

End of Session Summary
2023 Regular Session

Purpose:

The purpose of the End of Session Summary is to detail legislation passed in 2023 that impacts the Department of Human Services. The Summary document is organized in chapter order.

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Food Shelf Funding

Minnesota Session Laws – 2023, [Chapter 11](#) (HF 213)

Minnesota Food Shelf Program Emergency Appropriation. Appropriates \$5 million in fiscal year 2023 for food shelf programs under Minnesota Statutes, section 256E.34. Requires the commissioner to expedite the distribution of the appropriation. Specifies that the appropriation is a onetime appropriation that is available until June 30, 2024.

Competency Attainment

Minnesota Session Laws – 2023, [Chapter 14](#) (HF 121)

Competency attainment. Makes technical changes to the competency restoration bill that passed in the 2022 regular session. Provides immediate funding for the State Competency Attainment Board to establish the infrastructure required for providing competency attainment services. Effective the date following final enactment.

[Minnesota Indian Family Preservation Act](#)

Minnesota Session Laws – 2023, [Chapter 16](#) (SF667)

Strengthening the Minnesota Indian Family Preservation Act. Minnesota enacted the Minnesota Indian Family Preservation Act (MIFPA) in 1985 as a supplement to the federal Indian Child Welfare Act (ICWA). MIFPA was last updated in 2015. The federal ICWA was enacted to remediate the harm done by centuries of government policy aimed at eliminating Native people in the United States, and specifically the decades of intentional destruction of Native families through forced removal of children for placement in boarding schools or adoption by non-Native families. ICWA requires that child welfare agencies consult with a child’s tribe and engage in active efforts to keep that child with their parents or guardians, or if removal is necessary with their extended families and kin or other members of their tribal communities. During the 2023 session, a tribally led workgroup that included staff from DHS brought forward legislation to strengthen MIFPA to considering an ultimately unsuccessful United States Supreme Court case asking the court to overturn ICWA. Changes to MIFPA were largely focused on ensuring all requirements in ICWA were incorporated into state law. Effective August 1, 2023. Policy only.

Public Health Emergency Unwinding

Minnesota Session Laws – 2023, [Chapter 22](#) (SF 2265)

Extension of Public Health Emergency Continuous Coverage. Extends the continuous coverage provisions of the continuous coverage requirements of the federal public health emergency (PHE) for COVID-19 to comply with federal guidance and until the enrollee’s first renewal following the resumption of renewals. Effective the day following final enactment. **Section 1.**

Response to the COVID-19 Public Health Emergency. Modifies response to the COVID-19 emergency for the resumption of renewals, including clarifying continuous coverage, suspending periodic data matching until 12 months after the resumption of renewals, establishes a 12-month asset disregard, establishes requirements for fair hearings and the suspension of certain procedural termination, grants the Commissioner authority to temporarily adjust verification requirements as needed to comply with federal guidance, and suspends the collection of MinnesotaCare premiums during the redetermination period. Effective the day following final enactment or upon federal approval, whichever is later. **Section 2.**

Navigator Grants. Cancels back a portion of the 2022 funds appropriated for navigator grants. **Section 3.**

Appropriations. Appropriates funds to DHS for systems and administrative costs related to the resumption of renewals and grants \$36 million to counties and Tribal Nations, as well as appropriates funds to DHS for navigator grants. **Section 4.**

Conversion Therapy Ban

Minnesota Session Laws – 2023, [Chapter 28](#) (HF 16)

Conversion Therapy Ban. Defines conversion therapy and establishes protection children and vulnerable adults from receiving conversation therapy from mental health practitioners or mental health professionals. Adds a new section, Minn. Stat. §214.078. Prohibits fraudulent or deceptive advertising practices related to conversion therapy. Amends Minn. Stat. §325F.69. Clarifies conversion therapy is not covered by medical assistance. Amends Minn. Stat. §256B.0625. Effective the day following final enactment. **Sections 1-3.**

Gender Affirming Health Care

Minnesota Session Laws – 2023, [Chapter 29](#) (HF 146)

Gender Affirming Health Care. This bill prevents out-of-state laws from interfering in the practice of gender-affirming health care in Minnesota. The legislation amends sections of Minnesota statute related to the issue and enforcement of subpoenas; child custody jurisdiction and child protection orders; and the enforcement of certain criminal procedures related to extraditions and warrants. The statutory changes are largely intended to make Minnesota a safe haven for children and families from other states who are receiving gender-affirming care in Minnesota. Effective the day following final enactment.

Reproductive Health Data

Minnesota Session Laws – 2023, [Chapter 31](#) (HF 366)

Reproductive health care services. States that the commissioner may not disqualify an individual subject to a background study under chapter 245C for accessing or providing reproductive health care services. Adds subdivision 6 to 245C.15. Effective day following final enactment. **Section 6.**

Automatic Voter Registration

Minnesota Session Laws – 2023, [Chapter 34](#) (HF 3)

Automatic Voter Registration. When allowable by the federal government and upon ability to implement in the system, this bill requires DHS to send data on MinnesotaCare and MA enrollees to the Secretary of State to automatically enroll them to vote. Sharing of data is currently not allowable under federal rules. ***Article 1, Section 9.***

SUD Modifications

Minnesota Session Laws – 2023, [Chapter 49](#) (HF 1486)

Former students. Defines former student as an individual who has completed educational requirements and allows a former student to practice alcohol and drug counseling at the site where the student completed their internship for 90 days from the former student’s degree conferral date or date of last credit received; requires former student practice to be supervised; specifies that former student practice is paid; specifies that this practice automatically expires after 90 days. **Sections 1 and 2.**

HIV TRAINING IN SUD TREATMENT PROGRAM. Makes technical changes; removes obsolete date; requires commissioner to outline HIV minimum standards training content, rather than provide training. **Section 3.**

General application and license requirements. Allows supervised living facilities with a class A license to operate withdrawal management programs (current law limits this to facilities with class B licenses). **Section 4.**

Client record documentation requirements. Makes technical change requiring documentation of a significant event within 24 hours of the event, rather than “on the day” of the event. **Section 5.**

Human Services Omnibus Policy Bill

Minnesota Session Laws – 2023, [Chapter 50](#) (HF 1403)

Article 1: Aging, Disability and Behavioral Health Services

Targeted case management terminology correction. Updates terminology from “assessment summary” to “community support plan.” Amends Minn. Stat. §245.462, subd. 3.; §245.462, subd. 12; §245.4711, subd. 3; §245.4711, subd. 4; §245.77; §245.4835, subd. 2; §245.4871, subd. 3; §245.4871, subd. 19; §245.4873, subd. 4; §245.4881, subd. 3; §245.4881, subd. 4; §245.4885, subd. 1; §245.4887. 4. No effective date noted. **Article 1, sections 1-13.**

Licensing moratorium. Modifies an exception to the corporate foster care moratorium to apply to a license for person in a foster care setting rather than the setting itself. This exception targets settings where at least 80 percent of residents are older adults. Amends Minn. Stat. §245A.03, subd. 7. Effective the day following final enactment. **Article 1, Section 14.**

Variances for dual licensure of family settings. Clarifies and updates terminology related to variances for dually licensed childcare and child foster care; child foster care and family adult foster care; child foster residential settings and community residential settings; and family adult foster care and family child care. Amends 245A.16, subd. 1. Effective the day following final enactment. **Article 1, Section 15.**

DWRS technical terminology updates. Corrects outdated service names for disability waiver services under statutes governing home and community-based services standards to align with Minnesota’s federally-approved HCBS waiver plans. Amends Minn. Stat. §245D.03, subd. 1. No effective date noted. **Article 1, Section 16.**

SUD Licensing Policy: Nonmedication treatment services; documentation. Requires that the treatment plan review for opioid treatment program nonmedication treatment services occurs at least once every three months instead of monthly. Amends Minn. Stat. § 45G.22, subd. 15. Effective the day following final enactment. **Article 1, Section 17.**

SUD policies and procedures. Modifies opioid treatment counselor supervision of clients by increasing the maximum number of clients per counselor from 50 to 60, from July 1, 2023, to June 30, 2024. Amends Minn. Stat. §245G.22, subd. 17. Effective July 1, 2023. **Article 1, Section 18.**

Regional Treatment Center discharges. Eliminates the requirement that prior to discharge from an RTC to a community setting, a person and their screening must meet and reach consensus about the discharge. Requires that assessment and support planning occurs according to long-term care consultation requirements. No effective date noted. Amends Minn. Stat. §246.0135 and §256B.092, subd. 10. **Article 1, Sections 19 and 25.**

American Indian Advisory Council Membership. Removes expiration date for the American Indian Advisory Council. Amends Minn. Stat. §254A.035, subd. 2. No effective date noted. **Article 1, Section 20.**

SUD free-stand room and board regulations. Removes the requirement that awake staff must be onsite 24 hours per day and instead requires awake staff onsite whenever a client is present. Requires

providers to have a policy for staff coverage when a client needs to be present at the room and board site unexpectedly. No effective date listed. Amends Minn. Stat. §254B.05, subd. 1a. **Article 1, Section 21.**

SUD family treatment programs. Eliminates the childcare limit of under three hours for family treatment programs while clarifying that programs still need to be licensed and meet the requirements under the human services and SUD licensing chapters. Amends Minn. Stat. §254B.05, subd. 5. **Article 1, Section 22.**

No effective date listed. **Article 1, Section 22.**

DHS systemic critical incident review team. Establishes the HCBS critical incident review team to review critical incidents related to vulnerable adults in facilities or services for which the Department of Human Services is the lead investigative agency. Codifies the following:

- Scope of incident review;
- Duties of the review team;
- The team and actors allowed in a critical incident review;
- Data classification;
- Specifications related to how information obtained in the reviews may or may not be subject to discovery or evidence requirements in a civil or criminal proceeding;
- Requires an annual public report on the number of cases reviewed, aggregate summary of themes, synopsis of conclusions, and recommendations.

Amends Minn. Stat. §256.01, by adding subd. 12b. Effective the day following final enactment. **Article 1, Section 23.**

MnCHOICES reassessments. Updates a cross-reference related to community living settings and the changes made in Article 1, section 30. Amends Minn. Stat. §256B.0911, subd. 23. Effective upon federal approval. **Article 1, Section 24.**

Traumatic brain injury advisory committee. Removes the expiration date for the traumatic brain injury advisory committee. Amends Minn. Stat. §256B.093, subd. 1. No effective date noted. **Article 1, Section 26.**

Assisted Living Report Card Survey Revisions. Requires assisted living facilities to participate in the assisted living resident quality of life surveys and family satisfaction surveys conducted. Also gives DHS the authority to request aggregate, demographic data of the residents from assisted living providers. Effective August 1, 2023. Amends § 256B. 439, subsd. 3c & 3d. **Article 1, Sections 27-29.**

Definition of financial interest for community-living settings. Clarifies the meaning of “direct financial interest” and “indirect financial interest.” Moves language related to community living setting requirements, cosigned leases, transition plans, transfer of leases, and lease transfer extensions from section 256B.49, subd. 23 (which is being repealed) to this section. Amends Minn. Stat. §256B.492. Effective upon federal approval. **Article 1, Section 30.**

Adult foster care closure process. Removes requirement for a contract to be established between the commissioner, the counties of financial responsibility, and the participating license holder for each adult foster care planned closure approved by the commissioner. Amends Minn. Stat. §256B.493, subd. 2a and subd. 4. Sec. 31 no effective date noted. Sec. 32 effective the day following final enactment. **Article 1, Sections 31 and 32.**

Customized living rate correction. Removes a sentence fragment that should have been deleted as part of the 256S recodification. Amends Minn. Stat. §256S.202, subd. 1. No effective date noted. **Article 1, Section 33.**

ABLE account guardian authority. Allows a guardian to appoint or name a person to exercise signature authority over an ABLE account; lists who may be selected for such authority. Amends Minn. Stat. §524.5-104 and §524.5-313. Effective the day following final enactment. **Article 1, Sections 34 and 35.**

HCBS Workforce Development Grant. Expands eligibility for direct support professionals from 200% FPG to 300% FPG. Excludes workforce development grant money from being counted as income, assets, or personal property for purposes of determining eligibility or recertifying eligibility for various income assistance programs. Excludes workforce development grant money from being counted as income, assets, or personal property for purposes of determining eligibility for public assistance programs and Medical Assistance. Amends Minnesota Laws 2021, First Special Session Ch. 7, art. 17, section 20. No effective date noted. **Article 1, Section 36.**

BI and CADI waiver customized living size limitation exception. Requires the DHS to determine the BI or CADI waiver customized living and 24-hour customized living size limitation exception applies to two settings located in the city of Minneapolis that had a capacity to serve six clients as of July 1, 2022, and one setting located in the city of Grand Rapids that had a capacity to serve eight clients as of July 1, 2022. No effective date noted. **Article 1, Section 37.**

Repealer. Repeals Minn. Stat. §254B.13, subds. 1, 2, 2a, 4, 5, 6, 7, and 8 (obsolete SUD pilot projects); §254B.16 (SUD pilot projects for pregnant and postpartum women); §256.041, subd. 10 (expiration of Cultural and Ethnic Communities Leadership Council); §256B.49, subd. 23 (community living settings); and §260.835, subd. 2 (American Indian Child Welfare Advisory Council expiration). Effective the day following final enactment. **Article 1, Section 38.**

[Article 2: Substance Use Disorder Direct Access](#)

Direct Access implementation. Updates cross-references, removes obsolete terms such as “chemical use assessments” and “placing authority,” and replaces outdated terms with “comprehensive assessments.” Repeals outdated sections related to local agency placement authority and “rule 25.” Rewords and codifies parts of rule 25 in chapter 254B, notably SUD assessment criteria dimensions and risk descriptions. Amends Minn. Stat. §62N.25, subd. 5; §62Q.1055; §62Q.47; §169A.70, subd. 3; §245A.043, subd. 3; §169A.70, subd. 4; §245F.06, subd. 2; §245G.22, subd. 2; §254A.03, subd. 3. §254A.19, subd. 1; §254A.19, subd. 3. §254A.19, subd. 4; §254A.19 adding subd. 6; §254A.19 adding subd. 7; §254B.01 by adding subd. 2a; §254B.01 by adding subd. 2b; §254B.01 adding subd. 2c; §254B.01 adding subd. 4c; §254B.01 adding subd. 4d; §254B.01, subd. 5; §254B.01 adding subd. 6a;

§254B.01 adding subd. 6b; §254B.01 adding subd. 9; §254B.01 adding subd. 11; §254B.01 adding subd. 12; §254B.03, subd. 1; §254B.03, subd. 2; §254B.03, subd. 5; §254B.04, subd. 1; §254B.04 adding subd. 1a; § 254B.04 by adding subd. 4; §254B.04 by adding subd. 5; §254B.04 by adding subd. 6; §254B.04 adding subd. 7; §254B.04 by adding subd. 8; §256D.09, subd. 2a; §256L.03, subd. 2; §256L.12, subd. 8; §260B.157, subd. 1; §260B.157, subd. 3; §260C.157, subd. 3; §260E.20, subd. 1; §299A.299, subd. 1. No effective date noted. **Article 2, sections 1-7; 20; 22-27; 29-37; 39-45; 48-51; 54-61; 63.**

American Society of Addiction Medicine criteria. Cross-references “ASAM criteria” definition in section 254B.01, subd. 2a. Amends Minn. Stat. §245G.01 adding subd. 4a. Effective January 1, 2024. **Article 2, Section 8.**

Protective factors definition. Defines protective factors as actions taken to reduce negative impact of substance use disorders, mental health conditions, and risk of suicide. Factors include community referrals, diet, exercise, and taking prescribed therapeutic medications. Amending Minn. Stat. §245G.01 adding subd. 20c. No effective date noted. **Article 2, section 9.**

Skilled treatment services definition. Cross-references definition of “skilled treatment services” in 254B.01, subd. 10. Amends Minn. Stat. §245G.01 by adding subd. 20d. No effective date noted. **Article 2, Section 10.**

Exemption from license requirement. Cross-references newly added subdivision. Amends Minn. Stat. §245G.02, subd. 2. Effective January 1, 2024. **Article 2, Section 11.**

Comprehensive assessment Modifications. Increases the time during which a comprehensive assessment must be completed in residential and nonresidential treatment programs; specifies the number of treatment days excludes the day of service initiation; outlines requirements of comprehensive assessment; removes standalone assessment summary; allows LADCs to collect certain information for diagnostic assessments. Amends Minn. Stat. §245G.05, subd. 1 and §245G.05 adding subd. 3; §245G.09, subd. 3; §245I.10, subd. 6. Effective January 1, 2024. **Article 2, Sections 12-13; 19; 21.**

Individual treatment plans. Modifies time frames during treatment providers must develop an individual treatment plan; specifies treatment plan requirements aligning with ASAM standards, including person-centered and culturally appropriate methods and referral resources; modifies the frequency of treatment plan reviews to align with a person’s level of care. Amends Minn. Stat. §245G.06, subd. 1; §245G.06 adding subd. 1a; §245G.06, subd. 3; §245G.06 adding subd. 3a; §245G.06; 245G.09, subdivision 3. Effective January 1, 2024. **Article 2, Sections 14-17; Chapter 61, Article 4, Sections 4-5.**

Discharge summary. Updates cross-reference and references newly codified ASAM risk ratings. Amends Minn. Stat. §245G.06, subd. 4. Effective January 1, 2024. **Article 2, Section 18.**

American Society of Addiction Medicine criteria or ASAM criteria. Adds definition of “American Society of Addiction Medicine criteria or ASAM criteria.” Amends Minn. Stat. §254B.01 by adding subd. 2a. **Article 2, Section 28.**

Skilled treatment services. Adds a definition of “skilled treatment services.” Amends Minn. Stat. §254B.01 by adding subd. 10. **Article 2, Section 38.**

Eligibility for room and board services for outpatient treatment. Removes language related to county assessment and placement in residential treatment; inserts language specific to room and board services; adds assessment dimension related to readiness to change. Amends Minn. Stat. §254B.04, subd. 2a. **Article 2, Section 46.**

ASAM levels of care. Specifies ASAM levels of care and removes high, medium, and low intensities for residential treatment. The amendments to paragraph (b), clause (1), items (i) to (iv), are effective January 1, 2025, or upon federal approval, whichever is later. Amending Minn. Stat. §254B.05, subd. 5. The amendments to paragraph (b), clause (1), items (v) to (vii), are effective January 1, 2024, or upon federal approval, whichever is later. The amendments to paragraph (b), clauses (2) to (11), are effective January 1, 2024. Paragraph (i) is effective July 1, 2023. **Article 2, Section 52.**

ASAM requirements. Describes hourly and services requirements for each discrete ASAM level of care. Requires patient referral arrangement agreements, evidence-based practices, and program outreach plans. Amending Minn. Stat. §254B.19. Effective January 1, 2024. **Article 2, Section 53.**

Revisor Instruction. Instructs the revisor to renumber the subdivisions in section Minn. Stat. §254B.01 and correct any cross-references. **Article 2, Section 62.**

Repealer. Repeals §169A.70, subd. 6 (alcohol safety programs; chemical use assessments; method of assessment); §245G.05, subd. 2 (SUD assessment summary); §245G.06, subd. 2 (individual treatment plan contents); §245G.22, subd. 19 (opioid treatment programs; placing authorities); §254A.02, subd. 8a (placing authority definition); §254A.16, subd. 6 (responsibilities of the commissioner; monitoring of placing authorities); §254A.19, subsd. 1a, 2, 5 (chemical use assessments; emergency room patients; probation officer as contact; assessment via telehealth); §254B.04, subsd. 2b, 2c (eligibility for behavioral health fund services); and §254B.041, subd. 2 (substance use disorder rules; vendor collections; rule amendment). Repeals Minnesota Rules, parts 9530.7000, subparts 1, 2, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17a, 19, 20, and 21; 9530.7005; 9530.7010; 9530.7012; 9530.7015, subparts 1, 2a, 4, 5, and 6; 9530.7020, subparts 1, 1a, and 2; 9530.7021; 9530.7022, subpart 1; 9530.7025; and 9530.7030, subpart 1. **Article 2, Section 63.**

[Article 3: Peer Recovery and Recovery Community Organization Requirements](#)

Additional treatment service. Updates cross-reference to new peer recovery qualifications. Makes this section effective upon federal approval. Amends Minn. Stat. §245G.07, subd. 2. **Article 3, Section 1.**

Recovery peer qualifications. References peer recovery qualifications and scope of practice in chapter 245I. Amends Minn. Stat. §245G.11, subd. 8. Effective upon federal approval. **Article 3, Section 2.**

Recovery peer qualifications. Requires recovery peers to have a minimum of one year in recovery and hold a current credential from the Minnesota Certification Board, the Upper Midwest Indian Council on Addictive Disorders, or the National Association for Alcoholism and Drug Abuse Counselors. Amends Minn. Stat. §245I.04, subd. 18. No effective date noted. **Article 3, Section 3.**

Recovery peer scope of practice. Requires recovery peers to provide individualized peer support, promote recovery goals, and support a skills building. Amends Minn. Stat. §245I.04 by adding subd. 19. No effective date noted. **Article 3, Section 4.**

Recovery community organization. Requires that a recovery community organization must be a nonprofit, updates terminology. No effective date noted. Amends Minn. Stat. §254B.01, subd. 8 **Article 3, Section 5.**

Recovery community organization MA requirements. Requires membership or accreditation by certain bodies and that RCOs meet best practices identified in statute. Requires vendors of MA peer support services approved by the commissioner to meet listed qualification requirements by June 30, 2024. Specifies that an entity that does not meet the requirements by June 30, 2024, is subject to monetary recovery for services provided after that date. Establishes appeals process. Amends Minn. Stat. §254B.05, subd. 1. No effective date noted. **Article 3, Section 6.**

RCO State agency hearings. Establishes authority for state agency hearings for RCOs aggrieved by a MA vendor eligibility determination; specifies scope of judicial review. Amends Minn. Stat. §256.045, subd. 3. No effective date noted. **Article 3, Section 7.**

MH Peer Specialist clean-up. Deletes subject to federal approval. Amends Minn. Stat. §256B.0615, subd. No effective date noted. **Article 3, Section 8.**

Certified peer specialist certification. Replaces specified certification requirements with reference to qualification standards in chapter 245I. Amends Minn. Stat. §256B.0615, subd. 5. No effective date noted. **Article 3, Section 9.**

Omnibus Judiciary and Public Safety Appropriations

Minnesota Session Laws-2023, [Chapter 52](#) (SF 2029)

Curriculum. Moves dates that board must recommend a competency attainment curriculum to October 1, 2023. The board must develop a process to certify individuals to deliver curriculum by October 18, 2023. **Article 1, Section 13.**

Certification and distribution. Amends Laws 2022, chapter 99, article 3, section 50 so that the effective dates of sections 26-37 are April 1, 2024, and apply to competency determinations initiated on or after that date. **Article 1, Section 14.**

Effective date. Amends Laws 2022, chapter 99, article 3, section 1 as amended by Laws 2023, chapter 14, section 36 by reducing the appropriation to the district courts to \$1.5M and the Competency Attainment Board to \$3.515M in FY 24. **Article 1, Section 15.**

Office of Appellate Counsel and Training. Establishes a statewide office of appellate counsel and training to provide appellate legal representation to parents in juvenile protection matters and in Tribal court jurisdictions. The office will establish standards and training requirements for parent attorneys and provide training. The office will also work with the Department of Human Services to secure federal Title IV-E funding for counties and tribes to offset the cost of appellate representation. Cost: \$659,000 in fiscal year 2024 and \$1.560 million in fiscal year 2025. Effective July 1, 2023. It is unclear when the office will be able to provide representation for parents, but the first head appellate counsel will be appointed as of January 1, 2024. **Article 3, section 1.**

Office of Restorative Practices. Establishes an office of restorative practice to promote the use of restorative practices across juvenile pretrial diversion programs and community violence prevention practices, as well as delinquency, criminal justice, child welfare and education systems. Provides grant funding for the purpose of establishing and supporting restorative practices initiatives. The office will be established by the commissioner of Public Safety, but will transfer to the new Department of Children, Youth and Families. Cost: \$500,000 in fiscal year 2024 and every fiscal year thereafter. Effective July 1, 2023. **Article 5, section 27, and article 2, section 3, subd. 8(e).** (See also Chapter 70, article 12, section 22.)

