph (b).

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

95.6 Sec. 64. Minnesota Statutes 2021 Supplement, section 256B.0947, subdivision 2, is
 95.7 amended to read:

95.8 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings
 95.9 given them.

95.10 (a) "Intensive nonresidential rehabilitative mental health services" means child
 95.11 rehabilitative mental health services as defined in section 256B.0943, except that these
 95.12 services are provided by a multidisciplinary staff using a total team approach consistent
 95.13 with assertive community treatment, as adapted for youth, and are directed to recipients
 95.14 who are eight years of age or older and under ~~26~~ 21 years of age who require intensive
 95.15 services to prevent admission to an inpatient psychiatric hospital or placement in a residential
 95.16 treatment facility or who require intensive services to step down from inpatient or residential
 95.17 care to community-based care.

95.18 (b) "Co-occurring mental illness and substance use disorder" means a dual diagnosis of
 95.19 at least one form of mental illness and at least one substance use disorder. Substance use
 95.20 disorders include alcohol or drug abuse or dependence, excluding nicotine use.

95.21 (c) "Standard diagnostic assessment" means the assessment described in section 245I.10,
 95.22 subdivision 6.

95.23 (d) "Medication education services" means services provided individually or in groups,
 95.24 which focus on:

95.25 (1) educating the client and client's family or significant nonfamilial supporters about
 95.26 mental illness and symptoms;

95.27 (2) the role and effects of medications in treating symptoms of mental illness; and

95.28 (3) the side effects of medications.

95.29 Medication education is coordinated with medication management services and does not
 95.30 duplicate it. Medication education services are provided by physicians, pharmacists, or
 95.31 registered nurses with certification in psychiatric and mental health care.

96.1 (e) "Mental health professional" means a staff person who is qualified according to
96.2 section 245I.04, subdivision 2.

96.3 (f) "Provider agency" means a for-profit or nonprofit organization established to
96.4 administer an assertive community treatment for youth team.

96.5 (g) "Substance use disorders" means one or more of the disorders defined in the diagnostic
96.6 and statistical manual of mental disorders, current edition.

96.7 (h) "Transition services" means:

96.8 (1) activities, materials, consultation, and coordination that ensures continuity of the
96.9 client's care in advance of and in preparation for the client's move from one stage of care
96.10 or life to another by maintaining contact with the client and assisting the client to establish
96.11 provider relationships;

96.12 (2) providing the client with knowledge and skills needed posttransition;

96.13 (3) establishing communication between sending and receiving entities;

96.14 (4) supporting a client's request for service authorization and enrollment; and

96.15 (5) establishing and enforcing procedures and schedules.

96.16 A youth's transition from the children's mental health system and services to the adult
96.17 mental health system and services and return to the client's home and entry or re-entry into
96.18 community-based mental health services following discharge from an out-of-home placement
96.19 or inpatient hospital stay.

96.20 (i) "Treatment team" means all staff who provide services to recipients under this section.

96.21 (j) "Family peer specialist" means a staff person who is qualified under section
96.22 256B.0616.

96.23 Sec. 65. Minnesota Statutes 2021 Supplement, section 256B.0947, subdivision 3, is
96.24 amended to read:

96.25 Subd. 3. **Client eligibility.** An eligible recipient is an individual who:

96.26 (1) is eight years of age or older and under ~~26~~ 21 years of age;

96.27 (2) is diagnosed with a serious mental illness or co-occurring mental illness and substance
96.28 use disorder, for which intensive nonresidential rehabilitative mental health services are
96.29 needed;

97.1 (3) has received a level of care assessment as defined in section 245I.02, subdivision
97.2 19, that indicates a need for intensive integrated intervention without 24-hour medical
97.3 monitoring and a need for extensive collaboration among multiple providers;

97.4 (4) has received a functional assessment as defined in section 245I.02, subdivision 17,
97.5 that indicates functional impairment and a history of difficulty in functioning safely and
97.6 successfully in the community, school, home, or job; or who is likely to need services from
97.7 the adult mental health system during adulthood; and

97.8 (5) has had a recent standard diagnostic assessment that documents that intensive
97.9 nonresidential rehabilitative mental health services are medically necessary to ameliorate
97.10 identified symptoms and functional impairments and to achieve individual transition goals.

97.11 Sec. 66. Minnesota Statutes 2021 Supplement, section 256B.0947, subdivision 5, is
97.12 amended to read:

97.13 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services
97.14 must meet the standards in this section and chapter 245I as required in section 245I.011,
97.15 subdivision 5.

97.16 (b) The treatment team must have specialized training in providing services to the specific
97.17 age group of youth that the team serves. An individual treatment team must serve youth
97.18 who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14
97.19 years of age or older and under ~~26~~ 21 years of age.

97.20 (c) The treatment team for intensive nonresidential rehabilitative mental health services
97.21 comprises both permanently employed core team members and client-specific team members
97.22 as follows:

97.23 (1) Based on professional qualifications and client needs, clinically qualified core team
97.24 members are assigned on a rotating basis as the client's lead worker to coordinate a client's
97.25 care. The core team must comprise at least four full-time equivalent direct care staff and
97.26 must minimally include:

97.27 (i) a mental health professional who serves as team leader to provide administrative
97.28 direction and treatment supervision to the team;

97.29 (ii) an advanced-practice registered nurse with certification in psychiatric or mental
97.30 health care or a board-certified child and adolescent psychiatrist, either of which must be
97.31 credentialed to prescribe medications;

98.1 (iii) a licensed alcohol and drug counselor who is also trained in mental health
98.2 interventions; and

98.3 (iv) a mental health certified peer specialist who is qualified according to section 245I.04,
98.4 subdivision 10, and is also a former children's mental health consumer.

98.5 (2) The core team may also include any of the following:

98.6 (i) additional mental health professionals;

98.7 (ii) a vocational specialist;

98.8 (iii) an educational specialist with knowledge and experience working with youth
98.9 regarding special education requirements and goals, special education plans, and coordination
98.10 of educational activities with health care activities;

98.11 (iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

98.12 (v) a clinical trainee qualified according to section 245I.04, subdivision 6;

98.13 (vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

98.14 (vii) a case management service provider, as defined in section 245.4871, subdivision
98.15 4;

98.16 (viii) a housing access specialist; and

98.17 (ix) a family peer specialist as defined in subdivision 2, paragraph (j).

98.18 (3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc
98.19 members not employed by the team who consult on a specific client and who must accept
98.20 overall clinical direction from the treatment team for the duration of the client's placement
98.21 with the treatment team and must be paid by the provider agency at the rate for a typical
98.22 session by that provider with that client or at a rate negotiated with the client-specific
98.23 member. Client-specific treatment team members may include:

98.24 (i) the mental health professional treating the client prior to placement with the treatment
98.25 team;

98.26 (ii) the client's current substance use counselor, if applicable;

98.27 (iii) a lead member of the client's individualized education program team or school-based
98.28 mental health provider, if applicable;

98.29 (iv) a representative from the client's health care home or primary care clinic, as needed
98.30 to ensure integration of medical and behavioral health care;

99.1 (v) the client's probation officer or other juvenile justice representative, if applicable;
99.2 and

99.3 (vi) the client's current vocational or employment counselor, if applicable.

99.4 (d) The treatment supervisor shall be an active member of the treatment team and shall
99.5 function as a practicing clinician at least on a part-time basis. The treatment team shall meet
99.6 with the treatment supervisor at least weekly to discuss recipients' progress and make rapid
99.7 adjustments to meet recipients' needs. The team meeting must include client-specific case
99.8 reviews and general treatment discussions among team members. Client-specific case
99.9 reviews and planning must be documented in the individual client's treatment record.

99.10 (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment
99.11 team position.

99.12 (f) The treatment team shall serve no more than 80 clients at any one time. Should local
99.13 demand exceed the team's capacity, an additional team must be established rather than
99.14 exceed this limit.

99.15 (g) Nonclinical staff shall have prompt access in person or by telephone to a mental
99.16 health practitioner, clinical trainee, or mental health professional. The provider shall have
99.17 the capacity to promptly and appropriately respond to emergent needs and make any
99.18 necessary staffing adjustments to ensure the health and safety of clients.

99.19 (h) The intensive nonresidential rehabilitative mental health services provider shall
99.20 participate in evaluation of the assertive community treatment for youth (Youth ACT) model
99.21 as conducted by the commissioner, including the collection and reporting of data and the
99.22 reporting of performance measures as specified by contract with the commissioner.

99.23 (i) A regional treatment team may serve multiple counties.

99.24 Sec. 67. Minnesota Statutes 2020, section 256B.0949, subdivision 15, is amended to read:

99.25 Subd. 15. **EIDBI provider qualifications.** (a) A QSP must be employed by an agency
99.26 and be:

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

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

100.6 (b) A level I treatment provider must be employed by an agency and:

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

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

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

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

100.20 (iii) a board-certified behavior analyst; or

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

100.24 (c) A level II treatment provider must be employed by an agency and must be:

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

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

101.1 (ii) has certification as a board-certified assistant behavior analyst from the Behavior
101.2 Analyst Certification Board;

101.3 (iii) is a registered behavior technician as defined by the Behavior Analyst Certification
101.4 Board; or

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

101.7 (2) a person who has:

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

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

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

101.18 (4) a person who is a graduate student in a behavioral science, child development science,
101.19 or related field and is receiving clinical supervision by a QSP affiliated with an agency to
101.20 meet the clinical training requirements for experience and training with people with ASD
101.21 or a related condition; or

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

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

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

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

101.27 (d) A level III treatment provider must be employed by an agency, have completed the
101.28 level III training requirement, be at least 18 years of age, and have at least one of the
101.29 following:

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

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

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

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

102.6 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
102.7 whichever is later. The commissioner of human services shall notify the revisor of statutes
102.8 when federal approval is obtained.

102.9 Sec. 68. Minnesota Statutes 2020, section 256D.09, subdivision 2a, is amended to read:

102.10 Subd. 2a. **Vendor payments for drug dependent persons.** If, at the time of application
102.11 or at any other time, there is a reasonable basis for questioning whether a person applying
102.12 for or receiving financial assistance is drug dependent, as defined in section 254A.02,
102.13 subdivision 5, the person shall be referred for a chemical health assessment, and only
102.14 emergency assistance payments or general assistance vendor payments may be provided
102.15 until the assessment is complete and the results of the assessment made available to the
102.16 county agency. A reasonable basis for referring an individual for an assessment exists when:

102.17 (1) the person has required detoxification two or more times in the past 12 months;

102.18 (2) the person appears intoxicated at the county agency as indicated by two or more of
102.19 the following:

102.20 (i) the odor of alcohol;

102.21 (ii) slurred speech;

102.22 (iii) disconjugate gaze;

102.23 (iv) impaired balance;

102.24 (v) difficulty remaining awake;

102.25 (vi) consumption of alcohol;

102.26 (vii) responding to sights or sounds that are not actually present;

102.27 (viii) extreme restlessness, fast speech, or unusual belligerence;

102.28 (3) the person has been involuntarily committed for drug dependency at least once in
102.29 the past 12 months; or

103.1 (4) the person has received treatment, including domiciliary care, for drug abuse or
 103.2 dependency at least twice in the past 12 months.

103.3 The assessment and determination of drug dependency, if any, must be made by an
 103.4 assessor qualified under ~~Minnesota Rules, part 9530.6615, subpart 2~~ section 245G.11,
 103.5 subdivisions 1 and 5, to perform an assessment of chemical use. The county shall only
 103.6 provide emergency general assistance or vendor payments to an otherwise eligible applicant
 103.7 or recipient who is determined to be drug dependent, except up to 15 percent of the grant
 103.8 amount the person would otherwise receive may be paid in cash. Notwithstanding subdivision
 103.9 1, the commissioner of human services shall also require county agencies to provide
 103.10 assistance only in the form of vendor payments to all eligible recipients who assert chemical
 103.11 dependency as a basis for eligibility under section 256D.05, subdivision 1, paragraph (a),
 103.12 clauses (1) and (5).

103.13 The determination of drug dependency shall be reviewed at least every 12 months. If
 103.14 the county determines a recipient is no longer drug dependent, the county may cease vendor
 103.15 payments and provide the recipient payments in cash.

103.16 Sec. 69. Minnesota Statutes 2021 Supplement, section 256L.03, subdivision 2, is amended
 103.17 to read:

103.18 Subd. 2. **Alcohol and drug dependency.** Beginning July 1, 1993, covered health services
 103.19 shall include individual outpatient treatment of alcohol or drug dependency by a qualified
 103.20 health professional or outpatient program.

103.21 Persons who may need chemical dependency services under the provisions of this chapter
 103.22 ~~shall be assessed by a local agency~~ must be offered access by a local agency to a
 103.23 comprehensive assessment as defined under section ~~254B.01~~ 245G.05, and under the
 103.24 assessment provisions of section 254A.03, subdivision 3. A local agency or managed care
 103.25 plan under contract with the Department of Human Services must ~~place~~ offer services to a
 103.26 person in need of chemical dependency services as provided in Minnesota Rules, parts
 103.27 ~~9530.6600 to 9530.6655~~ based on the recommendations of section 245G.05. Persons who
 103.28 are recipients of medical benefits under the provisions of this chapter and who are financially
 103.29 eligible for behavioral health fund services provided under the provisions of chapter 254B
 103.30 shall receive chemical dependency treatment services under the provisions of chapter 254B
 103.31 only if:

103.32 (1) they have exhausted the chemical dependency benefits offered under this chapter;
 103.33 or

104.1 (2) an assessment indicates that they need a level of care not provided under the provisions
104.2 of this chapter.

104.3 Recipients of covered health services under the children's health plan, as provided in
104.4 Minnesota Statutes 1990, section 256.936, and as amended by Laws 1991, chapter 292,
104.5 article 4, section 17, and recipients of covered health services enrolled in the children's
104.6 health plan or the MinnesotaCare program after October 1, 1992, pursuant to Laws 1992,
104.7 chapter 549, article 4, sections 5 and 17, are eligible to receive alcohol and drug dependency
104.8 benefits under this subdivision.

104.9 Sec. 70. Minnesota Statutes 2020, section 256L.12, subdivision 8, is amended to read:

104.10 Subd. 8. **Chemical dependency assessments.** The managed care plan shall be responsible
104.11 for assessing the need and ~~placement for~~ provision of chemical dependency services
104.12 according to criteria set forth in ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section
104.13 245G.05.

104.14 Sec. 71. Minnesota Statutes 2020, section 260B.157, subdivision 1, is amended to read:

104.15 Subdivision 1. **Investigation.** Upon request of the court the local social services agency
104.16 or probation officer shall investigate the personal and family history and environment of
104.17 any minor coming within the jurisdiction of the court under section 260B.101 and shall
104.18 report its findings to the court. The court may order any minor coming within its jurisdiction
104.19 to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the
104.20 court.

104.21 The court shall order a chemical use assessment conducted when a child is (1) found to
104.22 be delinquent for violating a provision of chapter 152, or for committing a felony-level
104.23 violation of a provision of chapter 609 if the probation officer determines that alcohol or
104.24 drug use was a contributing factor in the commission of the offense, or (2) alleged to be
104.25 delinquent for violating a provision of chapter 152, if the child is being held in custody
104.26 under a detention order. The assessor's qualifications must comply with section 245G.11,
104.27 subdivisions 1 and 5, and the assessment criteria ~~shall~~ must comply with ~~Minnesota Rules,~~
104.28 ~~parts 9530.6600 to 9530.6655~~ section 245G.05. If funds under chapter 254B are to be used
104.29 to pay for the recommended treatment, the assessment ~~and placement~~ must comply with all
104.30 provisions of ~~Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030~~
104.31 sections 245G.05 and 254B.04. The commissioner of human services shall reimburse the
104.32 court for the cost of the chemical use assessment, up to a maximum of \$100.

105.1 The court shall order a children's mental health screening conducted when a child is
105.2 found to be delinquent. The screening shall be conducted with a screening instrument
105.3 approved by the commissioner of human services and shall be conducted by a mental health
105.4 practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is
105.5 trained in the use of the screening instrument. If the screening indicates a need for assessment,
105.6 the local social services agency, in consultation with the child's family, shall have a diagnostic
105.7 assessment conducted, including a functional assessment, as defined in section 245.4871.

105.8 With the consent of the commissioner of corrections and agreement of the county to pay
105.9 the costs thereof, the court may, by order, place a minor coming within its jurisdiction in
105.10 an institution maintained by the commissioner for the detention, diagnosis, custody and
105.11 treatment of persons adjudicated to be delinquent, in order that the condition of the minor
105.12 be given due consideration in the disposition of the case. Any funds received under the
105.13 provisions of this subdivision shall not cancel until the end of the fiscal year immediately
105.14 following the fiscal year in which the funds were received. The funds are available for use
105.15 by the commissioner of corrections during that period and are hereby appropriated annually
105.16 to the commissioner of corrections as reimbursement of the costs of providing these services
105.17 to the juvenile courts.

105.18 Sec. 72. Minnesota Statutes 2020, section 260B.157, subdivision 3, is amended to read:

105.19 Subd. 3. **Juvenile treatment screening team.** (a) The local social services agency shall
105.20 establish a juvenile treatment screening team to conduct screenings and prepare case plans
105.21 under this subdivision. The team, which may be the team constituted under section 245.4885
105.22 or 256B.092 or Minnesota Rules, ~~parts 9530.6600 to 9530.6655~~ chapter 254B, shall consist
105.23 of social workers, juvenile justice professionals, and persons with expertise in the treatment
105.24 of juveniles who are emotionally disabled, chemically dependent, or have a developmental
105.25 disability. The team shall involve parents or guardians in the screening process as appropriate.
105.26 The team may be the same team as defined in section 260C.157, subdivision 3.

105.27 (b) If the court, prior to, or as part of, a final disposition, proposes to place a child:

105.28 (1) for the primary purpose of treatment for an emotional disturbance, and residential
105.29 placement is consistent with section 260.012, a developmental disability, or chemical
105.30 dependency in a residential treatment facility out of state or in one which is within the state
105.31 and licensed by the commissioner of human services under chapter 245A; or

105.32 (2) in any out-of-home setting potentially exceeding 30 days in duration, including a
105.33 post-dispositional placement in a facility licensed by the commissioner of corrections or

106.1 human services, the court shall notify the county welfare agency. The county's juvenile
106.2 treatment screening team must either:

106.3 (i) screen and evaluate the child and file its recommendations with the court within 14
106.4 days of receipt of the notice; or

106.5 (ii) elect not to screen a given case, and notify the court of that decision within three
106.6 working days.

106.7 (c) If the screening team has elected to screen and evaluate the child, the child may not
106.8 be placed for the primary purpose of treatment for an emotional disturbance, a developmental
106.9 disability, or chemical dependency, in a residential treatment facility out of state nor in a
106.10 residential treatment facility within the state that is licensed under chapter 245A, unless one
106.11 of the following conditions applies:

106.12 (1) a treatment professional certifies that an emergency requires the placement of the
106.13 child in a facility within the state;

106.14 (2) the screening team has evaluated the child and recommended that a residential
106.15 placement is necessary to meet the child's treatment needs and the safety needs of the
106.16 community, that it is a cost-effective means of meeting the treatment needs, and that it will
106.17 be of therapeutic value to the child; or

106.18 (3) the court, having reviewed a screening team recommendation against placement,
106.19 determines to the contrary that a residential placement is necessary. The court shall state
106.20 the reasons for its determination in writing, on the record, and shall respond specifically to
106.21 the findings and recommendation of the screening team in explaining why the
106.22 recommendation was rejected. The attorney representing the child and the prosecuting
106.23 attorney shall be afforded an opportunity to be heard on the matter.

106.24 Sec. 73. Minnesota Statutes 2021 Supplement, section 260C.157, subdivision 3, is amended
106.25 to read:

106.26 Subd. 3. **Juvenile treatment screening team.** (a) The responsible social services agency
106.27 shall establish a juvenile treatment screening team to conduct screenings under this chapter
106.28 and chapter 260D, for a child to receive treatment for an emotional disturbance, a
106.29 developmental disability, or related condition in a residential treatment facility licensed by
106.30 the commissioner of human services under chapter 245A, or licensed or approved by a
106.31 Tribe. A screening team is not required for a child to be in: (1) a residential facility
106.32 specializing in prenatal, postpartum, or parenting support; (2) a facility specializing in
106.33 high-quality residential care and supportive services to children and youth who have been

107.1 or are at risk of becoming victims of sex trafficking or commercial sexual exploitation; (3)
107.2 supervised settings for youth who are 18 years of age or older and living independently; or
107.3 (4) a licensed residential family-based treatment facility for substance abuse consistent with
107.4 section 260C.190. Screenings are also not required when a child must be placed in a facility
107.5 due to an emotional crisis or other mental health emergency.

107.6 (b) The responsible social services agency shall conduct screenings within 15 days of a
107.7 request for a screening, unless the screening is for the purpose of residential treatment and
107.8 the child is enrolled in a prepaid health program under section 256B.69, in which case the
107.9 agency shall conduct the screening within ten working days of a request. The responsible
107.10 social services agency shall convene the juvenile treatment screening team, which may be
107.11 constituted under section 245.4885 ~~or~~, 254B.05, or 256B.092 ~~or Minnesota Rules, parts~~
107.12 ~~9530.6600 to 9530.6655~~. The team shall consist of social workers; persons with expertise
107.13 in the treatment of juveniles who are emotionally disturbed, chemically dependent, or have
107.14 a developmental disability; and the child's parent, guardian, or permanent legal custodian.
107.15 The team may include the child's relatives as defined in section 260C.007, subdivisions 26b
107.16 and 27, the child's foster care provider, and professionals who are a resource to the child's
107.17 family such as teachers, medical or mental health providers, and clergy, as appropriate,
107.18 consistent with the family and permanency team as defined in section 260C.007, subdivision
107.19 16a. Prior to forming the team, the responsible social services agency must consult with the
107.20 child's parents, the child if the child is age 14 or older, and, if applicable, the child's Tribe
107.21 to obtain recommendations regarding which individuals to include on the team and to ensure
107.22 that the team is family-centered and will act in the child's best interests. If the child, child's
107.23 parents, or legal guardians raise concerns about specific relatives or professionals, the team
107.24 should not include those individuals. This provision does not apply to paragraph (c).

107.25 (c) If the agency provides notice to Tribes under section 260.761, and the child screened
107.26 is an Indian child, the responsible social services agency must make a rigorous and concerted
107.27 effort to include a designated representative of the Indian child's Tribe on the juvenile
107.28 treatment screening team, unless the child's Tribal authority declines to appoint a
107.29 representative. The Indian child's Tribe may delegate its authority to represent the child to
107.30 any other federally recognized Indian Tribe, as defined in section 260.755, subdivision 12.
107.31 The provisions of the Indian Child Welfare Act of 1978, United States Code, title 25, sections
107.32 1901 to 1963, and the Minnesota Indian Family Preservation Act, sections 260.751 to
107.33 260.835, apply to this section.