Early Education

Minnesota Session Laws – 2023, [Chapter 54](#) (HF 2292)

Great Start Scholarship Program planning and establishment. Requires the commissioner to plan for and establish the Great Start Scholarship program to ensure access to affordable high-quality early care and learning for children from birth to kindergarten. All Minnesota families will be eligible for the scholarship program, with a guarantee that no family will pay more than seven percent of their annual income for the cost of early care and learning for children in the birth to kindergarten age group. The commissioner of Department of Children, Youth and Families must provide a report to the legislature by July 1, 2025, on the status of planning for establishment of the new program. By July 1, 2028, to the extent funding is available the commissioner must have in place the administrative structures and systems needed for the scholarship program to meet the needs of participating families. Cost: \$2.6 million is provided for planning and implementation of the program. **Sections 2 and 19.**

Parent Aware 1-star rating. Amends the statute governing Minnesota’s Quality Rating and Improvement System to grant an automatic one-star Parent Aware rating to all licensed child care centers and family child care programs. Other requirements for the one-star rating include requirements that the provider is not the subject of a finding of fraud for which they are currently subject to a penalty or exclusion or prohibited from receiving public funds; does not have a license that is under revocation, suspension, or other limitation; and is not prohibited from receiving payments through the Child Care Assistance program. Requires the Department of Human Services to establish a process through which child care providers who do not want to participate in Parent Aware to opt-out of the one-star rating. The commissioner must also engage with Tribal Nations on the automatic rating and how it would apply to tribally licensed programs. The automatic one-star rating and opt-out process will be implemented by July 1, 2026. Policy only. **Section 9.**

Provider eligibility to receive Early Learning Scholarship payments. Eliminates the requirement that by July 1, 2024, programs that are eligible for Early Learning Scholarships have a three- or four-star Parent Aware rating, enabling all programs that participate in Parent Aware to be eligible for scholarships. Starting on January 1, 2024, all programs that have a one-star rating or are in the process of getting a one-star rating will be automatically deemed a participant in Parent Aware for purposes of eligibility to receive scholarship payments. Effective July 1, 2023. Policy only. **Section 14.**

Direction to the commissioner of human services. Directs the commissioner to engage with early care and learning providers to assess how the expanded availability of the one-star Parent Aware rating will impact their desire to seek additional star ratings and determine the extent to which funding is needed to support quality improvement for providers that seek higher ratings. Requires a report to the legislature by December 31, 2024. Effective July 1, 2023. Policy only. **Section 17.**

Education Finance

Minnesota Session Laws – 2023, [Chapter 55](#) (HF 2497)

MA and IEP modifications. Specifies that school social work services provided by a mental health practitioner or mental health professional are eligible for medical assistance payment and outlines scope of practice requirements for mental health practitioners providing these services. Allows a special education evaluation, individualized education program, or individual family service plan to be used instead of a diagnostic assessment to determine medical necessity. Removes requirement for CTSS certification for schools. Specifies covered services. Amends Minn. Stat. §256B.0625, subdivision 26. Effective January 1, 2024, or upon federal approval, whichever is later. **Article 7, Section 16.**

Commerce

Minnesota Session Laws – 2023, [Chapter 57](#) (SF 2744)

Cost-Sharing for Prescription Drugs and Related Medical Supplies to Treat Chronic Diseases. Requires that health plans limit enrollee cost-sharing for prescription drugs to treat a chronic disease to no more than \$25 per one-month supply for each drug and \$50 per month in total for all related medical supplies. Defines “chronic disease” as diabetes, asthma, and allergies requiring the use of epinephrine auto-injectors. Effective January 1, 2025. **Article 2, section 46.**

Clinician-Administered Drugs. Sets safety and care requirements for clinician-administered drugs when dispensed by a specialty pharmacy. Prohibits health plans and pharmacy benefit managers (PBMs) from requiring or denying the use of a home infusion or infusion site external to the provider’s office or clinic to administer the drug when requested by the enrollee and covered by the plan. Effective January 1, 2024. **Article 2, section 54.**

Cost-Sharing for Prescription Drugs and Related Medical Supplies to Treat Chronic Diseases. Requires that MA cost-sharing for prescription drugs and related medical supplies to treat chronic diseases complies with 62.Q.481. Effective January 1, 2024. **Article 2, section 61.**

Timely Filing of Claims with Managed Care Plans. Requires managed care plans to use a six-month timely filing standard and provide exemptions to the timely filing timeliness for the resubmission of claims when there has been a denial, request for more information, or a system issue. **Article 2, section 62.**

Cost-Sharing for Prescription Drugs and Related Medical Supplies to Treat Chronic Diseases. Requires that MinnesotaCare cost-sharing for prescription drugs and related medical supplies to treat chronic diseases complies with 62.Q.481. Effective January 1, 2024. **Article 2, section 63.**

Paid Family Medical Leave

Minnesota Session Laws – 2023, [Chapter 59](#) (HF 2)

Direct care provider premiums. This funding allows direct care providers to apply for reimbursement of PFML premiums through DHS's Workforce Incentive Fund. The employer would apply on behalf of itself and its employees to receive reimbursements for premiums paid by direct care workers as defined under the Workforce Incentive Fund. **Effective the day after the final enactment. Article 3, Section 12. \$20m in fiscal years 26/27 from the newly established PFML fund.**

Family and Medical Leave Benefit as Earnings. Specifies that parents who are participating in MFIP and receiving family and medical leave benefits are not required to participate in employment services. Specifies that parents receiving family and medical leave benefits are not eligible to apply for DWP but are eligible for MFIP. Specifies that when a parent in a two-parent family is participating in DWP and receiving family and medical leave benefits, they are not required to have an employment plan. Adds family and medical leave benefits to the earned income definition under chapter 256P for MFIP, DWP, RCA, GA, MSA, Housing Support, and CCAP. Effective January 1, 2026. **Article 2, Sections 2-5.**

Human Services Omnibus Budget Bill

Minnesota Session Laws – 2023, [Chapter 61](#) (SF 2934)

Article 1: Disability Services

CFSS/PCA rate increases and SEIU collective bargaining agreement. (\$341.6M in fiscal years 24/25 and \$547.9M in fiscal years 26/27)

- Establishes a joint labor and management trust, the Home Care Orientation Trust, to receive contributions according to the collective bargaining agreement for funding orientation training of individual providers. Amends Minn. Stat. §179A.54, adding subd. 11. No effective date noted. **Article 1, Section 1.**
- **CFSS rates.** Clarifies data used to update base wage; increases implementation factors for PCA resulting in a rate increase for PCA, PCA enhanced, and qualified professionals; adds experience-based rate tiers. The amendments to paragraph (b) are effective January 1, 2024, or 90 days after federal approval, whichever is later. Paragraph (b) expires January 1, 2025, or 90 days after federal approval of paragraph (c), whichever is later. Paragraphs (c) to (e) are effective January 1, 2025, or 90 days after federal approval, whichever is later. Amendment to SOC code data effective July 1, 2024 or 90 days after upon federal approval, whichever is later. Amending Minn. Stat. §256B.851, subds. 3, 5-6. **Article 1, sections 53-55.**
- **SEIU Healthcare ratification.** Ratifies the most current contract and memorandums of understanding (electronic visit verification devices and temporary rate increase) that were submitted on February 27, 2023. Session law. No effective date listed. **Article 1, Sections 64-65.**
- **Budget Increases for CDCS.** Increases CDCS budgets to comply with the labor agreement between the state and SEIU. Effective January 1, 2024, or upon federal approval, whichever is later budgets must be increased by 8.49%. Effective January 1, 2025, or upon federal approval whichever is later budgets must be increased by 4.53%. Session law. **Article 1, Section 66.**
- **SEIU collective bargaining agreement and miscellaneous.** Paid holidays, orientation costs for trainers, content development, meeting space, stipend for completion, orientation trust, and FTEs; retention bonuses; stipends for workers who complete certain trainings; retirement benefits study; DHS administrative funding for future negotiations and grievances; and home care nursing correction. **Spreadsheet only.**

CL foster care moratorium exceptions and grant. Modifies an existing foster care moratorium exception and creates a new exception. Expands existing moratorium exception to include individuals receiving customized living under the elderly waiver and extends the application deadline for this exception from June 30, 2023 to December 31, 2023. Allows DHS to approve an exception prior to approval of the HCBS license. Provides onetime funding to Hennepin County to expedite approval of CRS licenses. Amends Minn. Stat. §245A.03, subd. 7; session law. Effective the date following final enactment. **Article 1, Sections 2 and 62. (\$500K in fiscal years 24/25)**

Alternate overnight supervision for community residential settings. Removes the requirement for community residential settings to obtain a variance and license to utilize alternate overnight supervision technology in place of an onsite caregiver. Adds new definitions and documentation, policy and provider requirements for community residential settings that use alternate overnight supervision technology to

a new section in 245D. Note: Modifications to Chapter 61, Article 1, Section 6 are made in Chapter 70, Article 15, Section 7. **Article 1, Section 3, 4 and 6. Line 789**

Life Sharing HCBS service and Family Residential Services rates. Adds life sharing services to Home and Community-Based Services. Establishes individualized rate tiers for both Life Sharing and family residential services, with a 10% add-on for Life Sharing. Amends Minn. Stat. §245D.03, subd. 1; §256B.4914, subd. 3; §256B.4914, subdivision 14, para (l); 256B.4914 adding subd. 19; §256B.4914, subd. 5a, clause 4; §256B.4914, subd 6; §256B.4914, subdivision 14, para (l); 256B.4914 adding subd. 19. Effective January 1, 2026, or upon federal approval, whichever is later. **Article 1, Sections 5, 27, 30, 32, 46-47, 85 paragraph (b). (Savings of \$6.4M in fiscal years 26/27).**

Increasing Wages for People with Disabilities. Establishes programs and policies to support people, families, and provides in seeking competitive employment opportunities for people with disabilities:

- **Lead agency capacity grants, case management requirements, and technical assistance center. (\$5.8M in fiscal years 24/25 and \$9.2M in fiscal years 26/27).**
 - Establishes a statewide technical assistance center to provide resources and assistance. Adds a new section, Minn. Stat. § 252.54. **Article 1, Section 7**
 - Establishes a grant to expand lead agency capacity to support people with disabilities to explore and maintain competitive, integrated employment options. Adds a new section, Minn. Stat. §252.55. **Article 1, Section 8.**
 - Modifies ongoing waiver case management training to receive no less than 20 hours of training each year with additional training to include informed choice, cultural competency, employment planning, community living planning, self-direction options and use of technology supports. Amends Minn. Stat. §256.092, subd. 1a. **Article 1, Sections 18 and 20.**
- Modifies informed choice policy to require benefits planning assistance and supports to understand work incentive programs and the impact of work on benefits. Amends Minn. Stat. §256B.4905, subd. 4a. **Article 1, Section 21. No fiscal impact.**
- MnCHOICES modifications to ensure assessors are prompted to ask about employment preferences. **Spreadsheet only. (\$813K in fiscal years 24/25 and 650K in fiscal years 26/27).**
- Requires HCBS providers to submit the data about people who are currently being paid subminimum minimum wage or were being paid sub. wages. Adds a new section, Minn. Stat. §256B.4906. **Article 1, Section 22. No fiscal impact or tracked under outcomes spreadsheet lines.**
- Clarifies that a person who is receiving benefits under MSA in the month prior to becoming eligible under section 1619 (b) of SSA is eligible for payment under MSA while they remain in section 1619 (b). Amends Minn. Stat. §256D.425, subd 1. Effective the day following final enactment. **Article 1, Section 56. No fiscal impact.**
- Allows DHS to access unemployment insurance data for purposes of improving programs. Amends Minn. Stat. §268.19, subd 1. **Article 1, Section 58. No fiscal impact.**
- Requires DHS, DEED and DHS to work together to create a study on employment supports for people with disabilities. Requires DHS, DEED and MDE to provide chairs and legislative members an outcome tracking employment for people with disabilities served by the programs

administered by the agencies. **Article 1, Sections 79-80. (\$449K in fiscal years 24/25 and \$578 in fiscal years 26/27).**

- Requires DEED to establish and implement a Disability Inclusive Worksite Training and Certification program. **Spreadsheet only. (\$415K in fiscal years 24/25 and \$380K in fiscal years 26/27).**

Grant for supportive services to persons with HIV or AIDS. Modifies grants to provide support services to persons with HIV and AIDS instead of case management. Amends Minn. Stat. §256.01, subd. 19. **Article 1, Section 9. (\$12.1M in fiscal years 24/25).**

LTSS workforce incentive grants. Establishes a grant program for home and community-based services providers to recruit and retain direct support workers by providing retention bonuses of up to \$1,000 per year and other employee benefits and excludes the retention bonuses from income. Adds a new section, Minn. Stat. §256.4764. **Article 1, Section 10. (\$90M in fiscal years 24/25 and \$4M in fiscal years 26/27 with carryforward through June 30, 2029).**

Technology for Home Grant and SES limit. Codifies grant program for individuals receiving home and community-based services and expands uses to include people in residential settings. Increases annual specialized equipment and services limit under federally approved waiver plans, alternative care, and essential community supports to \$10,000. Adds a new section, Minn. Stat. §256.4773. **Article 1, Sections 9 and 11. (\$757K in fiscal years 24/25 and \$810K in fiscal years 26/27).**

PCA Driving. Allows a personal care assistant (PCA) to bill medical assistance for the time the PCA spends driving a recipient. Requires documentation of traveling or driving with a person. Requires valid driver's license and insurance. Amends Minn. Stat. §256.0659, subd. 1; §256.0659, subd. 19; §256.0659, subd. 24. Effective 90 days following federal approval. **Article 1, Sections 12-13; 15-16. (\$1.7M in fiscal years 24/25).**

PCA Remote supervision. Allows PCA Qualified professional to conduct remote supervision for people who have chronic health conditions or severely compromised immune systems. Specifies requirements, including documentation and that the first visit must be in-person. Amends Minn. Stat. §256.0659, adding subd. 14a. Effective July 1, 2023 or upon federal approval. **Article 1, Section 14. (No fiscal impact).**

MnCHOICES. Removes the requirement that MnCHOICES certified assessors who are not registered nurses have at least one year of experience in the home and community-based services field. Provides additional funding for ongoing MnCHOICES enhancements. Amends Minn. Stat. §256B.0911, subd. 13. No effective date noted. **Article 1, Section 17. (\$5.5M in fiscal years 24/25 and \$2.3M in fiscal years 26/27).**

Early Intensive Developmental and Behavioral Intervention (EIDBI). Expands rates for level 2 and 3 EIDBI providers to include individuals who are certified by a Tribal nation. Amends Minn. Stat. §256B.0949, subd. 15. Effective January 1, 2024, or upon federal approval, whichever is later. **Article 1, Section 19. (\$27K in fiscal years 24/25 and \$46k in fiscal years 26/27).**

CDCS and CFSS services provided by parents and spouses. Increases the total number of hours in a week that parents of a minor or a spouse may be paid to provide personal assistance services under consumer-directed community supports (CDCS) from 40 total hours to 80 hours when more than one parent is providing service, 60 hours when only one parent is providing service, and 60 hours for a spouse. Amends Minn. Stat. §256B.4911, by adding subd. 6; §256B.85, subdivision 7; §256B.85 adding subd. 7b. Effective July 1, 2023, or upon federal approval, whichever is later. **Article 1, Sections 23, 51-52. (\$4.1M in fiscal years 24/25 and \$7.4M in fiscal years 26/27).**

Direct support professional annual labor market survey and annual report. Establishes a direct support professional annual labor market survey. Requires the commissioner to publish annual reports on provider and state-level labor market data. Amends Minn. Stat. §256B.4912, by adding subd. 1b and 1c. No effective date noted. **Article 1, Sections 24-25. (\$678 in fiscal years 24/25 and \$654 in fiscal years 26/27).**

Homemaker rates. Requires the commissioner to establish homemaker services rates under DD, BI, CAC, and CADI to equal EW rates. Amends Minn. Stat. §256B.4912, adding subd. 16. Effective July 1, 2023, or upon federal approval, whichever is later. **Article 1, Section 26. (\$46.6M in fiscal years 24/25 and \$74.9M in fiscal years 26/27).**

Respite market rates. Removes respite rates from the DWRS framework, establishing them as market rates negotiated between the lead agency and provider. Makes conforming changes. Amending Minn. Stat. §256B.4914, subd. 3; §256B.4914, subd 4; §256B.4914, subd. 5b; §256B.4914, subd 10; §256B.4914, subd 10a; §256B.4914, subd 12; §256B.4914, subd 14, para (d), clauses (1) and (2); . Effective January 1, 2024 or upon federal approval, whichever is later. **Article 1, sections 27, 28, 30, 31, 41, 42, 45, 46, 85 paragraph (a). (\$109K in fiscal years 24/25 and \$36K in fiscal years 26/27).**

DWRS inflationary updates and competitive workforce factor. Article 1, Sections 29, 31, 33-40, 42. (\$86.7M in fiscal years 24/25 and \$225.2 in fiscal years 26/27).

- Modifies the timing of future scheduled updates to the disability waiver rate setting framework's base wage index. The next scheduled update is changed from November 2024 to January 2024. Subsequent updates will be every two years. Uses newer data. Amends Minn. Stat. §256B.4914, subd. 5. Effective January 1, 2024 or upon federal approval, whichever is later.
- Modifies consumer price index inflationary adjustments. The next scheduled adjustment is moved from November 2024 to January 1, 2024. Subsequent updates will be every two years. Requires the uses of newer data. Amends Minn. Stat. §256B.4914, subd 5b. Effective January 1, 2024, or upon federal approval, whichever is later.
- Increases the competitive workforce factor value from 4.7 to 6.7 percent for community residential services, family residential services, integrated community supports, adult day, day support, prevocational services, unit-based services. Amends Minn. Stat. §256B.4914, subsd. 6a, 6b, 6c, 7a, 7b, 7c, 8, and 9. Effective January 1, 2024 or upon federal approval, whichever is later.
- Requires DHS to analyze cost documentation and provide recommendations for adjustments to rate components. Requires DHS to release data in aggregate form and to use cost-reporting data

to analyze compliance with DWRS wage threshold tiers. Removes outdated language related to cost-reporting implementation. Amends Minn. Stat. §256B.4914, subd 10a. Effective January 1, 2025.

Employment Exploration rate. Increases the employment exploration rate by modifying the standard occupational classification code to a higher level of professional. Amending Minn. Stat. §256B.4914, subd. 5a, clause (14). Effective January 1, 2024 or upon federal approval, whichever is later. **Article 1, section 30. (\$228K in fiscal years 24/25 and \$448K in fiscal years 26/27).**

Reporting and analysis of competitive workforce factor. Changes competitive workforce factor legislative report date from 2021 to beginning in 2025. Removes limitation on DHS report requirements. Amends Minn. Stat. §256B.4914, subd 10c. Effective July 1, 2023. **Article 1, Section 43. (No fiscal impact).**

DWRS staff compensation. Establishes percentage thresholds for revenues that a provider must use for direct care staff compensation. Amends Minn. Stat. §256B.4914, adding subd 10d. Effective January 1, 2025. **Article 1, Section 44. (No fiscal impact).**

ICF/DD Rate increases. Increases rates for intermediate care facilities for persons with developmental disabilities. Effective 1/1/24 or upon federal approval, rates for class A and class B facilities are increased by \$40 and sets minimum daily operating rates for class facilities at \$275 and for class B at \$316. Adds an inflationary update. Amends Minn. Stat. §256B.5012, adding subd 19; 256B.5012, adding subd 20; §256B.5012, adding subd 21. Effective January 1, 2024, or upon federal approval, whichever is later except the inflationary update begins 1/1/25 and every 2 years, contingent on federal approval. Directs DHS on the order of application of rate increases. **Article 1, Sections 48-50, 71. (\$10.6M in fiscal years 24/25 and \$15.2M in fiscal years 26/27).**

Phase-in disability waiver customized living rates. Modifies the phase-in of new rates for customized living under the brain injury (BI) and community access for disability inclusion (CADI) waivers from 10% to 29.6%. Amends Minn. Stat. §256S.2101, subd 1. Effective January 1, 2024, or upon federal approval, whichever is later. **Article 1, Section 57; Article 2, sections 13-35 and 43. (\$35.7m in fiscal years 24/25 and \$84.9m in fiscal years 26/27).**

Provider Capacity Grants for Rural and Underserved Communities. Codifies a grant program that directly supports HCBS providers in rural and underserved communities. The program provides grant dollars to assist entities in becoming an HCBS provider, expand to a new HCBS service, or building organization capacity to increase access to HCBS in rural and underserved areas. The grant program must prioritize awarding grants to organizations providing culturally specific and culturally responsive services or that serve historically underserved communities. Effective July 1, 2023. **Article 1, Section 59. (\$18.8M in fiscal years 24/25 with carryforward through June 30, 2027).**

New American Legal, Social Services, and Long-Term Care Program. Establishes a New American legal, social services, and long-term care workforce grant program. The program will provide grants to organizations that support and serve New Americans in seeking or maintaining legal or citizenship status

to legally obtain or retain employment in any field or industry; or to provide specialized services and supports to New Americans to enter the long-term care workforce. Eligible organizations include governmental units, federally recognized Tribal Nations, nonprofit organizations as defined under section 501(c)(3) of the Internal Revenue Code, for-profit organizations, and legal services organizations specializing in obtaining visas for health care workers. The legal and social services component of the program will be administered by the Resettlement Programs Office. ADSA will administer the long-term care workforce component. Cost: \$18.46 million in FY 24 for the New American Legal and Social Services component of the program and \$30 million in FY 24 for the Long-Term Care Workforce component of the program. Funding is available until June 30, 2027. Effective July 1, 2023. **Article 1, Section 60; Article 9, Section 2, Subdivision 12 and 13(b). See also Minnesota Session Laws, Chapter 70, Article 20, Section 2, Subdivision 25.**

Supportive-Decision-Making Grant and Study. Establishes a grant program for general operation grants to public and private nonprofit organizations, counties, and Tribes to provide and promote supported decision making. Requires the commissioner in consultation with stakeholders to issue a report detailing available options for receiving federal participation in the provision of supported decision-making to medical assistance enrollees and specifying the provider and service requirements for funding. Effective January 1, 2024, or upon federal approval, whichever is later. **Article 1, Sections 61 and 76. (\$4.6M in fiscal years 24/25).**

EIDBI Licensure Study. Establishes a study to review the EIDBI program and evaluate the need for licensure or other regulatory modifications. DHS must consult with stakeholders to obtain feedback on licensure or regulatory recommendations. **Article 1, Section 63. (\$475K in fiscal years 24/25).**

Direct Care Service Corps Pilot Project. Establishes a sole source grant to Metropolitan Center for Independent Living to continue a pilot program to enlist college students in a direct care service corps. Effective January 1, 2024, or upon federal approval, whichever is later. Session law. **Article 1, Section 67. (\$500K in fiscal years 24/25).**

Miscellaneous rate increase. Increases rates for home care services (home health aide, skilled nursing, therapies), EIDBI, ICF/DD DTH, home delivered meals, chore, community living assistance, and family caregiver by 14.99% from the rates in effect as of December 31, 2023. Article 1, sections 68, paragraph (a), 71-73. Effective January 1, 2024 or upon federal approval, whichever is later. **(\$20.2M in fiscal years 24/25 and \$28.5M in fiscal years 26/27).**

Rate Increase for Home Care Nursing. Increases home care nursing by 25%. Effective January 1, 2024, or upon federal approval, whichever is later. Session law. **Article 1, Section 68, paragraph (b). (\$22.8M in fiscal years 24/25 and \$36.9M in fiscal years 26/27).**

Study services for people with co-occurring conditions. Requires the commissioner and stakeholders to study options for expanding services for people with cooccurring behavioral health issues including expansion of positive support, crisis respite, respite, and specialist HCBS services. Session law. **Article 1, Section 74. (\$548K in fiscal years 24/25).**

Temporary Grant for CL providers. Establishes a temporary grant for CL providers that serve 6 or fewer people in a single home and community residential service providers/ICS providers who transitioned from providing 24-hour CL or CL on or after June 30, 2021. Session law. **Article 1, Section 75. (\$7M in fiscal years 24/25 with carryforward through June 30, 2027).**

Shared Services. Requires the commissioner to (1) seek federal approval to expand the range of medical assistance waiver services that may be shared and increase the number of individuals who may share a service, and (2) issue guidance regarding implementation of existing shared services; and (3) requires DHS to establish rates for shared homemaker and chore not to exceed 1 ½ times the rate for a single person. Session law. **Article 1, Sections 77-78. (\$417K in fiscal years 24/25 and 43k in fiscal years 26/27).**

Study on presumptive eligibility. Requires the commissioner to study presumptive financial and functional eligibility for people with disabilities and older adults. Session law. **Article 1, Section 81. (\$1.3M in fiscal years 24/25)**

Acute Care Transition Advisory Council. Establishes an Acute Care Transition advisory council to assist in implementing a statewide vision and systemic approach to acute care transitions. Specifies membership, community engagement, duties, and other requirements. Expires October 2, 2024, or the day after submitting the action plan to the legislature. Session law. **Article 1, Section 82. (\$350K in fiscal years 24/25).**

Overpayments for Disability CL services. Requires the state, and not providers, to repay CMS for ineligible payments of customized living services under CADL or BI for people under age 55 who were not residing in a setting before January 11, 2021 and in violation of age restrictions. Requires DHS to update guidance and communicate with lead agencies and CL providers to educate them on CL payment eligibility requirements. Session law. **Article 1, Section 83. (\$5m in fiscal years 24/25).**

PCA compensation for services provided by a parent or spouse. Establishes temporary PCA payment for services provided by a spouse or a parent until November 11, 2023, or upon the expiration of federal approval, whichever is later. Expires November 11, 2023, or upon expiration of federal approval, whichever is later. Effective retroactively from May 12, 2023. **Article 1, Section 84. (\$384k in fiscal years 24/25).**

Repealer. Repeals respite from the DWRS framework (Minn.Stat. §256B.4914, subd. 9a) and repeals family residential services from the DWRS framework (Minn.Stat. §256B.4914, subd. 6b). The respite change is effective January 1, 2024 or upon federal approval, whichever is later. The family residential services change is effective January 1, 2026 or upon federal approval, whichever is later. **Article 1, Section 85. (Fiscal impact noted in narratives above).**

Article 2: Aging Services

Native American Elders Coordinator Position. Appropriates permanent funding for a position with the Minnesota Board on Aging (MBA) previously established in statute. This position will allow the MBA to engage with Tribal leadership to ensure the unique needs of Native American elders are adequately addressed statewide. Also revises original language to be culturally appropriate. Effective July 1, 2023. Amends § 256.975, subd. 6. **Article 2, Section 1. \$600K in fiscal years 24/25 and \$600K in fiscal years 26/27.**

Live Well at Home Grants. Authorizes one-time grant funding to provide extended support for Live Well at Home grantees for an additional two years once the initial 5-year grant period has been completed. Also recodifies existing caregiver support and respite care project, core home and community-based services project, and community services grants, and integrates them into the expanded live well at home grants under one section. Effective July 1, 2023. Amends § 256.9754. **Article 2, Sections 2, 6, 42, & 43(a). \$5M in fiscal years 24/25 with carryforward through June 30, 2025.**

Caregiver Respite Services Grants. Establishes a new grant program in the Minnesota Board on Aging for caregiver respite services for families of people with dementia and older adults. Effective July 1, 2023. **Article 2, Sections 3 and 38. \$2M in fiscal years 24/25.**

Consumer-Directed Community Supports Budget Parity. Increases Consumer Directed Community Supports (CDCS) monthly participant budgets under EW and Alternative Care (AC) so they are equal to standard participant budgets these programs. Effective January 1, 2024. Amends § 256B.0913, subds. 4 & 5. **Article 2, Sections 4 and 5. Costs captured in EW proposal below.**

Vulnerable Adult Act Redesign, Phase Two. Establishes state-level grant funding for counties and Tribal Nations to provide Adult Protective Services (APS) and support county and tribal administered APS programs. Provides first-ever state funding for Tribal adult protection programs to ensure adult members of Tribal Nations, who are suspected of experiencing maltreatment to receive culturally appropriate assessments and service supports. Also includes funding for upgrades to the Minnesota Adult Abuse Reporting Center (MAARC) platform and the web reporting system, in addition to data reporting to support grant management and to support equity and consistency for APS referrals and outcomes. Effective July 1, 2023. Amends § 256M.42. **Article 2, Section 7. \$23.1m in fiscal years 24/25 and \$7.6M in fiscal years 26/27 with carryforward through June 30, 2027.**

Case Mix Indices. A cross reference to Minnesota Dept of Health's statute on current method of determining a case mix classification for reimbursement purposes. Effective July 1, 2023. Amends § 256R.17, subd. 2. **Article 2, Section 8. \$177K in fiscal years 24/25 and \$70K in fiscal years 26/27.**

External Fixed Costs Payment Rate. Adds subsection (p) defining how rate adjustment for critical access nursing facilities is determined for the facility rate. Effective July 1, 2023, or upon federal approval, whichever is later. Amends § 256R.25. **Article 2, Section 9. Costs below in CANF proposal.**

Rate Adjustment for Critical Access Nursing Facilities. Restructures the Critical Access Nursing Facility program to provide financial assistance to geographically isolated nursing facilities. Creates a

competitive application process for designation as a Critical Access Nursing Facility. Designated facilities will receive a temporary, supplemental payment above a nursing facility's operating payment rate for purposes of maintaining access to nursing facility services in geographically isolated areas of the state. Effective July 1, 2023, or upon federal approval, whichever is later. Amends § 256R.47. **Article 2, Section 10. \$1.9M in fiscal years 24/25 and \$2M in fiscal years 26/27.**

Nursing Facility in Red Wing. Allows one specific nursing facility an exception to how its operating payment rate component of their reimbursement rate is calculated. The change allows this facility to receive operating rates reflective of their costs by exempting this facility from the operating cost limits that are in current law. Includes an expiration of June 30, 2025. Effective July 1, 2023, or upon federal approval, whichever is later and expires June 30, 2025. Amends § 256R.53. **Article 2, Section 11. \$249K in fiscal years 24/25.**

Financially Distressed Nursing Facility Loan Program. Establishes a competitive loan program for financially distressed nursing facilities to apply for an operating loan. The loans will be interest-free, and facilities may determine a repayment plan of up to six years. Requires the application process to be open at least once annually, the provision of information by the applicant to demonstrate financial distress, describes disbursement schedule, allows for third party administration of the loan program, terms of loan payments and repayment, allows for audit of loan's use. Effective July 1, 2023, and expires June 30, 2029. New language. § 256R.55. **Article 2, Section 12. \$100M in fiscal years 24/25 with carryforward through June 30, 2029.**

Elderly Waiver Rate Increase and Consumer-Directed Community Supports Budget Parity. Eliminates the phase-in of rate-setting methods for many services provided under Elderly Waiver (EW) and related programs, which results in rate increases for these services. Modifies the phase-in of new rates for customized living under the brain injury (BI) and community access for disability inclusion (CADI) waivers from 10% to 29.6%. Increases Consumer Directed Community Supports (CDCS) monthly participant budgets under EW and Alternative Care (AC) so they are equal to standard participant budgets under these programs. Establishes a minimum wage of \$16.68 in the rate method base wage formulas. Requires providers to spend at least 80 percent of revenues from rate increases on direct support worker wages and compensation. Establishes ongoing evaluation of EW rate-setting methods and periodic cost reporting requirements for service providers. Most sections effective January 1, 2024. Amends § 256S and § 256B.0913. **Article 1, Section 57; Article 2, Sections 13-35 and 43. \$122.1M in fiscal years 24/25 and \$290M in fiscal years 26/27.**

Governor's Council on Age-Friendly MN. Extends funding of the Age-Friendly MN Council through the end of June 2027. Effective July 1, 2023. Amends § First Special Session chapter 7, article 17, section 8. **Article 2, Sections 35 & 36. \$6.2M in fiscal years 24/25 with carryforward through June 30, 2027.**

Program for All-Inclusive Care for the Elderly (PACE) study. Establishes an actuarial study to assess the feasibility of implementing a PACE program in Minnesota. Requires the commissioner to estimate the administrative costs associated with implementing and monitoring PACE. Includes a report to the

legislature due by March 1, 2024. Effective July 1, 2023. **Article 2, Section 37. \$265K in fiscal years 24/25.**

Small Provider Regulatory Relief. Requires the MDH and DHS to consult with licensees of assisted living facilities smaller than 11 beds to compile a list of regulatory requirements, compliance with which is particularly difficult for small providers. Effective July 1, 2023. **Article 2, Section 39.**

Rate Increase for Certain Home and Community-Based Services. Increases the payment rates for community living assistance and family caregiver services under the Alternative Care program and Elderly Waiver by 14.99 percent from the rates in effect on December 31, 2023. Effective January 1, 2024 or upon federal approval, which is later. **Article 2, Section 40.**

Nursing Facility Rate Study. Requires the commissioner to contract with an independent organization to conduct a study of nursing facility rates in states bordering Minnesota and states in Region V of Centers for Medicare and Medicaid Services. Specifies the criteria which must be addressed in the study and recommendations to adjustment to nursing facility rate determinations under §256R. A legislative report must be submitted to specified legislative committees by January 1, 2025. Effective July 1, 2023. **Article 2, Section 41. \$680K in fiscal years 24/25.**

Revisor Instruction. A conforming change related to the Live Well at Home grant program recodification into one section. **Article 2, Section 42.**

Repealer. Paragraph (a) is a conforming change related to the Live Well at Home grant program recodification. Paragraph (b) is a conforming change related to CDCS Budget Parity. The Live Well at Home change is effective July 1, 2023. The CDCS budget parity change is effective January 1, 2024 or upon federal approval, whichever is later. **Article 2, Section 43. (Fiscal impact noted in narratives above).**

Article 3: Health Care

Elimination of TEFRA Fees. Clarifies that parents of children eligible under the TEFRA option or HCBS services are not subject to a parental fee. Effective July 1, 2023. **Article 3, Section 1.**

Notice of MA-EPD Program. Requires DHS to notify MA enrollees with a disability about the MA-EPD program at the time of initial enrollment and at least annually thereafter. **Article 3, Section 2.**

MA-EPD Program Modifications. Strikes language disapproved by CMS regarding the disregard of a spouse's income when an enrollee transitions from MA-EPD to MA as a person aged 65 or older or who is blind or disabled (MA-ABD). Eliminates the asset limit for MA-EPD. Effective the day following final enactment. **Article 3, Section 3.**

MA-EPD Asset Limit Elimination. Eliminates the MA-EPD asset limit. Adds language authorizing the commissioner to determine and calculate premium errors and to refund premiums collected in error. Effective January 1, 2024. **Article 3, Section 4. FY24-25: \$14.123m, FY26-27: \$30.267m.**

Non-Emergency Medical Transportation Rate Increase and Fuel Adjustor. Increases the base and mileage rates for modes 3-5. Adds language directing the commissioner to adjust the rate paid per mile when the price of gasoline exceeds \$3.00 per gallon and sets the effective date of this to be on the first day of each calendar quarter. Effective January 1, 2024. **Article 3, Section 5. FY24-25: \$5.941m, FY26-27: \$9.748m (cost of rate increase only)**

Fuel Adjustor for Ambulance Services. Adds language directing the commissioner to adjust the rate paid per mile for ambulance services when the price of gasoline exceeds \$3.00 per gallon and sets the effective date of this to be on the first day of each calendar quarter and requires managed care and county-based purchasing plans to provide the fuel adjustment. Effective January 1, 2024. **Article 3, Section 6. FY24-25: \$2.492m, FY26-27: 1.682m. (includes the cost of both the ambulance and NEMT fuel adjustors)**

NEMT Documentation Requirement. Modifies NEMT documentation requirements and applies the changes retroactively to audit findings beginning January 1, 2020. **Article 3, Section 7.**

Non-Emergency Medical Transportation Rate Increase. Requires managed care and county-based purchasing plans to establish a fuel adjustor for NEMT rates. Effective January 1, 2024. **Article 3, Section 8.**

Hospice Respite and End-of-Life Care for Children under 21. Clarifies that hospice respite and end-of-life care under subd. 22a are not hospice care services under this subdivision. Effective January 1, 2024. **Article 3, Section 9.**

Hospice Respite and End-of-Life Care for Children under 21. Adds MA coverage for residential hospice, hospice respite, and end of life care for children under 21 years of age and requires rates to be 100 percent of the Medicare rate for continuous home care hospice services Effective January 1, 2024. **Article 3, Section 10. FY24-25: \$159,000, FY26-27: \$190,000.**

Elimination of TEFRA Fees. Clarifies that this section does not apply to parents whose children are eligible for MA under the TEFRA option or who are accessing home and community-based waiver services. **Article 3, Section 13.**

Payment Methodology for Enteral Nutrition and Supplies. Removes the requirements for enteral nutrition and supplies to be individually priced. Sets a new payment methodology for these products for dates of service on or after July 1, 2023, through June 30, 2024, and then for dates of service on or after July 1, 2024. **Article 3, Section 14. FY24-25: \$3.314m, FY26-27: \$5.138m.**

TEFRA notices. Implements recommendations made by stakeholders included in the TEFRA Legislative Report published in December 2020, including funding changes to the METS system to inform parents about the TEFRA option and Home- and Community-based (HCBS) waivers, when their children with disabilities are determined ineligible for MA based on family income. **No associated language. FY24-25: \$1.067m, FY26-27: \$765k.**

SMRT. Funds new FTEs in the State Medical Review Team (SMRT) to accommodate increased projected program enrollments and increased appeals, and invests in upgrading SMRT'S Integrated Services Delivery System (ISDS). **No associated language. FY24-25: \$1.315m, FY26-27: \$1.576m.**

Provider redeterminations. Invests in provider enrollment, which will improve processing times for provider screening, enrollment and revalidation, improve the timeliness of enforcement action, and, ultimately, reduce the likelihood of DHS needing to take corrective actions toward providers. **No associated language. FY24-25: \$424k, FY26-27: \$0**

Article 4: Behavioral Health

Office of Addiction and Recovery. Transfers the role of the director of addiction and recovery and office staff from the commissioner of human services to the commissioner of management. Amends Minn. Stat. §4.046, subds. 6-7. No effective date noted. **Article 4, Sections 2-3. (\$2M in fiscal years 24/25 and \$2M in fiscal years 26/27 to MMB)**

Sober homes. Adds definition of sober home. Establishes requirements that sober homes must comply with applicable state and federal laws, maintain opiate antagonists in the home, have written policies on medications and evictions, return property to people discharged and maintain the property for at least 60 days, and maintain emergency contact information for individuals residing in the home. Homes must adhere to the codified bill of rights for sober home residents. Provide authority for the ombudsman for mental health and developmental disabilities to investigate complaints. Adds title protection of "sober home," and requires DHS to collect information to inform policies to strengthen sober home policies in the state. Amending Minn. Stat. §245.91, subd. 4; adding subd. 10 in 254B.01; adding a new section 254B.181; adding a new section 325F.725. Effective July 1, 2023. **Article 4, sections 3, 14, 20, and 26. (FY 24-25- \$407k, FY 26-27- \$642k).**

Opioid treatment program requires. Modifies nonmedication treatment documentation requirements for opioid treatment programs. Amends Minn. Stat. §245G.22, subd. 15. Effective January 1, 2024. **Article 4, Section 6. (No fiscal impact.)**

Administrative requirements. Patients prioritized for admission under section 253B.10, subdivision 1 must be admitted to a state-operated treatment program within 48 hours of a medically appropriate bed being available. This language expires on June 30, 2025. **Section 7.**

Administrative requirements. Patients prioritized for admission under section 253B.10, subdivision 1 must be admitted to a state-operated treatment program within 48 hours of a medically appropriate bed being available. Amends Minn. Stat. §253B.10, subd. 1. This language expires on June 30, 2025. Effective the day following final enactment. **Article 4, Section 7.**

MA peer recovery service vendor. Specifies that counties are eligible vendors of MA peer recovery services. No effective date noted. Amends Minn. Stat. §254B.05, subd. 1. **Article 4, Section 9. (FY 24-25- \$170k, FY 26-27-\$270k)**

Opioid Treatment Program Rate Methodology. Establishes a new OTP rate methodology equal to the Minnesota-specific, locality-adjusted Medicare rates; establishes a nondrug weekly bundle limit of no more than 30 nondrug bundle charges in the first calendar year an enrollee is in treatment and no more than 15 weekly bundle charges in subsequent years. Amends Minn. Stat. §245B.05, subd. 5 and adds 254B.121. Effective July 1, 2024, or upon federal approval, whichever is later. **Article 4, Sections 10-11. (FY24-25- \$435K, FY 26-27- \$3.292 million).**

Withdrawal Management Start-up and Capacity-Building Grants. Establishes a new grant program for prospective or new withdrawal management programs. Effective July 1, 2023. Session law. **Article 4, Section 12. (FY 24-25- \$1.708 million, FY 26-27- \$2.224 million).**

Safe Recovery Sites Start-up and Capacity-Building Grants. Establishes a start-up and capacity building grants for harm reduction organizations to promote health, wellness, safety and recovery to people who are in active stages of SUD. Effective July 1, 2023. Session law. **Article 4, Section 13. FY 24-25- \$18.158 million, FY 26-27- \$6.984 million).**

Evidence-based training. Requires DHS to establish on-going training opportunities for SUD treatment providers related to ASAM criteria and best practices relative to SUD treatment services. Effective July 1, 2023. **Article 4, Section 15. (FY 24-25-\$606K, FY 26-27- \$636K).**

Provider participation SUD Demonstration. Requires nonresidential programs to enroll in the medical assistance substance use disorder demonstration project by January 1, 2025, to continue to receive medical assistance reimbursement. Amends Minn. Stat. §256B.0759, subd. 2. **Article 4, Section 16. (FY 24-25- \$2.248 million, FY 26-27- \$2.412 million)**

Supplemental rate; Douglas County. Authorizes Douglas County to negotiate a supplementary rate not to exceed \$750 for a housing support provider in that county. Amends Minn. Stat. §256I.05, by adding subd. 1s. Effective July 1, 2023. **Article 4, Section 17. (FY 24-25-\$666K, FY 26-27- \$1.332 million)**

Supplemental rate; Crow Wing County. Authorizes Crow Wing County to negotiate a supplementary rate not to exceed \$750 for a housing support provider in that county. Amends Minn. Stat. §256I.05, adding subd. 1t. Effective July 1, 2023. **Article 4, Section 18. (FY 24-25- \$1.182 million, FY 25-26- \$1.620 million).**

Supplemental rate; Douglas County. Authorizes Douglas County to negotiate a supplementary rate not to exceed \$750 for a housing support provider in that county. Amends Minn. Stat. §256I.05, by adding subd. 1u. Effective July 1, 2023. **Article 4, Section 19. (FY 24-25-\$222K, FY 26-27-\$232K).**

Culturally Responsive Recovery Community Grants. Establishes a new grant program for prospective or new recovery community organizations serving or intending to serve culturally specific or population-specific recovery communities. Effective July 1, 2023. **Article 4, Section 21. (FY 24-25-\$4.332 million, FY 26-27- \$0) Note- the grants and administrative funding can be carried forward to June 30, 2027).**

Family Treatment Start-Up and Capacity-Building Grant. Establishes a new grant program for prospective or new substance use disorder treatment programs that serve parents with their children.