107.34 (d) If the court, prior to, or as part of, a final disposition or other court order, proposes
107.35 to place a child with an emotional disturbance or developmental disability or related condition

108.1 in residential treatment, the responsible social services agency must conduct a screening.
108.2 If the team recommends treating the child in a qualified residential treatment program, the
108.3 agency must follow the requirements of sections 260C.70 to 260C.714.

108.4 The court shall ascertain whether the child is an Indian child and shall notify the
108.5 responsible social services agency and, if the child is an Indian child, shall notify the Indian
108.6 child's Tribe as paragraph (c) requires.

108.7 (e) When the responsible social services agency is responsible for placing and caring
108.8 for the child and the screening team recommends placing a child in a qualified residential
108.9 treatment program as defined in section 260C.007, subdivision 26d, the agency must: (1)
108.10 begin the assessment and processes required in section 260C.704 without delay; and (2)
108.11 conduct a relative search according to section 260C.221 to assemble the child's family and
108.12 permanency team under section 260C.706. Prior to notifying relatives regarding the family
108.13 and permanency team, the responsible social services agency must consult with the child's
108.14 parent or legal guardian, the child if the child is age 14 or older, and, if applicable, the child's
108.15 Tribe to ensure that the agency is providing notice to individuals who will act in the child's
108.16 best interests. The child and the child's parents may identify a culturally competent qualified
108.17 individual to complete the child's assessment. The agency shall make efforts to refer the
108.18 assessment to the identified qualified individual. The assessment may not be delayed for
108.19 the purpose of having the assessment completed by a specific qualified individual.

108.20 (f) When a screening team determines that a child does not need treatment in a qualified
108.21 residential treatment program, the screening team must:

108.22 (1) document the services and supports that will prevent the child's foster care placement
108.23 and will support the child remaining at home;

108.24 (2) document the services and supports that the agency will arrange to place the child
108.25 in a family foster home; or

108.26 (3) document the services and supports that the agency has provided in any other setting.

108.27 (g) When the Indian child's Tribe or Tribal health care services provider or Indian Health
108.28 Services provider proposes to place a child for the primary purpose of treatment for an
108.29 emotional disturbance, a developmental disability, or co-occurring emotional disturbance
108.30 and chemical dependency, the Indian child's Tribe or the Tribe delegated by the child's Tribe
108.31 shall submit necessary documentation to the county juvenile treatment screening team,
108.32 which must invite the Indian child's Tribe to designate a representative to the screening
108.33 team.

109.1 (h) The responsible social services agency must conduct and document the screening in
109.2 a format approved by the commissioner of human services.

109.3 Sec. 74. Minnesota Statutes 2020, section 260E.20, subdivision 1, is amended to read:

109.4 Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to
109.5 prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child,
109.6 and supporting and preserving family life whenever possible.

109.7 (b) If the report alleges a violation of a criminal statute involving maltreatment or child
109.8 endangerment under section 609.378, the local law enforcement agency and local welfare
109.9 agency shall coordinate the planning and execution of their respective investigation and
109.10 assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews.
109.11 Each agency shall prepare a separate report of the results of the agency's investigation or
109.12 assessment.

109.13 (c) In cases of alleged child maltreatment resulting in death, the local agency may rely
109.14 on the fact-finding efforts of a law enforcement investigation to make a determination of
109.15 whether or not maltreatment occurred.

109.16 (d) When necessary, the local welfare agency shall seek authority to remove the child
109.17 from the custody of a parent, guardian, or adult with whom the child is living.

109.18 (e) In performing any of these duties, the local welfare agency shall maintain an
109.19 appropriate record.

109.20 (f) In conducting a family assessment or investigation, the local welfare agency shall
109.21 gather information on the existence of substance abuse and domestic violence.

109.22 (g) If the family assessment or investigation indicates there is a potential for abuse of
109.23 alcohol or other drugs by the parent, guardian, or person responsible for the child's care,
109.24 the local welfare agency ~~shall conduct a chemical use~~ must coordinate a comprehensive
109.25 assessment pursuant to Minnesota Rules, part 9530.6615 section 245G.05.

109.26 (h) The agency may use either a family assessment or investigation to determine whether
109.27 the child is safe when responding to a report resulting from birth match data under section
109.28 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined
109.29 to be safe, the agency shall consult with the county attorney to determine the appropriateness
109.30 of filing a petition alleging the child is in need of protection or services under section
109.31 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is
109.32 determined not to be safe, the agency and the county attorney shall take appropriate action
109.33 as required under section 260C.503, subdivision 2.

110.1 Sec. 75. Minnesota Statutes 2020, section 299A.299, subdivision 1, is amended to read:

110.2 Subdivision 1. **Establishment of team.** A county, a multicounty organization of counties
110.3 formed by an agreement under section 471.59, or a city with a population of no more than
110.4 50,000, may establish a multidisciplinary chemical abuse prevention team. The chemical
110.5 abuse prevention team may include, but not be limited to, representatives of health, mental
110.6 health, public health, law enforcement, educational, social service, court service, community
110.7 education, religious, and other appropriate agencies, and parent and youth groups. For
110.8 purposes of this section, "chemical abuse" has the meaning given in ~~Minnesota Rules, part~~
110.9 ~~9530.6605, subpart 6~~ section 254A.02, subdivision 6a. When possible the team must
110.10 coordinate its activities with existing local groups, organizations, and teams dealing with
110.11 the same issues the team is addressing.

110.12 Sec. 76. Laws 2021, First Special Session chapter 7, article 17, section 1, subdivision 2,
110.13 is amended to read:

110.14 Subd. 2. **Eligibility.** An individual is eligible for the transition to community initiative
110.15 if the individual does not meet eligibility criteria for the medical assistance program under
110.16 section 256B.056 or 256B.057, but who meets at least one of the following criteria:

110.17 (1) the person otherwise meets the criteria under section 256B.092, subdivision 13, or
110.18 256B.49, subdivision 24;

110.19 (2) the person has met treatment objectives and no longer requires a hospital-level care
110.20 or a secure treatment setting, but the person's discharge from the Anoka Metro Regional
110.21 Treatment Center, the Minnesota Security Hospital, or a community behavioral health
110.22 hospital would be substantially delayed without additional resources available through the
110.23 transitions to community initiative;

110.24 (3) the person is in a community hospital ~~and on the waiting list for the Anoka Metro~~
110.25 ~~Regional Treatment Center~~, but alternative community living options would be appropriate
110.26 for the person, ~~and the person has received approval from the commissioner~~; or

110.27 (4)(i) the person is receiving customized living services reimbursed under section
110.28 256B.4914, 24-hour customized living services reimbursed under section 256B.4914, or
110.29 community residential services reimbursed under section 256B.4914; (ii) the person expresses
110.30 a desire to move; and (iii) the person has received approval from the commissioner.

111.1 Sec. 77. Laws 2021, First Special Session chapter 7, article 17, section 11, is amended to
111.2 read:

111.3 Sec. 11. **EXPAND MOBILE CRISIS.**

111.4 (a) This act includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
111.5 for additional funding for grants for adult mobile crisis services under Minnesota Statutes,
111.6 section 245.4661, subdivision 9, paragraph (b), clause (15) and children's mobile crisis
111.7 services under Minnesota Statutes, section 256B.0944. The general fund base in this act for
111.8 this purpose is ~~\$4,000,000~~ \$8,000,000 in fiscal year 2024 and ~~\$0~~ \$8,000,000 in fiscal year
111.9 2025.

111.10 (b) ~~Beginning April 1, 2024, counties may fund and continue conducting activities~~
111.11 ~~funded under this section.~~

111.12 (c) ~~All grant activities must be completed by March 31, 2024.~~

111.13 (d) ~~This section expires June 30, 2024.~~

111.14 Sec. 78. Laws 2021, First Special Session chapter 7, article 17, section 12, is amended to
111.15 read:

111.16 Sec. 12. ~~PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY AND CHILD~~
111.17 ~~AND ADOLESCENT ADULT AND CHILDREN'S MOBILE TRANSITION UNIT~~
111.18 UNITS.

111.19 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023
111.20 for the commissioner of human services to create adult and children's mental health transition
111.21 and support teams to facilitate transition back to the community of children or to the least
111.22 restrictive level of care from inpatient psychiatric settings, emergency departments, residential
111.23 treatment facilities, and child and adolescent behavioral health hospitals. The general fund
111.24 base included in this act for this purpose is \$1,875,000 in fiscal year 2024 and \$0 in fiscal
111.25 year 2025.

111.26 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
111.27 funded under this section.

111.28 (c) This section expires March 31, 2024.

112.1 **Sec. 79. RATE INCREASE FOR MENTAL HEALTH ADULT DAY TREATMENT.**

112.2 The commissioner of human services must increase the reimbursement rate for adult
 112.3 day treatment by 50 percent over the reimbursement rate in effect as of June 30, 2022.

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

112.7 **Sec. 80. DIRECTION TO THE COMMISSIONER; BEHAVIORAL HEALTH FUND**
 112.8 **ALLOCATION.**

112.9 The commissioner of human services, in consultation with counties and Tribal Nations,
 112.10 must make recommendations on an updated allocation to local agencies from funds allocated
 112.11 under Minnesota Statutes, section 254B.02, subdivision 5. The commissioner must submit
 112.12 the recommendations to the chairs and ranking minority members of the legislative
 112.13 committees with jurisdiction over health and human services finance and policy by January
 112.14 1, 2024.

112.15 **Sec. 81. REPEALER.**

112.16 (a) Minnesota Statutes 2020, sections 169A.70, subdivision 6; 245G.22, subdivision 19;
 112.17 254A.02, subdivision 8a; 254A.16, subdivision 6; 254A.19, subdivisions 1a and 2; 254B.04,
 112.18 subdivisions 2b and 2c; and 254B.041, subdivision 2, are repealed.

112.19 (b) Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 5, is repealed.

112.20 (c) Minnesota Rules, parts 9530.7000, subparts 1, 2, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17a,
 112.21 19, 20, and 21; 9530.7005; 9530.7010; 9530.7012; 9530.7015, subparts 1, 2a, 4, 5, and 6;
 112.22 9530.7020, subparts 1, 1a, and 2; 9530.7021; 9530.7022, subpart 1; 9530.7025; and
 112.23 9530.7030, subpart 1, are repealed.

112.24

ARTICLE 5

112.25

HEALTH CARE

112.26 **Section 1.** Minnesota Statutes 2020, section 256B.055, subdivision 17, is amended to read:

112.27 **Subd. 17. Adults who were in foster care at the age of 18.** (a) Medical assistance may
 112.28 be paid for a person under 26 years of age who was in foster care under the commissioner's
 112.29 responsibility on the date of attaining 18 years of age or older, and who was enrolled in
 112.30 medical assistance under ~~the~~ a state plan or a waiver of ~~the~~ a plan while in foster care, in
 112.31 accordance with section 2004 of the Affordable Care Act.

113.1 (b) Beginning January 1, 2023, medical assistance may be paid for a person under 26
 113.2 years of age who was in foster care and enrolled in another state's Medicaid program while
 113.3 in foster care, in accordance with Public Law 115-271, section 1002, the Substance
 113.4 Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and
 113.5 Communities Act.

113.6 **EFFECTIVE DATE.** This section is effective January 1, 2023.

113.7 Sec. 2. Minnesota Statutes 2020, section 256B.056, subdivision 3, is amended to read:

113.8 **Subd. 3. Asset limitations for certain individuals.** (a) To be eligible for medical
 113.9 assistance, a person must not individually own more than \$3,000 in assets, or if a member
 113.10 of a household with two family members, husband and wife, or parent and child, the
 113.11 household must not own more than \$6,000 in assets, plus \$200 for each additional legal
 113.12 dependent. In addition to these maximum amounts, an eligible individual or family may
 113.13 accrue interest on these amounts, but they must be reduced to the maximum at the time of
 113.14 an eligibility redetermination. The accumulation of the clothing and personal needs allowance
 113.15 according to section 256B.35 must also be reduced to the maximum at the time of the
 113.16 eligibility redetermination. The value of assets that are not considered in determining
 113.17 eligibility for medical assistance is the value of those assets excluded under the Supplemental
 113.18 Security Income program for aged, blind, and disabled persons, with the following
 113.19 exceptions:

113.20 (1) household goods and personal effects are not considered;

113.21 (2) capital and operating assets of a trade or business that the local agency determines
 113.22 are necessary to the person's ability to earn an income are not considered;

113.23 (3) motor vehicles are excluded to the same extent excluded by the Supplemental Security
 113.24 Income program;

113.25 (4) assets designated as burial expenses are excluded to the same extent excluded by the
 113.26 Supplemental Security Income program. Burial expenses funded by annuity contracts or
 113.27 life insurance policies must irrevocably designate the individual's estate as contingent
 113.28 beneficiary to the extent proceeds are not used for payment of selected burial expenses;

113.29 (5) for a person who no longer qualifies as an employed person with a disability due to
 113.30 loss of earnings, assets allowed while eligible for medical assistance under section 256B.057,
 113.31 subdivision 9, are not considered for 12 months, beginning with the first month of ineligibility
 113.32 as an employed person with a disability, to the extent that the person's total assets remain
 113.33 within the allowed limits of section 256B.057, subdivision 9, paragraph (d);

114.1 (6) a designated employment incentives asset account is disregarded when determining
114.2 eligibility for medical assistance for a person age 65 years or older under section 256B.055,
114.3 subdivision 7. An employment incentives asset account must only be designated by a person
114.4 who has been enrolled in medical assistance under section 256B.057, subdivision 9, for a
114.5 24-consecutive-month period. A designated employment incentives asset account contains
114.6 qualified assets owned by the person and the person's spouse in the last month of enrollment
114.7 in medical assistance under section 256B.057, subdivision 9. Qualified assets include
114.8 retirement and pension accounts, medical expense accounts, and up to \$17,000 of the person's
114.9 other nonexcluded assets. An employment incentives asset account is no longer designated
114.10 when a person loses medical assistance eligibility for a calendar month or more before
114.11 turning age 65. A person who loses medical assistance eligibility before age 65 can establish
114.12 a new designated employment incentives asset account by establishing a new
114.13 24-consecutive-month period of enrollment under section 256B.057, subdivision 9. The
114.14 income of a spouse of a person enrolled in medical assistance under section 256B.057,
114.15 subdivision 9, during each of the 24 consecutive months before the person's 65th birthday
114.16 must be disregarded when determining eligibility for medical assistance under section
114.17 256B.055, subdivision 7. Persons eligible under this clause are not subject to the provisions
114.18 in section 256B.059; ~~and~~

114.19 (7) effective July 1, 2009, certain assets owned by American Indians are excluded as
114.20 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public
114.21 Law 111-5. For purposes of this clause, an American Indian is any person who meets the
114.22 definition of Indian according to Code of Federal Regulations, title 42, section 447.50-; and

114.23 (8) for individuals who were enrolled in medical assistance during the COVID-19 federal
114.24 public health emergency declared by the United States Secretary of Health and Human
114.25 Services and who are subject to the asset limits established by this subdivision, assets in
114.26 excess of the limits shall be disregarded until 95 days after the individual's first renewal
114.27 occurring after the expiration of the COVID-19 federal public health emergency declared
114.28 by the United States Secretary of Health and Human Services.

114.29 (b) No asset limit shall apply to persons eligible under section 256B.055, subdivision
114.30 15.

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

115.1 Sec. 3. Minnesota Statutes 2020, section 256B.056, subdivision 7, is amended to read:

115.2 Subd. 7. **Period of eligibility.** (a) Eligibility is available for the month of application
115.3 and for three months prior to application if the person was eligible in those prior months.
115.4 A redetermination of eligibility must occur every 12 months.

115.5 (b) For a person eligible for an insurance affordability program as defined in section
115.6 256B.02, subdivision 19, who reports a change that makes the person eligible for medical
115.7 assistance, eligibility is available for the month the change was reported and for three months
115.8 prior to the month the change was reported, if the person was eligible in those prior months.

115.9 (c) Once determined eligible for medical assistance, a child under the age of 21 shall be
115.10 continuously eligible for a period of up to 12 months, unless:

115.11 (1) the child reaches age 21;

115.12 (2) the child requests voluntary termination of coverage;

115.13 (3) the child ceases to be a resident of Minnesota;

115.14 (4) the child dies; or

115.15 (5) the agency determines the child's eligibility was erroneously granted due to agency
115.16 error or enrollee fraud, abuse, or perjury.

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

115.20 Sec. 4. Minnesota Statutes 2020, section 256B.0625, subdivision 28b, is amended to read:

115.21 Subd. 28b. **Doula services.** Medical assistance covers doula services provided by a
115.22 certified doula as defined in section 148.995, subdivision 2, of the mother's choice. For
115.23 purposes of this section, "doula services" means childbirth education and support services,
115.24 including emotional and physical support provided during pregnancy, labor, birth, and
115.25 postpartum. The commissioner shall enroll doula agencies and individual treating doulas
115.26 in order to provide direct reimbursement.

115.27 **EFFECTIVE DATE.** This section is effective January 1, 2024, subject to federal
115.28 approval. The commissioner of human services shall notify the revisor of statutes when
115.29 federal approval is obtained.

116.1 Sec. 5. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 30, is
116.2 amended to read:

116.3 Subd. 30. **Other clinic services.** (a) Medical assistance covers rural health clinic services,
116.4 federally qualified health center services, nonprofit community health clinic services, and
116.5 public health clinic services. Rural health clinic services and federally qualified health center
116.6 services mean services defined in United States Code, title 42, section 1396d(a)(2)(B) and
116.7 (C). Payment for rural health clinic and federally qualified health center services shall be
116.8 made according to applicable federal law and regulation.

116.9 (b) A federally qualified health center (FQHC) that is beginning initial operation shall
116.10 submit an estimate of budgeted costs and visits for the initial reporting period in the form
116.11 and detail required by the commissioner. An FQHC that is already in operation shall submit
116.12 an initial report using actual costs and visits for the initial reporting period. Within 90 days
116.13 of the end of its reporting period, an FQHC shall submit, in the form and detail required by
116.14 the commissioner, a report of its operations, including allowable costs actually incurred for
116.15 the period and the actual number of visits for services furnished during the period, and other
116.16 information required by the commissioner. FQHCs that file Medicare cost reports shall
116.17 provide the commissioner with a copy of the most recent Medicare cost report filed with
116.18 the Medicare program intermediary for the reporting year which support the costs claimed
116.19 on their cost report to the state.

116.20 (c) In order to continue cost-based payment under the medical assistance program
116.21 according to paragraphs (a) and (b), an FQHC or rural health clinic must apply for designation
116.22 as an essential community provider within six months of final adoption of rules by the
116.23 Department of Health according to section 62Q.19, subdivision 7. For those FQHCs and
116.24 rural health clinics that have applied for essential community provider status within the
116.25 six-month time prescribed, medical assistance payments will continue to be made according
116.26 to paragraphs (a) and (b) for the first three years after application. For FQHCs and rural
116.27 health clinics that either do not apply within the time specified above or who have had
116.28 essential community provider status for three years, medical assistance payments for health
116.29 services provided by these entities shall be according to the same rates and conditions
116.30 applicable to the same service provided by health care providers that are not FQHCs or rural
116.31 health clinics.

116.32 (d) Effective July 1, 1999, the provisions of paragraph (c) requiring an FQHC or a rural
116.33 health clinic to make application for an essential community provider designation in order
116.34 to have cost-based payments made according to paragraphs (a) and (b) no longer apply.

117.1 (e) Effective January 1, 2000, payments made according to paragraphs (a) and (b) shall
117.2 be limited to the cost phase-out schedule of the Balanced Budget Act of 1997.

117.3 (f) Effective January 1, 2001, through December 31, 2020, each FQHC and rural health
117.4 clinic may elect to be paid either under the prospective payment system established in United
117.5 States Code, title 42, section 1396a(aa), or under an alternative payment methodology
117.6 consistent with the requirements of United States Code, title 42, section 1396a(aa), and
117.7 approved by the Centers for Medicare and Medicaid Services. The alternative payment
117.8 methodology shall be 100 percent of cost as determined according to Medicare cost
117.9 principles.

117.10 (g) Effective for services provided on or after January 1, 2021, all claims for payment
117.11 of clinic services provided by FQHCs and rural health clinics shall be paid by the
117.12 commissioner, according to an annual election by the FQHC or rural health clinic, under
117.13 the current prospective payment system described in paragraph (f) or the alternative payment
117.14 methodology described in paragraph (l).

117.15 (h) For purposes of this section, "nonprofit community clinic" is a clinic that:

117.16 (1) has nonprofit status as specified in chapter 317A;

117.17 (2) has tax exempt status as provided in Internal Revenue Code, section 501(c)(3);

117.18 (3) is established to provide health services to low-income population groups, uninsured,
117.19 high-risk and special needs populations, underserved and other special needs populations;

117.20 (4) employs professional staff at least one-half of which are familiar with the cultural
117.21 background of their clients;

117.22 (5) charges for services on a sliding fee scale designed to provide assistance to
117.23 low-income clients based on current poverty income guidelines and family size; and

117.24 (6) does not restrict access or services because of a client's financial limitations or public
117.25 assistance status and provides no-cost care as needed.

117.26 (i) Effective for services provided on or after January 1, 2015, all claims for payment
117.27 of clinic services provided by FQHCs and rural health clinics shall be paid by the
117.28 commissioner. the commissioner shall determine the most feasible method for paying claims
117.29 from the following options:

117.30 (1) FQHCs and rural health clinics submit claims directly to the commissioner for
117.31 payment, and the commissioner provides claims information for recipients enrolled in a
117.32 managed care or county-based purchasing plan to the plan, on a regular basis; or

118.1 (2) FQHCs and rural health clinics submit claims for recipients enrolled in a managed
118.2 care or county-based purchasing plan to the plan, and those claims are submitted by the
118.3 plan to the commissioner for payment to the clinic.

118.4 (j) For clinic services provided prior to January 1, 2015, the commissioner shall calculate
118.5 and pay monthly the proposed managed care supplemental payments to clinics, and clinics
118.6 shall conduct a timely review of the payment calculation data in order to finalize all
118.7 supplemental payments in accordance with federal law. Any issues arising from a clinic's
118.8 review must be reported to the commissioner by January 1, 2017. Upon final agreement
118.9 between the commissioner and a clinic on issues identified under this subdivision, and in
118.10 accordance with United States Code, title 42, section 1396a(bb), no supplemental payments
118.11 for managed care plan or county-based purchasing plan claims for services provided prior
118.12 to January 1, 2015, shall be made after June 30, 2017. If the commissioner and clinics are
118.13 unable to resolve issues under this subdivision, the parties shall submit the dispute to the
118.14 arbitration process under section 14.57.

118.15 (k) The commissioner shall seek a federal waiver, authorized under section 1115 of the
118.16 Social Security Act, to obtain federal financial participation at the 100 percent federal
118.17 matching percentage available to facilities of the Indian Health Service or tribal organization
118.18 in accordance with section 1905(b) of the Social Security Act for expenditures made to
118.19 organizations dually certified under Title V of the Indian Health Care Improvement Act,
118.20 Public Law 94-437, and as a federally qualified health center under paragraph (a) that
118.21 provides services to American Indian and Alaskan Native individuals eligible for services
118.22 under this subdivision.