Effective July 1, 2023. **Article 4, Section 22.** (FY 24-25- \$11.257 million, FY 26-27- \$0). **Note- the grants and administrative funding can be carried forward to June 30, 2029.**

MA Behavioral Health System Transformation Study. Establishes a study on adding traditional healing, behavioral health services in correctional facilities, and contingency management as MA covered services. Effective July 1, 2023. **Article 4, Section 23.** (**\$616K in fiscal year 24/25 and \$224K in fiscal years 26/27**).

Opioid Treatment Program Work Group. Establishes an opioid treatment program work group of community partners to evaluate the opioid treatment program and make recommendations on overall service design. Requires a report to the legislature by January 15, 2024. Effective July 1, 2023. **Article 4, Section 24.** (FY 24-25- \$17K, FY 26-27-\$0).

MA Peer recovery support recommendations. Requires DHS to consult with community partners to develop recommendations on whether entities seeking MA vendor eligibility should be subject to additional provider enrollment and oversight requirements. Recommendations must include specify which entities would be subject to increased scrutiny and balance the goals of accountability, supportive supervision models, and increasing access to high-quality peer recovery services. Requires recommendations to the legislature by February 1, 2024. No effective date noted. Session law. **Article 4, Section 25.** (FY 24-25- \$136K, FY 26-27- \$0).

Revisor Instruction. Requires the revisor to renumber section 245G.01, subdivision 20b, as section 245G.01, subdivision 20d, and make any necessary changes to cross references. **Article 4, Section 27.** (No fiscal impact).

Repealer.

(1) Repeals comprehensive assessment summary requirements under §245G.05, subdivision 2 and §245G.06, subdivision 2; and repeals medium intensity residential program rates under §256B.0759, subdivision 6. Effective January 1, 2024. **Article 4, Section 28 (a).**

(2) Repeals requirements necessary to move CARE to an appropriation model. Repeals requirement for money received by a substance abuse disorder treatment facility operated by a regional treatment center or nursing home operated by DHS to be deposited in the state treasury and credited to the behavioral health fund; for money in the behavioral health fund to be appropriated to the commissioner to operate substance abuse disorder programs; for interest earned on cash balances derived from receipts from substance use disorder programs affiliated with state-operated facilities to be deposited in the state treasury and credited to a substance use disorder account; and for any interest earned to be appropriated to the commissioner to operate substance use disorder programs. Effective July 1, 2023. **Article 4, Section 28 (b).**

Article 5: Opioid Epidemic Response and Overdose Prevention

Opiate antagonists in schools. Requires district and charter schools to maintain a supply of opiate antagonists at each school site. Requires MDH to identify resources and a training video to help schools

implement this requirement. Adds section 121A.24. Effective July 1, 2024. Article 5, section 1. **No fiscal impact.**

Opiate antagonists in correctional facilities. Requires facilities to have minimum standards and guidance on opioid overdose emergency procedures; requires community corrections programs to maintain a supply of opiate antagonists at each site and to train staff on administration; requires DOC to provide individuals with know histories of opioid use disorder with emergency opiate antagonist rescue kits upon release. Amending Minn. Stat. §241.021, subd. 1; §241.31, subdivision 5; and §241.415. No effective date noted. **Article 5, sections 2-4. No fiscal impact.**

Opioid overdose surge alert system. Requires DHS to establish a statewide overdose surge text message alert system. No effective date noted. **Article 5, Section 5. (FY 24-25-\$810K, FY 26-27-\$830K).**

Emergency Overdose Treatment. Creates a new section for emergency overdose treatment in SUD facilities, including treatment programs, children's residential facility SUD programs, detoxification programs, withdrawal management programs, and intensive residential treatment or crisis stabilization services. Requires licensed substance use disorder treatment programs to maintain a supply of opiate antagonists. Adding a new section 245A.242 and amending 245G.08, subd. 3. No effective date noted. **Article 5, sections 6-7.**

OERAC Advisory Council. Requires advisory council to meet with each of the 11 federally recognized MN Tribal Nations individually on an annual basis for collaboration and communicate on shared issues and priorities. Amends Minn. Stat. §256.042, subd. 1. No effective date noted. **Article 5, Section 8. No fiscal impact.**

OERAC Membership. Modifications to OERAC membership to add one member representing urban American Indian communities. Modifies geographic requirements for the commissioner's appointments so that 1/3 of council members are appointed from outside of seven-county metropolitan area. Amends Minn. Stat. §256.042, subd. 2. No effective date noted. **Article 5, Section 9. FY 24-25- \$24k, FY 26-FY 27- \$24K).**

Appropriations from registration and license fee account. Reorganizes statutory appropriations for the Opiate Epidemic Response Advisory Council. Ensures Project ECHO grants are competitive and not sole-sourced. Specifies that appropriates are available for three years after the funds are appropriated. Effective the day following final enactment. Amends Minn. Stat. §256.043, subd. 3. **Article 5, Section 10.**

Opioid settlement corrections. Corrects a drafting error to ensure DHS has the intended spending authority for administrative and tribal funds and OERAC grants. Requires that funds are available three years after they are appropriated. Amends Minn. Stat. §256.043, subd. 3a. No effective date noted. **Article 5, Section 11. No fiscal impact.**

Opiate Antagonists in housing programs. Requires site-based or group housing support settings to maintain a supply of opiate antagonists and requires training on how and when to administer emergency opiate antagonists. No effective date noted. **Article 5, Section 12. No fiscal impact.**

Opioid fund appropriations. Amends Laws 2019, chapter 63, article 3, section 1, as amended by Laws 2020, chapter 115, article 3, section 35, and Laws 2022, chapter 53, section 12 to clarify base funding amounts for Project ECHO, opioid overdose prevention, and traditional healing grants. Effective the day following final enactment. **Article 5, Section 13.**

Public Awareness Campaign. Requires DHS to establish a public awareness campaign to prevent substance use disorder, reduce stigma, and ensure people know how to access treatment, recovery, and harm reduction services. Session law. No effective date noted. **Article 5, Section 14. (FY 24-25-\$1.2 million, FY 26-27-\$0). Note- funding is available until June 30, 2027.**

Harm Reduction and Culturally Specific Grants. Establishes grant programs for Tribal nations and culturally specific organizations to address the opioid epidemic: harm-reduction grants; organizational capacity grants; culturally specific services grants; and training grant funds. Session law. No effective date noted. **Article 5, Section 15. (FY 24-25- \$8 million, FY 26-27- \$0). Note- the funding is available until June 30, 2027).**

Article 6: Opioid Prescribing Improvement Program

Opioid Prescribing Improvement Program. Clarifies that the OPIP program should support patient-centered, compassionate care. **Article 6, Section 1.**

Opioid Prescribing Improvement Program. Makes a technical change by adding the words “Minnesota health care program” in place of MA and MinnesotaCare. **Article 6, Section 2.**

Opioid Prescribing Improvement Program. Removes the responsibility of the working group to develop opioid disenrollment standards for prescribers and provider groups. Carves out palliative care patients from opioid prescribing protocols. **Article 6, Section 3.**

Opioid Prescribing Improvement Program. Makes technical changes to the statutes regarding the quality improvement program. **Article 6, Section 4.**

Opioid Prescribing Improvement Program. Requires that DHS, in consultation with prescribers, develop criteria for and establish a pain waiver process available beginning July 1, 2023. **Article 6, Section 5.**

Opioid Prescribing Improvement Program. Directs DHS, in consultation with stakeholders, to develop and recommend sunset criteria for OPIP to the legislature by January 15, 2024. Requires the program to sunset when the criteria are met or 12/31/24, whichever is sooner. **Article 6, Section 6. FY24-25: \$204k, FY26-27: \$0m.**

Article 7: Licensing

Mandatory revocation or denial. Provides an exception to the mandatory revocation or denial of a license based on an affiliated license holder or controlling individual’s previous revocation or denial. If

the commissioner finds certain criteria exist to grant a license or not revoke a license, the commissioner is not required to deny an application or revoke a license. July 1, 2023. **Article 7, Section 1. Line 1030**

Temporary Immediate Suspension authority. A temporary immediate suspension (TIS) that is issued to a residential program may be given a delayed effective date for up to 30 calendar days to allow for time to transition persons served by the program to new providers and avoid a sudden service interruption. for a license holder that operates multiple service sites under a single license, the immediate suspension order must be specific to the service site(s) where a TIS is warranted and not apply to any other service sites operated under the same license. If a license holder operates multiple programs, each under their own license, the immediate suspension order must be specific to the individual licensed program where a TIS is warranted and not apply to any other licensed programs operated by the same license holder. July 1, 2023. **Article 7, Sections 2 and 3. Line 1030**

Technical changes. Clarifies that a license should not be granted or renewed if the applicant/license holder has delinquent fines or fees. Moves language from 245A.04, subd. 7 to 245A.10 subd. 6 and subd. 9. July 1, 2023. **Article 7, Sections 1, 4, and 5.**

Receivership. Updates receivership language and aligns with MDH's receivership process. Adjusts receivership timelines, establishes a funding mechanism for instances of receivership, limits liability of managing agents, sets criteria for termination of the receivership, and establishes a period of financial reconciliation with the managing agent so that monies advanced in excess of need are returned to DHS. Allows DHS to develop a list of entities available and qualified to serve as managing agents in the event receivership is necessary. July 1, 2023. **Article 7, Sections 6-12. Line 1030**

[Article 8: Direct Care and Treatment](#)

Departments of the State. Creates the Department of Direct Care and Treatment. Effective January 1, 2025. **Section 1.**

Applicability. Section 15.06, Appointment of Department Heads; Terms; Deputies is applicable to the Department of Direct Care and Treatment. Effective January 1, 2025. **Section 2.**

Additional unclassified positions. Appointing authorities for the Department of Direct Care and Treatment may designate additional unclassified positions according to section 43A.08. Effective January 1, 2025. **Section 3.**

Money collected as rent; State property. The commissioner may lease out to employees any buildings or portions of buildings, units, or lands acquired by the department not needed for the uses and purposes of the department. The commissioner may lease out to clients and employees for the provision of community-based services. All leases are for no more than five years. All money received from leases is credited to the fund from which the property was acquired or through which the property is being maintained. **Section 4.**

Anoka Metro-Regional Treatment Center. From July 1, 2023, through June 30, 2025, the county is not responsible for the cost of care when the facility determines that it is clinically appropriate for the client to be discharged when the patient is committed as a person who has a mental illness and is dangerous to the public under section 253B.18 and who is awaiting transfer to another state-operated facility or program. **Section 5. Tracking line 883.**

Community behavioral health hospitals. From July 1, 2023, through June 30, 2025, the county is not responsible for the cost of care when the facility determines that it is clinically appropriate for the client to be discharged when the patient is committed as a person who has a mental illness and is dangerous to the public under section 253B.18 and who is awaiting transfer to another state-operated facility or program. The client is not responsible for the cost of care. **Section 6. Tracking line 883.**

Title. Chapter 204C may be cited as the Department of Direct Care and Treatment Act. **Section 7.**

Department of Direct Care and Treatment; Establishment. Creates the Department of Direct Care and Treatment. Requires executive board develop and maintain the department consistent with applicable law. Requires department to provide the same services and care coordination as it does prior to establishment as separate state agency. Effective January 1, 2025. **Section 8.**

Transition of authority; Development of board. The commissioner maintains authorities and responsibilities over DCT until legislation related to the DCT executive board is in effect. Requires the commissioner to prepare legislation for the 2024 session, with input from stakeholders deemed necessary, proposing for the creation and implementation of the DCT executive board and defining its responsibilities, powers and functions. The board is limited to five members and must have qualifications appropriate for overseeing a complex behavioral health system. Effective July 1, 2023. **Section 9.**

Transfer of duties. Provides for the transfer of duties from DHS to the department of Direct Care and Treatment. Requires the department of Administration to issue reorganization orders. The initial salary for the DCT CEO will be the same as the health systems CEO in DCT-DHS immediately before July 1, 2024. **Section 10.**

Employee protections for establishing the new department of Direct Care and Treatment. Provides for the transfer of employees whose duties are related to the functions assigned to DCT effective 30 days after approval by the commissioner of DCT. Employees may be transferred beginning July 1, 2024. Provides protections that maintain employment status, job classification, exclusive representation, and bargaining agreements. Requires the state to meet and negotiate with exclusive representatives about any proposed changes affecting transferred employees' terms and conditions not addressed in bargaining agreement. Provides protections for employees currently in temporary unclassified positions and for employees who perform work in transferred facilities, services or operations. Effective July 1, 2024. **Section 11.**

Authorization to build or purchase. Allows the commissioner to build, purchase, or lease buildings where at least a portion of the building must be used for state-operated, community-based programs. **Section 12.**

Task force on priority admission to state-operated treatment programs. Establishes task force to evaluate the impact of the priority admissions statute. Appointments to the taskforce will be made no later than July 1, 2023. The taskforce must meet by August 1, 2023. The Commissioner and Attorney General are co-chairs. DHS must provide administrative support and staff assistance for the task force. A report is due by February 1, 2024, that includes recommendations to improve the priority admissions requirements and process; ways to ensure state-operated programs have medical discretion to prioritize those with the most acute need or risk regardless of referral path; additional ways to meet treatment needs for those referred to state-operated programs and in the community; and any other relevant findings, research, or analyses conducted or produced by the task force. The task force expires on June 30, 2024. Effective the date following enactment. **Section 13. Tracking line 887.**

Revisor instructions. Instructs the revisor of statutes, in consultation with staff from the House Research Department; House Fiscal Analysis; the Office of Senate Counsel, Research and Fiscal Analysis; and the respective departments to prepare legislation for introduction in the 2024 legislative session proposing the statutory changes necessary to implement the transfers of duties for the Department of Direct Care and Treatment. Effective July 1, 2023. **Section 14.**

[Article 9: Appropriations](#)

Direct Care and Treatment fiscal year 2023 appropriations. \$4.289 is appropriated in fiscal year 2023 for DCT programs. This is a one-time appropriation. **Section 8.**

Own Your Future Actuarial Analysis Extension. Allows for the extension of an existing actuarial research study of financing reform options for LTSS to increase access to Home and Community-Based Services, specifically looking at innovative ways at financing LTSS through collaboration of both the private and public sectors. Allows for a carryforward authority of \$300,000 in FY24. Effective July 1, 2023. **Article 9, Section 16.**

Adult Use Cannabis

Minnesota Session Laws – 2023, [Chapter 63](#) (HF 100)

Cannabis studies and reports. Directs the office of cannabis management and requires them to collect existing data from DHS and other entities on the utilization of mental health and substance use disorder services, as well as summary data from first episode psychosis programs. Adds new section 342.02. No effective date noted. **Article 1, Section 4. See section 70- same cost.**

Substance use treatment, recovery and prevention grants. Establishes a substance use treatment, recovery and prevention grant in the special revenue fund. At least 75% of the funding is for grants for SUD and mental health recovery and prevention programs. Up to 25% of the remaining funding is for SUD treatment programs defined in chapter 245G and services that are not covered by Behavioral Health Fund, MNCare or, Medicaid. Adds Minn. Stat. §342.72. No effective date noted. **Article 1, Section 70. (FY 24-25- \$306K, FY 26-27- \$330K).**

Expungement of cannabis-related criminal records. Carves DHS and MDH out of automatic expungements for nonfelony cannabis-related crimes. For felony offenses, requires the BCA to share with DHS information also shared with the Cannabis Expungement Board about cases that may be expunged or resentenced. Requires the court to provide information to DHS about cases that were expunged or resentenced by the Cannabis Expungement Board. August 1, 2023. **Article 5, Sections 2, 3.**

Drug Testing for Public Assistance Programs. Specifies that people with felony cannabis convictions are no longer included in the report that the state court administrator provides every six months to DHS. Ensures that convictions or positive test results related to cannabis, marijuana, or tetrahydrocannabinols are no longer included in who may be subjected to random drug testing and what is considered a positive test result. Ensures that persons with convictions related to cannabis, marijuana, or tetrahydrocannabinols no longer meet the definition of a “fleeing felon” unless the conviction would be a felony if committed in Minnesota. Statutory changes related to drug testing for public assistance programs relate to MFIP, DWP, SNAP, GA, and MSA. Effective July 1, 2023. **Article 6, Sections 44; 46-49; 57-58.**

Limitations on consumption; locations of consumption. Prohibits the possession or consumption of medical cannabis flower or medical cannabinoid products in a state-operated treatment program, including the Minnesota sex offender program. **Section 57, subdivision 1.**

Health care facilities. Health care facilities licensed under chapter 144A; hospice providers licensed under chapter 144A; boarding care homes or supervised living facilities licensed under section 144.50; assisted living facilities under chapter 144G; facilities owned, controlled, managed, or under common control with hospitals licensed under chapter 144; and other health care facilities licensed by the commissioner of health or the commissioner of human services may adopt reasonable restrictions on the use of medical cannabis flower or medical cannabinoid products by a patient enrolled in the registry program who resides at or is actively receiving treatment or care at the facility. **Section 57, subdivision 2.**

State Government Omnibus

Minnesota session Laws – 2023, [Chapter 62](#) (HF 1830)

State Government Omnibus. Modifies requirements for state agencies in the administration of grants. Modifications include oversight requirements on behalf of Admin and requirements for agencies to complete a financial review of grant and business subsidy recipients. Allows state agencies to retain administrative funding of up to five percent of the amount appropriated for sole source and formula-based grants and up to ten percent for competitively awarded grants.

Legislative Task Force on Aging. Establishes a legislative task force to review and prioritize resources to support an aging demographic in the state. The task force will consist of eight appointed members, including legislators, a representative of the Minnesota Board on Aging, a representative of the Minnesota Council on Disability, a representative of the Minnesota Indian Affairs Council, and a representative of the University of Minnesota Center for Healthy Aging and Innovation. The task force will provide recommendations relating to the development and implementation of a statewide plan (including counties, Tribal Nations, non-profits and the private sector) that incorporates all levels of the socio-economic strata of the aging population. A report to the legislature is required by January 15, 2025; the task force expires January 31, 2025. **Article 2, Section 120.**

Transportation Omnibus

Minnesota session Laws – 2023, [Chapter 68](#) (HF 2887)

Food Delivery Support Account Appropriation. Designates a 1% allocation from retail delivery fee revenue for grants to fund the transportation of home-delivered meals, groceries, purchased food, or a combination to those having trouble with accessing due to limited mobility, disability, age, or limited resources. Effective July1, 2023. Amends § 256.9752. **Article 3, Section 19. \$853k in fiscal years 24/25 and \$1.8m in fiscal years 26/27 from the newly established Retail Delivery Fee Revenue Fund.**

Health and Human Services Omnibus Budget Bill
[Minnesota Session Law 2023, Chapter 70 \(SF 2995\)](#)

Article 1: Health Care

Separate Reimbursement for LARCs. Requires DHS to establish requirements for hospitals and primary care providers serving MHCP enrollees to develop and implement protocols to provide enrollees with comprehensive and scientifically accurate information on contraceptive options. Requires DHS to reimburse outside of the DRG for LARCs placed immediately postpartum and requires managed care organizations and county-based purchasing plans to comply with this section. Effective January 1, 2024. **Article 1, Sections 1, 7. FY24-25: \$458k, FY26-27: \$622k.**

Elimination of MHCP Enrollee Error Overpayments. Clarifies that recoveries of MHCP overpayments due to client error apply only to the benefits the client received while appealing an adverse eligibility determination that was ultimately unsuccessful. Effective 07/01/2023. **Article 1, Section 2.**

Prompt Payment. Requires FFS claims to be paid in accordance with timelines under federal law and that interest will be paid at a rate of 1.5% per month on claims that are not paid under those requirements. Effective the day following final enactment. **Article 1, Section 3.**

Hospital Rebasing. Modifies the base years for the 2023 inpatient hospital rebasing to exclude COVID years. Effective July 1, 2023. **Article 1, Section 4.**

Disproportionate Share Hospitals. Modifies the criteria for the DSH factor for a hospital that is a level one trauma center with a MA utilization rate in the base year from 2.5 to 2.25 standard deviations above the statewide mean utilization rate. **Article 1, Section 5.**

LTACH Payment Rates. Modifies the reimbursement methodology for long-term acute care hospitals (LTACHs) to be the higher of the rate under the existing methodology or the cost-based methodology that applies to critical access hospitals. Effective July 1, 2023. **Article 1, Section 6.**

MA Coverage of Tobacco Cessation. Allows DHS to volume purchase Quitline services. Establishes MA coverage of tobacco and nicotine cessation services, drugs to treat tobacco and nicotine addiction or dependence, and drugs to help individuals discontinue use of tobacco and nicotine products. Includes coverage of in-person individual and group education and counseling if provided by certain providers. Effective January 1, 2024. **Article 1, Sections 8, 23. FY24-25: \$602k, FY26-27: \$632k.**

MA for Former Foster Care Youth from Other States. Requires MA coverage for former foster care youth who were in foster care and enrolled in another state's Medicaid program on their 18th birthday. Effective the day following final enactment. **Article 1, Section 9. FY24-25: \$2.198, FY26-27: \$1.214m.**

Medical Assistance mental health rate increases. (FY 24-25: \$17.6M, FY 26-27: \$48.5M)

- Increases the payment rates for certain behavioral health services by 3% effective January 1, 2024, and annually increases the rates effective January 1, 2025 based on the change from the

midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined using the MEI. Requires DHS to increase capitation payments to managed care and county-based purchasing plans and directs those plans to use the funds to increase payment rates to behavioral health service providers. Requires DHS to monitor the effect of the increase on access to behavioral health services. Effective 01/01/2024. **Article 1, Section 35.**

- Cost-based rates will get annual inflationary adjustments: psychiatric residential treatment facilities (PRTF), intensive residential treatment services (IRTS), intensive non-residential mental health services (IRMHS), residential crisis services (RCS), and assertive community treatment (ACT). All rates are adjusted using the Medicare Economic Index, except PRTF rates are adjusted with the inpatient psychiatric facility market basket measure. Effective January 1, 2024 or upon federal approval, whichever is later. **Article 1, sections 10, 28-29.**
- The critical access mental health rate will be phased out: reduced by 50% on 1/1/25, by 75% by 1/1/26, and by 100% on 1/1/27. Effective January 1, 2024 or upon federal approval, whichever is later. **Article 1, section 36.**

Expansion of the MA Adult Dental Benefit. Restores the comprehensive adult dental benefit set in MA. Effective 01/01/2024. **Article 1, Section 11. FY24-25: \$30.036m, FY26-27: \$47.682m.**

12 Month Coverage of Contraceptives. Provides an exception to the 34-day supply limits of prescription drugs in MA to require coverage of up to a 12-month supply of prescription contraceptives. Effective 01/01/2024. **Article 1, Section 12. FY24-25: \$6k, FY26-27: \$2k.**

Drug Formulary Committee Modifications. Modifies the number of seats on the DFC to include at least 5 physicians of various specialties, adds specificity to the pharmacist seats, increases the consumer seats from 1 to at least 4, and adds a seat designated by the Rare Disease Advisory Council. Requires the committee to meet at least three times per year. Extends the committee's sunset to June 30, 2027. Requires DHS to publicly disclose the prior authorization vendor contract and maintain an archive of previous preferred drug lists (PDL) on the website. Requires consultation with certain patient advocacy prior to making changes to the PDL. Requires DHS to give at least 30-days' notice prior to a meeting and include information about the proposed changes for discussion. Effective the day following final enactment. **Article 1, Sections 13, 16. FY24-25: (\$58.561m), FY26-27: (\$77.210m).**

Cost of Dispensing Survey. Requires that the cost of dispensing survey does not expire. Effective the day following final enactment. **Article 1, Section 14.**

Prior Authorization Changes. Modifies the prior authorization requirements for liquid methadone and oral liquid forms of drugs. Effective January 1, 2024. **Article 1, Section 15. FY24-25: (\$58.561m), FY26-27: (\$77.210m) (costs offset by the savings in the Drug Formulary Committee changes).**

Value-Based Purchasing Arrangements for Prescription Drugs. Allows DHS to enter into value-based purchasing arrangements under MA or MinnesotaCare with drug manufacturers and sets requirements for any such arrangement. Effective July 1, 2023. **Article 1, Section 17. FY24-25: \$529k, FY26-27: \$552k.**

MHCP Abortion Statute Clean-up. Clarifies MA coverage of abortion services in accordance with Doe v. Gomez. Effective the day following final enactment. **Article 1, Section 18.**

Removing Doula Supervision Requirements. Removes the supervision requirements for doulas and allows them to enroll doula agencies and individual treating doulas to be paid directly. Effective January 1, 2024. **Article 1, Section 19. FY24-25: \$73k, FY26-27: \$80k.**

Alternative Payment Methodology for the Indian Health Board; Addressing CMS 4 Walls Policy.

Alternative Payment Methodology for the Indian Health Board: Allows FQHCs that are also urban Indian organizations (UIOs) to elect from among three reimbursement options, one of which is a rate equivalent to the all-inclusive rate payment established by the Indian Health Service. Addressing CMS 4 Walls Policy: Allows an IHS facility or a Tribal health center operating under a 638 contract or compact to elect to enroll in medical assistance as a Tribal FQHC and requires DHS to establish an alternative payment method for a facility or center that makes this election that is equivalent to the method and rate for those that do not make such an election. IHB APM effective date: January 1, 2026; 4 Walls effective date: July 1, 2023. **Article 1, Section 20. APM for IHB - FY24-25: \$0, FY26-27: \$1.141m; Four Walls – FY24-25: 1.341m, FY26-27: 1.402m.**

MA Coverage of Seizure Detection Devices. Establishes MA coverage of seizure detection devices and their monitoring and establishes a payment rate. Effective January 1, 2024. **Article 1, Section 21. FY24-25: \$67k, FY26-27: \$80k.**

Alternative Payment Methodology for the Indian Health Board. Strikes outdated language regarding federal approval for paying organizations dually certified as FQHCs and UIOs the all-inclusive rate. Federal approval of this section was not received. Effective the day following final enactment. **Article 1, Section 22.**

MA Coverage of Biomarker Testing. Establishes MA coverage for biomarker testing and specifies this coverage must align with commercial market coverage. Effective January 1, 2025. **Article 1, Section 24.**

Recuperative Care. Establishes MA coverage of recuperative care services and defines recuperative care services, specifies the settings in which recuperative care services may be provided, who is eligible to receive recuperative care services, and the reimbursement rate for the services. Requires a legislative report on the roll out of the new benefit. Effective January 1, 2024. **Article 1, Sections 25, 27. FY24-25: \$2.275m, FY26-27: \$3.246m.**

MA Coverage of Diagnosis, Treatment, and Monitoring of Rare Diseases. Requires MA coverage for services related to the diagnosis, monitoring, and treatment of a rare disease or condition meets the requirements set forth in section 62Q.451. Prohibits denial of coverage solely on the basis that the service was provided, referred for, or ordered by an out-of-network provider. Establishes limits on prior authorization requirements for services of out-of-network providers. Effective January 1, 2024. **Article 1, Section 26.**

Managed Care Withhold Modifications. Removes the statutorily mandated withhold measures that the managed care organizations are required to meet. Effective January 1, 2024. **Article 1, Section 30.**

Tracking line 842.

MA Coverage of Diagnosis, Treatment, and Monitoring of Rare Diseases. Sets payment requirements for rare disease services provided in Minnesota by an out-of-network provider. Requires that if a managed care or county-based purchasing plan has an established contractual payment under MA with the provider, the provider must accept that payment as payment in full. Requires that if a managed care or county-based purchasing plan does not have an established contractual payment under MA, then the provider must accept the payment for uninsured patients and, absent that, the fee-for-service rate. Effective January 1, 2024. **Article 1, Section 31.**

MA Coverage of Diagnosis, Treatment, and Monitoring of Rare Diseases. Sets payment requirements for rare disease services provided outside of Minnesota by an out-of-network provider. Requires that if a managed care or county-based purchasing plan has an established contractual payment under MA with the provider, the provider must accept that payment as payment in full. Requires that if a managed care or county-based purchasing plan does not have an established contractual payment under MA, then the provider must accept the payment for uninsured patients and, absent that, the fee-for-service rate. Effective January 1, 2024. **Article 1, Section 32.**

Rate Increase for Doula Services. Beginning January 1, 2024, increases the payment rate for doula services to be \$100 per prenatal or postnatal visit and \$1,400 for attending and providing doula services at a birth. Effective January 1, 2024. **Article 1, Section 33. FY24-25: \$301k, FY26-27: \$476k.**

Newborn Screening Fee Fix. Allows DHS to reimburse physicians and licensed professionals for costs incurred required metabolic disorder testing of newborns outside of an inpatient hospital or freestanding birth center and the cost is not recognized by another payment source. **Article 1, Section 34. FY24-25: \$7k, FY26-27: \$9k.**

Rate Increase for Family Planning Services. Increases the payment rates for family planning and abortion services by 20%, effective January 1, 2024. Clarifies that the rate increase does not apply to FQHCs, RHCs, or IHS. **Article 1, Section 37. FY24-25: \$1.017m, FY26-27: \$1.574m.**

MHCP Abortion Statute Clean-up. Removes outdated language related to MinnesotaCare coverage of abortion. Effective the day following final enactment. **Article 1, Section 38.**

MinnesotaCare Cost-Sharing Exemptions. Requires that the following be provided without cost-sharing in MinnesotaCare: (1) additional services or testing required after a mammogram, as determined by a provider; (2) drugs used for tobacco cessation and tobacco cessation services; and (3) PrEP and PEP medications when used for HIV treatment and prevention. Effective 01/01/2024. **Article 1, Section 39.**

Response to Covid-19 Public Health Emergency. Clarifies that enrollees in MA-EPD and MSP are also eligible for the 12 month asset disregard during the unwinding process. Effective the day following final enactment. **Article 1, Section 40.**

Extension of Audio-only Telehealth. Extends the temporary permissible use of audio-only telehealth to June 30, 2025. **Article 1, Section 41. FY24-25: \$16.727m, FY26-27: \$1.383m.**

MA and MinnesotaCare for Deferred Action Childhood Arrivals (DACA) grantees. Directs DHS to make federally funded MA and MinnesotaCare available to DACA grantees upon finalization of regulations from CMS. Effective upon the effective date of federal regulations published by CMS. **Article 1, Section 42.**

Article 2: Health Insurance

Third Party Liability Modifications. Requires health insurers to comply with new third-party liability requirements under the Consolidated Appropriations Act of 2022. **Article 2, Section 1. Tracking line 854.**

Article 3: Department of Health Policy

Moratorium. Clarifies that nursing facilities with competitive moratorium projects approved after March 1, 2020, are subject to the Fair Rental Value Property rate described in MN Statute 256R.26. Effective retroactively from March 1, 2020. **Article 3, Section 30.**

Amendments to Approved Projects. Clarifies that reimbursement for amendments to approved nursing facility moratorium projects is independent of the actual construction costs and based on the allowable appraised value of the completed project. Also includes that an amendment to an approved project may not reduce the scope of the project. Effective retroactively from March 1, 2020. **Article 3, Section 31.**

Article 4: Department of Health

Changes to adoption records confidentiality. Provides access to original birth records for adults who were adopted when they reach age 18. Requires the Department of Human Services (DHS) in consultation with the Department of Health, to create and implement a public awareness campaign about the changes in the law, as well as work with adoption agencies to notify all adoptees and birth parents of the changes. DHS staff will also be responsible for fulfilling requests for agency records. Cost: \$702,000 in fiscal year 2024 to pay for the public awareness campaign and notice to adoptees and birth parents. Effective July 1, 2024. **Article 4, sections 2-3, 28-29, 31-34, 82-83 and 103.**

Hospital Screening for Insurance Coverage/Payment Assistance. Requires that hospitals participating in the HPE program screen patients who are uninsured or whose insurance status is not known for HPE coverage and assist the patient in scheduling an appointment with a certified application counselor or navigator. Effective 11/01/23. **Article 4, Section 40. No cost to DHS.**

Modification of child support statute. Amends section 518A.39, subd. 2 by eliminating a cross reference to a section 256B.40 related to abortion subsidies, which has been repealed. Policy only. Effective the day following enactment. **Article 4, section 92.**

Task force on pregnancy health and substance use disorders. Establishes a task force on pregnancy health and substance use disorders to develop guidance on when health care providers should order toxicology testing for birthing parents and newborns and protocols for reporting potential exposure to local child welfare agencies. The task force includes a representative of the Department of Human Services (DHS) with experience in child welfare and child protection. No cost for DHS. The committee appointments must be made by October 1, 2023 and a report is due to the legislature by December 1, 2024. **Article 4, section 110.**

Repealer – changes to adoption records. Repeals section 144.212, subd. 11 (definition of consent to disclosure for statutes governing vital records); section 259.83, subd. 3 (requirements for adoption agencies to provide certain notices to birth parents); and section 260C.637 (allowing an adopted person to ask the commissioner of health to disclose information on the adopted person’s original birth record). Policy only. Effective July 1, 2024. **Article 4, section 113.**

Article 5: Medical Education and Research costs and Health Care Workforce

MERC. Modifies the definitions of "clinical medical education program" and "eligible trainee FTEs." **Article 5, Section 1. Tracking line 828.**

MERC. Modifies the application requirements for qualifying programs to apply for funds. **Article 5, Section 2. Tracking line 828.**

MERC. Modifies the distribution formula for MERC payments made by MDH. **Article 5, Section 3. Tracking line 828.**

MERC. Modifies the MERC grant verification report (GVR) requirements. **Article 5, Section 4. Tracking line 828.**

MERC. Directs DHS to seek federal funding on the MERC dedicated revenue. **Article 5, Section 5. Tracking line 828.**

Provider supervision grant. Expands the use of mental health provider supervision grants to pay for preceptorships for students and to provide weekend training for workers to become supervisors. Amends Minn. Stat. §245.4663, subd. 4. No effective date noted. **Article 5, section 12.**

MERC. Establishes a rate factor for MERC distribution payments that is specific to each hospital for payments beginning January 1, 2024. **Article 5, Section 13. FY24-25: \$33.540m, FY26-27: \$36.558m.**

MERC. Requires a rate adjustment for critical access hospitals to include MERC distributions not included in the payments under 256.969, subd. 2b, beginning January 1, 2024. **Article 5, Section 14. FY24-25: \$33.540m, FY26-27: \$36.558m.**

Article 6: Health-Related Licensing Boards

Former students alcohol and drug counseling. Adds supervision requirements in DHS-licensed substance use disorder treatment programs for former students that have completed their alcohol and drug counseling education but do not yet have a permit or license to practice. Effective August 1, 2023.

Article 6, Sections 33 to 35.

Article 7: Background Studies

Data privacy. Brings DHS into compliance with federal regulations related to data sharing and aligns with the minimum necessary rule of data sharing.

- Removes reason for background study disqualification from the list of data public at the time of the issuance of the licensing sanction or denial. Reclassifies from public to private data the reason for disqualification and the reason to not set aside the disqualification. (Article 7, Section 1)
- Clarifies that data obtained by the commissioner for a background study is classified as private data. (Article 7, Section 6)
- Clarifies that data obtained by the commissioner for an alternative background study is classified as private data on individuals. (Article 7, Section 7)
- States that privacy notices sent to background study subjects will no longer say that the commissioner may share the following with the submitting entity

1) the reason for disqualification or

2) information about the decision to set aside a disqualification. (Article 7, Section 11)

- Removes information from a disqualification notice that states that the reason for a disqualification and factors used to decide a set aside will be shared with others other than the study subject. (Article 7, Section 36)
- Removes information from a disqualification notification that states that the reason for a disqualification will be shared with an applicant, license holder, or other entity. (Article 7, Section 37)
- Reclassifies identifying and disqualifying characteristics as private data for a disqualified individual who received a set aside or variance. (Article 7, Section 41)
- Modifies the notice that is sent to an individual who has a disqualification rescinded or set aside. (Article 7, Section 42)
- Strikes language stating that the disqualified individual's consent is not required to disclose to a license holder the reason a variance is granted. (Article 7, Section 44)

July 1, 2023 (Article 7, Sections 1, 6, 7); April 1, 2024 (Article 7, Sections 11, 36, 37, 41, 42, and 44).

Article 7, Sections 1, 6, 7, 11, 36, 37, 41, 42, 44. Line 915

Guardian and conservator background studies. Changes the process for conducting guardian and conservator background studies. Moving forward, the MN Bureau of Criminal Apprehension (BCA) will

conduct criminal history records checks, and DHS will conduct maltreatment and licensing agency checks. Maltreatment and licensing agency checks include a review of Minnesota substantiated maltreatment records held by DHS and a search of professional licensing agency databases. The fee for maltreatment and licensing agency checks will be \$50. Removes a requirement to check the Department of Education licensing data as the Professional Educator Licensing Standards Board (PELSB) holds this data. July 1, 2023. **Article 7: Sections 2, 3, 8, 29, 46. Line 920**

Electronic records in NETStudy 2.0. Requires study subjects to access notices and letters electronically via the applicant portal and to update contact information. Individuals may request an exception to the electronic access requirement and receive paper documentation. Clarifies that NETStudy 2.0 provides electronic access to certain notices. November 1, 2024, for electronic access and July 1, 2023, for updated contact information and clarifying language about NETStudy 2.0. **Electronic access: Article 7, Sections 4, 12, 45; updated contact information: Article 7, Section 10. Line 915**

Language clarifications for compliance. Removes reference to “contractor.” July 1, 2023. **Article 7: Section 5.**

Minnesota Sex Offender Program background studies. Enables DHS to begin obtaining Minnesota fingerprint-based criminal history records information for MSOP directly from the BCA, as DHS does not have the authority to request or receive this criminal history records information from the FBI. The new studies will include the following checks:

- o Names of substantiated perpetrators of maltreatment of vulnerable adults;
- o Records related to the maltreatment of minors in licensed programs;
- o Information from juvenile courts when there is reasonable cause; and
- o Information from the BCA, including information from the predatory offender registry.

January 1, 2024. **Article 7: Sections 5, 13, 47. Line 953**

Conforming language with current Background Studies practices. Allows study subjects to use other forms of ID. Requires consent form and criminal history disclosure form. July 1, 2023. **Article 7: Section 10.**

Background Studies fee updates. Increases fees that are currently \$40 or \$42 to \$44 and fees that are \$51 to \$53. Allows DHS to increase fees as necessary, commensurate with BCA fee increases. Charges fees to MDH providers directly, effective January 1, 2024. Fixes a cross reference to 245C.10. July 1, 2023. **Article 7, Sections 14-28, 30-33, 45. Line 920**

Disqualifications for certain drug-related offenses. Creates a new 5-year disqualifications tier for certain drug-related crimes (particularly those related to the possession of a controlled substance). Previously, these offenses were subject to a 15-year disqualification. August 1, 2024. **Article 7, Sections 34 and 35. Line 1308**

Standardized Timeline for Requesting Reconsideration. Requires requests for reconsideration to be submitted within 30 calendar days of receipt of a notice of disqualification. Previously, some

reconsideration requests needed to be submitted with 15 days and others within 30 days. July 1, 2024.

Article 7: Sections 39, 40. Line 1308

Repealer. Repeals 1) the definition of public law background study, 2) the public law background studies section of statute, which is used for the Minnesota Sex Offender Program, and 3) variances for public law background studies.

Article 8: Licensing

Limits on Receiving Public Funds. Expands prohibition, license disenrollment, revocation, or suspension, disqualification, or debar actions to providers, vendors, or individuals to those enrolled, licensed, receiving funds under a grant contract, or registered to any program administered by the commissioner, as well as their associated entities or individuals. Also expands actions to providers, vendors, individuals that are enrolled, licensed, or receiving funds from any Minnesota state or federal agency. The duration of the action must last for the longest applicable sanction or disqualifying period. Adds definitions for associated entity and associated individual, and amends definitions for “excluded” and “provider.”

Adds process for notice of taking action and appeal via contested case hearing. Adds ability to withhold payments if there is a credible allegation of fraud under a pending investigation for a program administered by a Minnesota state or federal agency (also describes “credible allegation of fraud”). Details notice of payment withholding requirements and administrative reconsideration requirements. States that withholding of payments shall cease if commissioner determines there is insufficient evidence of fraud, and that withholding of payments is a temporary action. **Article 8, Section 2.**

Family Child Care continuous license: Establishes a continuous license process, or a license that automatically renews, for family child care license holders. Current licenses for family child care requires providers to reapply for a license every one or two years. Due to the change from a renewed license to a continuous license, training requirements are changed to require that all applicable trainings for family child care providers must not expire rather than needing to be current based upon the application renewal date under current practice. **Article 8, Sections 3, 27, 28, 29, 30 and 31. Line 940**

Protecting sleeping infants in licensed settings. Aligns Minnesota’s infant safe sleep statute with the American Association of Pediatrics’ recommendation to avoid using pacifiers that attach to infant clothing or have items attached to them and the recommendation to not use weighted sleepwear. Provides clarity for license holders on what types of clothing or sleepwear are prohibited when placing an infant down to sleep and clarifies that an infant may wear a helmet while sleeping if the license holder has specific documentation. Incorporates a plain language definition of swaddling, as well as clarity on the type of sleepwear that is appropriate for swaddling. Gives license holders the option to request a variance to permit the use of a cradleboard, if requested by a parent or guardian for a cultural accommodation. Removes an outdated reference in 245A.146 to a waterproof mattress for a play yard, pack and play, or playpen. January 1, 2024. **Article 8, Sections 4, 19, 20, 21. No fiscal impact**

Child care center definition of experience. Expands the definition of experience for licensed child care centers to include time caring for children in a Tribally licensed child care program, a certified license-

exempt center, or providing direct contact services in a home or residential facility serving children with disabilities that requires a background study under 245C.03. October 1, 2023. **Article 8, Section 5.**

Head Start preschool programs. Excludes Head Start programs that only serve children ages 3-5 years old from licensure and makes them eligible to become certified child care centers. January 1, 2024. **Article 8, Sections 6, 42, 43.**

Provider licensing and reporting hub. Adds language to require the commissioner, county staff, applicants, and license holders to use the provider licensing and reporting hub, once it is implemented, for applications; notifications on changes in operations; denials and appeals of denials; closure of a license and requests for reconsideration of the closure; correction orders and conditional licenses; requests for reconsideration of correction orders or conditional licenses; suspensions, revocations, or fines and appeals of those orders; certified child care center applications; certified child care center denials and reconsiderations of denials; certified child care center correction orders and requests for reconsideration; certified child care center decertifications and requests for reconsideration; certified mental health clinic applications; certified mental health clinic denials and reconsiderations of denials; certified mental health clinic correction orders and requests for reconsideration; certified mental health clinic decertifications and appeals; and certified mental health clinic notifications to DHS on changes to the name of the certification holder or location of the clinic. Adds a definition for “authorized agent” for certified child care centers and removes the option to have more than one designated center operator or program operator. Allows child maltreatment reports to be made through the hub, and an oral report is not required. If DHS and DOR enter into an interagency agreement, allows DOR to match the business or individual legal name of an applicant with the Minnesota tax id number, EIN, or SSN, and share that matching with DHS to determine eligibility for provider grant programs, and conduct oversight of ownership and program integrity. Day following final enactment. **Article 8, Sections 7, 9, 10, 11, 12, 13, 14, 16, 23, 40, 41, 42, 44, 45, 48, 49, 50, 51, 57, 58, 59, 60, 61, 62. Line 901**