118.23 (l) All claims for payment of clinic services provided by FQHCs and rural health clinics,
118.24 that have elected to be paid under this paragraph, shall be paid by the commissioner according
118.25 to the following requirements:

118.26 (1) the commissioner shall establish a single medical and single dental organization
118.27 encounter rate for each FQHC and rural health clinic when applicable;

118.28 (2) each FQHC and rural health clinic is eligible for same day reimbursement of one
118.29 medical and one dental organization encounter rate if eligible medical and dental visits are
118.30 provided on the same day;

118.31 (3) the commissioner shall reimburse FQHCs and rural health clinics, in accordance
118.32 with current applicable Medicare cost principles, their allowable costs, including direct
118.33 patient care costs and patient-related support services. Nonallowable costs include, but are
118.34 not limited to:

- 119.1 (i) general social services and administrative costs;
- 119.2 (ii) retail pharmacy;
- 119.3 (iii) patient incentives, food, housing assistance, and utility assistance;
- 119.4 (iv) external lab and x-ray;
- 119.5 (v) navigation services;
- 119.6 (vi) health care taxes;
- 119.7 (vii) advertising, public relations, and marketing;
- 119.8 (viii) office entertainment costs, food, alcohol, and gifts;
- 119.9 (ix) contributions and donations;
- 119.10 (x) bad debts or losses on awards or contracts;
- 119.11 (xi) fines, penalties, damages, or other settlements;
- 119.12 (xii) fund-raising, investment management, and associated administrative costs;
- 119.13 (xiii) research and associated administrative costs;
- 119.14 (xiv) nonpaid workers;
- 119.15 (xv) lobbying;
- 119.16 (xvi) scholarships and student aid; and
- 119.17 (xvii) nonmedical assistance covered services;
- 119.18 (4) the commissioner shall review the list of nonallowable costs in the years between
- 119.19 the rebasing process established in clause (5), in consultation with the Minnesota Association
- 119.20 of Community Health Centers, FQHCs, and rural health clinics. The commissioner shall
- 119.21 publish the list and any updates in the Minnesota health care programs provider manual;
- 119.22 (5) the initial applicable base year organization encounter rates for FQHCs and rural
- 119.23 health clinics shall be computed for services delivered on or after January 1, 2021, and:
- 119.24 (i) must be determined using each FQHC's and rural health clinic's Medicare cost reports
- 119.25 from 2017 and 2018;
- 119.26 (ii) must be according to current applicable Medicare cost principles as applicable to
- 119.27 FQHCs and rural health clinics without the application of productivity screens and upper
- 119.28 payment limits or the Medicare prospective payment system FQHC aggregate mean upper
- 119.29 payment limit;

120.1 (iii) must be subsequently rebased every two years thereafter using the Medicare cost
120.2 reports that are three and four years prior to the rebasing year. Years in which organizational
120.3 cost or claims volume is reduced or altered due to a pandemic, disease, or other public health
120.4 emergency shall not be used as part of a base year when the base year includes more than
120.5 one year. The commissioner may use the Medicare cost reports of a year unaffected by a
120.6 pandemic, disease, or other public health emergency, or previous two consecutive years,
120.7 inflated to the base year as established under item (iv);

120.8 (iv) must be inflated to the base year using the inflation factor described in clause (6);
120.9 and

120.10 (v) the commissioner must provide for a 60-day appeals process under section 14.57;

120.11 (6) the commissioner shall annually inflate the applicable organization encounter rates
120.12 for FQHCs and rural health clinics from the base year payment rate to the effective date by
120.13 using the CMS FQHC Market Basket inflator established under United States Code, title
120.14 42, section 1395m(o), less productivity;

120.15 (7) FQHCs and rural health clinics that have elected the alternative payment methodology
120.16 under this paragraph shall submit all necessary documentation required by the commissioner
120.17 to compute the rebased organization encounter rates no later than six months following the
120.18 date the applicable Medicare cost reports are due to the Centers for Medicare and Medicaid
120.19 Services;

120.20 (8) the commissioner shall reimburse FQHCs and rural health clinics an additional
120.21 amount relative to their medical and dental organization encounter rates that is attributable
120.22 to the tax required to be paid according to section 295.52, if applicable;

120.23 (9) FQHCs and rural health clinics may submit change of scope requests to the
120.24 commissioner if the change of scope would result in an increase or decrease of 2.5 percent
120.25 or higher in the medical or dental organization encounter rate currently received by the
120.26 FQHC or rural health clinic;

120.27 (10) for FQHCs and rural health clinics seeking a change in scope with the commissioner
120.28 under clause (9) that requires the approval of the scope change by the federal Health
120.29 Resources Services Administration:

120.30 (i) FQHCs and rural health clinics shall submit the change of scope request, including
120.31 the start date of services, to the commissioner within seven business days of submission of
120.32 the scope change to the federal Health Resources Services Administration;

121.1 (ii) the commissioner shall establish the effective date of the payment change as the
121.2 federal Health Resources Services Administration date of approval of the FQHC's or rural
121.3 health clinic's scope change request, or the effective start date of services, whichever is
121.4 later; and

121.5 (iii) within 45 days of one year after the effective date established in item (ii), the
121.6 commissioner shall conduct a retroactive review to determine if the actual costs established
121.7 under clause (3) or encounters result in an increase or decrease of 2.5 percent or higher in
121.8 the medical or dental organization encounter rate, and if this is the case, the commissioner
121.9 shall revise the rate accordingly and shall adjust payments retrospectively to the effective
121.10 date established in item (ii);

121.11 (11) for change of scope requests that do not require federal Health Resources Services
121.12 Administration approval, the FQHC and rural health clinic shall submit the request to the
121.13 commissioner before implementing the change, and the effective date of the change is the
121.14 date the commissioner received the FQHC's or rural health clinic's request, or the effective
121.15 start date of the service, whichever is later. The commissioner shall provide a response to
121.16 the FQHC's or rural health clinic's request within 45 days of submission and provide a final
121.17 approval within 120 days of submission. This timeline may be waived at the mutual
121.18 agreement of the commissioner and the FQHC or rural health clinic if more information is
121.19 needed to evaluate the request;

121.20 (12) the commissioner, when establishing organization encounter rates for new FQHCs
121.21 and rural health clinics, shall consider the patient caseload of existing FQHCs and rural
121.22 health clinics in a 60-mile radius for organizations established outside of the seven-county
121.23 metropolitan area, and in a 30-mile radius for organizations in the seven-county metropolitan
121.24 area. If this information is not available, the commissioner may use Medicare cost reports
121.25 or audited financial statements to establish base rates;

121.26 (13) the commissioner shall establish a quality measures workgroup that includes
121.27 representatives from the Minnesota Association of Community Health Centers, FQHCs,
121.28 and rural health clinics, to evaluate clinical and nonclinical measures; and

121.29 (14) the commissioner shall not disallow or reduce costs that are related to an FQHC's
121.30 or rural health clinic's participation in health care educational programs to the extent that
121.31 the costs are not accounted for in the alternative payment methodology encounter rate
121.32 established in this paragraph.

121.33 (m) Effective July 1, 2022, an enrolled Indian Health Service facility or a Tribal health
121.34 center operating under a 638 contract or compact may elect to also enroll as a Tribal FQHC.

122.1 No requirements that otherwise apply to FQHCs covered in this subdivision shall apply to
 122.2 Tribal FQHCs enrolled under this paragraph, except those necessary to comply with federal
 122.3 regulations. The commissioner shall establish an alternative payment method for Tribal
 122.4 FQHCs enrolled under this paragraph that uses the same method and rates applicable to a
 122.5 Tribal facility or health center that does not enroll as a Tribal FQHC.

122.6 Sec. 6. Minnesota Statutes 2020, section 256B.0625, subdivision 64, is amended to read:

122.7 Subd. 64. **Investigational drugs, biological products, devices, and clinical**
 122.8 **trials.** Medical assistance and the early periodic screening, diagnosis, and treatment (EPSDT)
 122.9 program do not cover ~~the costs of any services that are incidental to, associated with, or~~
 122.10 ~~resulting from the use of~~ investigational drugs, biological products, or devices as defined
 122.11 in section 151.375 or any other treatment that is part of an approved clinical trial as defined
 122.12 in section 62Q.526. Participation of an enrollee in an approved clinical trial does not preclude
 122.13 coverage of medically necessary services covered under this chapter that are not related to
 122.14 the approved clinical trial. Any items purchased or services rendered solely to satisfy data
 122.15 collection and analysis for a clinical trial and not for direct clinical management of the
 122.16 member are not covered.

122.17 Sec. 7. **[256B.161] CLIENT ERROR OVERPAYMENT.**

122.18 Subdivision 1. Scope. (a) Subject to federal law and regulation, when a local agency or
 122.19 the Department of Human Services determines a person under section 256.98, subdivision
 122.20 4, is liable for recovery of medical assistance incorrectly paid as a result of client error or
 122.21 when a recipient or former recipient receives medical assistance while an appeal is pending
 122.22 pursuant to section 256.045, subdivision 10, and the recipient or former recipient is later
 122.23 determined to have been ineligible for the medical assistance received or for less medical
 122.24 assistance than was received during the pendency of the appeal, the local agency or the
 122.25 Department of Human Services must:

122.26 (1) determine the eligibility months during which medical assistance was incorrectly
 122.27 paid;

122.28 (2) redetermine eligibility for the incorrectly paid months using department policies and
 122.29 procedures that were in effect during each eligibility month that was incorrectly paid; and

122.30 (3) assess an overpayment against persons liable for recovery under section 256.98,
 122.31 subdivision 4, for the amount of incorrectly paid medical assistance pursuant to section
 122.32 256.98, subdivision 3.

123.1 (b) Notwithstanding section 256.98, subdivision 4, medical assistance incorrectly paid
123.2 to a recipient as a result of client error when the recipient is under 21 years of age is not
123.3 recoverable from the recipient or recipient's estate. This section does not prohibit the state
123.4 agency from:

123.5 (1) receiving payment from a trust pursuant to United States Code, title 42, section
123.6 1396p(d)(4)(A) or (C), for medical assistance paid on behalf of the trust beneficiary for
123.7 services received at any age; or

123.8 (2) claiming against the designated beneficiary of an Achieving a Better Life Experience
123.9 (ABLE) account or the ABLE account itself pursuant to Code of Federal Regulations, title
123.10 26, section 1.529A-2(o), for the amount of the total medical assistance paid for the designated
123.11 beneficiary at any age after establishment of the ABLE account.

123.12 Subd. 2. **Recovering client error overpayment.** (a) The local agency or the Department
123.13 of Human Services must not attempt recovery of the overpayment amount pursuant to
123.14 chapter 270A or section 256.0471 when a person liable for a client error overpayment under
123.15 section 256.98, subdivision 4, voluntarily repays the overpayment amount or establishes a
123.16 payment plan in writing with the local agency or the Department of Human Services to
123.17 repay the overpayment amount within 90 days after receiving the overpayment notice or
123.18 after resolution of a fair hearing regarding the overpayment under section 256.045, whichever
123.19 is later. When a liable person agrees to a payment plan in writing with the local agency or
123.20 the Department of Human Services but has not repaid any amount six months after entering
123.21 the agreement, the local agency or Department of Human Services must pursue recovery
123.22 under paragraph (b).

123.23 (b) If the liable person does not voluntarily repay the overpayment amount or establish
123.24 a repayment agreement under paragraph (a), the local agency or the Department of Human
123.25 Services must attempt recovery of the overpayment amount pursuant to chapter 270A when
123.26 the overpayment amount is eligible for recovery as a public assistance debt under chapter
123.27 270A. For any overpaid amount of solely state-funded medical assistance, the local agency
123.28 or the Department of Human Services must attempt recovery pursuant to section 256.0471.

123.29 Subd. 3. **Writing off client error overpayment.** A local agency or the Department of
123.30 Human Services must not attempt to recover a client error overpayment of less than \$350,
123.31 unless the overpayment is for medical assistance received pursuant to section 256.045,
123.32 subdivision 10, during the pendency of an appeal or unless the recovery is from the recipient's
123.33 estate or the estate of the recipient's surviving spouse. A local agency or the Department of
123.34 Human Services may write off any remaining balance of a client error overpayment when

124.1 the overpayment has not been repaid five years after the effective date of the overpayment
124.2 and the local agency or the Department of Human Services determines it is no longer cost
124.3 effective to attempt recovery of the remaining balance.

124.4 Sec. 8. Minnesota Statutes 2020, section 256B.76, subdivision 1, is amended to read:

124.5 Subdivision 1. **Physician reimbursement.** (a) Effective for services rendered on or after
124.6 October 1, 1992, the commissioner shall make payments for physician services as follows:

124.7 (1) payment for level one Centers for Medicare and Medicaid Services' common
124.8 procedural coding system codes titled "office and other outpatient services," "preventive
124.9 medicine new and established patient," "delivery, antepartum, and postpartum care," "critical
124.10 care," cesarean delivery and pharmacologic management provided to psychiatric patients,
124.11 and level three codes for enhanced services for prenatal high risk, shall be paid at the lower
124.12 of (i) submitted charges, or (ii) 25 percent above the rate in effect on June 30, 1992;

124.13 (2) payments for all other services shall be paid at the lower of (i) submitted charges,
124.14 or (ii) 15.4 percent above the rate in effect on June 30, 1992; and

124.15 (3) all physician rates shall be converted from the 50th percentile of 1982 to the 50th
124.16 percentile of 1989, less the percent in aggregate necessary to equal the above increases
124.17 except that payment rates for home health agency services shall be the rates in effect on
124.18 September 30, 1992.

124.19 (b) Effective for services rendered on or after January 1, 2000, payment rates for physician
124.20 and professional services shall be increased by three percent over the rates in effect on
124.21 December 31, 1999, except for home health agency and family planning agency services.
124.22 The increases in this paragraph shall be implemented January 1, 2000, for managed care.

124.23 (c) Effective for services rendered on or after July 1, 2009, payment rates for physician
124.24 and professional services shall be reduced by five percent, except that for the period July
124.25 1, 2009, through June 30, 2010, payment rates shall be reduced by 6.5 percent for the medical
124.26 assistance and general assistance medical care programs, over the rates in effect on June
124.27 30, 2009. This reduction and the reductions in paragraph (d) do not apply to office or other
124.28 outpatient visits, preventive medicine visits and family planning visits billed by physicians,
124.29 advanced practice nurses, or physician assistants in a family planning agency or in one of
124.30 the following primary care practices: general practice, general internal medicine, general
124.31 pediatrics, general geriatrics, and family medicine. This reduction and the reductions in
124.32 paragraph (d) do not apply to federally qualified health centers, rural health centers, and
124.33 Indian health services. Effective October 1, 2009, payments made to managed care plans

125.1 and county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall
125.2 reflect the payment reduction described in this paragraph.

125.3 (d) Effective for services rendered on or after July 1, 2010, payment rates for physician
125.4 and professional services shall be reduced an additional seven percent over the five percent
125.5 reduction in rates described in paragraph (c). This additional reduction does not apply to
125.6 physical therapy services, occupational therapy services, and speech pathology and related
125.7 services provided on or after July 1, 2010. This additional reduction does not apply to
125.8 physician services billed by a psychiatrist or an advanced practice nurse with a specialty in
125.9 mental health. Effective October 1, 2010, payments made to managed care plans and
125.10 county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect
125.11 the payment reduction described in this paragraph.

125.12 (e) Effective for services rendered on or after September 1, 2011, through June 30, 2013,
125.13 payment rates for physician and professional services shall be reduced three percent from
125.14 the rates in effect on August 31, 2011. This reduction does not apply to physical therapy
125.15 services, occupational therapy services, and speech pathology and related services.

125.16 (f) Effective for services rendered on or after September 1, 2014, payment rates for
125.17 physician and professional services, including physical therapy, occupational therapy, speech
125.18 pathology, and mental health services shall be increased by five percent from the rates in
125.19 effect on August 31, 2014. In calculating this rate increase, the commissioner shall not
125.20 include in the base rate for August 31, 2014, the rate increase provided under section
125.21 256B.76, subdivision 7. This increase does not apply to federally qualified health centers,
125.22 rural health centers, and Indian health services. Payments made to managed care plans and
125.23 county-based purchasing plans shall not be adjusted to reflect payments under this paragraph.

125.24 (g) Effective for services rendered on or after July 1, 2015, payment rates for physical
125.25 therapy, occupational therapy, and speech pathology and related services provided by a
125.26 hospital meeting the criteria specified in section 62Q.19, subdivision 1, paragraph (a), clause
125.27 (4), shall be increased by 90 percent from the rates in effect on June 30, 2015. Payments
125.28 made to managed care plans and county-based purchasing plans shall not be adjusted to
125.29 reflect payments under this paragraph.

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

125.32 (i) Medical assistance may reimburse for the cost incurred to pay the Department of
125.33 Health for metabolic disorder testing of newborns who are medical assistance recipients
125.34 when the sample is collected outside of an inpatient hospital setting or freestanding birth

126.1 center setting because the newborn was born outside of a hospital or freestanding birth
126.2 center or because it is not medically appropriate to collect the sample during the inpatient
126.3 stay for the birth.

126.4 Sec. 9. Minnesota Statutes 2020, section 256L.04, subdivision 10, is amended to read:

126.5 Subd. 10. **Citizenship requirements.** (a) Eligibility for MinnesotaCare is limited to
126.6 citizens or nationals of the United States and lawfully present noncitizens as defined in
126.7 Code of Federal Regulations, title 8, section 103.12. Undocumented noncitizens, with the
126.8 exception of children under age 19, are ineligible for MinnesotaCare. For purposes of this
126.9 subdivision, an undocumented noncitizen is an individual who resides in the United States
126.10 without the approval or acquiescence of the United States Citizenship and Immigration
126.11 Services. Families with children who are citizens or nationals of the United States must
126.12 cooperate in obtaining satisfactory documentary evidence of citizenship or nationality
126.13 according to the requirements of the federal Deficit Reduction Act of 2005, Public Law
126.14 109-171.

126.15 (b) Notwithstanding subdivisions 1 and 7, eligible persons include families and
126.16 individuals who are lawfully present and ineligible for medical assistance by reason of
126.17 immigration status and who have incomes equal to or less than 200 percent of federal poverty
126.18 guidelines.

126.19 **EFFECTIVE DATE.** This section is effective January 1, 2024.

126.20 Sec. 10. **[256L.181] CLIENT ERROR OVERPAYMENT.**

126.21 Subdivision 1. **Scope.** (a) Subject to federal law and regulation, when a local agency or
126.22 the Department of Human Services determines a person under section 256.98, subdivision
126.23 4, is liable for recovery of medical assistance incorrectly paid as a result of client error or
126.24 when a recipient or former recipient receives medical assistance while an appeal is pending
126.25 pursuant to section 256.045, subdivision 10, and the recipient or former recipient is later
126.26 determined to have been ineligible for the medical assistance received or for less medical
126.27 assistance than was received during the pendency of the appeal, the local agency or the
126.28 Department of Human Services must:

126.29 (1) determine the eligibility months during which medical assistance was incorrectly
126.30 paid;

126.31 (2) redetermine eligibility for the incorrectly paid months using department policies and
126.32 procedures that were in effect during each eligibility month that was incorrectly paid; and

127.1 (3) assess an overpayment against persons liable for recovery under section 256.98,
127.2 subdivision 4, for the amount of incorrectly paid medical assistance pursuant to section
127.3 256.98, subdivision 3.

127.4 (b) Notwithstanding section 256.98, subdivision 4, medical assistance incorrectly paid
127.5 to a recipient as a result of client error when the recipient is under 21 years of age is not
127.6 recoverable from the recipient or recipient's estate. This section does not prohibit the state
127.7 agency from:

127.8 (1) receiving payment from a trust pursuant to United States Code, title 42, section
127.9 1396p(d)(4)(A) or (C), for medical assistance paid on behalf of the trust beneficiary for
127.10 services received at any age; or

127.11 (2) claiming against the designated beneficiary of an Achieving a Better Life Experience
127.12 (ABLE) account or the ABLE account itself pursuant to Code of Federal Regulations, title
127.13 26, section 1.529A-2(o), for the amount of the total medical assistance paid for the designated
127.14 beneficiary at any age after establishment of the ABLE account.

127.15 Subd. 2. **Recovering client error overpayment.** (a) The local agency or the Department
127.16 of Human Services must not attempt recovery of the overpayment amount pursuant to
127.17 chapter 270A or section 256.0471 when a person liable for a client error overpayment under
127.18 section 256.98, subdivision 4, voluntarily repays the overpayment amount or establishes a
127.19 payment plan in writing with the local agency or the Department of Human Services to
127.20 repay the overpayment amount within 90 days after receiving the overpayment notice or
127.21 after resolution of a fair hearing regarding the overpayment under section 256.045, whichever
127.22 is later. When a liable person agrees to a payment plan in writing with the local agency or
127.23 the Department of Human Services but has not repaid any amount six months after entering
127.24 the agreement, the local agency or Department of Human Services must pursue recovery
127.25 under paragraph (b).

127.26 (b) If the liable person does not voluntarily repay the overpayment amount or establish
127.27 a repayment agreement under paragraph (a), the local agency or the Department of Human
127.28 Services must attempt recovery of the overpayment amount pursuant to chapter 270A when
127.29 the overpayment amount is eligible for recovery as a public assistance debt under chapter
127.30 270A. For any overpaid amount of solely state-funded medical assistance, the local agency
127.31 or the Department of Human Services must attempt recovery pursuant to section 256.0471.

127.32 Subd. 3. **Writing off client error overpayment.** A local agency or the Department of
127.33 Human Services must not attempt to recover a client error overpayment of less than \$350,
127.34 unless the overpayment is for medical assistance received pursuant to section 256.045,

128.1 subdivision 10, during the pendency of an appeal or unless the recovery is from the recipient's
 128.2 estate or the estate of the recipient's surviving spouse. A local agency or the Department of
 128.3 Human Services may write off any remaining balance of a client error overpayment when
 128.4 the overpayment has not been repaid five years after the effective date of the overpayment
 128.5 and the local agency or the Department of Human Services determines it is no longer cost
 128.6 effective to attempt recovery of the remaining balance.

128.7 Sec. 11. Laws 2015, chapter 71, article 14, section 2, subdivision 5, as amended by Laws
 128.8 2015, First Special Session chapter 6, section 1, is amended to read:

128.9 **Subd. 5. Grant Programs**

128.10 The amounts that may be spent from this
 128.11 appropriation for each purpose are as follows:

128.12 **(a) Support Services Grants**

128.13 Appropriations by Fund

128.14	General	13,133,000	8,715,000
128.15	Federal TANF	96,311,000	96,311,000

128.16 **(b) Basic Sliding Fee Child Care Assistance**
 128.17 **Grants**

	48,439,000	51,559,000
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128.18 **Basic Sliding Fee Waiting List Allocation.**

128.19 Notwithstanding Minnesota Statutes, section
 128.20 119B.03, \$5,413,000 in fiscal year 2016 is to
 128.21 reduce the basic sliding fee program waiting
 128.22 list as follows:

128.23 (1) The calendar year 2016 allocation shall be
 128.24 increased to serve families on the waiting list.
 128.25 To receive funds appropriated for this purpose,
 128.26 a county must have:

128.27 (i) a waiting list in the most recent published
 128.28 waiting list month;

128.29 (ii) an average of at least ten families on the
 128.30 most recent six months of published waiting
 128.31 list; and

129.1 (iii) total expenditures in calendar year 2014
 129.2 that met or exceeded 80 percent of the county's
 129.3 available final allocation.