Clarifying child care annual review requirement. Changes language in 245A and 245H to say that DHS must complete an on-site inspection at each licensed and certified center at least once each calendar year (rather than annually). Day following final enactment. **Article 8, Sections 8 and 47. No fiscal impact**

Child foster care background studies reform technical changes. Clarifies that the nondisqualifying background study information for each background study subject, not just the nondisqualifying background study information for the applicant or license holder, be considered before making a recommendation to grant, deny, or revoke a child foster care license. Day following final enactment. **Article 8, Sections 10, 15, 16, 22**

Child foster care license holder qualifications. Outlines the requirements that a child foster care license holder must immediately notify the licensing agency if there are changes to the license holder or household member’s physical or behavioral health that may affect their ability to care for a foster child; or changes to the care of a child or vulnerable adult for whom the license holder is a parent or legally responsible. Allows the licensing agency to request an evaluation by a specialist to determine the license holder’s ability to provide a safe environment for a foster child. Requires the licensing agency to inform

the individual that an evaluation has been requested and request a release of information. January 1, 2024. **Article 8, Section 17. No fiscal impact**

Family Child Care fire code updates: Codifies the most current, applicable 2020 fire code standards for family child care and special family child care in 245A. the Human Services Licensing Act. **Article 8, Sections 18, 32, 33, 34 and 35. No fiscal impact**

Family Child Care licensors required to use ELICI: Requires all county family child care licensors to use the Electronic Licensing Inspection Checklist Information (ELICI) to log information collected during a licensing review or investigation. **Article 8, Section 24. No fiscal impact**

Child care center prospective employee observation. Clarifies in 245A that a prospective child care center employee may interact with children without being considered a child care background study subject as long as the individual is under continuous direct supervision by a staff person. Limits the observation period to no longer than 2 hours. States that prospective employees cannot be counted in staff-to-child ratios. **Article 8, Sec. 26.**

Maltreatment of minors reporting training. Aligns requirements for all DHS-licensed programs that serve children to require training on maltreatment of minors reporting requirements and definitions at both orientation and every year. Previously some programs were only required to provide it at orientation but not yearly and vice versa. Effective January 1, 2024. **Article 8, Sections 36 and 39. No fiscal impact**

Certified child care center DHS notification. Requires certified child care centers to notify DHS before making any changes to the certification holder, authorized agent, location, ages served, or schedule. August 1, 2023. **Article 8, Sec. 46. No fiscal impact**

Certified child care center age alignment. Allows certified child care centers to serve children 14 years old or older if the child remains eligible for CCAP or if the program serves only school-age children no grade higher than 8th grade. If middle-school-age children are enrolled and combined with elementary children, requires the risk reduction plan to include policies and procedures to ensure adequate supervision when children are grouped together. August 1, 2023. **Article 8, Sec. 52, 53, and 55. No fiscal impact**

Certified child care center administration of non-prescription medication. Adds requirements to 245H.13 for non-prescription medication related to written parental permission, labeling, storage, and documentation of administration of the medication. August 1, 2023. **Article 8, Sec. 54. No fiscal impact**

Child care center staff distribution. Allows an aide to substitute for a teacher during morning arrival and afternoon departure times at a child care center if the total time does not exceed 25% of the center's daily operation. Requires the aide to be at least 18 years old, have worked in the center for at least 30 days, and have completed all orientation training, including training that is required in the first 90 days. July 1, 2023 (expires July 1, 2025). **Article 8, Sec. 63.**

Article 9: Behavioral Health

Mental health practitioner. Deletes the definition of mental health practitioner and instead refers to the definition in chapter 245I, which outlines mental health uniform service standards. Amends Minn. Stat. §245.462, subd. 17. No effective date noted. **Article 9, Section 1. No fiscal impact.**

Provider supervision grant. Expands grant purpose to include funding for preceptorships and for workers to become supervisors. Amends Minn. Stat. §245.4663, subd. 1. No effective date noted. **Article 9, Section 2. No fiscal impact.**

Mobile response stabilization model. Allows DHS to establish and expand a mobile response and stabilization services model for children, youth, and families and to consult with an expert to determine measurable outcomes and explore an MA state plan benefit. Amends Minn. Stat. §245.4889, subd. 1. **Article 9, Section 3.**

School-Linked behavioral health grants. Adds data collection requirements for SLBH grants, specifying that data may be collected no more frequently than twice per year. Specifies data collection points allowed and permits qualitative data to be collected. Requires DHS to consult with grantees and develop ongoing outcomes measures. Requires DHS to consult with school districts that have not received SLBH grants and to work with culturally specific providers to serve more students. Requires DHS to consider consistency of providers over time among when determining grants. Amends Minn. Stat. §245.4901, subs. 4-5. No effective date noted. **Article 9, Sections 4-5. No fiscal impact.**

CEMIG grant. Codifies the Cultural and ethnic minority infrastructure grant, which ensures that mental health and SUD treatment supports, and services are culturally specific and culturally responsive. Adds a new section, Minn. Stat. §245.4903. Effective the day following final enactment. **Article 9, Section 6. (FY 24-25- \$6 million, FY 26-27- \$6 million).**

Mental health rehabilitation worker qualifications. Adds training requirements, aligning with the Mental Health Uniform Service Standards Act. Amends Minn. Stat. §245.4901, by adding subd. 5. No effective date noted. **Article 9, Section 7. No fiscal impact.**

Mental health behavioral aide qualifications. Adds training requirements, aligning with the Mental Health Uniform Service Standards Act. Amends Minn. Stat. §245I.04, subd. 14. No effective date noted. **Article 9, Section 8. No fiscal impact.**

Clinical trainee training. Eliminates training requirements within 90 days of first contact with the client for clinical trainees. Amends Minn. Stat. §245I.05, subd. 3. No effective date noted. **Article 9, Section 9. No fiscal impact.**

Documentation standards. Requires the client's name on each page of the file and the staff's name on each page of the personnel file. Amends Minn. Stat. §245.4901, by adding subd. 5. No effective date noted. **Article 9, Section 10. No fiscal impact.**

Documentation approval. Modifies documentations approval of clinical trainees or mental health practitioners by a treating supervisor from five to ten business days. Amends Minn. Stat. §245I.08, subd. 2. No effective date noted. **Article 9, Section 11. No fiscal impact.**

Progress notes. Removes the requirement that service modality is specified in progress notes. Amends Minn. Stat. §245I.08, subd. 4. No effective date noted. **Article 9, Section 12. No fiscal impact.**

Assessment and treatment planning. Removes annual diagnostic assessment requirement and allows an update to an assessment to be substituted for an annual DA. Amends Minn. Stat. §245I.10, subd. 2. No effective date noted. **Article 9, Section 13. No fiscal impact.**

Expiration correction. Aligns the subdivision expiration with the approved state plan, modifying the subdivision's expiration date from July 1, 2023 to October 17, 2023. Amends Minn. Stat. §245I.10, subd. 3. No effective date noted. **Article 9, Section 14. No fiscal impact.**

Brief diagnostic assessments for children. Allows brief diagnostic assessments for children under six years of age. Amends Minn. Stat. §245I.10, subd. 5. No effective date noted. **Article 9, Section 15. No fiscal impact.**

Diagnostic assessment requirements for children and youth. Removes the requirements that the ECSII tool must be used for children five years of age and younger and CASII must be used for children between six and 17 years of age. Allows information from other providers and prior assessments to be used for a diagnostic assessment. Amends Minn. Stat. §245I.10, subd. 6. **Article 9, Section 16. No fiscal impact.**

Individual treatment plan clarification. Adds "treatment plan" to exceptions of when a provider must follow written treatment plans. Amends Minn. Stat. §245I.10, subd. 7. **Article 9, Section 17. No fiscal impact.**

Treatment plan requirements. Clarifies that treatment plans must be completed before service initiations and after reviewing either the diagnostic assessment or DA from another provider. Amends Minn. Stat. §245I.10, subd. 8. No effective date noted. **Article 9, Section 18. No fiscal impact.**

Storing and accounting for medications. Updates requirements for medication storage. Amends Minn. Stat. §245I.11, subd. 3. No effective date noted. **Article 9, Section 19. No fiscal impact.**

Medication orders. Removes requirement that providers must obtain prescription renewals from a licensed prescriber for each client every 90 days for psychotropic meds and annually for all other meds. Amends Minn. Stat. §245I.11, subd. 4. No effective date noted. **Article 9, Section 20. No fiscal impact.**

Treatment supervision. Removes certain treatment supervision requirements for practitioners and clinical trainees, notably case review requirements. Amends Minn. Stat. §245I.20, subd. 5. No effective date noted. **Article 9, Section 21. No fiscal impact.**

Psychiatry provider documentation. Requires evaluation and management psychiatric services are documented in accordance with current procedural terminology. Amends Minn. Stat. §245I.20, subd. 6. No effective date noted. **Article 9, Section 22. No fiscal impact.**

SUD administrative allocation. Maintains the current level of funding for lead agency allocations. Requires DHS to evaluate the ongoing need for local agency substance use disorder allocations and develop recommendations on whether such allocations should continue, and if so, make recommendations for the purpose of the allocations and propose an updated methodology. Amends Minn. Stat. §254B.02, subd. 5 and session law. Effective the day following final enactment. **Article 9, Sections 23 and 39.**

Access to comprehensive assessments. Allows hospitals, federally qualified health centers, and rural health clinics to bill for comprehensive assessments if they do not have a 245G license. Amends Minn. Stat. §245B.05, subd. 1. Effective upon federal approval. **Article 9, Section 24. (FY 24-25- \$40k, FY 26-27- \$118k).**

3rd Path Room and Board. Allows behavioral health funding for children in children's residential facilities, commensurate with the adolescent SUD programs. Amends Minn. Stat. §245B.05, subd. 1a. Effective July 1, 2023. **Article 9, Sections 25 and 41. (FY 24-25-savings- (\$1.084) million and FY 26-27-savings- (\$3.010) million)**

Transition to community grant. Clarifies grant eligibility related to MA, adds children's settings from which a person may be trying to transition from in order to meet eligibility, and makes other policy modifications that support families and other natural supports. Amends Minn. Stat. §256.478, subd. 1 and §256.478, subd. 2. No effective date noted for section 26 and section 27 is effective July 1, 2023. **Article 9, Sections 26-27.**

Assertive community treatment (ACT) requirements. Removes requirement that team staff must be scheduled for at least an 8 hour shift and allows teams to meet with people at a frequency that meets their needs rather than "at least 120 minutes per week." No effective date noted. Amends Minn. Stat. §256B.0622, subds. 7b and 7c. **Article 9, Section 28-29.**

Adult Rehabilitative Mental Health Services requirements. Removes noncounty provider requirement to get certified by each county in which it will provide services. Amends Minn. Stat. §256B.0623, subd. 4. No effective date noted. **Article 9, Section 30.**

Crisis staff qualifications. Requires at least six hours of the required 30 hours of training is specific to working with families and providing ongoing crisis stabilization services to children. Topics include developmental tasks, family relationships, motivational interviewing, culturally responsive care, and positive supports. Amends Minn. Stat. §256B.0624, subd. 5. No effective date noted. **Article 9, Section 31.**

Crisis stabilization staff qualifications. Requires at least six hours of the required 30 hours of training will be working with families and providing ongoing crisis stabilization services to children if working

with children under 21 years of age or younger. Amends Minn. Stat. §256B.0624, subd. 8. **Article 9, Section 32.**

Behavioral health home services staff qualifications. Removes requirement that integration specialists must be RNs and instead allows any licensed nurse to meet the staffing qualification. Amends Minn. Stat. §256B.0757, subd. 4c. No effective date noted. **Article 9, Section 33.**

PRTF sleeping hours training requirements. Allows flexibility during sleeping hours so that at least one staff onsite is trained and certified to provide emergency medical responses and that a registered nurse must be available on call and must be available within 60 minutes. Amends Minn. Stat. §256B.0941, subd. 49. **Article 9, Section 34.**

PRTF shared sites. Allows shared sites for psychiatric residential treatment facilities and other related services if there's a bright-line separation between the sites. Amends Minn. Stat. §256B.0941, by adding subd. 2b. No effective date noted. **Article 9, Section 35.**

PRTF start-up and capacity-building grants. Codifies start-up and capacity-building grants for psychiatric residential treatment facility sites. Expands uses to include emergency workforce needs and specialization grants. Amends Minn. Stat. §256B.0941, by adding subd. 5. Effective July 1, 2023. **Article 9, Section 36. (FY 24-25- \$2.195 million and FY 26-27- \$0). Note- funding is available until June 30, 2027.**

Children's intensive behavioral health services. Aligns the level of care assessment and treatment services to align with requirements in the mental health uniform service standards act, modifying them from 90 days to 180 days. Amends Minn. Stat. §256B.0946, subd. 4. No effective date noted. **Article 9, Section 37.**

Changes to residential adult mental health program licensing requirements. DCT?

Rate increase for mental health adult day treatment. Requires DHS increase ADT rates by 50% from the rates in effective as of June 30, 2023. Effective January 1, 2024, or upon federal approval, whichever is later. **Article 9, Section 40. (FY24-25-\$943k, FY 26-27-\$1.414 million).**

School-linked behavioral health grant contract dates. Requires DHS to ensure contract execution during fiscal year 2024 have a retroactive start date to July 1, 2023. Specifies that contracts executed after July 1, 2023, and payments made after will not violate state procurement requirements. This expires July 1, 2024. Effective July 1, 2023. **Article 9, Section 42.**

[Article 10: Economic Assistance](#)

Repeal of the Diversionary Work Program. Repeals the Diversionary Work Program (DWP). Once repealed, all eligible households will apply for and participate in the Minnesota Family Investment Program (MFIP) rather than first applying for and participating in DWP. Effective March 1, 2026. Cost: \$4.68 million in FY 24-25 and \$98.634 million in FY 26-27 (includes the total cost of combined MFIP package of DWP Repeal, Sanctions Reform, and Six-Month Budgeting). **Article 10, Sections 1-3; 5-17; 38-40; 43; 53-54; 62-68; 93-94; 97-98.**

General assistance increase and lead agency drug testing reform. (FY 24-25 \$16.7M; FY 26-27 \$47M)

- Increases GA to \$350 per month for a childless couple or a person living apart from being married or having a child, effective October 1, 2024 and must be adjusted by a percentage equal to the change in consumer price index as of January 1, every year, beginning October 1, 2025. Increases GA for a single adult who lives a parent to \$350 per month effective October 1, 2023 (this is an error—should be 10/1/24) and requires inflationary updates beginning October 1, 2025. Amends Minn. Stat. §256D.01, subd. 1a. Effective October 1, 2024. **Article 10, Section 18.**
- Eliminates the mandate for lead agencies to conduct drug tests on people convicted of drug offenses and clarifies that people convicted of felony level drug offenses during the previous ten years from the date of application or recertification may be subject to random drug testing. Eliminates sanctions arising from the result of a positive drug screen. Requires counties to provide information about treatment programs to a person who tests positive for an illegal controlled substance. Amends Minn. Stat. §256D.024, subd. 1; 256J.26, subdivision 1; 609B.425, subdivision 2; 609B.435, subdivision 2. Effective August 1, 2023. **Article 10, Sections 19; 47; 95-96.**

GA eligibility for other benefits. Extends the general assistance requirement to apply for other maintenance benefits from 30 to 90 days. Amends Minn. Stat. §256D.06, subd. 5. Effective August 1, 2023. **Article 10, Section 21.**

MSA Representative payee fees. Aligns the representative payee fee for recipients of Minnesota supplemental aid with the fees for individuals on SSI, from ten percent of a recipient's gross income or \$25 to the maximum monthly amount allowed by the Social Security Administration. Amends Minn. Stat. §256D.44, subd. 5. Effective January 1, 2024. **Article 10, Section 22. (FY 24-25- \$720K, FY 26-27- \$1.102 million).**

Nonrecurring Unearned Income Exclusion. Eliminates nonrecurring income from being counted as unearned income for determining eligibility and benefits for public assistance programs under chapter 256P (MFIP, DWP, RCA, GA, MSA, Housing Support, and CCAP). Cost: \$4.68 million in FY 24-25 and \$98.634 million in FY 26-27 (includes the total cost of combined MFIP package of DWP Repeal, Sanctions Reform, and Six-Month Budgeting). Effective July 1, 2024. **Article 10, Sections 48; 77; 79; 85; 98.**

MFIP/GA Six Month Budgeting and Prospective Budgeting. Moves all Minnesota Family Investment Program (MFIP) cases and General Assistance (GA) cases with at least \$100 in earned income from monthly budgeting and retroactive budgeting to six-month budget periods and prospective budgeting. Cost: \$4.68 million in FY 24-25 and \$98.634 million in FY 26-27 (includes the total cost of combined MFIP package of DWP Repeal, Sanctions Reform, and Six-Month Budgeting). Effective March 1, 2025. **Article 10, Sections 4; 20; 23; 34-37; 41-42; 45; 48-49; 51-52; 71; 77-79; 82-92; 98.**

Supplemental Nutrition Assistance Outreach Program. Establishes a new Supplemental Nutrition Assistance Program (SNAP) outreach program under section 256D.65 to inform low-income households about the availability, eligibility requirements, application procedures, and benefits of SNAP that meets

the requirements of the United States Department of Agriculture. Cost: \$2 million in FY 24-25 and \$1 million in FY 26-27. Effective July 1, 2023. **Article 10, Section 24; 98; Article 20, Section 2, Subdivision 24(n).**

Minnesota Food Shelf Program Funding Increase and Statute Modification. Increases base funding for the Minnesota Food Shelf Program. Modifies the Minnesota Food Shelf Program statute to allow program funds to be spent on personal hygiene products, including but not limited to diapers and toilet paper. Cost: \$6 million in FY 24-25 and \$6 million in FY 26-27. Effective July 1, 2023. **Article 10, Section 25.**

American Indian Food Sovereignty Funding Program. Establishes an American Indian food sovereignty funding program to improve access and equity to food security programs within Tribal and American Indian communities. The program will assist Tribal Nations and American Indian communities in achieving self-determination and improve collaboration and partnership building between American Indian communities and the state. Funding will be allocated by a formula determined by the commissioner to federally recognized Tribal Nations in Minnesota. Grants will also be available to American Indian organizations through a competitive request for proposals process. Cost: \$6 million in FY 24-25 and \$4 million in FY 26-27. Effective July 1, 2023. **Article 10, Section 26; Article 20, Section 2, Subdivision 24(b).**

Family Assets for Independence in Minnesota (FAIM) Funding Increase and Statute Modifications. Provides additional one-time funding for FAIM. Amends the FAIM statute to expand the program to additional organizations and entities and to expand how FAIM funding may be used. Changes include:

- Allowing Tribal Nations and nonprofit organizations to administer the program.
- Allowing contributions for emergency savings accounts and 529 college savings plans.
- Allowing the use of program funds for program evaluation.
- Increasing the lifetime financial match limit from \$6K to \$12K; and
- Excluding FAIM accounts from being counted as assets for programs under 256P.

Cost: \$3 million in FY 24-25. This one-time appropriation is available until June 30, 2027. Effective July 1, 2023. **Article 10, Sections 27-32; 73; 75; Article 20, Section 2, Subdivision 22(o).**

Housing Support countable income. Changes the definition of countable income to 30 percent of a recipient's unearned income, after allowable exclusions and disregards, for recipients who lives in a housing support community-based setting. Amends Minn. Stat. §256I.03, subd. 7. Effective October 1, 2024. **Article 10, Section 33. (FY 24-25- \$4.762 million, FY 26-27- \$13.313 million)**

Modifications to MFIP Citizenship Eligibility Requirements. Expands eligibility for the Minnesota Family Investment Program (MFIP), and by extension General Assistance, to eligible households with T-Visas or U-Visas. These visa holders include noncitizens who are victims of human trafficking or other serious crimes. Under federal law, T-Visa holders are eligible for the same federal benefits as individuals with refugee status, so T-Visa holders are TANF-eligible. U-Visa holders will be state-only MFIP cases. Cost: \$908K in FY 24-25 and \$1.505 million in FY 26-27. Effective March 1, 2024. **Article 10, Section 44.**

MFIP Housing Assistance Grant Cost-of-Living Adjustment. Adds a Cost-of-Living Adjustment (COLA) to the Minnesota Family Investment Program (MFIP) Housing Assistance Grant based on the CPI-U of the prior calendar year. The COLA will be applied beginning October 1, 2024, and each October 1 annually thereafter. Cost: \$2.412 million in FY 24-25 and \$4.575 million in FY 26-27. Effective October 1, 2024.

Article 10, Section 50.