129.4 (2) Funds shall be distributed proportionately
 129.5 based on the average of the most recent six
 129.6 months of published waiting lists to counties
 129.7 that meet the criteria in clause (1).

129.8 (3) Allocations in calendar years 2017 and
 129.9 beyond shall be calculated using the allocation
 129.10 formula in Minnesota Statutes, section
 129.11 119B.03.

129.12 (4) The guaranteed floor for calendar year
 129.13 2017 shall be based on the revised calendar
 129.14 year 2016 allocation.

129.15 **Base Level Adjustment.** The general fund
 129.16 base is increased by \$810,000 in fiscal year
 129.17 2018 and increased by \$821,000 in fiscal year
 129.18 2019.

129.19	(c) Child Care Development Grants	1,737,000	1,737,000
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129.20	(d) Child Support Enforcement Grants	50,000	50,000
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129.21 (e) **Children's Services Grants**

129.22 Appropriations by Fund

129.23	General	39,015,000	38,665,000
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129.24	Federal TANF	140,000	140,000
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129.25 **Safe Place for Newborns.** \$350,000 from the
 129.26 general fund in fiscal year 2016 is to distribute
 129.27 information on the Safe Place for Newborns
 129.28 law in Minnesota to increase public awareness
 129.29 of the law. This is a onetime appropriation.

129.30 **Child Protection.** \$23,350,000 in fiscal year
 129.31 2016 and \$23,350,000 in fiscal year 2017 are
 129.32 to address child protection staffing and
 129.33 services under Minnesota Statutes, section

130.1 256M.41. \$1,650,000 in fiscal year 2016 and
 130.2 \$1,650,000 in fiscal year 2017 are for child
 130.3 protection grants to address child welfare
 130.4 disparities under Minnesota Statutes, section
 130.5 256E.28.

130.6 **Title IV-E Adoption Assistance.** Additional
 130.7 federal reimbursement to the state as a result
 130.8 of the Fostering Connections to Success and
 130.9 Increasing Adoptions Act's expanded
 130.10 eligibility for title IV-E adoption assistance is
 130.11 appropriated to the commissioner for
 130.12 postadoption services, including a
 130.13 parent-to-parent support network.

130.14 **Adoption Assistance Incentive Grants.**
 130.15 Federal funds available during fiscal years
 130.16 2016 and 2017 for adoption incentive grants
 130.17 are appropriated to the commissioner for
 130.18 postadoption services, including a
 130.19 parent-to-parent support network.

130.20	(f) Children and Community Service Grants	56,301,000	56,301,000
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130.21	(g) Children and Economic Support Grants	26,778,000	26,966,000
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130.22 **Mobile Food Shelf Grants.** (a) \$1,000,000
 130.23 in fiscal year 2016 and \$1,000,000 in fiscal
 130.24 year 2017 are for a grant to Hunger Solutions.
 130.25 This is a onetime appropriation and is
 130.26 available until June 30, 2017.

130.27 (b) Hunger Solutions shall award grants of up
 130.28 to \$75,000 on a competitive basis. Grant
 130.29 applications must include:
 130.30 (1) the location of the project;
 130.31 (2) a description of the mobile program,
 130.32 including size and scope;

- 131.1 (3) evidence regarding the unserved or
131.2 underserved nature of the community in which
131.3 the project is to be located;
- 131.4 (4) evidence of community support for the
131.5 project;
- 131.6 (5) the total cost of the project;
- 131.7 (6) the amount of the grant request and how
131.8 funds will be used;
- 131.9 (7) sources of funding or in-kind contributions
131.10 for the project that will supplement any grant
131.11 award;
- 131.12 (8) a commitment to mobile programs by the
131.13 applicant and an ongoing commitment to
131.14 maintain the mobile program; and
- 131.15 (9) any additional information requested by
131.16 Hunger Solutions.
- 131.17 (c) Priority may be given to applicants who:
- 131.18 (1) serve underserved areas;
- 131.19 (2) create a new or expand an existing mobile
131.20 program;
- 131.21 (3) serve areas where a high amount of need
131.22 is identified;
- 131.23 (4) provide evidence of strong support for the
131.24 project from citizens and other institutions in
131.25 the community;
- 131.26 (5) leverage funding for the project from other
131.27 private and public sources; and
- 131.28 (6) commit to maintaining the program on a
131.29 multilayer basis.
- 131.30 **Homeless Youth Act.** At least \$500,000 of
131.31 the appropriation for the Homeless Youth Act

132.1 must be awarded to providers in greater
132.2 Minnesota, with at least 25 percent of this
132.3 amount for new applicant providers. The
132.4 commissioner shall provide outreach and
132.5 technical assistance to greater Minnesota
132.6 providers and new providers to encourage
132.7 responding to the request for proposals.

132.8 **Stearns County Veterans Housing.** \$85,000
132.9 in fiscal year 2016 and \$85,000 in fiscal year
132.10 2017 are for a grant to Stearns County to
132.11 provide administrative funding in support of
132.12 a service provider serving veterans in Stearns
132.13 County. The administrative funding grant may
132.14 be used to support group residential housing
132.15 services, corrections-related services, veteran
132.16 services, and other social services related to
132.17 the service provider serving veterans in
132.18 Stearns County.

132.19 **Safe Harbor.** \$800,000 in fiscal year 2016
132.20 and \$800,000 in fiscal year 2017 are from the
132.21 general fund for emergency shelter and
132.22 transitional and long-term housing beds for
132.23 sexually exploited youth and youth at risk of
132.24 sexual exploitation. Of this appropriation,
132.25 \$150,000 in fiscal year 2016 and \$150,000 in
132.26 fiscal year 2017 are from the general fund for
132.27 statewide youth outreach workers connecting
132.28 sexually exploited youth and youth at risk of
132.29 sexual exploitation with shelter and services.

132.30 **Minnesota Food Assistance Program.**
132.31 Unexpended funds for the Minnesota food
132.32 assistance program for fiscal year 2016 do not
132.33 cancel but are available for this purpose in
132.34 fiscal year 2017.

133.1 **Base Level Adjustment.** The general fund
 133.2 base is decreased by \$816,000 in fiscal year
 133.3 2018 and is decreased by \$606,000 in fiscal
 133.4 year 2019.

133.5 **(h) Health Care Grants**

133.6 Appropriations by Fund

133.7	General	536,000	2,482,000
133.8	Health Care Access	3,341,000	3,465,000

133.9 **Grants for Periodic Data Matching for**
 133.10 **Medical Assistance and MinnesotaCare.** Of
 133.11 the general fund appropriation, \$26,000 in
 133.12 fiscal year 2016 and \$1,276,000 in fiscal year
 133.13 2017 are for grants to counties for costs related
 133.14 to periodic data matching for medical
 133.15 assistance and MinnesotaCare recipients under
 133.16 Minnesota Statutes, section 256B.0561. The
 133.17 commissioner must distribute these grants to
 133.18 counties in proportion to each county's number
 133.19 of cases in the prior year in the affected
 133.20 programs.

133.21 **Base Level Adjustment.** The general fund
 133.22 base is ~~increased by \$1,637,000 in fiscal year~~
 133.23 ~~2018 and increased by \$1,229,000 in fiscal~~
 133.24 ~~year 2019~~ maintained in fiscal years 2020 and
 133.25 2021.

133.26	(i) Other Long-Term Care Grants	1,551,000	3,069,000
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133.27 **Transition Populations.** \$1,551,000 in fiscal
 133.28 year 2016 and \$1,725,000 in fiscal year 2017
 133.29 are for home and community-based services
 133.30 transition grants to assist in providing home
 133.31 and community-based services and treatment
 133.32 for transition populations under Minnesota
 133.33 Statutes, section 256.478.

- 134.1 **Base Level Adjustment.** The general fund
 134.2 base is increased by \$156,000 in fiscal year
 134.3 2018 and by \$581,000 in fiscal year 2019.
- 134.4 **(j) Aging and Adult Services Grants** 28,463,000 28,162,000
- 134.5 **Dementia Grants.** \$750,000 in fiscal year
 134.6 2016 and \$750,000 in fiscal year 2017 are for
 134.7 the Minnesota Board on Aging for regional
 134.8 and local dementia grants authorized in
 134.9 Minnesota Statutes, section 256.975,
 134.10 subdivision 11.
- 134.11 **(k) Deaf and Hard-of-Hearing Grants** 2,225,000 2,375,000
- 134.12 **Deaf, Deafblind, and Hard-of-Hearing**
 134.13 **Grants.** \$350,000 in fiscal year 2016 and
 134.14 \$500,000 in fiscal year 2017 are for deaf and
 134.15 hard-of-hearing grants. The funds must be
 134.16 used to increase the number of deafblind
 134.17 Minnesotans receiving services under
 134.18 Minnesota Statutes, section 256C.261, and to
 134.19 provide linguistically and culturally
 134.20 appropriate mental health services to children
 134.21 who are deaf, deafblind, and hard-of-hearing.
 134.22 This is a onetime appropriation.
- 134.23 **Base Level Adjustment.** The general fund
 134.24 base is decreased by \$500,000 in fiscal year
 134.25 2018 and by \$500,000 in fiscal year 2019.
- 134.26 **(l) Disabilities Grants** 20,820,000 20,858,000
- 134.27 **State Quality Council.** \$573,000 in fiscal
 134.28 year 2016 and \$600,000 in fiscal year 2017
 134.29 are for the State Quality Council to provide
 134.30 technical assistance and monitoring of
 134.31 person-centered outcomes related to inclusive
 134.32 community living and employment. The
 134.33 funding must be used by the State Quality
 134.34 Council to assure a statewide plan for systems

135.1 change in person-centered planning that will
 135.2 achieve desired outcomes including increased
 135.3 integrated employment and community living.

135.4 **(m) Adult Mental Health Grants**

135.5 Appropriations by Fund

135.6	General	69,992,000	71,244,000
135.7	Health Care Access	1,575,000	2,473,000
135.8	Lottery Prize	1,733,000	1,733,000

135.9 **Funding Usage.** Up to 75 percent of a fiscal
 135.10 year's appropriation for adult mental health
 135.11 grants may be used to fund allocations in that
 135.12 portion of the fiscal year ending December
 135.13 31.

135.14 **Culturally Specific Mental Health Services.**

135.15 \$100,000 in fiscal year 2016 is for grants to
 135.16 nonprofit organizations to provide resources
 135.17 and referrals for culturally specific mental
 135.18 health services to Southeast Asian veterans
 135.19 born before 1965 who do not qualify for
 135.20 services available to veterans formally
 135.21 discharged from the United States armed
 135.22 forces.

135.23 **Problem Gambling.** \$225,000 in fiscal year
 135.24 2016 and \$225,000 in fiscal year 2017 are
 135.25 from the lottery prize fund for a grant to the
 135.26 state affiliate recognized by the National
 135.27 Council on Problem Gambling. The affiliate
 135.28 must provide services to increase public
 135.29 awareness of problem gambling, education,
 135.30 and training for individuals and organizations
 135.31 providing effective treatment services to
 135.32 problem gamblers and their families, and
 135.33 research related to problem gambling.

136.1 **Sustainability Grants.** \$2,125,000 in fiscal
 136.2 year 2016 and \$2,125,000 in fiscal year 2017
 136.3 are for sustainability grants under Minnesota
 136.4 Statutes, section 256B.0622, subdivision 11.

136.5 **Beltrami County Mental Health Services**
 136.6 **Grant.** \$1,000,000 in fiscal year 2016 and
 136.7 \$1,000,000 in fiscal year 2017 are from the
 136.8 general fund for a grant to Beltrami County
 136.9 to fund the planning and development of a
 136.10 comprehensive mental health services program
 136.11 under article 2, section 41, Comprehensive
 136.12 Mental Health Program in Beltrami County.
 136.13 This is a onetime appropriation.

136.14 **Base Level Adjustment.** The general fund
 136.15 base is increased by \$723,000 in fiscal year
 136.16 2018 and by \$723,000 in fiscal year 2019. The
 136.17 health care access fund base is decreased by
 136.18 \$1,723,000 in fiscal year 2018 and by
 136.19 \$1,723,000 in fiscal year 2019.

136.20 (n) Child Mental Health Grants	23,386,000	24,313,000
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136.21 **Services and Supports for First Episode**
 136.22 **Psychosis.** \$177,000 in fiscal year 2017 is for
 136.23 grants under Minnesota Statutes, section
 136.24 245.4889, to mental health providers to pilot
 136.25 evidence-based interventions for youth at risk
 136.26 of developing or experiencing a first episode
 136.27 of psychosis and for a public awareness
 136.28 campaign on the signs and symptoms of
 136.29 psychosis. The base for these grants is
 136.30 \$236,000 in fiscal year 2018 and \$301,000 in
 136.31 fiscal year 2019.

136.32 **Adverse Childhood Experiences.** The base
 136.33 for grants under Minnesota Statutes, section
 136.34 245.4889, to children's mental health and

137.1 family services collaboratives for adverse
 137.2 childhood experiences (ACEs) training grants
 137.3 and for an interactive Web site connection to
 137.4 support ACEs in Minnesota is \$363,000 in
 137.5 fiscal year 2018 and \$363,000 in fiscal year
 137.6 2019.

137.7 **Funding Usage.** Up to 75 percent of a fiscal
 137.8 year's appropriation for child mental health
 137.9 grants may be used to fund allocations in that
 137.10 portion of the fiscal year ending December
 137.11 31.

137.12 **Base Level Adjustment.** The general fund
 137.13 base is increased by \$422,000 in fiscal year
 137.14 2018 and is increased by \$487,000 in fiscal
 137.15 year 2019.

137.16 (o) **Chemical Dependency Treatment Support**
 137.17 **Grants**

1,561,000

1,561,000

137.18 **Chemical Dependency Prevention.** \$150,000
 137.19 in fiscal year 2016 and \$150,000 in fiscal year
 137.20 2017 are for grants to nonprofit organizations
 137.21 to provide chemical dependency prevention
 137.22 programs in secondary schools. When making
 137.23 grants, the commissioner must consider the
 137.24 expertise, prior experience, and outcomes
 137.25 achieved by applicants that have provided
 137.26 prevention programming in secondary
 137.27 education environments. An applicant for the
 137.28 grant funds must provide verification to the
 137.29 commissioner that the applicant has available
 137.30 and will contribute sufficient funds to match
 137.31 the grant given by the commissioner. This is
 137.32 a onetime appropriation.

137.33 **Fetal Alcohol Syndrome Grants.** \$250,000
 137.34 in fiscal year 2016 and \$250,000 in fiscal year
 137.35 2017 are for grants to be administered by the

138.1 Minnesota Organization on Fetal Alcohol
138.2 Syndrome to provide comprehensive,
138.3 gender-specific services to pregnant and
138.4 parenting women suspected of or known to
138.5 use or abuse alcohol or other drugs. This
138.6 appropriation is for grants to no fewer than
138.7 three eligible recipients. Minnesota
138.8 Organization on Fetal Alcohol Syndrome must
138.9 report to the commissioner of human services
138.10 annually by January 15 on the grants funded
138.11 by this appropriation. The report must include
138.12 measurable outcomes for the previous year,
138.13 including the number of pregnant women
138.14 served and the number of toxic-free babies
138.15 born.

138.16 **Base Level Adjustment.** The general fund
138.17 base is decreased by \$150,000 in fiscal year
138.18 2018 and by \$150,000 in fiscal year 2019.

138.19 Sec. 12. Laws 2020, First Special Session chapter 7, section 1, subdivision 1, as amended
138.20 by Laws 2021, First Special Session chapter 7, article 2, section 71, is amended to read:

138.21 Subdivision 1. **Waivers and modifications; federal funding extension.** When the
138.22 peacetime emergency declared by the governor in response to the COVID-19 outbreak
138.23 expires, is terminated, or is rescinded by the proper authority, the following waivers and
138.24 modifications to human services programs issued by the commissioner of human services
138.25 pursuant to Executive Orders 20-11 and 20-12 that are required to comply with federal law
138.26 may remain in effect for the time period set out in applicable federal law or for the time
138.27 period set out in any applicable federally approved waiver or state plan amendment,
138.28 whichever is later:

138.29 (1) CV15: allowing telephone or video visits for waiver programs;

138.30 (2) CV17: preserving health care coverage for Medical Assistance and MinnesotaCare
138.31 as needed to comply with federal guidance from the Centers for Medicare and Medicaid
138.32 Services, and until the enrollee's first renewal following the resumption of medical assistance
138.33 and MinnesotaCare renewals after the end of the COVID-19 public health emergency
138.34 declared by the United States Secretary of Health and Human Services;

139.1 (3) CV18: implementation of federal changes to the Supplemental Nutrition Assistance
139.2 Program;

139.3 (4) CV20: eliminating cost-sharing for COVID-19 diagnosis and treatment;

139.4 (5) CV24: allowing telephone or video use for targeted case management visits;

139.5 (6) CV30: expanding telemedicine in health care, mental health, and substance use
139.6 disorder settings;

139.7 (7) CV37: implementation of federal changes to the Supplemental Nutrition Assistance
139.8 Program;

139.9 (8) CV39: implementation of federal changes to the Supplemental Nutrition Assistance
139.10 Program;

139.11 (9) CV42: implementation of federal changes to the Supplemental Nutrition Assistance
139.12 Program;

139.13 (10) CV43: expanding remote home and community-based waiver services;

139.14 (11) CV44: allowing remote delivery of adult day services;

139.15 (12) CV59: modifying eligibility period for the federally funded Refugee Cash Assistance
139.16 Program;

139.17 (13) CV60: modifying eligibility period for the federally funded Refugee Social Services
139.18 Program; and

139.19 (14) CV109: providing 15 percent increase for Minnesota Food Assistance Program and
139.20 Minnesota Family Investment Program maximum food benefits.

139.21 Sec. 13. Laws 2021, First Special Session chapter 7, article 1, section 36, is amended to
139.22 read:

139.23 Sec. 36. **RESPONSE TO COVID-19 PUBLIC HEALTH EMERGENCY.**

139.24 (a) Notwithstanding Minnesota Statutes, section 256B.057, subdivision 9, 256L.06,
139.25 subdivision 3, or any other provision to the contrary, the commissioner shall not collect any
139.26 unpaid premium for a coverage month ~~that occurred during~~ until the enrollee's first renewal
139.27 after the resumption of medical assistance renewals following the end of the COVID-19
139.28 public health emergency declared by the United States Secretary of Health and Human
139.29 Services.

140.1 (b) Notwithstanding any provision to the contrary, periodic data matching under
140.2 Minnesota Statutes, section 256B.0561, subdivision 2, may be suspended for up to ~~six~~ 12
140.3 months following the ~~last day of~~ resumption of medical assistance and MinnesotaCare
140.4 renewals after the end of the COVID-19 public health emergency declared by the United
140.5 States Secretary of Health and Human Services.

140.6 (c) Notwithstanding any provision to the contrary, the requirement for the commissioner
140.7 of human services to issue an annual report on periodic data matching under Minnesota
140.8 Statutes, section 256B.0561, is suspended for one year following the last day of the
140.9 COVID-19 public health emergency declared by the United States Secretary of Health and
140.10 Human Services.

140.11 (d) The commissioner of human services shall take necessary actions to comply with
140.12 federal guidance pertaining to the appropriate redetermination of medical assistance enrollee
140.13 eligibility following the end of the public health emergency and may waive currently existing
140.14 Minnesota statutes to the minimum level necessary to achieve federal compliance. All
140.15 changes implemented shall be reported to the chairs and ranking minority members of the
140.16 legislative committees with jurisdiction over human services within 90 days.

140.17 ARTICLE 6

140.18 HEALTH INSURANCE ACCESS

140.19 Section 1. Minnesota Statutes 2020, section 256L.04, subdivision 1c, is amended to read:

140.20 Subd. 1c. **General requirements.** (a) To be eligible for MinnesotaCare, a person must
140.21 meet the eligibility requirements ~~of~~ in this section.

140.22 (b) A person eligible for MinnesotaCare shall not be considered a qualified individual
140.23 under section 1312 of the Affordable Care Act, and is not eligible for enrollment in a qualified
140.24 health plan with advance payment of the federal premium tax credit offered through MNsure
140.25 under chapter 62V.

140.26 (c) Paragraph (b) does not apply to a person eligible for the buy-in option under
140.27 subdivision 15.

140.28 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
140.29 whichever is later. The commissioner of human services shall notify the revisor of statutes
140.30 when federal approval is obtained.

141.1 Sec. 2. Minnesota Statutes 2020, section 256L.04, subdivision 7a, is amended to read:

141.2 Subd. 7a. **Ineligibility.** Adults whose income is greater than the limits established under
141.3 this section may not enroll in the MinnesotaCare program, except as provided in subdivision
141.4 15.

141.5 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
141.6 whichever is later. The commissioner of human services shall notify the revisor of statutes
141.7 when federal approval is obtained.

141.8 Sec. 3. Minnesota Statutes 2020, section 256L.04, is amended by adding a subdivision to
141.9 read:

141.10 **Subd. 15. Persons eligible for buy-in option.** (a) Families and individuals with income
141.11 above the maximum income eligibility limit specified in subdivision 1 or 7 who meet all
141.12 other MinnesotaCare eligibility requirements are eligible for the buy-in option. All other
141.13 provisions of this chapter apply unless otherwise specified.

141.14 (b) Families and individuals with income within or above the maximum income eligibility
141.15 limit but ineligible for MinnesotaCare solely due to access to employer-subsidized coverage
141.16 under section 256L.07, subdivision 2, are eligible for the buy-in option.

141.17 (c) Families and individuals may enroll in MinnesotaCare under this subdivision only
141.18 during an annual open enrollment period or special enrollment period, as designated by
141.19 MNSure in compliance with Code of Federal Regulations, title 45, parts 155.410 and 155.420.

141.20 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
141.21 whichever is later. The commissioner of human services shall notify the revisor of statutes
141.22 when federal approval is obtained.

141.23 Sec. 4. Minnesota Statutes 2020, section 256L.07, subdivision 1, is amended to read:

141.24 Subdivision 1. **General requirements.** Individuals enrolled in MinnesotaCare under
141.25 section 256L.04, subdivision 1, and individuals enrolled in MinnesotaCare under section
141.26 256L.04, subdivision 7, whose income increases above 200 percent of the federal poverty
141.27 guidelines, are no longer eligible for the program and shall be disenrolled by the
141.28 commissioner, unless they continue MinnesotaCare enrollment through the buy-in option
141.29 under section 256L.04, subdivision 15. For persons disenrolled under this subdivision,
141.30 MinnesotaCare coverage terminates the last day of the calendar month in which the
141.31 commissioner sends advance notice according to Code of Federal Regulations, title 42,

142.1 section 431.211, that indicates the income of a family or individual exceeds program income
142.2 limits.

142.3 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
142.4 whichever is later. The commissioner of human services shall notify the revisor of statutes
142.5 when federal approval is obtained.

142.6 Sec. 5. Minnesota Statutes 2021 Supplement, section 256L.07, subdivision 2, is amended
142.7 to read:

142.8 Subd. 2. **Must not have access to employer-subsidized minimum essential**
142.9 **coverage.** (a) To be eligible, a family or individual must not have access to subsidized health
142.10 coverage that is affordable and provides minimum value as defined in Code of Federal
142.11 Regulations, title 26, section 1.36B-2.

142.12 (b) Notwithstanding paragraph (a), an individual who has access through a spouse's or
142.13 parent's employer to subsidized health coverage that is deemed minimum essential coverage
142.14 under Code of Federal Regulations, title 26, section 1.36B-2, is eligible for MinnesotaCare
142.15 if the employee's portion of the annual premium for employee and dependent coverage
142.16 exceeds the required contribution percentage, as defined for premium tax credit eligibility
142.17 under United States Code, title 26, section 36B(c)(2)(C)(i)(II), as indexed according to item
142.18 (iv) of that section, of the individual's household income for the coverage year.

142.19 (c) This subdivision does not apply to a family or individual who no longer has
142.20 employer-subsidized coverage due to the employer terminating health care coverage as an
142.21 employee benefit.

142.22 (d) This subdivision does not apply to a family or individual who enrolls through the
142.23 buy-in option under section 256L.04, subdivision 15.

142.24 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
142.25 whichever is later. The commissioner of human services shall notify the revisor of statutes
142.26 when federal approval is obtained.

142.27 Sec. 6. Minnesota Statutes 2021 Supplement, section 256L.15, subdivision 2, is amended
142.28 to read:

142.29 Subd. 2. **Sliding fee scale; monthly individual or family income.** (a) The commissioner
142.30 shall establish a sliding fee scale to determine the percentage of monthly individual or family
142.31 income that households at different income levels must pay to obtain coverage through the

143.1 MinnesotaCare program. The sliding fee scale must be based on the enrollee's monthly
143.2 individual or family income.

143.3 ~~(b) Beginning January 1, 2014, MinnesotaCare enrollees shall pay premiums according~~
143.4 ~~to the premium scale specified in paragraph (d).~~

143.5 ~~(e) (b) Paragraph (b) (a) does not apply to:~~

143.6 ~~(1) children 20 years of age or younger; and,~~

143.7 ~~(2) individuals with household incomes below 35 percent of the federal poverty~~
143.8 ~~guidelines.~~

143.9 ~~(d) The following premium scale is established for each individual in the household who~~
143.10 ~~is 21 years of age or older and enrolled in MinnesotaCare:~~

143.11	Federal Poverty Guideline	Less than	Individual Premium
143.12	Greater than or Equal to		Amount
143.13	35%	55%	\$4
143.14	55%	80%	\$6
143.15	80%	90%	\$8
143.16	90%	100%	\$10
143.17	100%	110%	\$12
143.18	110%	120%	\$14
143.19	120%	130%	\$15
143.20	130%	140%	\$16
143.21	140%	150%	\$25
143.22	150%	160%	\$37
143.23	160%	170%	\$44
143.24	170%	180%	\$52
143.25	180%	190%	\$61
143.26	190%	200%	\$71
143.27	200%		\$80

143.28 ~~(e) (c) Beginning January 1, 2021~~ 2023, the commissioner shall continue to charge
143.29 premiums in accordance with the simplified premium scale established to comply with the
143.30 American Rescue Plan Act of 2021, in effect from January 1, 2021, through December 31,
143.31 2022, for families and individuals eligible under section 256L.04, subdivisions 1 and 7. The
143.32 commissioner shall adjust the premium scale established under paragraph (d) as needed to
143.33 ensure that premiums do not exceed the amount that an individual would have been required
143.34 to pay if the individual was enrolled in an applicable benchmark plan in accordance with
143.35 the Code of Federal Regulations, title 42, section 600.505 (a)(1).

144.1 (d) The commissioner shall establish a sliding premium scale for persons eligible through
144.2 the buy-in option under section 256L.04, subdivision 15. Beginning January 1, 2025, persons
144.3 eligible through the buy-in option shall pay premiums according to the premium scale
144.4 established by the commissioner. Persons 20 years of age or younger are exempt from
144.5 paying premiums.

144.6 **EFFECTIVE DATE.** This section is effective January 1, 2023, except that the sliding
144.7 premium scale established under paragraph (d) is effective January 1, 2025, and is contingent
144.8 upon implementation of the buy-in option established under Minnesota Statutes, section
144.9 256L.04, subdivision 15. The commissioner of human services shall notify the revisor of
144.10 statutes whether the buy-in option has been established under Minnesota Statutes, section
144.11 256L.04, subdivision 15.

144.12 **Sec. 7. TRANSITION TO MINNESOTACARE BUY-IN OPTION.**

144.13 (a) The commissioner of human services shall continue to administer MinnesotaCare
144.14 as a basic health program in accordance with Minnesota Statutes, section 256L.02,
144.15 subdivision 5.

144.16 (b) By January 1, 2025, the commissioner of human services shall implement a buy-in
144.17 option that allows individuals with income over 200 percent of the federal poverty level to
144.18 be determined eligible for MinnesotaCare. Eligible individuals must still meet all other
144.19 MinnesotaCare eligibility requirements. By December 15, 2023, the commissioner shall
144.20 present the following to the chairs and ranking minority members of the legislative
144.21 committees with jurisdiction over health care policy and finance:

144.22 (1) an implementation plan for the MinnesotaCare buy-in under Minnesota Statutes,
144.23 section 256L.04, subdivision 15; and

144.24 (2) any additional legislative changes needed for implementation.

144.25 (c) The commissioner of human services shall seek any federal waivers, approvals, and
144.26 legislative changes necessary to implement a MinnesotaCare buy-in option. This includes
144.27 but is not limited to any waivers, approvals, or legislative changes necessary to allow the
144.28 state to:

144.29 (1) continue to receive federal basic health program payments for basic health
144.30 program-eligible MinnesotaCare enrollees and to receive other federal funding for the
144.31 MinnesotaCare public option; and

145.1 (2) receive federal payments equal to the value of premium tax credits and cost-sharing
 145.2 reductions that MinnesotaCare enrollees with household incomes greater than 200 percent
 145.3 of the federal poverty guidelines would have otherwise received.

145.4 (d) In implementing this section, the commissioner of human services shall consult with
 145.5 the commissioner of commerce and the board of directors of MNsure, and may contract for
 145.6 technical and actuarial assistance.

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

145.8 **ARTICLE 7**
 145.9 **WORKFORCE**

145.10 Section 1. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 5, is
 145.11 amended to read:

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

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

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

145.16 (3) employee benefits factor, 12.04 percent;

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

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

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

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

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

145.22 (b) For purposes of implementation, the commissioner shall use the following
 145.23 implementation components:

145.24 (1) personal care assistance services and CFSS: ~~75.45~~ 79.5 percent;

145.25 (2) enhanced rate personal care assistance services and enhanced rate CFSS: ~~75.45~~ 79.5
 145.26 percent; and

145.27 (3) qualified professional services and CFSS worker training and development: ~~75.45~~
 145.28 79.5 percent.

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

146.4 Sec. 2. **WORKFORCE INCENTIVE FUND GRANTS.**

146.5 Subdivision 1. **Grant program established.** The commissioner of human services shall
146.6 establish grants for behavioral health, housing, disability, and home and community-based
146.7 older adult providers to assist with recruiting and retaining direct support and frontline
146.8 workers.

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

146.11 (b) "Commissioner" means the commissioner of human services.

146.12 (c) "Eligible employer" means a nonprofit organization enrolled in a Minnesota health
146.13 care program or providing housing services that is:

146.14 (1) a provider of home and community-based services under Minnesota Statutes, chapter
146.15 245D;

146.16 (2) an agency provider or financial management service provider under Minnesota
146.17 Statutes, section 256B.85;

146.18 (3) a home care provider licensed under Minnesota Statutes, sections 144A.43 to
146.19 144A.482;

146.20 (4) a facility certified as an intermediate care facility for persons with developmental
146.21 disabilities;

146.22 (5) a provider of home care services as defined in Minnesota Statutes, section 256B.0651,
146.23 subdivision 1, paragraph (d);

146.24 (6) an agency as defined in Minnesota Statutes, section 256B.0949, subdivision 2;

146.25 (7) a provider of mental health day treatment services for children or adults;

146.26 (8) a provider of emergency services as defined in Minnesota Statutes, section 256E.36;

146.27 (9) a provider of housing support as defined in Minnesota Statutes, chapter 256I;

146.28 (10) a provider of housing stabilization services as defined in Minnesota Statutes, section
146.29 256B.051;

147.1 (11) a provider of transitional housing programs as defined in Minnesota Statutes, section
147.2 256E.33;

147.3 (12) a provider of substance use disorder services as defined in Minnesota Statutes,
147.4 chapter 245G;

147.5 (13) an eligible financial management service provider serving people through
147.6 consumer-directed community supports under Minnesota Statutes, sections 256B.092 and
147.7 256B.49, and chapter 256S, and consumer support grants under Minnesota Statutes, section
147.8 256.476;

147.9 (14) a provider of customized living services as defined in Minnesota Statutes, section
147.10 256S.02, subdivision 12; or

147.11 (15) a provider who serves children with an emotional disorder or adults with mental
147.12 illness under Minnesota Statutes, section 245I.011 or 256B.0671, providing services,
147.13 including:

147.14 (i) assertive community treatment;

147.15 (ii) intensive residential treatment services;

147.16 (iii) adult rehabilitative mental health services;

147.17 (iv) mobile crisis services;

147.18 (v) children's therapeutic services and supports;

147.19 (vi) children's residential services;

147.20 (vii) psychiatric residential treatment services;

147.21 (viii) outpatient mental health treatment provided by mental health professionals,
147.22 community mental health center services, or certified community behavioral health clinics;
147.23 and

147.24 (ix) intensive mental health outpatient treatment services.

147.25 (d) "Eligible worker" means a worker who earns \$30 per hour or less and has worked
147.26 in an eligible profession for at least six months. Eligible workers may receive up to \$5,000
147.27 annually in payments from the workforce incentive fund.

147.28 Subd. 3. Allowable uses of grant money. (a) Grantees must use money awarded to
147.29 provide payments to eligible workers for the following purposes:

147.30 (1) retention and incentive payments;

148.1 (2) postsecondary loan and tuition payments;

148.2 (3) child care costs;

148.3 (4) transportation-related costs; and

148.4 (5) other costs associated with retaining and recruiting workers, as approved by the
148.5 commissioner.

148.6 (b) The commissioner must develop a grant cycle distribution plan that allows for
148.7 equitable distribution of funding among eligible employer types. The commissioner's
148.8 determination of the grant awards and amounts is final and is not subject to appeal.

148.9 (c) The commissioner must make efforts to prioritize eligible employers owned by
148.10 persons who are Black, Indigenous, and People of Color and small- to mid-sized eligible
148.11 employers.

148.12 Subd. 4. **Attestation.** As a condition of obtaining grant payments under this section, an
148.13 eligible employer must attest and agree to the following:

148.14 (1) the employer is an eligible employer;

148.15 (2) the total number of eligible employees;

148.16 (3) the employer will distribute the entire value of the grant to eligible employees, as
148.17 allowed under this section;

148.18 (4) the employer will create and maintain records under subdivision 6;

148.19 (5) the employer will not use the money appropriated under this section for any purpose
148.20 other than the purposes permitted under this section; and

148.21 (6) the entire value of any grant amounts must be distributed to eligible employees
148.22 identified by the provider.

148.23 Subd. 5. **Audits and recoupment.** (a) The commissioner may perform an audit under
148.24 this section up to six years after the grant is awarded to ensure:

148.25 (1) the grantee used the money solely for the purposes stated in subdivision 3;

148.26 (2) the grantee was truthful when making attestations under subdivision 5; and

148.27 (3) the grantee complied with the conditions of receiving a grant under this section.

148.28 (b) If the commissioner determines that a grantee used awarded money for purposes not
148.29 authorized under this section, the commissioner must treat any amount used for a purpose

149.1 not authorized under this section as an overpayment. The commissioner must recover any
149.2 overpayment.

149.3 Subd. 6. **Self-directed services workforce.** Grants paid to eligible employees providing
149.4 services within the covered programs defined in Minnesota Statutes, section 256B.0711,
149.5 do not constitute a change in a term or condition for individual providers in covered programs
149.6 and are not subject to the state's obligation to meet and negotiate under Minnesota Statutes,
149.7 chapter 179A.

149.8 Subd. 7. **Grants not to be considered income.** (a) For the purposes of this subdivision,
149.9 "subtraction" has the meaning given in Minnesota Statutes, section 290.0132, subdivision
149.10 1, paragraph (a), and the rules in that subdivision apply for this subdivision. The definitions
149.11 in Minnesota Statutes, section 290.01, apply to this subdivision.

149.12 (b) The amount of grant awards received under this section is a subtraction.

149.13 (c) Grant awards under this section are excluded from income, as defined in Minnesota
149.14 Statutes, sections 290.0674, subdivision 2a, and 290A.03, subdivision 3.

149.15 (d) Notwithstanding any law to the contrary, grant awards under this section must not
149.16 be considered income, assets, or personal property for purposes of determining eligibility
149.17 or recertifying eligibility for:

149.18 (1) child care assistance programs under Minnesota Statutes, chapter 119B;

149.19 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota
149.20 Statutes, chapter 256D;

149.21 (3) housing support under Minnesota Statutes, chapter 256I;

149.22 (4) Minnesota family investment program and diversionary work program under
149.23 Minnesota Statutes, chapter 256J; and

149.24 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

149.25 (e) The commissioner of human services must not consider grant awards under this
149.26 section as income or assets under Minnesota Statutes, section 256B.056, subdivision 1a,
149.27 paragraph (a); 3; or 3c, or for persons with eligibility determined under Minnesota Statutes,
149.28 section 256B.057, subdivision 3, 3a, or 3b.

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

150.1 Sec. 3. **MENTAL HEALTH PROVIDER SUPERVISION GRANT PROGRAM.**

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

150.4 (b) "Mental health professional" means an individual with a qualification specified in
150.5 Minnesota Statutes, section 245I.04, subdivision 2.

150.6 (c) "Underrepresented community" has the meaning given in Minnesota Statutes, section
150.7 148E.010, subdivision 20.

150.8 **Subd. 2. Grant program established.** The commissioner of human services shall award
150.9 grants to licensed or certified mental health providers that meet the criteria in subdivision
150.10 3 to fund supervision of interns and clinical trainees who are working toward becoming
150.11 licensed mental health professionals and to subsidize the costs of mental health professional
150.12 licensing applications and examination fees for clinical trainees.

150.13 **Subd. 3. Eligible providers.** In order to be eligible for a grant under this section, a mental
150.14 health provider must:

150.15 (1) provide at least 25 percent of the provider's yearly patient encounters to state public
150.16 program enrollees or patients receiving sliding fee schedule discounts through a formal
150.17 sliding fee schedule meeting the standards established by the United States Department of
150.18 Health and Human Services under Code of Federal Regulations, title 42, section 51c.303;
150.19 or

150.20 (2) primarily serve persons from communities of color or underrepresented communities.

150.21 **Subd. 4. Application; grant award.** A mental health provider seeking a grant under
150.22 this section must apply to the commissioner at a time and in a manner specified by the
150.23 commissioner. The commissioner shall review each application to determine if the application
150.24 is complete, the mental health provider is eligible for a grant, and the proposed project is
150.25 an allowable use of grant funds. The commissioner must determine the grant amount awarded
150.26 to each grantee.

150.27 **Subd. 5. Allowable uses of grant money.** A mental health provider must use grant
150.28 money received under this section:

150.29 (1) to pay for direct supervision hours for interns and clinical trainees in an amount up
150.30 to \$7,500 per intern or clinical trainee;

150.31 (2) to establish a program to provide supervision to multiple interns or clinical trainees;
150.32 or

151.1 (3) to pay mental health professional licensing application and examination fees for
 151.2 clinical trainees.

151.3 Subd. 6. Program oversight. During the grant period the commissioner may require
 151.4 grant recipients to provide the commissioner with information necessary to evaluate the
 151.5 program.

151.6 EFFECTIVE DATE. This section is effective July 1, 2022.

151.7 **ARTICLE 8**

151.8 **FORECAST ADJUSTMENTS**

151.9 Section 1. **HUMAN SERVICES APPROPRIATION.**

151.10 The dollar amounts shown in the columns marked "Appropriations" are added to or, if
 151.11 shown in parentheses, are subtracted from the appropriations in Laws 2021, First Special
 151.12 Session chapter 7, article 16, from the general fund or any fund named to the Department
 151.13 of Human Services for the purposes specified in this article, to be available for the fiscal
 151.14 year indicated for each purpose. The figures "2022" and "2023" used in this article mean
 151.15 that the appropriations listed under them are available for the fiscal years ending June 30,
 151.16 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year"
 151.17 is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

151.18 **APPROPRIATIONS**

151.19 **Available for the Year**

151.20 **Ending June 30**

151.21 **2022**

2023

151.22 **Sec. 2. COMMISSIONER OF HUMAN**
 151.23 **SERVICES**

151.24 **Subdivision 1. Total Appropriation** \$ **(585,901,000)** \$ **182,791,000**

151.25 **Appropriations by Fund**

151.26 **General Fund** **(406,629,000)** **185,395,000**

151.27 **Health Care Access**
 151.28 **Fund** **(86,146,000)** **(11,799,000)**

151.29 **Federal TANF** **(93,126,000)** **9,195,000**

151.30 **Subd. 2. Forecasted Programs**

151.31 **(a) MFIP/DWP**

152.1	<u>Appropriations by Fund</u>		
152.2	<u>General Fund</u>	<u>72,106,000</u>	<u>(14,397,000)</u>
152.3	<u>Federal TANF</u>	<u>(93,126,000)</u>	<u>9,195,000</u>
152.4	<u>(b) MFIP Child Care Assistance</u>		<u>(103,347,000)</u> <u>(73,738,000)</u>
152.5	<u>(c) General Assistance</u>		<u>(4,175,000)</u> <u>(1,488,000)</u>
152.6	<u>(d) Minnesota Supplemental Aid</u>		<u>318,000</u> <u>1,613,000</u>
152.7	<u>(e) Housing Support</u>		<u>(1,994,000)</u> <u>9,257,000</u>
152.8	<u>(f) Northstar Care for Children</u>		<u>(9,613,000)</u> <u>(4,865,000)</u>
152.9	<u>(g) MinnesotaCare</u>		<u>(86,146,000)</u> <u>(11,799,000)</u>
152.10	<u>These appropriations are from the health care</u>		
152.11	<u>access fund.</u>		
152.12	<u>(h) Medical Assistance</u>		
152.13	<u>Appropriations by Fund</u>		
152.14	<u>General Fund</u>	<u>(348,364,000)</u>	<u>292,880,000</u>
152.15	<u>Health Care Access</u>		
152.16	<u>Fund</u>	<u>0</u>	<u>0</u>
152.17	<u>(i) Alternative Care Program</u>		<u>0</u> <u>0</u>
152.18	<u>(j) Behavioral Health Fund</u>		<u>(11,560,000)</u> <u>(23,867,000)</u>
152.19	<u>Subd. 3. Technical Activities</u>		<u>0</u> <u>0</u>
152.20	<u>These appropriations are from the federal</u>		
152.21	<u>TANF fund.</u>		
152.22	<u>EFFECTIVE DATE. This section is effective the day following final enactment.</u>		

ARTICLE 9

APPROPRIATIONS

152.25 Section 1. HEALTH AND HUMAN SERVICES APPROPRIATIONS.

152.26 The sums shown in the columns marked "Appropriations" are added to or, if shown in
 152.27 parentheses, subtracted from the appropriations in Laws 2021, First Special Session chapter
 152.28 7, article 16, to the agencies and for the purposes specified in this article. The appropriations
 152.29 are from the general fund or other named fund and are available for the fiscal years indicated
 152.30 for each purpose. The figures "2022" and "2023" used in this article mean that the addition
 152.31 to or subtraction from the appropriation listed under them is available for the fiscal year

154.1 **(b) Supporting Drug Pricing Litigation**

154.2 **Costs.** \$228,000 in fiscal year 2022 is for costs
 154.3 to comply with litigation requirements related
 154.4 to pharmaceutical drug price litigation. This
 154.5 is a onetime appropriation.

154.6 **(c) Base Level Adjustment.** The general fund
 154.7 base is increased \$12,829,000 in fiscal year
 154.8 2024 and \$10,227,000 in fiscal year 2025. The
 154.9 health care access fund base is increased
 154.10 \$17,810,000 in fiscal year 2024 and
 154.11 \$17,810,000 in fiscal year 2025.

154.12 **Subd. 3. Central Office; Children and Families** -0- 5,621,000

154.13 **Base Level Adjustment.** The general fund
 154.14 base is increased \$6,965,000 in fiscal year
 154.15 2024 and \$6,680,000 in fiscal year 2025.

154.16 **Subd. 4. Central Office; Health Care**154.17 Appropriations by Fund

154.18 General -0- 2,436,000

154.19 Health Care Access -0- 4,298,000

154.20 **(a) Interactive Voice Response and**154.21 **Improving Access for Applications and**

154.22 **Forms.** \$1,350,000 in fiscal year 2023 is for
 154.23 the improvement of accessibility to Minnesota
 154.24 health care programs applications, forms, and
 154.25 other consumer support resources and services
 154.26 to enrollees with limited English proficiency.
 154.27 This is a onetime appropriation.

154.28 **(b) Community-Driven Improvements.**

154.29 \$680,000 in fiscal year 2023 is for Minnesota
 154.30 health care program enrollee engagement
 154.31 activities.

154.32 **(c) Responding to COVID-19 in Minnesota**

154.33 **Health Care Programs.** \$1,000,000 in fiscal
 154.34 year 2023 is for contract assistance relating to

155.1 the resumption of eligibility and
 155.2 redetermination processes in Minnesota health
 155.3 care programs after the expiration of the
 155.4 federal public health emergency. Contracts
 155.5 entered into under this section are for
 155.6 emergency acquisition and are not subject to
 155.7 solicitation requirements under Minnesota
 155.8 Statutes, section 16C.10, subdivision 2. This
 155.9 is a onetime appropriation. Money is available
 155.10 until spent.

155.11 **(d) Base Level Adjustment.** The general fund
 155.12 base is increased \$1,666,000 in fiscal year
 155.13 2024 and \$1,651,000 in fiscal year 2025. The
 155.14 health care access fund base is increased
 155.15 \$4,087,000 in fiscal year 2024 and \$6,300,000
 155.16 in fiscal year 2025.