MFIP Sanctions Reform. Reforms sanctions policies for the Minnesota Family Investment Program (MFIP) to make the program less punitive when program participants fall out of compliance with program requirements. Changes include, but are not limited to, applying sanctions only to the cash portion of the benefit a household actually receives rather than the maximum benefit a household could receive; closing a case for all MFIP households after seven consecutive sanction occurrences rather than after the seventh occurrence based on a running, lifetime total for the case; reverting the sanction count back to zero if a household comes into compliance; reducing the sanction penalty to 5% of the cash portion of the benefit rather than the current “dual track” of either a 10% or 30% benefit reduction based on the entire benefit (cash and food portions); allowing caseworkers to more quickly restore benefits when a household comes back into compliance; simplifying reapplication policies for cases that were closed due to sanction; and easing eligibility for post-60 month hardship extensions. Cost: \$4.68 million in FY 24-25 and \$98.634 million in FY 26-27 (includes the total cost of combined MFIP package of DWP Repeal, Sanctions Reform, and Six-Month Budgeting). Effective May 1, 2026. **Article 10, Sections 55-61; 98.**

Census Income Excluded from Public Assistance. Excludes Census income from being counted as income or assets for public assistance programs under 256P (MFIP, DWP, RCA, GA, MSA, Housing Support, and CCAP). Effective July 1, 2023. Cost: \$79K in FY 24-25 and \$26K in FY 26-27. **Article 10, Sections 69; 72-73; 76; 81.**

RSDI Income Exclusion for MFIP/DWP and CCAP. Excludes Retirement, Survivors, and Disability Insurance (RSDI) income that is at or below the applicable SSI benefit level for a given household size from being counted as unearned income for MFIP/DWP and CCAP. Cost: \$3.409 million in FY 24-25 and \$9.241 million in FY 26-27. Effective September 1, 2024. **Article 10, Section 79.**

Tribal per capita and lived experience income exclusions. Excludes tribal per capita payments and lived experience income from eligibility determinations for public assistance programs, including General Assistance, Minnesota Supplemental Aid, Housing Support, Minnesota Family Investment Program, Diversionary Work Program, and Childcare Assistance. Adding subd. 5a under 256P.01; adding subdivision 4 under 256P.02; amending §256P.06, subd. 3. **Article 10, sections 70, 73-74, and 79-80. (FY 24-25-\$271K, FY 26-27- \$382K).**

Capital for Emergency Food Distribution Facilities. Appropriates \$7 million in FY 24 for improving and expanding the infrastructure of food shelf facilities. Grant money must be made available to nonprofit organizations, federally recognized Tribes, and local units of government. Cost: \$7 million in FY 24. Funding is available until June 30, 2027. **Article 20, Section 2, Subdivision 24(i).**

Community Action Agency Funding Increase. Increases funding for Community Action agencies by \$5.407 million in FY 24-25. This is a onetime appropriation. ***Fiscal tracking only (line 1068).***

[Article 11: Housing and Homelessness](#)

Safe Harbor Shelter and Housing Codified. Codifies the Safe Harbor Shelter and Housing program in statute. Specifies the Safe Harbor Shelter and Housing programs eligible for funding and the youth eligible for services under this section. Effective July 1, 2023. ***Article 11, Sections 1 and 10.***

Housing Stabilization Services transition benefit. Codifies and extends the temporary housing transition costs benefit under housing stabilization services for people transitioning from provider-controlled settings to the person's own home. Expenses may include security deposits and essential furnishing and supplies. Amends Minn. Stat. §256B.051, subd. 5. Effective January 1, 2024, or upon federal approval. ***Article 11, Section 2. (FY 24-25- \$3.517 million, FY 26-27- \$6.057 million).***

Housing Support presumptive eligibility. Allows three months of presumptive eligibility for Housing Support when someone is exiting a correctional facility. Specifies eligibility criteria. Amends Minn. Stat. §256I.04, subd. 1. Effective November 1, 2024. ***Article 11, Section 3. (FY 24-25-\$2.360 million, FY 26-27-\$3.503 million).***

Metro demo expansion. Allows Carver, Scott, and Washington County to participate in the Housing Support Metro demonstration. Does not increase beds. Amends Minn. Stat. §256I.04, subd. 3. Effective July 1, 2023. ***Article 11, Section 4.***

Housing Support Supplemental rate increase and reform. Increases supplementary service housing support rates from \$494.91. Makes policy corrections and updates to align with new services. Amends Minn. Stat. §256I.05, subd. 1a; 256I.05, subdivision 2. Excludes a residence that receives nursing facility rates from eligibility for the supplemental rate increase. Requires DHS to recommend a rate setting method for housing support supplemental rates. Effective January 1, 2024. ***Article 11, Sections 5-6, 12. (FY 24-25- \$1.970 million and FY 26-27- \$2.442 million).***

Homeless Youth Act Modifications. Adds youth at risk of discrimination based on gender or sexual identity to list of highly vulnerable youth under street and community outreach program activities of the Homeless Youth Act. Specifies that for grants pursuant to a two-year contract, the commissioner shall permit grantees to carry over unexpended funds from year one of the contract to year two. Effective July 1, 2023. ***Article 11, Sections 7 and 9.***

Homeless Youth Act Provider Repair and Improvement Grants. Modifies the provider repair and improvement grant requirements by allowing grants of up to \$500K (previous limit was \$200K); allowing grant recipients to receive funding for two consecutive years; and allowing non-HYA grantees to apply and receive a grant from the program. Effective July 1, 2023. ***Article 11, Section 8.***

Housing transition cost. Amends 2021 session law to remove the expiration date for housing transition costs and specifies that individuals are only eligible if they are moving from an institute or provider-

controlled setting into their own home. Amends Minn. Laws 2021, First Special Session chapter 7, article 17, section 5, subdivision 1. Effective upon federal approval. **Article 11, Section 11.**

Homeless Youth Cash Stipend Pilot. Establishes a homeless youth cash stipend pilot in St. Louis and Hennepin counties to serve homeless youth between the ages of 18 and 24. The pilot will be administered by Youthprise and overseen by the commissioner. In addition to providing eligible homeless youth with a cash stipend, Youthprise will develop and deliver youth-designed optional services; evaluate the efficacy and cost-effectiveness of the pilot program; and collaborate with youth leaders of each county to identify and contract with the appropriate service providers to offer financial coaching, housing navigation, employment, education services, and trauma-informed mentoring and support. Requires a report to the legislature annually beginning January 15, 2024, until the pilot is completed. Cost: \$5.4 million in FY 24. Funding is available until June 30, 2028. Effective July 1, 2023. **Article 11, Section 13; Article 20, Section 2, Subdivision 24(g).**

Emergency Shelter Facilities Grants. Establishes an emergency shelter facility grant program to renovate, improve, expand, acquire, furnish, construct, or equip emergency shelter facilities across the state. Specifies that local governments, Tribal Nations, and 501(c)(3) nonprofit organizations are eligible to apply and receive a grant. Specifies that a grant under this section may be used to pay for 100 percent of total project capital expenditures or a specified project phase, up to \$10,000,000 per project. Requires that at least 40% of the appropriation under this section must be awarded to projects in Greater Minnesota. Cost: \$100 million in FY 24, including DHS administrative expenses. Funding is available until June 30, 2028. Effective July 1, 2023. **Article 11, Section 14; Article 20, Section 2, Subdivision 24(f).**

Hennepin County Grants to Provide Services to People Experiencing Homelessness. Appropriates \$11.432 million in fiscal year 2024 for grants to maintain capacity for shelters and services provided to persons experiencing homelessness in Hennepin County. Grants will be distributed to Avivo Village, the American Indian Community Development Corporation, the Salvation Army, Agate Housing and Services, Catholic Charities of St. Paul and Minneapolis, Simpson Housing, and Hennepin County. Cost: \$11.432 million. Effective July 1, 2023. **Article 20, Section 2, Subdivision 24(c).**

Heading Home Ramsey Continuum of Care Grants. Appropriates \$11.432 million in fiscal year 2024 for grants to maintain capacity for shelters and services provided to persons experiencing homelessness in Ramsey County. Grants will be distributed to Catholic Charities of St. Paul and Minneapolis, More Doors, Interfaith Action Project Home, Ramsey County, Radas Health, The Listening House, Face to Face, and the City of St. Paul. Cost: \$11.432 million. Effective July 1, 2023. **Article 20, Section 2, Subdivision 24(h).**

Emergency Services Program Base Funding Increase. Increases base funding for the Emergency Services Program (ESP) by \$30 million in FY 24-25 and \$55 million in FY 26-27. Prior to this increase, base funding for ESP was \$13.688 million a biennium. Effective July 1, 2023. **Article 20, Section 2, Subdivision 24(j).**

Homeless Youth Act Base Funding Increase. Increases base funding for the Homeless Youth Act (HYA) by \$30 million in FY 24-25 and \$30 million in FY 26-27. Prior to this increase, base funding for HYA was \$11.238 million a biennium. Effective July 1, 2023. **Article 20, Section 2, Subdivision 24(k).**

Transitional Housing Program Base Funding Increase. Increases base funding for the Transitional Housing Program (THP) by \$6 million in FY 24-25 and \$6 million in FY 26-27. Prior to this increase, base funding for THP was \$6.368 million a biennium. Effective July 1, 2023. **Article 20, Section 2, Subdivision 24(l).**

Safe Harbor Housing and Shelter Base Funding Increase. Increases base funding for Safe Harbor Shelter and Housing by \$4.25 million in FY 24-25 and \$2.5 million in FY 26-27. Prior to this increase, base funding for Safe Harbor Shelter and Housing was \$7.1 million a biennium. Effective July 1, 2023. **Article 20, Section 2, Subdivision 24(m).**

Article 12: Children and Families

The Department of Children, Youth and Families. Requires Minnesota Management and Budget (MMB) and the Department of Human Services (DHS) to establish a new Department of Children, Youth and Families (DCYF) to elevate policies and programs related to children and families to a cabinet-level agency. Instructs the revisor of statutes to consult with relevant agencies to determine if additional changes to Minnesota Statutes or Rules to implement DCYF. Establishes a transition team to establish the new agency and provide a report on transition activities to the legislature by March 1, 2024. Cost: \$13.9 million in FY 24-25 and \$0 in FY26-27 for MMB to fund a transition team to help plan for the move to the new agency, and \$2.941 million in FY 24-25 and \$0 in FY 26-27 for the Department of Human Services to transfer federal reimbursement processes to DCYF and cross-train employees. The new agency is supported with \$823,000 in FY24 and \$3.521 million each year ongoing. The DCYF will be established on July 1, 2024. Programs will transition from DHS to DCYF between July 1, 2024, and July 1, 2025. **Article 12, sections 1-6, 13-17, 19-20, 28-31 and 35, and Article 20, section 12(b) and section 13.**

Definition of family for the Child Care Assistance Program (CCAP). Expands the definition of “family” for determining eligibility CCAP eligibility to include foster care families, relative custodians who have accepted a transfer of permanent legal and physical custody (TPLPC) of a child, or similar permanency disposition in tribal code, and successor custodians or guardians. The commissioner is required to allocate additional funding for Basic Sliding Fee (BSF) child care assistance to ensure the change does not increase BSF waiting lists. This will help ensure the cost of child care is not a barrier to families with lower incomes serving as foster parents or accepting a TPLPC. Cost: \$11.85 million in in fiscal year 2024-25 and \$58.3 million in fiscal year 2026-27. Effective August 25, 2024. **Article 12, sections 7-9 and 24.**

Permanent reprioritization of the Basic Sliding Fee waiting list. Permanently reprioritizes the Basic Sliding Fee (BSF) waiting list for the Child Care Assistance Program (CCAP) by moving the Transition Year Extension (TYE) priority to the last priority on the waiting list. In counties and tribes with waiting lists, this would mean the county or tribe could serve families from all other priorities, including families who are not currently receiving assistance, before serving families on TYE child care. Families on TYE child care currently receive assistance and will continue to receive assistance under this proposal. The BSF

waiting list was temporarily reprioritized during the 2021 Legislative Session. This change allows more children to receive support from CCAP. Cost: \$7.824 million in fiscal year 2024-25 and \$17.366 million in fiscal year 2026-27, paid for using federal Child Care Development Block Grant. Effective upon enactment. **Article 12, sections 10 and 36(a) and article 15, section 9(b).**

Child Care Assistance Program maximum rate increase. Increases Child Care Assistance Program (CCAP) maximum rates to the 75th percentile of the most recent market rate survey and updates CCAP maximum rates every 3 years after each market rate survey. The 75th percentile market rate is the price at or below which 75 percent of child care providers charge for child care. Increasing CCAP maximum rates and basing rates on the most recent market survey will increase access to affordable child care, reduce out-of-pocket expenses for families, and support providers accepting CCAP with higher payments. Cost: \$146.425 million in fiscal year 2024-25 and \$276.984 million in fiscal year 2026-27. This cost is partially paid for using federal Child Care Development Block Grant funding of \$22 million in fiscal year 2024 and \$8 million each fiscal year ongoing. The first maximum rate update will be effective on October 30, 2023, using the 2021 rate survey. The second update will be in January 2025 using the 2024 rate survey. **Article 12, sections 11 and 26 and article 15 section 9(a).**

Family Friend and Neighbor Grant Program. Establishes a permanent grant program to support family, friend, and neighbor (FFN) child care providers, replacing the current temporary grant program funding by the federal American Rescue Plan Act. Grant funds will be used to provide culturally and linguistically appropriate training, support, and resources to FFN caregivers and children's families to promote health, safety, nutrition, and learning. Community-based organizations, public health agencies, non-profit organizations, American Indian Tribes, and tribal organizations will be eligible for these grants. Cost: \$3 million in fiscal year 2025 and \$2.5 million each fiscal year thereafter. State funded grants will begin in fiscal year 2025. **Article 12, section 12, and article 20, section 2, subd. 20(g).**

Community solutions for healthy child development. Establishes the community solutions for healthy child development grant program at the Minnesota Department of Health to improve child development outcomes, reduce racial disparities, and promote racial and geographic equity. Cost: \$6.0 million in fiscal year 2024-25 and \$5.25 million in fiscal year 2026-27 and each biennium thereafter. Requires the commissioner of health to appoint members to the Council by July 1, 2023, and convene the first meeting by September 15, 2023. DHS has no responsibilities for this provision. Effective July 1, 2023. **Article 12, sections 18, 27 and article 20, section 3, subd. 2(d).**

Diaper Distribution Grant Program. Creates a diaper distribution grant program to provide diapers to under-resourced families statewide. Eligible grantees must have already established a network of partners for diaper distribution, infrastructure needed to manage procurement and statewide distribution, relationships with national organizations that support the work of addressing diaper needs, and others. Cost: \$1.098 million in fiscal year 2024-25 and \$1.106 million in fiscal year 2026-27. Effective July 1, 2023. **Article 12, section 21, and article 20, section 2, subd. 24(d).**

Office of Restorative Practices. Eliminates a requirement to transfer the newly established Office of Restorative Practices from the Department of Public Safety to the Department of Children, Youth and

Families within 6 months after establishing the new agency. Effective July 1, 2023. **Article 12, section 22.** (See Laws of Minnesota, Chapter 52, article 5, section 27.)

Quality Rating and Improvement System carry-forward authority. Makes a technical correction to the 2023 Early Childhood Education omnibus budget bill. **Article 12, section 23.** (See Chapter 54, below.)

Cost estimation model for early care and learning. Requires the department to develop a cost estimation model for providing early care and learning in the state. In developing the model, the commissioner shall consult with relevant entities and stakeholders, including but not limited to the State Advisory Council on Early Childhood Education and Care; county administrators; child care resource and referral organizations; and organizations representing caregivers, teachers, and directors. Cost: \$100,000 in fiscal year 2024. By January 30, 2025, the department must submit a report to the legislative committees with jurisdiction over early childhood programs on the development of the cost estimation model. **Article 12, section 25, and article 20, section 2, subd. 4(d).**

Modernizing information technology for programs impacting children and families. Requires the commissioner to consult with the commissioners of MNIT and MDE regarding improvements to IT systems for programs that serve Minnesota's children and families, develop an IT plan, and begin implementing to the extent appropriations are available. Funding will transfer to DCYF. Cost: \$20 million. **Article 12, section 32, and article 20, section 2, subdivision 4(g).**

Grants for prepared meals food relief. Establishes a prepared meals grant program to provide hunger relief to Minnesotans experiencing food insecurity and have difficulty preparing meals due to limited mobility, disability, age, or limited resources to prepare their own meals. Eligible grantees are nonprofit organizations and federally recognized American Indian Tribes or Bands located in Minnesota, with a demonstrated history of providing and distributing prepared meals customized for the population they serve. Cost: \$3.5 million in fiscal year 2024-25 and \$0 in fiscal year 2026-27. Effective July 1, 2023. **Article 12, section 33, and article 20, section 2, subd. 24(e).**

Great Start Scholarship Program administration. Requires the commissioner of human services to administer the Great Start Scholarship Program, established in sections 1 and 9 of the [Early Childhood Education omnibus budget bill](#) until DCYF is operational. This is a technical change to the language enacted in Chapter 54 (see below). Effective July 1, 2023. **Article 12, section 34.**

Repealer. Repeals section 119B.03, subd. 4 to implement permanent reprioritization of Basic Sliding Fee waiting list. Effective July 1, 2023. Repeals 245C.11, subd. 3 to support implementation of the proposal to centralize provider registration to receive payments from the Child Care Assistance Program. Effective April 28, 2025. **Article 12, section 35.**

Additional funding for Basic Sliding Fee child care assistance. Appropriates additional funding for Basic Sliding Fee child care assistance. Cost: \$30 million in fiscal year 2024-25 and \$30 million in fiscal year 2026-27. A portion of this is funded with the Child Care Development block grant (see article 15, section 9, below). Effective July 1, 2023. **No bill language.**

Article 13: Child Care Workforce

Centralizing Child Care Assistance Program provider registration. Moves the Child Care Assistance Program (CCAP) provider registration, renewal, and registration closure processes from local CCAP agencies to the Department of Human Services. The department will register providers, maintain their registrations, and make decisions about a provider's registration, in collaboration with CCAP agencies. Moving these processes to one entity will remove the need for providers to register with multiple agencies, streamline communications to and from providers, and centralize decisions about a provider's eligibility to become registered. Cost \$810,000 in fiscal year 2024-25 and \$1.3 million in fiscal year 2026-27. Effective April 28, 2025. **Article 13, sections 1, 3, 6-10, 13-16, and 23-24.**

Parents with mental illness eligible for CCAP. Allows families receiving MFIP child-only assistance to receive up to 20 hours per week of child care subsidized by CCAP as recommended by an individual's treating mental health professional. This applies to care for children age six and under. Cost: \$1.537 million in fiscal year 2024-25 and \$4.837 million in fiscal year 2026-27. Effective May 12, 2025. **Article 13, section 2.**

Changes to background study requirements for legal-nonlicensed child care providers. Removes duplicative background studies for Legal Nonlicensed (LNL) Providers. This change would require LNL providers to renew their background studies every five years rather than every two years. This change is consistent with background study renewals for other child care provider types and aligns with existing NETStudy 2.0 background study functionality. It also reduces an unnecessary administrative burden for family, friend, and neighbor providers to become LNLs. Cost: \$290,000 in fiscal year 2024-25 and \$29,000 in fiscal year 2026 and each fiscal year thereafter. Effective April 28, 2025. **Article 13, sections 4-6.**

Scholarships and other financial assistance provided by CCAP providers. Allows child care providers to provide discounts, scholarships, and other financial assistance to any clients regardless of the rate charged to families receiving CCAP. No cost. Effective the day after enactment. **Article 13, section 11.**

Reconsideration of correction orders. Adds a new section (119B.162) to establish a reconsideration process for correction orders issued under 245E that is more consistent with licensing. Reconsideration requests must be completed through the provider hub upon the hub's implementation. Specifies that a request for reconsideration does not stay any provisions or requirements of the correction order. The final decision can be appealed by petition for writ of certiorari under chapter 606. **Article 13, Section 17. Line 901**

One-Stop Regional Assistance Network. Directs child care referral and resource programs to administer the one-stop regional assistance network for child care providers. This work is currently paid for by the American Rescue Plan Act through fiscal year 2024. The cost is paid for by the Child Care Development block grant. Cost: is \$0 in fiscal year 2024 and \$2.92 million in fiscal year 2025 and each year thereafter. Effective July 1, 2025. **Article 13, section 18, and article 15, section 9(d).**

Child Care workforce development. This funding continues work that is currently funded by the American Rescue Plan Act through fiscal year 2024. Cost is \$1.3 million in fiscal year 2025 and ongoing.

Early childhood apprenticeship program. Creates a registered early childhood apprenticeship grant program to provide early childhood education workers with training and mentoring opportunities through their employment. The Child Care Services Division will collaborate with the Department of Labor and Industry as this program is implemented. Cost \$1.18 million in fiscal year 2024, \$2 million in fiscal year 2025, and \$1 million each fiscal year thereafter. Effective July 1, 2023. **Article 13, section 19, and article 20, section 2, subd. 20(f).**

Great Start Compensation Support Payment Program. Establishes a program that provides monthly payments to child care and early childhood education programs to use for increased employee wages, bonuses, or benefits. Creates eligibility and records-keeping requirements. Payments are made based upon the number of FTE hours spent caring for children. An individual who works more than 32 hours per week may count as more than one FTE, but no more than two. The department is directed to provide transition payments to bridge the current American Rescue Plan Act payments to providers with the new compensation support payments. Transition payments begin in July 2023, with new payments beginning no later than January 2024. Cost \$152.2 million in fiscal year 2024, \$206.4 million in fiscal year 2025, and \$129.9 million in fiscal year 2026 each year thereafter. **Article 13, sections 20 and 26 and article 20, section 2, subd. 20(a) and (b).**

Great Start Compensation Support Payment Program Administration. Provides funding for a team and technology to distribute payments, provide technical assistance to providers and ensure program integrity. Cost \$4.8 million in fiscal year 2024 and \$4.061 each year thereafter. **Article 13, sections 20 and 26.**

Shared Services Grants. Makes the shared services alliance grant program, which is currently funded by the American Rescue Plan Act through fiscal year 2024, a permanent program and provides ongoing funding. Shared services alliances are networks of licensed family child care providers who share services to reduce their expenses. Paid for by Child Care Development Block Grant funding. Cost: \$0 in fiscal year 2024 and \$500,000 in fiscal year 2025 and ongoing. **Article 13, section 21, and article 15, section 9(e).**

Child care provider technology grants. Establishes a grant program that will provide funding or other support to eligible child care providers to access technology that will improve their business practices. Examples of how grant funding could be used include access to accounting software, purchase of computers, or training on the use of technology for child care program management. Cost: \$600,000 in fiscal year 2024-25 and \$600,000 in fiscal year 2026-27, paid for using Child Care Development Block Grant funding. **Article 13, section 22.**

Child care and early education wage scale. Directs DHS to consult with the Department of Employment and Economic Development, the Children's Cabinet, and relevant stakeholders, to develop a process for recognizing comparable competencies for use in a professional wage scale for child care and early education. The wage scale must align with recommendations from the Great Start for All Minnesota Children Task Force and with wages paid to elementary school educators with similar credentials and experience; provide health care, retirement, and other benefits; and incorporate qualifications inclusive

of competencies attained through experience, training, and educational attainment. A report on development of the wage scale, and recommendations for implementing a process for recognizing comparable competencies and how to use a wage scale to inform payment rates for the Child Care Assistance Program are due by January 30, 2025. Cost: \$1.025 million in fiscal year 2024-25. **Article 13, section 25, and article 20, section 2, subd. 4(c).**

Retaining Early Educators Through Training Incentives Now funding increase. Increases funding for the Retaining Early Educators Through Attaining Incentives Now (REETAIN) program. Cost: \$4.284 million in fiscal year 2024-25 and \$900,000 in fiscal year 2025 and each fiscal year thereafter. **Article 20, section 2, subd. 20(c).**