155.17 **Subd. 5. Central Office; Community Supports**

155.18	<u>Appropriations by Fund</u>		
155.19	<u>General</u>	<u>-0-</u>	<u>7,119,000</u>
155.20	<u>Opioid Epidemic</u>		
155.21	<u>Response</u>	<u>-0-</u>	<u>551,000</u>

155.22 **SEIU Healthcare Arbitration Award.**
 155.23 \$5,444 in fiscal year 2023 is for arbitration
 155.24 awards resulting from a SEIU grievance. This
 155.25 is a onetime appropriation.

155.26 **Base Level Adjustment.** The general fund
 155.27 base is increased \$9,460,000 in fiscal year
 155.28 2024 and \$10,602,000 in fiscal year 2025.

155.29 **Subd. 6. Forecasted Programs; MFIP/DWP**

155.30	<u>Appropriations by Fund</u>		
155.31	<u>General</u>	<u>-0-</u>	<u>5,000</u>
155.32	<u>Federal TANF</u>	<u>-0-</u>	<u>7,000</u>

156.1	<u>Subd. 7. Forecasted Programs; MFIP Child Care</u>		
156.2	<u>Assistance</u>	<u>-0-</u>	<u>1,000</u>
156.3	<u>Subd. 8. Forecasted Programs; Minnesota</u>		
156.4	<u>Supplemental Aid</u>	<u>-0-</u>	<u>1,000</u>
156.5	<u>Subd. 9. Forecasted Programs; Housing</u>		
156.6	<u>Supports</u>	<u>-0-</u>	<u>1,000</u>
156.7	<u>Subd. 10. Forecasted Programs; MinnesotaCare</u>	<u>-0-</u>	<u>15,257,000</u>
156.8	<u>This appropriation is from the health care</u>		
156.9	<u>access fund.</u>		
156.10	<u>Subd. 11. Forecasted Programs; Medical</u>		
156.11	<u>Assistance</u>		
156.12	<u>Appropriations by Fund</u>		
156.13	<u>General</u>	<u>-0-</u>	<u>7,571,000</u>
156.14	<u>Health Care Access</u>	<u>-0-</u>	<u>14,353,000</u>
156.15	<u>Subd. 12. Forecasted Programs; Alternative</u>		
156.16	<u>Care</u>	<u>-0-</u>	<u>161,000</u>
156.17	<u>Subd. 13. Grant Programs; BSF Child Care</u>		
156.18	<u>Grants</u>	<u>-0-</u>	<u>(683,000)</u>
156.19	<u>Base Level Adjustment.</u> <u>The general fund</u>		
156.20	<u>base is increased \$240,477,000 in fiscal year</u>		
156.21	<u>2024 and \$546,025,000 in fiscal year 2025.</u>		
156.22	<u>Subd. 14. Grant Programs; Child Care</u>		
156.23	<u>Development Grants</u>	<u>-0-</u>	<u>31,703,000</u>
156.24	<u>(a) Child Care Provider Access to</u>		
156.25	<u>Technology Grants.</u> <u>\$300,000 in fiscal year</u>		
156.26	<u>2023 is for child care provider access to</u>		
156.27	<u>technology grants pursuant to Minnesota</u>		
156.28	<u>Statutes, section 119B.28.</u>		
156.29	<u>(b) One-Stop Regional Assistance Network.</u>		
156.30	<u>Beginning in fiscal year 2025, the base shall</u>		
156.31	<u>include \$1,200,000 from the general fund for</u>		
156.32	<u>a grant to the statewide child care resource</u>		
156.33	<u>and referral network to administer the child</u>		
156.34	<u>care one-stop shop regional assistance network</u>		

157.1 in accordance with Minnesota Statutes, section
157.2 119B.19, subdivision 7, clause (9).

157.3 **(c) Child Care Workforce Development**
157.4 **Grants.** Beginning in fiscal year 2025, the
157.5 base shall include \$1,300,000 for a grant to
157.6 the statewide child care resource and referral
157.7 network to administer the child care workforce
157.8 development grants in accordance with
157.9 Minnesota Statutes, section 119B.19,
157.10 subdivision 7, clause (10).

157.11 **(d) Shared Services Innovation Grants.** The
157.12 base shall include \$500,000 in fiscal year 2024
157.13 and \$500,000 in fiscal year 2025 for shared
157.14 services innovation grants pursuant to
157.15 Minnesota Statutes, section 119B.27.

157.16 **(e) Stabilization Grants for Child Care**
157.17 **Providers Experiencing Financial Hardship.**
157.18 \$31,406,000 in fiscal year 2023 is for child
157.19 care stabilization grants for child care
157.20 programs in extreme financial hardship. This
157.21 is a onetime appropriation. Money not
157.22 distributed in fiscal year 2023 or 2024 shall
157.23 be available until June 30, 2025. Use of grant
157.24 money must be made in accordance with
157.25 eligibility and compliance requirements
157.26 established by the commissioner.

157.27 **(f) Base Level Adjustment.** The general fund
157.28 base is increased \$66,824,000 in fiscal year
157.29 2024 and \$3,300,000 in fiscal year 2025.

157.30 **Subd. 15. Grant Programs; Children's Services**
157.31 **Grants**

-0-

3,882,000

157.32 **(a) American Indian Child Welfare**
157.33 **Initiative; Mille Lacs Band of Ojibwe**
157.34 **Planning.** \$1,263,000 in fiscal year 2023 is

158.1 to support activities necessary for the Mille
158.2 Lacs Band of Ojibwe to join the American
158.3 Indian child welfare initiative.

158.4 **(b) Expand Parent Support Outreach**
158.5 **Program.** The base shall include \$7,000,000
158.6 in fiscal year 2024 and \$7,000,000 in fiscal
158.7 year 2025 to expand the parent support
158.8 outreach program to community-based
158.9 agencies, public health agencies, and schools
158.10 to prevent reporting of and entry into the child
158.11 welfare system.

158.12 **(c) Thriving Families Safer Children.** The
158.13 base shall include \$30,000 in fiscal year 2024
158.14 to plan for an education attendance support
158.15 diversionary program to prevent entry into the
158.16 child welfare system. The commissioner shall
158.17 report back to the legislative committees that
158.18 oversee child welfare by January 1, 2025, on
158.19 the plan for this program. This is a onetime
158.20 appropriation.

158.21 **(d) Family Group Decision Making.** The
158.22 base shall include \$5,000,000 in fiscal year
158.23 2024 and \$5,000,000 in fiscal year 2025 to
158.24 expand the use of family group decision
158.25 making to provide opportunity for family
158.26 voices concerning critical decisions in child
158.27 safety and prevent entry into the child welfare
158.28 system.

158.29 **(e) Child Welfare Promising Practices.** The
158.30 base shall include \$5,000,000 in fiscal year
158.31 2024 and \$5,000,000 in fiscal year 2025 to
158.32 develop promising practices for prevention of
158.33 out-of-home placement of children and youth.

159.1 (f) **Family Assessment Response.** The base
159.2 shall include \$23,550,000 in fiscal year 2024
159.3 and \$23,550,000 in fiscal year 2025 to support
159.4 counties and Tribes that are members of the
159.5 American Indian child welfare initiative in
159.6 providing case management services and
159.7 support for families being served under family
159.8 assessment response, and prevent entry into
159.9 the child welfare system.

159.10 (g) **Extend Support for Youth Leaving**
159.11 **Foster Care.** \$600,000 in fiscal year 2023 is
159.12 to extend financial supports for young adults
159.13 aging out of foster care to age 22.

159.14 (h) **Grants to Counties for Child Protection**
159.15 **Staff.** \$1,000,000 in fiscal year 2023 is to
159.16 provide grants to counties and American
159.17 Indian child welfare initiative Tribes to be
159.18 used to reduce extended foster care caseload
159.19 sizes to ten cases per worker.

159.20 (i) **Statewide Pool of Qualified Individuals.**
159.21 \$1,177,400 in fiscal year 2023 is for grants to
159.22 one or more grantees to establish and manage
159.23 a pool of state-funded qualified individuals to
159.24 assess potential out-of-home placement of a
159.25 child in a qualified residential treatment
159.26 program. Up to \$200,000 of the grants each
159.27 fiscal year is available for grantee contracts to
159.28 manage the state-funded pool of qualified
159.29 individuals. This amount shall also pay for
159.30 qualified individual training, certification, and
159.31 background studies. Remaining grant money
159.32 shall be used until expended to provide
159.33 qualified individual services to counties and
159.34 Tribes that have joined the American Indian
159.35 child welfare initiative pursuant to Minnesota

160.1 Statutes, section 256.01, subdivision 14b, to
 160.2 provide qualified residential treatment
 160.3 program assessments at no cost to the county
 160.4 or Tribal agency.

160.5 (j) **Base Level Adjustment.** The general fund
 160.6 base is increased \$47,440,000 in fiscal year
 160.7 2024 and \$44,769,000 in fiscal year 2025.

160.8 Subd. 16. **Grant Program; Refugee Services**
 160.9 **Grants**

-0-

5,111,000

160.10 (a) **Refugee and Immigrant Services.**
 160.11 \$5,111,000 in fiscal year 2023 is to extend the
 160.12 refugee and immigrant COVID-19 care line
 160.13 and expand eligibility for self-sufficiency and
 160.14 community integration services provided by
 160.15 community-based nonprofit resettlement
 160.16 agencies to immigrants in Minnesota.

160.17 (b) **Base Level Adjustment.** The general fund
 160.18 base is \$5,111,000 in fiscal year 2024 and \$0
 160.19 in fiscal year 2025.

160.20 Subd. 17. **Grant Programs; Children and**
 160.21 **Community Service Grants**

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160.22 **Base Level Adjustment.** The Opiate
 160.23 Epidemic Response Base is increased
 160.24 \$100,000 in fiscal year 2025.

160.25 Subd. 18. **Grant Programs; Children and**
 160.26 **Economic Support Grants**

-0-

89,099,000

160.27 (a) **Family and Community Resource Hubs.**
 160.28 \$2,550,000 in fiscal year 2023 is to implement
 160.29 a sustainable family and community resource
 160.30 hub model through the community action
 160.31 agencies under Minnesota Statutes, section
 160.32 256E.31, and federally recognized Tribes. The
 160.33 community resource hubs must offer
 160.34 navigation to several supports and services,
 160.35 including but not limited to basic needs and

- 161.1 economic assistance, disability services,
161.2 healthy development and screening,
161.3 developmental and behavioral concerns,
161.4 family well-being and mental health, early
161.5 learning and child care, dental care, legal
161.6 services, and culturally specific services for
161.7 American Indian families.
- 161.8 **(b) Tribal Food Sovereignty Infrastructure**
161.9 **Grants.** \$4,000,000 in fiscal year 2023 is for
161.10 capital and infrastructure development to
161.11 support food system changes and provide
161.12 equitable access to existing and new methods
161.13 of food support for American Indian
161.14 communities, including federally recognized
161.15 Tribes and American Indian nonprofit
161.16 organizations. This is a onetime appropriation
161.17 and is available until June 30, 2025.
- 161.18 **(c) Tribal Food Security.** \$2,836,000 in fiscal
161.19 year 2023 is to promote food security for
161.20 American Indian communities, including
161.21 federally recognized Tribes and American
161.22 Indian nonprofit organizations. This includes
161.23 hiring staff, providing culturally relevant
161.24 training for building food access, purchasing
161.25 technical assistance materials and supplies,
161.26 and planning for sustainable food systems.
- 161.27 **(d) Capital for Emergency Food**
161.28 **Distribution Facilities.** \$14,931,000 in fiscal
161.29 year 2023 is for improving and expanding the
161.30 infrastructure of food shelf facilities across
161.31 the state, including adding freezer or cooler
161.32 space and dry storage space, improving the
161.33 safety and sanitation of existing food shelves,
161.34 and addressing deferred maintenance or other
161.35 facility needs of existing food shelves. Grant

162.1 money shall be made available to nonprofit
 162.2 organizations, federally recognized Tribes,
 162.3 and local units of government. This is a
 162.4 onetime appropriation and is available until
 162.5 June 30, 2025.

162.6 **(e) Food Support Grants. \$5,000,000 in**
 162.7 **fiscal year 2023 is to provide additional**
 162.8 **resources to a diverse food support network**
 162.9 **that includes food shelves, food banks, and**
 162.10 **meal and food outreach programs. Grant**
 162.11 **money shall be made available to nonprofit**
 162.12 **organizations, federally recognized Tribes,**
 162.13 **and local units of government.**

162.14 **(f) Emergency Services Grants. \$54,782,000**
 162.15 **in fiscal year 2023 is for emergency services**
 162.16 **grants under Minnesota Statutes, section**
 162.17 **256E.36. This is a onetime appropriation and**
 162.18 **is available until June 30, 2024. Beginning in**
 162.19 **fiscal year 2024, the base for emergency**
 162.20 **services grants under Minnesota Statutes,**
 162.21 **section 256E.36, shall be increased by**
 162.22 **\$29,751,000.**

162.23 **(g) Base Level Adjustment. The general fund**
 162.24 **base is increased \$60,429,000 in fiscal year**
 162.25 **2024 and \$64,079,000 in fiscal year 2025.**

162.26 **Subd. 19. Grant Programs; Health Care Grants**

	<u>Appropriations by Fund</u>	
	<u>2022</u>	<u>2023</u>
162.28		
162.29	<u>-0-</u>	<u>4,500,000</u>
162.30	<u>1,936,000</u>	<u>64,000</u>

162.31 **(a) Grant Funding to Support Urban**
 162.32 **American Indians in Minnesota Health**
 162.33 **Care Programs. \$2,500,000 in fiscal year**
 162.34 **2023 is for funding to the Indian Health Board**

163.1 of Minneapolis to support continued access to
163.2 health care coverage through Minnesota health
163.3 care programs, improve access to quality care,
163.4 and increase vaccination rates among urban
163.5 American Indians.

163.6 **(b) Grants for Navigator Organizations. (1)**

163.7 \$1,936,000 in fiscal year 2023 is from the
163.8 health care access fund for grants to
163.9 organizations with a MNsure grant services
163.10 navigator assister contract in good standing
163.11 as of June 30, 2022. The grants to each
163.12 organization must be in proportion to the
163.13 number of medical assistance and
163.14 MinnesotaCare enrollees each organization
163.15 assisted that resulted in a successful
163.16 enrollment in the second quarter of fiscal year
163.17 2020, as determined by MNsure's navigator
163.18 payment process. This is a onetime
163.19 appropriation. Money from this appropriation
163.20 is available until spent. (2) \$2,000,000 in fiscal
163.21 year 2023 is from the health care access fund
163.22 for incentive payments as defined in
163.23 Minnesota Statutes, section 256.962,
163.24 subdivision 5. The general fund base for this
163.25 appropriation is \$1,000,000 in fiscal year 2024
163.26 and \$0 in fiscal year 2025. Money from this
163.27 appropriation is available until spent.

163.28 **(c) Base level adjustment.** The general fund
163.29 base is increased \$3,750,000 in fiscal year
163.30 2024 and \$1,250,000 in fiscal year 2025. The
163.31 health care access fund base is increased
163.32 \$1,000,000 in fiscal year 2024, and \$0 in fiscal
163.33 year 2025.

163.34 **(d) Health and Human Services Vaccination**
163.35 **Rates.** \$1,000,000 in fiscal year 2023 is for

164.1 community outreach grants to increase
 164.2 vaccination rates among enrollees in
 164.3 Minnesota health care programs. This is a
 164.4 onetime appropriation.

164.5 **Subd. 20. Grant Programs; Other Long-Term**
 164.6 **Care Grants**

-0-

118,000,000

164.7 **Workforce Incentive Fund Grant Program.**

164.8 \$118,000,000 in fiscal year 2023 is to assist
 164.9 disability, housing, substance use, and older
 164.10 adult service providers of public programs to
 164.11 pay for incentive benefits to current and new
 164.12 workers. This is a onetime appropriation and
 164.13 is available until June 30, 2025. Three percent
 164.14 of the total amount of the appropriation may
 164.15 be used to administer the program, which
 164.16 could include contracting with a third-party
 164.17 administrator.

164.18 **Subd. 21. Grant Programs; Disabilities Grants**

-0-

8,200,000

164.19 **(a) Electronic Visit Verification (EVV)**

164.20 **Stipends.** \$6,440,000 in fiscal year 2023 is
 164.21 for onetime stipends of \$200 to bargaining
 164.22 members to offset the potential costs related
 164.23 to people using individual devices to access
 164.24 EVV. \$5,600,000 of the appropriation is for
 164.25 stipends and the remaining 15 percent is for
 164.26 administration of these stipends. This is a
 164.27 onetime appropriation.

164.28 **(b) Self-Directed Collective Bargaining**

164.29 **Agreement; Temporary Rate Increase**

164.30 **Memorandum of Understanding.** \$1,610,000
 164.31 in fiscal year 2023 is for onetime stipends for
 164.32 individual providers covered by the SEIU
 164.33 collective bargaining agreement based on the
 164.34 memorandum of understanding related to the
 164.35 temporary rate increase in effect between

165.1 December 1, 2020, and February 7, 2021.
 165.2 \$1,400,000 of the appropriation is for stipends
 165.3 and the remaining 15 percent is for
 165.4 administration of the stipends. This is a
 165.5 onetime appropriation.

165.6 (c) **Base Level Adjustment.** The general fund
 165.7 base is increased \$805,000 in fiscal year 2024
 165.8 and \$2,420,000 in fiscal year 2025.

165.9 Subd. 22. **Grant Programs; Housing Support**
 165.10 **Grants**

-0-

1,100,000

165.11 (a) **AmeriCorps Heading Home Corps.**
 165.12 \$1,100,000 in fiscal year 2023 is for the
 165.13 AmeriCorps Heading Home Corps program
 165.14 to fund housing resource navigators supporting
 165.15 individuals experiencing homelessness.

165.16 (b) **Base Level Adjustment.** The general fund
 165.17 base is increased \$1,100,000 in fiscal year
 165.18 2024 and \$12,100,000 in fiscal year 2025.

165.19 Subd. 23. **Grant Programs; Adult Mental Health**
 165.20 **Grants**

20,000,00018,927,000

165.21 (a) **Inpatient Psychiatric and Psychiatric**
 165.22 **Residential Treatment Facilities.**
 165.23 \$10,000,000 in fiscal year 2023 is for
 165.24 competitive grants to hospitals or mental
 165.25 health providers to retain, build, or expand
 165.26 children's inpatient psychiatric beds for
 165.27 children in need of acute high-level psychiatric
 165.28 care or psychiatric residential treatment facility
 165.29 beds as described in Minnesota Statutes,
 165.30 section 256B.0941. In order to be eligible for
 165.31 a grant, a hospital or mental health provider
 165.32 must serve individuals covered by medical
 165.33 assistance under Minnesota Statutes, section
 165.34 256B.0625.

- 166.1 **(b) Expanding Support for Psychiatric**
166.2 **Residential Treatment Facilities. \$800,000**
166.3 in fiscal year 2023 is for start-up grants to
166.4 psychiatric residential treatment facilities as
166.5 described in Minnesota Statutes, section
166.6 256B.0941. Grantees can use grant money for
166.7 emergency workforce shortage uses.
166.8 Allowable grant uses related to emergency
166.9 workforce shortages may include but are not
166.10 limited to hiring and retention bonuses,
166.11 recruitment of a culturally responsive
166.12 workforce, and allowing providers to increase
166.13 the hourly rate in order to be competitive in
166.14 the market.
- 166.15 **(c) Workforce Incentive Fund Grant**
166.16 **Program. \$20,000,000 in fiscal year 2022**
166.17 from the general fund is to provide mental
166.18 health public program providers the ability to
166.19 pay for incentive benefits to current and new
166.20 workers. This is a onetime appropriation and
166.21 is available until June 30, 2025. Three percent
166.22 of the total amount of the appropriation may
166.23 be used to administer the program, which
166.24 could include contracting with a third-party
166.25 administrator.
- 166.26 **(d) Cultural and Ethnic Infrastructure**
166.27 **Grant Funding. \$5,000,000 in fiscal year**
166.28 **2023 is for increasing cultural and ethnic**
166.29 **infrastructure grant funding under Minnesota**
166.30 **Statutes, section 245.4661, subdivision 6. This**
166.31 **grant funding will be used to alleviate the**
166.32 **workforce shortage and will be used to recruit**
166.33 **more providers who are Black, Indigenous,**
166.34 **and people of color for both mental health and**
166.35 **substance use disorder organizations.**

167.1 (e) Mental Health Provider Grants to Rural
 167.2 and Underserved Communities. \$5,000,000
 167.3 in fiscal year 2023 is for a grant program to
 167.4 recruit mental health providers in rural areas
 167.5 and underserved communities. This money
 167.6 can be used for reimbursement of supervision
 167.7 costs of interns and clinical trainees,
 167.8 reimbursing staff for master's degree tuition
 167.9 costs in mental health fields, and licensing and
 167.10 exam fees.

167.11 (f) Culturally Specific Grants. \$2,000,000
 167.12 in fiscal year 2023 and \$2,000,000 in fiscal
 167.13 year 2024 are for grants for small to midsize
 167.14 nonprofit organizations who represent and
 167.15 support American Indian, Indigenous, and
 167.16 other communities disproportionately affected
 167.17 by the opiate crisis. These grants utilize
 167.18 traditional healing practices and other
 167.19 culturally congruent and relevant supports to
 167.20 prevent and curb opiate use disorders through
 167.21 housing, treatment, education, aftercare, and
 167.22 other activities as determined by the
 167.23 commissioner. This is a onetime appropriation.

167.24 (g) Base Level Adjustment. The general fund
 167.25 base is increased \$23,791,000 in fiscal year
 167.26 2024 and \$30,916,000 in fiscal year 2025. The
 167.27 opiate epidemic response base is increased
 167.28 \$2,000,000 in fiscal year 2025.

167.29 Subd. 24. Grant Programs; Child Mental Health
 167.30 Grants

-0-

10,800,000

167.31 Base Level Adjustment. The general fund
 167.32 base is increased \$15,800,000 in fiscal year
 167.33 2024 and \$800,000 in fiscal year 2025.

167.34 Subd. 25. Grant Programs; Chemical
 167.35 Dependency Treatment Support Grants

-0-

4,000,000

168.1 **(a) Emerging Mood Disorder Grant**
 168.2 **Program.** \$1,000,000 in fiscal year 2023 is
 168.3 for emerging mood disorder grants under
 168.4 Minnesota Statutes, section 245.4904.
 168.5 Grantees must use grant money as required in
 168.6 Minnesota Statutes, section 245.4904,
 168.7 subdivision 2.

168.8 **(b) Substance Use Disorder Treatment and**
 168.9 **Prevention Grants.** The base shall include
 168.10 \$4,000,000 in fiscal year 2024 and \$4,000,000
 168.11 in fiscal year 2025 for substance use disorder
 168.12 treatment and prevention grants recommended
 168.13 by the substance use disorder advisory council.

168.14 **(c) Traditional Healing Grants.** The base
 168.15 shall include \$2,000,000 in fiscal year 2025
 168.16 to extend the traditional healing grant funding
 168.17 appropriated in Laws 2019, chapter 63, article
 168.18 3, section 1, paragraph (h), from the opiate
 168.19 epidemic response account to the
 168.20 commissioner of human services. This funding
 168.21 is awarded to all Tribal nations and to five
 168.22 urban Indian communities for traditional
 168.23 healing practices to American Indians and to
 168.24 increase the capacity of culturally specific
 168.25 providers in the behavioral health workforce.

168.26 **(d) Base Level Adjustment.** The general fund
 168.27 base is increased \$4,000,000 in fiscal year
 168.28 2024 and \$2,000,000 in fiscal year 2025.

168.29 <u>Subd. 26. Direct Care and Treatment -</u>		
168.30 <u>Operations</u>	<u>-0-</u>	<u>6,501,000</u>

168.31 **Base Level Adjustment.** The general fund
 168.32 base is increased \$5,267,000 in fiscal year
 168.33 2024 and \$0 in fiscal year 2025.

168.34 <u>Subd. 27. Technical Activities</u>	<u>-0-</u>	<u>-0-</u>
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169.1 **(a) Transfers; Child Care and Development**

169.2 **Fund.** For fiscal years 2024 and 2025, the base
 169.3 shall include a transfer of \$23,500,000 in fiscal
 169.4 year 2024 and \$23,500,000 in fiscal year 2025
 169.5 from the TANF fund to the child care and
 169.6 development fund. These are onetime
 169.7 transfers.

169.8 **(b) Base Level Adjustment.** The TANF base
 169.9 is increased \$23,500,000 in fiscal year 2024,
 169.10 \$23,500,000 in fiscal year 2025, and \$0 in
 169.11 fiscal year 2026.

169.12 **Sec. 3. BOARD OF DIRECTORS OF MNSURE**169.13 Appropriations by Fund

	<u>2022</u>	<u>2023</u>
169.14		
169.15 <u>General</u>	<u>-0-</u>	<u>7,775,000</u>
169.16 <u>Health Care Access</u>	<u>-0-</u>	<u>3,500,000</u>

169.17 These appropriations may be transferred to
 169.18 the MNSure account established by Minnesota
 169.19 Statutes, section 62V.07. The health care
 169.20 access fund appropriation is onetime.

169.21 **Base Adjustment.** The general fund base for
 169.22 this appropriation is \$7,476,000 in fiscal year
 169.23 2024, \$3,521,000 in fiscal year 2025, and \$0
 169.24 in fiscal year 2026.

169.25 Sec. 4. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 29,
 169.26 is amended to read:

169.27 Subd. 29. Grant Programs; Disabilities Grants	31,398,000	31,010,000
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169.28 **(a) Training Stipends for Direct Support**

169.29 **Services Providers.** \$1,000,000 in fiscal year
 169.30 2022 is from the general fund for stipends for
 169.31 individual providers of direct support services
 169.32 as defined in Minnesota Statutes, section
 169.33 256B.0711, subdivision 1. These stipends are

170.1 available to individual providers who have
170.2 completed designated voluntary trainings
170.3 made available through the State-Provider
170.4 Cooperation Committee formed by the State
170.5 of Minnesota and the Service Employees
170.6 International Union Healthcare Minnesota.
170.7 Any unspent appropriation in fiscal year 2022
170.8 is available in fiscal year 2023. This is a
170.9 onetime appropriation. This appropriation is
170.10 available only if the labor agreement between
170.11 the state of Minnesota and the Service
170.12 Employees International Union Healthcare
170.13 Minnesota under Minnesota Statutes, section
170.14 179A.54, is approved under Minnesota
170.15 Statutes, section 3.855.

170.16 **(b) Parent-to-Parent Peer Support.** \$125,000
170.17 in fiscal year 2022 and \$125,000 in fiscal year
170.18 2023 are from the general fund for a grant to
170.19 an alliance member of Parent to Parent USA
170.20 to support the alliance member's
170.21 parent-to-parent peer support program for
170.22 families of children with a disability or special
170.23 health care need.

170.24 **(c) Self-Advocacy Grants.** (1) \$143,000 in
170.25 fiscal year 2022 and \$143,000 in fiscal year
170.26 2023 are from the general fund for a grant
170.27 under Minnesota Statutes, section 256.477,
170.28 subdivision 1.

170.29 (2) \$105,000 in fiscal year 2022 and \$105,000
170.30 in fiscal year 2023 are from the general fund
170.31 for subgrants under Minnesota Statutes,
170.32 section 256.477, subdivision 2.

170.33 **(d) Minnesota Inclusion Initiative Grants.**
170.34 \$150,000 in fiscal year 2022 and \$150,000 in
170.35 fiscal year 2023 are from the general fund for

171.1 grants under Minnesota Statutes, section
171.2 256.4772.

171.3 **(e) Grants to Expand Access to Child Care**
171.4 **for Children with Disabilities.** \$250,000 in
171.5 fiscal year 2022 and \$250,000 in fiscal year
171.6 2023 are from the general fund for grants to
171.7 expand access to child care for children with
171.8 disabilities. Any unspent amount in fiscal year
171.9 2022 is available through June 30, 2023. This
171.10 is a onetime appropriation.

171.11 **(f) Parenting with a Disability Pilot Project.**
171.12 The general fund base includes \$1,000,000 in
171.13 fiscal year 2024 and \$0 in fiscal year 2025 to
171.14 implement the parenting with a disability pilot
171.15 project.

171.16 **(g) Base Level Adjustment.** The general fund
171.17 base is \$29,260,000 in fiscal year 2024 and
171.18 \$22,260,000 in fiscal year 2025.

171.19 Sec. 5. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 31,
171.20 is amended to read:

171.21 **Subd. 31. Grant Programs; Adult Mental Health**
171.22 **Grants**

171.23	Appropriations by Fund		
171.24	General	98,772,000	98,703,000
171.25	Opiate Epidemic		
171.26	Response	2,000,000	2,000,000

171.27 **(a) Culturally and Linguistically**
171.28 **Appropriate Services Implementation**
171.29 **Grants.** \$2,275,000 in fiscal year 2022 and
171.30 \$2,206,000 in fiscal year 2023 are from the
171.31 general fund for grants to disability services,
171.32 mental health, and substance use disorder
171.33 treatment providers to implement culturally
171.34 and linguistically appropriate services

172.1 standards, according to the implementation
 172.2 and transition plan developed by the
 172.3 commissioner. Any unspent amount in fiscal
 172.4 year 2022 is available through June 30, 2023.

172.5 The general fund base for this appropriation
 172.6 is \$1,655,000 in fiscal year 2024 and \$0 in
 172.7 fiscal year 2025.

172.8 **(b) Base Level Adjustment.** The general fund
 172.9 base is \$93,295,000 in fiscal year 2024 and
 172.10 \$83,324,000 in fiscal year 2025. The opiate
 172.11 epidemic response fund base is \$2,000,000 in
 172.12 fiscal year 2024 and \$0 in fiscal year 2025.

172.13 Sec. 6. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 33,
 172.14 is amended to read:

172.15 **Subd. 33. Grant Programs; Chemical**
 172.16 **Dependency Treatment Support Grants**

172.17	Appropriations by Fund		
172.18	General	4,273,000	4,274,000
172.19	Lottery Prize	1,733,000	1,733,000
172.20	Opiate Epidemic		
172.21	Response	500,000	500,000

172.22 **(a) Problem Gambling.** \$225,000 in fiscal
 172.23 year 2022 and \$225,000 in fiscal year 2023
 172.24 are from the lottery prize fund for a grant to
 172.25 the state affiliate recognized by the National
 172.26 Council on Problem Gambling. The affiliate
 172.27 must provide services to increase public
 172.28 awareness of problem gambling, education,
 172.29 training for individuals and organizations
 172.30 providing effective treatment services to
 172.31 problem gamblers and their families, and
 172.32 research related to problem gambling.

172.33 **(b) Recovery Community Organization**
 172.34 **Grants.** \$2,000,000 in fiscal year 2022 and
 172.35 \$2,000,000 in fiscal year 2023 are from the

173.1 general fund for grants to recovery community
173.2 organizations, as defined in Minnesota
173.3 Statutes, section 254B.01, subdivision 8, to
173.4 provide for costs and community-based peer
173.5 recovery support services that are not
173.6 otherwise eligible for reimbursement under
173.7 Minnesota Statutes, section 254B.05, as part
173.8 of the continuum of care for substance use
173.9 disorders. Any unspent amount in fiscal year
173.10 2022 is available through June 30, 2023. The
173.11 general fund base for this appropriation is
173.12 \$2,000,000 in fiscal year 2024 and \$0 in fiscal
173.13 year 2025

173.14 **(c) Base Level Adjustment.** The general fund
173.15 base is \$4,636,000 in fiscal year 2024 and
173.16 \$2,636,000 in fiscal year 2025. The opiate
173.17 epidemic response fund base is \$500,000 in
173.18 fiscal year 2024 and \$0 in fiscal year 2025.

173.19 Sec. 7. Laws 2021, First Special Session chapter 7, article 16, section 28, is amended to
173.20 read:

173.21 **Sec. 28. CONTINGENT APPROPRIATIONS.**

173.22 Any appropriation in this act for a purpose included in Minnesota's initial state spending
173.23 plan as described in guidance issued by the Centers for Medicare and Medicaid Services
173.24 for implementation of section 9817 of the federal American Rescue Plan Act of 2021 is
173.25 contingent upon approval of that purpose by the Centers for Medicare and Medicaid Services,
173.26 except for the rate increases specified in article 11, sections 12 and 19. This section expires
173.27 June 30, 2024.

173.28 Sec. 8. Laws 2021, First Special Session chapter 7, article 17, section 3, is amended to
173.29 read:

173.30 **Sec. 3. GRANTS FOR TECHNOLOGY FOR HCBS RECIPIENTS.**

173.31 (a) This act includes \$500,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023
173.32 for the commissioner of human services to issue competitive grants to home and

174.1 community-based service providers. Grants must be used to provide technology assistance,
174.2 including but not limited to Internet services, to older adults and people with disabilities
174.3 who do not have access to technology resources necessary to use remote service delivery
174.4 and telehealth. Any unspent amount in fiscal year 2022 is available through June 30, 2023.
174.5 The general fund base included in this act for this purpose is \$1,500,000 in fiscal year 2024
174.6 and \$0 in fiscal year 2025.

174.7 (b) All grant activities must be completed by March 31, 2024.

174.8 (c) This section expires June 30, 2024.

174.9 Sec. 9. Laws 2021, First Special Session chapter 7, article 17, section 6, is amended to
174.10 read:

174.11 Sec. 6. **TRANSITION TO COMMUNITY INITIATIVE.**

174.12 (a) This act includes \$5,500,000 in fiscal year 2022 and \$5,500,000 in fiscal year 2023
174.13 for additional funding for grants awarded under the transition to community initiative
174.14 described in Minnesota Statutes, section 256.478. Any unspent amount in fiscal year 2022
174.15 is available through June 30, 2023. The general fund base in this act for this purpose is
174.16 \$4,125,000 in fiscal year 2024 and \$0 in fiscal year 2025.

174.17 (b) All grant activities must be completed by March 31, 2024.

174.18 (c) This section expires June 30, 2024.

174.19 Sec. 10. Laws 2021, First Special Session chapter 7, article 17, section 10, is amended to
174.20 read:

174.21 Sec. 10. **PROVIDER CAPACITY GRANTS FOR RURAL AND UNDERSERVED**
174.22 **COMMUNITIES.**

174.23 (a) This act includes \$6,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
174.24 for the commissioner to establish a grant program for small provider organizations that
174.25 provide services to rural or underserved communities with limited home and
174.26 community-based services provider capacity. The grants are available to build organizational
174.27 capacity to provide home and community-based services in Minnesota and to build new or
174.28 expanded infrastructure to access medical assistance reimbursement. Any unspent amount
174.29 in fiscal year 2022 is available through June 30, 2023. The general fund base in this act for
174.30 this purpose is \$8,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

175.1 (b) The commissioner shall conduct community engagement, provide technical assistance,
175.2 and establish a collaborative learning community related to the grants available under this
175.3 section and work with the commissioner of management and budget and the commissioner
175.4 of the Department of Administration to mitigate barriers in accessing grant funds. Funding
175.5 awarded for the community engagement activities described in this paragraph is exempt
175.6 from state solicitation requirements under Minnesota Statutes, section 16B.97, for activities
175.7 that occur in fiscal year 2022.

175.8 (c) All grant activities must be completed by March 31, 2024.

175.9 (d) This section expires June 30, 2024.

175.10 Sec. 11. Laws 2021, First Special Session chapter 7, article 17, section 11, is amended to
175.11 read:

175.12 Sec. 11. **EXPAND MOBILE CRISIS.**

175.13 (a) This act includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
175.14 for additional funding for grants for adult mobile crisis services under Minnesota Statutes,
175.15 section 245.4661, subdivision 9, paragraph (b), clause (15). Any unspent amount in fiscal
175.16 year 2022 is available through June 30, 2023. The general fund base in this act for this
175.17 purpose is \$4,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

175.18 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
175.19 funded under this section.

175.20 (c) All grant activities must be completed by March 31, 2024.

175.21 (d) This section expires June 30, 2024.

175.22 Sec. 12. Laws 2021, First Special Session chapter 7, article 17, section 12, is amended to
175.23 read:

175.24 Sec. 12. **PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY AND CHILD**
175.25 **AND ADOLESCENT MOBILE TRANSITION UNIT.**

175.26 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023
175.27 for the commissioner of human services to create children's mental health transition and
175.28 support teams to facilitate transition back to the community of children from psychiatric
175.29 residential treatment facilities, and child and adolescent behavioral health hospitals. Any
175.30 unspent amount in fiscal year 2022 is available through June 30, 2023. The general fund

176.1 base included in this act for this purpose is \$1,875,000 in fiscal year 2024 and \$0 in fiscal
176.2 year 2025.

176.3 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
176.4 funded under this section.

176.5 (c) This section expires March 31, 2024.

176.6 Sec. 13. Laws 2021, First Special Session chapter 7, article 17, section 17, subdivision 3,
176.7 is amended to read:

176.8 Subd. 3. **Respite services for older adults grants.** (a) This act includes \$2,000,000 in
176.9 fiscal year 2022 and \$2,000,000 in fiscal year 2023 for the commissioner of human services
176.10 to establish a grant program for respite services for older adults. The commissioner must
176.11 award grants on a competitive basis to respite service providers. Any unspent amount in
176.12 fiscal year 2022 is available through June 30, 2023. The general fund base included in this
176.13 act for this purpose is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

176.14 (b) All grant activities must be completed by March 31, 2024.

176.15 (c) This subdivision expires June 30, 2024.

119B.03 BASIC SLIDING FEE PROGRAM.

Subdivision 1. **Notice of allocation.** By October 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Subd. 2. **Waiting list.** Each county that receives funds under this section must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a preliminary determination of eligibility when a family requests child care assistance. At a minimum, a county must make a preliminary determination of eligibility based on family size, income, and authorized activity. A family seeking child care assistance must provide the required information to the county. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. Counties must review and update their waiting list at least every six months.

Subd. 4. **Funding priority.** (a) First priority for child care assistance under the basic sliding fee program must be given to eligible non-MFIP families who do not have a high school diploma or commissioner of education-selected high school equivalency certification or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. This includes student parents as defined under section 119B.011, subdivision 19b. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(b) Second priority must be given to parents who have completed their MFIP or DWP transition year, or parents who are no longer receiving or eligible for diversionary work program supports.

(c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(d) Fourth priority must be given to families in which at least one parent is a veteran as defined under section 197.447.

(e) Families under paragraph (b) must be added to the basic sliding fee waiting list on the date they begin the transition year under section 119B.011, subdivision 20, and must be moved into the basic sliding fee program as soon as possible after they complete their transition year.

Subd. 4a. **Temporary reprioritization.** (a) Notwithstanding subdivision 4, priority for child care assistance under the basic sliding fee assistance program shall be determined according to this subdivision beginning July 1, 2021, through May 31, 2024.

(b) First priority must be given to eligible non-MFIP families who do not have a high school diploma or commissioner of education-selected high school equivalency certification or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. This includes student parents as defined under section 119B.011, subdivision 19b. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(c) Second priority must be given to families in which at least one parent is a veteran, as defined under section 197.447.

(d) Third priority must be given to eligible families who do not meet the specifications of paragraph (b), (c), (e), or (f).

(e) Fourth priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(f) Fifth priority must be given to eligible families receiving services under section 119B.011, subdivision 20a, if the parents have completed their MFIP or DWP transition year, or if the parents are no longer receiving or eligible for DWP supports.

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(g) Families under paragraph (f) must be added to the basic sliding fee waiting list on the date they complete their transition year under section 119B.011, subdivision 20.

Subd. 5. Review of use of funds; reallocation. (a) After each quarter, the commissioner shall review the use of basic sliding fee program allocations by county. The commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full allocation or may allow a county to expend up to ten percent of its allocation in the subsequent allocation period.

(b) Any unexpended state and federal appropriations from the first year of the biennium may be carried forward to the second year of the biennium.

Subd. 6. Allocation formula. The allocation component of basic sliding fee state and federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each county's guaranteed floor according to subdivision 8, with any remaining available funds allocated according to the following formula:

(a) One-fourth of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

(b) Up to one-fourth of the funds shall be allocated in proportion to the number of families participating in the transition year child care program as reported during and averaged over the most recent six months completed at the time of the notice of allocation. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (e).

(c) Up to one-half of the funds shall be allocated in proportion to the average of each county's most recent 12 months of reported waiting list as defined in subdivision 2 and the reinstatement list of those families whose assistance was terminated with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart 1. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (e).

(d) The amount necessary to serve all families in paragraphs (b) and (c) shall be calculated based on the basic sliding fee average cost of care per family in the county with the highest cost in the most recently completed calendar year.

(e) Funds in excess of the amount necessary to serve all families in paragraphs (b) and (c) shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

Subd. 6a. Allocation due to increased funding. When funding increases are implemented within a calendar year, every county must receive an allocation at least equal to its original allocation for the same time period. The remainder of the allocation must be recalculated to reflect the funding increase, according to formulas identified in subdivision 6.

Subd. 6b. Allocation due to decreased funding. When funding decreases are implemented within a calendar year, county allocations must be reduced in an amount proportionate to the reduction in the total allocation for the same time period. This applies when a funding decrease necessitates the revision of an existing calendar year allocation.

Subd. 8. Guaranteed floor. (a) Beginning January 1, 1996, each county's guaranteed floor shall equal 90 percent of the allocation received in the preceding calendar year. For the period January 1, 1999, to December 31, 1999, each county's guaranteed floor must be equal to its original calendar year 1998 allocation or its actual earnings for calendar year 1998, whichever is less.

(b) When the amount of funds available for allocation is less than the amount available in the previous year, each county's previous year allocation shall be reduced in proportion to the reduction in the statewide funding, for the purpose of establishing the guaranteed floor.

169A.70 ALCOHOL SAFETY PROGRAMS; CHEMICAL USE ASSESSMENTS.

Subd. 6. Method of assessment. (a) As used in this subdivision, "collateral contact" means an oral or written communication initiated by an assessor for the purpose of gathering information from an individual or agency, other than the offender, to verify or supplement information provided by the offender during an assessment under this section. The term includes contacts with family members and criminal justice agencies.

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(b) An assessment conducted under this section must include at least one personal interview with the offender designed to make a determination about the extent of the offender's past and present chemical and alcohol use or abuse. It must also include collateral contacts and a review of relevant records or reports regarding the offender including, but not limited to, police reports, arrest reports, driving records, chemical testing records, and test refusal records. If the offender has a probation officer, the officer must be the subject of a collateral contact under this subdivision. If an assessor is unable to make collateral contacts, the assessor shall specify why collateral contacts were not made.

245G.22 OPIOID TREATMENT PROGRAMS.

Subd. 19. **Placing authorities.** A program must provide certain notification and client-specific updates to placing authorities for a client who is enrolled in Minnesota health care programs. At the request of the placing authority, the program must provide client-specific updates, including but not limited to informing the placing authority of positive drug testings and changes in medications used for the treatment of opioid use disorder ordered for the client.

254A.02 DEFINITIONS.

Subd. 8a. **Placing authority.** "Placing authority" means a county, prepaid health plan, or tribal governing board governed by Minnesota Rules, parts 9530.6600 to 9530.6655.

254A.16 RESPONSIBILITIES OF THE COMMISSIONER.

Subd. 6. **Monitoring.** The commissioner shall gather and placing authorities shall provide information to measure compliance with Minnesota Rules, parts 9530.6600 to 9530.6655. The commissioner shall specify the format for data collection to facilitate tracking, aggregating, and using the information.

254A.19 CHEMICAL USE ASSESSMENTS.

Subd. 1a. **Emergency room patients.** A county may enter into a contract with a hospital to provide chemical use assessments under Minnesota Rules, parts 9530.6600 to 9530.6655, for patients admitted to an emergency room or inpatient hospital when:

- (1) an assessor is not available; and
- (2) detoxification services in the county are at full capacity.

Subd. 2. **Probation officer as contact.** When a chemical use assessment is required under Minnesota Rules, parts 9530.6600 to 9530.6655, for a person who is on probation or under other correctional supervision, the assessor, either orally or in writing, shall contact the person's probation officer to verify or supplement the information provided by the person.

Subd. 5. **Assessment via telehealth.** Notwithstanding Minnesota Rules, part 9530.6615, subpart 3, item A, a chemical use assessment may be conducted via telehealth as defined in section 256B.0625, subdivision 3b.

254B.04 ELIGIBILITY FOR BEHAVIORAL HEALTH FUND SERVICES.

Subd. 2b. **Eligibility for placement in opioid treatment programs.** Prior to placement of an individual who is determined by the assessor to require treatment for opioid addiction, the assessor must provide educational information concerning treatment options for opioid addiction, including the use of a medication for the use of opioid addiction. The commissioner shall develop educational materials supported by research and updated periodically that must be used by assessors to comply with this requirement.

Subd. 2c. **Eligibility to receive peer recovery support and treatment service coordination.** Notwithstanding Minnesota Rules, part 9530.6620, subpart 6, a placing authority may authorize peer recovery support and treatment service coordination for a person who scores a severity of one or more in dimension 4, 5, or 6, under Minnesota Rules, part 9530.6622. Authorization for peer recovery support and treatment service coordination under this subdivision does not need to be provided in conjunction with treatment services under Minnesota Rules, part 9530.6622, subpart 4, 5, or 6.

254B.041 CHEMICAL DEPENDENCY RULES.

Subd. 2. **Vendor collections; rule amendment.** The commissioner may amend Minnesota Rules, parts 9530.7000 to 9530.7025, to require a vendor of chemical dependency transitional and extended care rehabilitation services to collect the cost of care received under a program from an

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eligible person who has been determined to be partially responsible for treatment costs, and to remit the collections to the commissioner. The commissioner shall pay to a vendor, for the collections, an amount equal to five percent of the collections remitted to the commissioner by the vendor.

256J.08 DEFINITIONS.

Subd. 10. **Budget month.** "Budget month" means the calendar month which the county agency uses to determine the income or circumstances of an assistance unit to calculate the amount of the assistance payment in the payment month.

Subd. 53. **Lump sum.** "Lump sum" means nonrecurring income as described in section 256P.06, subdivision 3, clause (2), item (ix).

Subd. 61. **Monthly income test.** "Monthly income test" means the test used to determine ongoing eligibility and the assistance payment amount according to section 256J.21.

Subd. 62. **Nonrecurring income.** "Nonrecurring income" means a form of income which is received:

(1) only one time or is not of a continuous nature; or

(2) in a prospective payment month but is no longer received in the corresponding retrospective payment month.

Subd. 81. **Retrospective budgeting.** "Retrospective budgeting" means a method of determining the amount of the assistance payment in which the payment month is the second month after the budget month.

Subd. 83. **Significant change.** "Significant change" means a decline in gross income of the amount of the disregard as defined in section 256P.03 or more from the income used to determine the grant for the current month.

256J.30 APPLICANT AND PARTICIPANT REQUIREMENTS AND RESPONSIBILITIES.

Subd. 5. **Monthly MFIP household reports.** Each assistance unit with a member who has earned income or a recent work history, and each assistance unit that has income deemed to it from a financially responsible person must complete a monthly MFIP household report form. "Recent work history" means the individual received earned income in the report month or any of the previous three calendar months even if the earnings are excluded. To be complete, the MFIP household report form must be signed and dated by the caregivers no earlier than the last day of the reporting period. All questions required to determine assistance payment eligibility must be answered, and documentation of earned income must be included.

Subd. 7. **Due date of MFIP household report form.** An MFIP household report form must be received by the county agency by the eighth calendar day of the month following the reporting period covered by the form. When the eighth calendar day of the month falls on a weekend or holiday, the MFIP household report form must be received by the county agency the first working day that follows the eighth calendar day.

Subd. 8. **Late MFIP household report forms.** (a) Paragraphs (b) to (e) apply to the reporting requirements in subdivision 7.

(b) When the county agency receives an incomplete MFIP household report form, the county agency must immediately contact the caregiver by phone or in writing to acquire the necessary information to complete the form.

(c) The automated eligibility system must send a notice of proposed termination of assistance to the assistance unit if a complete MFIP household report form is not received by a county agency. The automated notice must be mailed to the caregiver by approximately the 16th of the month. When a caregiver submits an incomplete form on or after the date a notice of proposed termination has been sent, the termination is valid unless the caregiver submits a complete form before the end of the month.

(d) An assistance unit required to submit an MFIP household report form is considered to have continued its application for assistance if a complete MFIP household report form is received within a calendar month after the month in which the form was due and assistance shall be paid for the period beginning with the first day of that calendar month.

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(e) A county agency must allow good cause exemptions from the reporting requirements under subdivision 5 when any of the following factors cause a caregiver to fail to provide the county agency with a completed MFIP household report form before the end of the month in which the form is due:

- (1) an employer delays completion of employment verification;
- (2) a county agency does not help a caregiver complete the MFIP household report form when the caregiver asks for help;
- (3) a caregiver does not receive an MFIP household report form due to mistake on the part of the department or the county agency or due to a reported change in address;
- (4) a caregiver is ill, or physically or mentally incapacitated; or
- (5) some other circumstance occurs that a caregiver could not avoid with reasonable care which prevents the caregiver from providing a completed MFIP household report form before the end of the month in which the form is due.

256J.33 PROSPECTIVE AND RETROSPECTIVE MFIP ELIGIBILITY.

Subd. 3. **Retrospective eligibility.** After the first two months of MFIP eligibility, a county agency must continue to determine whether an assistance unit is prospectively eligible for the payment month by looking at all factors other than income and then determine whether the assistance unit is retrospectively income eligible by applying the monthly income test to the income from the budget month. When the monthly income test is not satisfied, the assistance payment must be suspended when ineligibility exists for one month or ended when ineligibility exists for more than one month.

Subd. 4. **Monthly income test.** A county agency must apply the monthly income test retrospectively for each month of MFIP eligibility. An assistance unit is not eligible when the countable income equals or exceeds the MFIP standard of need or the family wage level for the assistance unit. The income applied against the monthly income test must include:

- (1) gross earned income from employment as described in chapter 256P, prior to mandatory payroll deductions, voluntary payroll deductions, wage authorizations, and after the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;
- (2) gross earned income from self-employment less deductions for self-employment expenses in section 256J.37, subdivision 5, but prior to any reductions for personal or business state and federal income taxes, personal FICA, personal health and life insurance, and after the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;
- (3) unearned income as described in section 256P.06, subdivision 3, after deductions for allowable expenses in section 256J.37, subdivision 9, and allocations in section 256J.36;
- (4) gross earned income from employment as determined under clause (1) which is received by a member of an assistance unit who is a minor child or minor caregiver and less than a half-time student;
- (5) child support received by an assistance unit, excluded under section 256P.06, subdivision 3, clause (2), item (xvi);
- (6) spousal support received by an assistance unit;
- (7) the income of a parent when that parent is not included in the assistance unit;
- (8) the income of an eligible relative and spouse who seek to be included in the assistance unit; and
- (9) the unearned income of a minor child included in the assistance unit.

Subd. 5. **When to terminate assistance.** When an assistance unit is ineligible for MFIP assistance for two consecutive months, the county agency must terminate MFIP assistance.

256J.34 CALCULATING ASSISTANCE PAYMENTS.

Subdivision 1. **Prospective budgeting.** A county agency must use prospective budgeting to calculate the assistance payment amount for the first two months for an applicant who has not received assistance in this state for at least one payment month preceding the first month of payment under a current application. Notwithstanding subdivision 3, paragraph (a), clause (2), a county

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agency must use prospective budgeting for the first two months for a person who applies to be added to an assistance unit. Prospective budgeting is not subject to overpayments or underpayments unless fraud is determined under section 256.98.

(a) The county agency must apply the income received or anticipated in the first month of MFIP eligibility against the need of the first month. The county agency must apply the income received or anticipated in the second month against the need of the second month.

(b) When the assistance payment for any part of the first two months is based on anticipated income, the county agency must base the initial assistance payment amount on the information available at the time the initial assistance payment is made.

(c) The county agency must determine the assistance payment amount for the first two months of MFIP eligibility by budgeting both recurring and nonrecurring income for those two months.

Subd. 2. Retrospective budgeting. The county agency must use retrospective budgeting to calculate the monthly assistance payment amount after the payment for the first two months has been made under subdivision 1.

Subd. 3. Additional uses of retrospective budgeting. Notwithstanding subdivision 1, the county agency must use retrospective budgeting to calculate the monthly assistance payment amount for the first two months under paragraphs (a) and (b).

(a) The county agency must use retrospective budgeting to determine the amount of the assistance payment in the first two months of MFIP eligibility:

(1) when an assistance unit applies for assistance for the same month for which assistance has been interrupted, the interruption in eligibility is less than one payment month, the assistance payment for the preceding month was issued in this state, and the assistance payment for the immediately preceding month was determined retrospectively; or

(2) when a person applies in order to be added to an assistance unit, that assistance unit has received assistance in this state for at least the two preceding months, and that person has been living with and has been financially responsible for one or more members of that assistance unit for at least the two preceding months.

(b) Except as provided in clauses (1) to (4), the county agency must use retrospective budgeting and apply income received in the budget month by an assistance unit and by a financially responsible household member who is not included in the assistance unit against the MFIP standard of need or family wage level to determine the assistance payment to be issued for the payment month.

(1) When a source of income ends prior to the third payment month, that income is not considered in calculating the assistance payment for that month. When a source of income ends prior to the fourth payment month, that income is not considered when determining the assistance payment for that month.

(2) When a member of an assistance unit or a financially responsible household member leaves the household of the assistance unit, the income of that departed household member is not budgeted retrospectively for any full payment month in which that household member does not live with that household and is not included in the assistance unit.

(3) When an individual is removed from an assistance unit because the individual is no longer a minor child, the income of that individual is not budgeted retrospectively for payment months in which that individual is not a member of the assistance unit, except that income of an ineligible child in the household must continue to be budgeted retrospectively against the child's needs when the parent or parents of that child request allocation of their income against any unmet needs of that ineligible child.

(4) When a person ceases to have financial responsibility for one or more members of an assistance unit, the income of that person is not budgeted retrospectively for the payment months which follow the month in which financial responsibility ends.

Subd. 4. Significant change in gross income. The county agency must recalculate the assistance payment when an assistance unit experiences a significant change, as defined in section 256J.08, resulting in a reduction in the gross income received in the payment month from the gross income received in the budget month. The county agency must issue a supplemental assistance payment based on the county agency's best estimate of the assistance unit's income and circumstances for the payment month. Supplemental assistance payments that result from significant changes are limited to two in a 12-month period regardless of the reason for the change. Notwithstanding any

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other statute or rule of law, supplementary assistance payments shall not be made when the significant change in income is the result of receipt of a lump sum, receipt of an extra paycheck, business fluctuation in self-employment income, or an assistance unit member's participation in a strike or other labor action.

256J.37 TREATMENT OF INCOME AND LUMP SUMS.

Subd. 10. **Treatment of lump sums.** (a) The agency must treat lump-sum payments as earned or unearned income. If the lump-sum payment is included in the category of income identified in subdivision 9, it must be treated as unearned income. A lump sum is counted as income in the month received and budgeted either prospectively or retrospectively depending on the budget cycle at the time of receipt. When an individual receives a lump-sum payment, that lump sum must be combined with all other earned and unearned income received in the same budget month, and it must be applied according to paragraphs (a) to (c). A lump sum may not be carried over into subsequent months. Any funds that remain in the third month after the month of receipt are counted in the asset limit.

(b) For a lump sum received by an applicant during the first two months, prospective budgeting is used to determine the payment and the lump sum must be combined with other earned or unearned income received and budgeted in that prospective month.

(c) For a lump sum received by a participant after the first two months of MFIP eligibility, the lump sum must be combined with other income received in that budget month, and the combined amount must be applied retrospectively against the applicable payment month.

(d) When a lump sum, combined with other income under paragraphs (b) and (c), is less than the MFIP transitional standard for the appropriate payment month, the assistance payment must be reduced according to the amount of the countable income. When the countable income is greater than the MFIP standard or family wage level, the assistance payment must be suspended for the payment month.

9530.7000 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of parts 9530.7000 to 9530.7030, the following terms have the meanings given them.

Subp. 2. **Chemical.** "Chemical" means alcohol, solvents, and other mood altering substances, including controlled substances as defined in Minnesota Statutes, chapter 152.

Subp. 5. **Chemical dependency treatment services.** "Chemical dependency treatment services" means services provided by chemical dependency treatment programs licensed according to Minnesota Statutes, chapter 245G, or certified according to parts 2960.0450 to 2960.0490.

Subp. 6. **Client.** "Client" means an individual who has requested chemical abuse or dependency services, or for whom chemical abuse or dependency services have been requested, from a local agency.

Subp. 7. **Commissioner.** "Commissioner" means the commissioner of the Minnesota Department of Human Services or the commissioner's designated representative.

Subp. 8. **Behavioral health fund.** "Behavioral health fund" means money appropriated for payment of chemical dependency treatment services under Minnesota Statutes, chapter 254B.

Subp. 9. **Copayment.** "Copayment" means the amount an insured person is obligated to pay before the person's third-party payment source is obligated to make a payment, or the amount an insured person is obligated to pay in addition to the amount the person's third-party payment source is obligated to pay.

Subp. 10. **Drug and Alcohol Abuse Normative Evaluation System or DAANES.** "Drug and Alcohol Abuse Normative Evaluation System" or "DAANES" means the client information system operated by the department's Chemical Dependency Program Division.

Subp. 11. **Department.** "Department" means the Minnesota Department of Human Services.

Subp. 13. **Income.** "Income" means the total amount of cash received by an individual from the following sources:

- A. cash payments for wages or salaries;
- B. cash receipts from nonfarm or farm self-employment, minus deductions allowed by the federal Internal Revenue Service for business or farm expenses;
- C. regular cash payments from social security, railroad retirement, unemployment compensation, workers' union funds, veterans' benefits, the Minnesota family investment program, Supplemental Security Income, General Assistance, training stipends, alimony, child support, and military family allotments;
- D. cash payments from private pensions, government employee pensions, and regular insurance or annuity payments;
- E. cash payments for dividends, interest, rents, or royalties; and
- F. periodic cash receipts from estates or trusts.

Income does not include capital gains; any cash assets drawn down as withdrawals from a bank, the sale of property, a house, or a car; tax refunds, gifts, lump sum inheritances, one time insurance payments, or compensation for injury; court-ordered child support or health insurance premium payments made by the client or responsible relative; and noncash benefits such as health insurance, food or rent received in lieu of wages, and noncash benefits from programs such as Medicare, Medical Assistance, the Supplemental Nutrition Assistance Program, school lunches, and housing assistance. Annual income is the amount reported and verified by an individual as current income calculated prospectively to cover one year.

Subp. 14. **Local agency.** "Local agency" means the county or multicounty agency authorized under Minnesota Statutes, sections 254B.01, subdivision 5, and 254B.03, subdivision 1, to make placements under the behavioral health fund.

Subp. 15. **Minor child.** "Minor child" means an individual under the age of 18 years.

Subp. 17a. **Policyholder.** "Policyholder" means a person who has a third-party payment policy under which a third-party payment source has an obligation to pay all or part of a client's treatment costs.

Subp. 19. **Responsible relative.** "Responsible relative" means a person who is a member of the client's household and is a client's spouse or the parent of a minor child who is a client.

Subp. 20. **Third-party payment source.** "Third-party payment source" means a person, entity, or public or private agency other than medical assistance or general assistance medical care that has a probable obligation to pay all or part of the costs of a client's chemical dependency treatment.

Subp. 21. **Vendor.** "Vendor" means a licensed provider of chemical dependency treatment services that meets the criteria established in Minnesota Statutes, section 254B.05, and that has applied according to part 9505.0195 to participate as a provider in the medical assistance program.

9530.7005 SCOPE AND APPLICABILITY.

Parts 9530.7000 to 9530.7030 govern the administration of the behavioral health fund, establish the criteria to be applied by local agencies to determine a client's eligibility under the behavioral health fund, and establish a client's obligation to pay for chemical dependency treatment services.

These parts must be read in conjunction with Minnesota Statutes, chapter 254B, and parts 9530.6600 to 9530.6655.

9530.7010 COUNTY RESPONSIBILITY TO PROVIDE SERVICES.

The local agency shall provide chemical dependency treatment services to eligible clients who have been assessed and placed by the county according to parts 9530.6600 to 9530.6655 and Minnesota Statutes, chapter 256G.

9530.7012 VENDOR AGREEMENTS.

When a local agency enters into an agreement with a vendor of chemical dependency treatment services, the agreement must distinguish client per unit room and board costs from per unit chemical dependency treatment services costs.

For purposes of this part, "chemical dependency treatment services costs" are costs, including related administrative costs, of services that meet the criteria in items A to C:

A. The services are provided within a program licensed according to Minnesota Statutes, chapter 245G, or certified according to parts 2960.0430 to 2960.0490.

B. The services meet the definition of chemical dependency services in Minnesota Statutes, section 254B.01, subdivision 3.

C. The services meet the applicable service standards for licensed chemical dependency treatment programs in item A, but are not under the jurisdiction of the commissioner.

This part also applies to vendors of room and board services that are provided concurrently with chemical dependency treatment services according to Minnesota Statutes, sections 254B.03, subdivision 2, and 254B.05, subdivision 1.

This part does not apply when a county contracts for chemical dependency services in an acute care inpatient hospital licensed by the Department of Health under chapter 4640.

9530.7015 CLIENT ELIGIBILITY; BEHAVIORAL HEALTH FUND.

Subpart 1. **Client eligibility to have treatment totally paid under the behavioral health fund.** A client who meets the criteria established in item A, B, C, or D shall be eligible to have chemical dependency treatment paid for totally with funds from the behavioral health fund.

A. The client is eligible for MFIP as determined under Minnesota Statutes, chapter 256J.

B. The client is eligible for medical assistance as determined under parts 9505.0010 to 9505.0140.

C. The client is eligible for general assistance, general assistance medical care, or work readiness as determined under parts 9500.1200 to 9500.1272.

D. The client's income is within current household size and income guidelines for entitled persons, as defined in Minnesota Statutes, section 254B.04, subdivision 1, and as determined by the local agency under part 9530.7020, subpart 1.

Subp. 2a. **Third-party payment source and client eligibility for the behavioral health fund.** Clients who meet the financial eligibility requirement in subpart 1 and who have a third-party payment source are eligible for the behavioral health fund if the third party payment source pays less than 100 percent of the treatment services determined according to parts 9530.6600 to 9530.6655.

Subp. 4. **Client ineligible to have treatment paid for from the behavioral health fund.** A client who meets the criteria in item A or B shall be ineligible to have chemical dependency treatment services paid for with behavioral health funds.

A. The client has an income that exceeds current household size and income guidelines for entitled persons as defined in Minnesota Statutes, section 254B.04, subdivision 1, and as determined by the local agency under part 9530.7020, subpart 1.

B. The client has an available third-party payment source that will pay the total cost of the client's treatment.

Subp. 5. **Eligibility of clients disenrolled from prepaid health plans.** A client who is disenrolled from a state prepaid health plan during a treatment episode is eligible for continued treatment service that is paid for by the behavioral health fund, until the treatment episode is completed or the client is re-enrolled in a state prepaid health plan if the client meets the criteria in item A or B. The client must:

A. continue to be enrolled in MinnesotaCare, medical assistance, or general assistance medical care; or

B. be eligible according to subparts 1 and 2a and be determined eligible by a local agency under part 9530.7020.

Subp. 6. **County responsibility.** When a county commits a client under Minnesota Statutes, chapter 253B, to a regional treatment center for chemical dependency treatment services and the client is ineligible for the behavioral health fund, the county is responsible for the payment to the regional treatment center according to Minnesota Statutes, section 254B.05, subdivision 4.

9530.7020 LOCAL AGENCY TO DETERMINE CLIENT ELIGIBILITY.

Subpart 1. **Local agency duty to determine client eligibility.** The local agency shall determine a client's eligibility for the behavioral health fund at the time the client is assessed under parts 9530.6600 to 9530.6655. Client eligibility must be determined using forms

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prescribed by the department. To determine a client's eligibility, the local agency must determine the client's income, the size of the client's household, the availability of a third-party payment source, and a responsible relative's ability to pay for the client's chemical dependency treatment, as specified in items A to C.

A. The local agency must determine the client's income. A client who is a minor child shall not be deemed to have income available to pay for chemical dependency treatment, unless the minor child is responsible for payment under Minnesota Statutes, section 144.347, for chemical dependency treatment services sought under Minnesota Statutes, section 144.343, subdivision 1.

B. The local agency must determine the client's household size according to subitems (1), (2), and (3).

(1) If the client is a minor child, the household size includes the following persons living in the same dwelling unit:

- (a) the client;
- (b) the client's birth or adoptive parents; and
- (c) the client's siblings who are minors.

(2) If the client is an adult, the household size includes the following persons living in the same dwelling unit:

- (a) the client;
- (b) the client's spouse;
- (c) the client's minor children; and
- (d) the client's spouse's minor children.

(3) For purposes of this item, household size includes a person listed in subitems (1) and (2) who is in out-of-home placement if a person listed in subitem (1) or (2) is contributing to the cost of care of the person in out-of-home placement.

C. The local agency must determine the client's current prepaid health plan enrollment, the availability of a third-party payment source, including the availability of total payment, partial payment, and amount of copayment.

D. The local agency must provide the required eligibility information to the department in the manner specified by the department.

E. The local agency shall require the client and policyholder to conditionally assign to the department the client and policyholder's rights and the rights of minor children to benefits or services provided to the client if the department is required to collect from a third-party pay source.

Subp. 1a. **Redetermination of client eligibility.** The local agency shall redetermine a client's eligibility for CCDTF every six months after the initial eligibility determination, if the client has continued to receive uninterrupted chemical dependency treatment services for that six months. For purposes of this subpart, placement of a client into more than one chemical dependency treatment program in less than ten working days, or placement of a client into a residential chemical dependency treatment program followed by nonresidential chemical dependency treatment services shall be treated as a single placement.

Subp. 2. **Client, responsible relative, and policyholder obligation to cooperate.** A client, responsible relative, and policyholder shall provide income or wage verification, household size verification, and shall make an assignment of third-party payment rights under subpart 1, item C. If a client, responsible relative, or policyholder does not comply with the provisions of this subpart, the client shall be deemed to be ineligible to have the behavioral health fund pay for his or her chemical dependency treatment, and the client and

responsible relative shall be obligated to pay for the full cost of chemical dependency treatment services provided to the client.

9530.7021 PAYMENT AGREEMENTS.

When the local agency, the client, and the vendor agree that the vendor will accept payment from a third-party payment source for an eligible client's treatment, the local agency, the client, and the vendor shall enter into a third-party payment agreement. The agreement must stipulate that the vendor will accept, as payment in full for services provided to the client, the amount the third-party payor is obligated to pay for services provided to the client. The agreement must be executed in a form prescribed by the commissioner and is not effective unless an authorized representative of each of the three parties has signed it. The local agency shall maintain a record of third-party payment agreements into which the local agency has entered.

The vendor shall notify the local agency as soon as possible and not less than one business day before discharging a client whose treatment is covered by a payment agreement under this part if the discharge is caused by disruption of the third-party payment.

9530.7022 CLIENT FEES.

Subpart 1. **Income and household size criteria.** A client whose household income is within current household size and income guidelines for entitled persons as defined in Minnesota Statutes, section 254B.04, subdivision 1, shall pay no fee.

9530.7025 DENIAL OF PAYMENT.

Subpart 1. **Denial of payment when required assessment not completed.** The department shall deny payments from the behavioral health fund to vendors for chemical dependency treatment services provided to clients who have not been assessed and placed by the county in accordance with parts 9530.6600 to 9530.6655.

Subp. 2. **Denial of state participation in behavioral health fund payments when client found not eligible.** The department shall pay vendors from the behavioral health fund for chemical dependency treatment services provided to clients and shall bill the county for 100 percent of the costs of chemical dependency treatment services as follows:

A. The department shall bill the county for 100 percent of the costs of a client's chemical dependency treatment services when the department determines that the client was not placed in accordance with parts 9530.6600 to 9530.6655.

B. When a county's allocation under Minnesota Statutes, section 254B.02, subdivisions 1 and 2, has been exhausted, and the county's maintenance of effort has been met as required under Minnesota Statutes, section 254B.02, subdivision 3, and the local agency has been notified by the department that the only clients who are eligible to have their treatment paid for from the behavioral health fund are clients who are eligible under part 9530.7015, subpart 1, the department shall bill the county for 100 percent of the costs of a client's chemical dependency treatment services when the department determines that the client was not eligible under part 9530.7015, subpart 1.

9530.7030 VENDOR MUST PARTICIPATE IN DAANES SYSTEM.

Subpart 1. **Participation a condition of eligibility.** To be eligible for payment under the behavioral health fund, a vendor must participate in the Drug and Alcohol Normative Evaluation System (DAANES) or submit to the commissioner the information required in DAANES in the format specified by the commissioner.