Child care workforce development grants administration appropriation and TEACH funding increase. Provides an increase in funding for the TEACH scholarship program. Cost: \$695,000 in fiscal year 2025 and each fiscal year thereafter. **Article 20, section 2, subd. 20(d) and (e).**

Article 14: Child Support, Safety, and Permanency

Quality parenting initiative grant program. Establishes a grant program for one or more nonprofit organizations or nongovernmental organizations that have experience providing training and technical assistance on implementation of quality parenting principles and practices between a child's parents and foster care provider when the child enters out of home placement. The rider for this program requires that the grant funding to go to Quality Parenting Initiative (QPI) – Minnesota. If QPI cannot be the grantee for any reason, a new grantee or grantees will be selected through a competitive RFP process. Cost: \$100,000 in fiscal year 2024 and each fiscal year thereafter. Effective July 1, 2023. **Article 14, section 1, and article 20, section 2, subd. 22(l).**

Family First Prevention Services Act Support and Development Grant Program. Requires the commissioner to establish a grant program to support prevention and early intervention services provided by community-based agencies to implement and build upon Minnesota's Family First Prevention Services Act (FFPSA) Title IV-E prevention services Plan. Establishes a special revenue account for any federal Title IV-E reimbursements that may be received for these services. Requires an annual legislative report on the special revenue fund. Effective July 1, 2023. Cost: \$8.429 million in fiscal year 2024-25 and \$8.2 million in fiscal year 2026-27 and each biennium thereafter. **Article 14, section 2, and article 20, section 2, subd. 22(j).**

Family First Prevention Services Act Kinship Navigator Program. Requires the commissioner to establish a grant program for Kinship Navigator programs as outlined by the federal Family First Prevention Services Act. It is anticipated that at least one tribal kinship program will receive grant funds. Cost: \$1.528 million in fiscal year 2024-25 and \$1.013 in fiscal year 2026-27 and each biennium thereafter. Effective July 1, 2023. **Article 14, section 3, and article 20, section 2, subd. 22(f).**

Child Safety and Permanency Division technical and housekeeping legislation. Clarifies effective dates for Northstar initial assessments, special assessments, and reassessments so that they align with current

policy and practice. Clarifies the definition of “relative” in Chapter 260C. Updates incorrect cross references. Effective July 1, 2023. Policy only. **Article 14, sections 4, 10-11.**

Family First Prevention Services Act prevention and early intervention allocations. Requires the commissioner to establish a program that allocates funding to counties and tribes to support prevention and early intervention services. The commissioner will establish a formula for county and tribal allocation amounts. Cost: \$10.112 million in fiscal year 2024-25 and \$12 million in fiscal year 2026-27 and each biennium thereafter. Effective July 1, 2023. **Article 14, section 5, and article 20, section 2, subd. 22(i).**

Non-Caregiver sex trafficking response path. Establishes a new response path for reports of non-caregiver sex trafficking and sexual exploitation. The new response path refers the alleged trafficker directly to law enforcement. Rather than investigate the report as maltreatment, the local child welfare agency will respond by providing the child and child’s family with services. Effective July 1, 2024. Cost: \$85,000 in fiscal year 2024 and \$17,000 in fiscal year 2025 and each fiscal year thereafter, for IT updates only. **Article 14, sections 6, 8, 13-26.**

Allocation for Tribal child welfare staff. Provides \$80,000 per year for 10 of Minnesota’s 11 federally recognized American Indian Tribes (Shakopee Mdewakanton Sioux Community declined funding). Funds will be used to hire staff for responding to Indian Child Welfare Act and Minnesota Indian Family Preservation Act notices. Cost: \$799,000 in fiscal year 2024 and each fiscal year thereafter. Effective July 1, 2023. **Article 14, section 7, and article 20, section 2, subd. 22(g).**

Definition of “aftercare”. Confirms that “aftercare” provided to a child and family upon leaving a qualified residential treatment program may include clinical care consultation and mental health certified family peer specialist services. Policy only. Effective July 1, 2023. **Article 14, section 9.**

Office of Ombudsperson for Foster Youth. Updates the statute governing the Office of Ombudsperson for Foster Youth by clarifying that the ombudsperson can only be removed for cause. Effective July 1, 2023. Policy only. **Article 14, section 12.**

Child support reforms. Enacts numerous changes to statute intended to ensure child support orders to not cause harm to payers with lower incomes and children receiving child support. Specific changes include:

- A parent is not considered voluntarily unemployed or underemployed if the parent has been determined to be eligible to receive General Assistance or Supplemental Security Income,
- Changes in how payments through Temporary Assistance for Needy Families, the Minnesota Family Investment Program, Social Security (including Supplemental Security Income) and veterans’ benefits are treated for purposes of arrearage payments and the income self-support reserve for determining income available for child support, and
- Updates to medical support statutes to align with federal rules.

Provides funding to support public engagement and use of an economist to prepare the federally required quadrennial review of child support guidelines. Cost: \$486,000 in fiscal year 2024-25 and \$220,000 in fiscal year 2026-27. Effective July 1, 2024. **Article 14, sections 27-36, and article 20, section 2, subd. 4(a) and (b).**

Preservation of federal cash benefits paid on behalf of a child in foster care. Establishes a research project to study costs and policies related to the use of federal cash benefits paid on behalf of children in foster care and make recommendations on how to preserve those funds to address the best interests of the child. A report is due to the legislature by January 15, 2025. Cost: \$500,000. **Article 14, section 37.**

Paperwork Reduction Act. Requires the commissioner to contract with an independent consultant to perform a thorough review and evaluation of the Social Services Information System (SSIS). The review is intended to make recommendations on how to reduce unnecessary data entry into SSIS and assist in selecting a platform for future work that will make Minnesota compliant with federal requirements for a Comprehensive Child Welfare Information System. This provision is part of the governor's budget item making investments in information technology for Children and Family Services (see article 15, section 10 for information about CFS integrated services). A report is due to the legislature by June 30, 2024. **Article 14, section 38.**

Maltreatment screening guidelines updates. Requires the commissioner to notify all hospital systems and children's residential facilities in Minnesota of the 2023 updates to Minnesota's Child Maltreatment Intake, Screening and Response Path Guidelines. The relevant updates relate to screening out cases involving hospitalized children in need of mental health services whose parents are actively seeking, but unable to find, services that will keep the child and child's family safe. Requires the commissioner to consult with stakeholders and assess the guidelines to suggest further updates if needed. Policy only. **Article 14, section 39.**

Survey of placements of children in out-of-state residential facilities. Requires the commissioner to develop a survey and send it to all county social services agencies to request data on the number of children placed in residential facilities outside of Minnesota, and the cost for such placements. Data is to be collected for fiscal years 2018 to 2022. The survey must be sent to county agencies by September 1, 2023. Counties must provide data to the commissioner by January 31, 2024. The commissioner must send data – without analysis or description – to the relevant legislative committee chairs by March 1, 2024. No cost. **Article 14, section 40.**

Successful Transitions to Adulthood (STAY). Requires the commissioner to establish grants to local social service agencies, tribes, and other organizations to provide independent living skills for eligible youth in or previously in out-of-home placement. Cost: \$3.826 in fiscal year 2024-25 with funds available until June 30, 2027. Effective July 1, 2023. **Article 14, section 41, and article 20, section 2, subd. 22(m).**

Community Resource Centers. Establishes a network of up to 12 community resource centers, which are intended to make it easier for families to get what they need by supporting relationship-based and culturally responsive program and service navigation. Stabilizing families through navigation and the

provision of concrete supports and services has been shown to promote family well-being and reduce child welfare system involvement. Grants for community resource centers will be available to community-based organizations, Tribal nations and urban Indian organizations, counties, school districts, and more. The commissioner must develop an outcome and evaluation plan and provide a report to the legislature by July 1, 2025, on outcomes and impacts related to equity, community partnerships, program and service availability, family well-being, and child welfare system involvement. Cost \$7.140 million in fiscal year 2024 with funds available until June 30, 2027. Effective July 1, 2023.

Article 14, section 42 article 20, section 2, subd. 22(n).

Repealer. Repeals Minn. Stat. section 518A.59 related to notice of interest on child support arrears. This is a housekeeping change necessary because Minnesota's child support agencies no longer charge interest on child support arrears. Effective the day after enactment. Policy only. **Article 14, section 43.**

Mille Lacs Band of Ojibwe American Indian Child Welfare Initiative. Provides funding for Mille Lacs Band of Ojibwe to finish planning for and implement the American Indian Child Welfare Initiative (AICWI). The AICWI allows tribal nations and communities that meet statutory requirements to establish child welfare programs to serve children on their reservation, relieving counties of that responsibility. Cost: \$8.84 million in fiscal year 2024-25 and \$15.898 million in fiscal year 2026-27. Base funding for this program will be \$7.893 million per fiscal year. Effective July 1, 2023. **Article 20, section 2 subd. 22(b).**

Leech Lake Band of Ojibwe American Indian Child Welfare Initiative. Increases funding for the Leech Lake Band's Child Welfare Initiative program. Cost: \$1.85 million in fiscal year 2024 and each fiscal year thereafter. Effective July 1, 2023. **Article 20, section 2, subd. 22(c).**

Red Lake Band of Chippewa American Indian Child Welfare Initiative. Increases funding for the Red Lake Band's Child Welfare Initiative program. The increase is fiscally neutral for Red Lake Nation because they will lose \$3 million per calendar year in property tax aid after aids payable in 2024. Cost: \$3 million in fiscal year 2024 and each fiscal year thereafter. Effective July 1, 2023. **Article 20, section 2, subd. 22(d).**

White Earth Nation American Indian Child Welfare Initiative. Increases funding for White Earth Nation's Child Welfare Initiative program. Cost: \$3.776 million in fiscal year 2024 and each fiscal year thereafter. Effective July 1, 2023. **Article 20, section 2, subd. 22(e).**

Indian Child Welfare Grants. Provides significant increases in the Indian Child Welfare Primary Grants for tribes and urban Indian organizations. Current base funding is \$2.96 million per biennium. Cost: \$8.810 million in fiscal year 2024-25 and \$9.280 million each biennium thereafter. Effective July 1, 2023. **Article 20, section 2, subd. 22(f).**

Funding for a pool of qualified individuals for assessments. Provides funding for the Department of Human Services to establish and manage a pool of qualified individuals (QI) to perform assessments of a child's potential need for residential care or treatment in a Qualified Residential Treatment Program. Funding will pay for QI training and certification, as well as assessment costs for tribes and counties.

Cost: \$290,000 in fiscal year 2024 and each fiscal year thereafter. Effective July 1, 2023. **Article 20, section 2, subd. 22(k).**

Administrative funding for Opioid Epidemic Response Account Child Protection Grants. Provides for administrative funding to manage the child protection grants allocated to counties through the Opioid Epidemic Response Fund. **Chapter 61, Article 5, section 10, subd. 3(f).**

Increased capacity for the Adolescent Services Unit. Increases funding for the Adolescent Services Unit in the Child Safety and Permanency Division. New staff will include individuals with recent lived experience in foster care. Cost: \$1 million in fiscal year 2024-25 and \$527,000 each year thereafter. Effective July 1, 2023. **Senate File 2995, final spreadsheet dated 2023.05.21 @ line 387.**

Supporting American Indian Family Preservation. Increases funding for the American Indian Well-Being Unit in the Child Safety and Permanency Division. New staff includes individuals who will:

- Clear a multi-year backlog of ICWA and MIFPA noncompliance reports and keep current with ongoing reports.
- Provide robust and timely technical assistance and consultation to county and tribal child welfare agencies, identify gaps in county training, and develop a county/tribal engagement framework.
- Partner with rural and urban tribal communities throughout the state to expand development of culturally specific prevention services that will eventually be eligible for federal Title IV-E reimbursement.
- Increase capacity to manage Indian Child Welfare grants. More staff will ensure the ability to engage more frequently with Tribal nations and communities, and urban Indian organizations, provide efficient technical assistance to grantees, better support compliance with grant requirements, and execute grant contracts timelier.

Cost: \$1 million in fiscal year 2024 and each fiscal year thereafter. Effective July 1, 2023. **Senate File 2995, final spreadsheet dated 2023.05.21 @ line 487.**

[Article 15: Miscellaneous](#)

Unexpended ARPA child care and development fund reallocation. Provides authority to DHS to reallocate federal American Rescue Plan Act Child Care Development Fund dollars to other activities allowed by federal law. The purpose is to ensure that funds are fully expended by the end of the federal award. Policy only. Effective the day following final enactment. **Article 15, sections 3-4.**

Clean Slate Act automatic expungements. Creates an automatic expungement process for certain non-violent offenses. DHS is carved out from the Clean Slate Act, which means that automatically expunged records could still be accessed by DHS as a part of a criminal background check. Clarifies that orders are not required to be served on the defendant, and record holders are not required to send notices of sealing. Specifies that DHS will not use records expunged for identity theft. Automatic expungements: January 1, 2025. Mistaken identity orders under 609A.017 added as an exception to when an expunged record of a conviction may be opened for purposes of a background study: August 1, 2023. Article 15,

Sections 5 and 6 (replaces Sections 12 and 16 of Minnesota Session Law, [Chapter 52](#), Article 7. The remainder of the Clean Slate Act is in Article 7, Sections 6, 11, 13, 14, 17, 18, 20 of [Chapter 52](#)).

Alternate overnight supervision technology for community residential settings. Adds language to Chapter 61, Article 1, Section 6 to require community residential setting providers to document when a physical presence is required in a time less than the maximum permissible response time in a person's support plan. **Article 15, Section 7. Fiscal impacts tracked in HS Omnibus**

IT Projects for Service Delivery Transformation. Requires DHS to report on certain outcomes related to IT projects, including MMIS and METS. **Article 15, Section 10. METS: 2024-2025: \$30.034m, 2026-2027: \$966k; MMIS 2024-2025: \$10.606m, 2026-2027: \$0.**

MNsure IT modernization. Funding to MNsure to modernize their IT eligibility system. **Appropriation only. FY24-25: \$3.221m, FY26-27: \$1.964m (dollar amounts represent DHS funds only).**

Integrated services for children and families. Requires funding appropriated to stabilize and update legacy information technology systems integrating service for children and families must be used to achieve outcomes identified in the legislation. Appropriates funding DHS to design and implement IT changes and updates to ensure CFS IT systems are better able to address the needs of those we serve. The "Paperwork Reduction Act" is included in this project (see article 14, section 38). Cost: \$22.68 million in fiscal year 2024 and \$9 million in fiscal year 2025 funds. Funds for systems improvements are available until spent. Staff for positions is available until fiscal year 2027. **Article 15, section 10, subdivision 4 and article 20, section 2, subdivisions 3(c), 4(e), 7(c).**

[Article 16: Health Care Affordability and Delivery](#)

Health Subcabinet. Establishes the Health Subcabinet to coordinate state agency and, as applicable, private sector efforts to reform health care delivery and payment systems, foster sustainability in health care spending, ensure the availability of affordable and comprehensive health care coverage and health care, ensure access to high quality health services, and reduce disparities and inequities in the experience or outcomes of health care. Directs MMB to hire an executive director and provide administrative support. **Article 16, section 1. FY24-25: \$1.215m, FY26-27: \$1.328m (funding directed to MMB).**

MNsure Easy Enroll. Requires MNsure, in cooperation with Revenue, to establish an easy enrollment outreach program. Allows MNsure to make a projected assessment of eligibility based on a household's tax return. Allows eligible taxpayers to enroll during a special enrollment period. **Article 16, Sections 6-7, 16-18. FY24-25: \$737k, FY26-27: \$788k (dollar amounts represent DHS funds only).**

Navigator Payment Increase. Increases the payment to navigator organizations for successful public program enrollments from \$70 to \$100. Effective July 1, 2023. **Article 16, Section 8.**

Direct Payment System for Medical Assistance and MinnesotaCare. Directs DHS to develop an implementation plan to deliver services to enrollees via fee-for-service, county-based purchasing plans, or county-owned health maintenance organizations. Outlines assumptions, definitions, and required

components of the implementation plan. Requires a report to the legislature by January 15, 2026. **Article 16, section 9. FY24-25: \$1.287m, FY26-27: \$1.506m.**

Disenrollment under Medical Assistance and MinnesotaCare. Requires DHS to update mailing addresses and other contact information for enrollees using information available through managed care and county-based purchasing plans and other sources. Requires that individuals may not be disenrolled until at least two attempts to contact the individual are made. **Article 16, section 10.**

Continuous MA Coverage for Children. Establishes (1) 12 months of continuous MA eligibility for children under age 19; (2) 12 months of continuous MA eligibility for children ages 19-20, and (3) up to 72 months of continuous MA for children under age 6. Effective January 1, 2025 or upon federal approval, whichever is later, except that (1) is effective January 1, 2024 or upon federal approval and the implementation of required administrative and systems changes, whichever is later. **Article 16, section 11. FY24-25: \$24.632m, FY26-27: \$83.496m.**

Elimination of MA Cost-Sharing. Eliminates cost-sharing in the Medical Assistance program. Effective January 1, 2024. **Article 16, sections 12-14; 23 (repealer). FY24-25: \$9.207m, FY26-27: \$13.420m.**

MinnesotaCare Coverage for Undocumented Minnesotans. Establishes state-funded MinnesotaCare coverage for undocumented Minnesotans with incomes under 200% FPL and meet all other eligibility requirements and clarifies that these individuals may remain eligible for Emergency Medical Assistance (EMA). Effective January 1, 2025. **Article 16, section 15. FY24-25: \$8.080m, FY26-27: \$101.139m.**

Analysis of a Public Option. Directs DHS, in consultation with Commerce, MDH, and MNSure, to conduct actuarial and economic analyses for a public option implementation plan that assesses at least two models, including one based on MinnesotaCare. Outlines requirements for the content of the analyses, including information sufficient to submit a 1332 waiver to the federal government. Effective the day following final enactment. **Article 16, section 20. FY24-25: \$2.5m, FY26-27: \$0.**

Report on the Analysis of a Public Option. Requires the Department of Commerce, in consultation with DHS, MDH, and MNSure, to submit a report to the legislature by February 1, 2024 with the results of the public option analysis, information about maximizing federal funding, a recommendation on the model to use for a public option, and the final implementation plan. Effective the day following final enactment. **Article 20, section 21.**

Public Option Waiver Submission. Authorizes the Department of Commerce to take the steps necessary to submit a 1332 waiver application for a public option based on the recommendation in section 21 if the legislature does not act by June 1, 2024. Directs implementation of a public option to be available as of January 1, 2027 upon receipt of a waiver. Requires consultation with DHS, MDH, and MNSure. Effective January 1, 2025. **Article 16, section 22.**

[Article 17: Human Services Policy](#)

Conforming language with current Background Studies practices.

- Requires consent form and criminal history disclosure form. (Article 17, Sections 24, 28, 29)

- Updates terminology in Chapter 62V (MNSure) to match Chapter 245C. (Article 17, Section 1)
- Clarifies statute for deduplication implementation. (Article 17, Sections 27, 32)
- Requires entities to initiate background studies in NETStudy 2.0. (Article 17, Section 30)
- Removes requirement to check the Department of Education licensing data. (Article 17, Section 60)

July 1, 2023. **Article 17, Sections 1, 24, 27, 28, 29, 30, 32, 60.**

Language clarifications for compliance.

- Removes references to “contractor.” Modifies definition of “entity” and adds definition of “employee” and “volunteer.” (Article 17, Sections 21, 22, 23, 26, 63)
- Updates terminology in Chapter 122A (PELSB) to match Chapter 245C. (Article 17, Section 2)

July 1, 2023. **Article 17, Sections 2, 21, 22, 23, 25, 26, 63.**

Adult Mental Health Act clean-up. Removes intensive community rehabilitative services (ICRS), an obsolete grant from the list of services eligible for grant funds. Amending Minn. Stat. §245.4661, subd. 9. No effective date noted. **Article 17, section 3.**

Mental health crisis services clarification. Requires that grants conform with standards and requirements in MA crisis services. Amends Minn. Stat. §245.469, subd. 3. Effective the day following final enactment. **Article 17, Section 4.**

Mental health certified peer specialist grant codification. Codifies the purpose, eligibility, allowable grant activities, and outcomes for the existing mental health certified peer specialist grants. Adds a new section, Minn. Stat. §245.4906. Effective the day following final enactment. **Article 17, Section 5.**

Mental health certified peer specialist grant. Codifies existing mental health certified family peer specialist grant program for training of mental health certified peer specialists. Specifies purpose, eligibility, allowable grant activities, and outcomes. Adds a new section, Minn. Stat. §245.4907. Effective the day following final enactment. **Article 17, Section 6.**

Projects for assistance in transition from 710.25. Codifies existing PATH grant and specifies purpose, eligibility, allowable grant activities, and outcomes. Adds a new section, Minn. Stat. §245.991. Effective the day following final enactment. **Article 17, Section 7.**

Housing with support for adults with serious mental illness program. Codifies the existing housing with support for adults with serious mental illness program to prevent or end homelessness for people with serious mental illness. Specifies purpose, eligibility, allowable grant activities, and outcomes. Adds a new section, Minn. Stat. §245.992. Effective the day following final enactment. **Article 17, Section 8.**

Expands definitions of “controlling individual” and “owner.” The owner and controlling individual definitions for DHS-licensed programs change to include a nonprofit corporation as a type of owner of a licensed program and therefore also a controlling individual. Also clarifies that the definition of a

controlling individual includes the president and treasurer of the board of directors of a nonprofit corporation. Effective July 1, 2023 . **Article 17, Sections 9-10**

Technical corrections. Technical corrections made to human services licensing act. Effective day following final enactment. **Article 17, Sections 11, 12, 18.**

Document first date of direct contact. Requires most license holders, except family based licenses, to document the first date that a background study subject has direct contact. This date is necessary to determine compliance with background study and training requirements. Effective January 1, 2024. **Article 17, Section 13.**

Repeal of independent living assistance for youth license type. Repeal of unused and unnecessary independent living assistance for youth license and conforming changes. Effective day following final enactment. **Article 17, Sections 16, 17, and 63.**

Prone and contraindicated restraint prohibition. For all DHS-licensed and certified programs, prohibits the use of prone restraints, except in the specific brief instances, and any restraint that is contraindicated for a medical or psychological condition. Programs must assess and document any contraindications prior to using restraints on a person. Effective July 1, 2023. **Article 17, Sections 19 and 34.**

Clarifying language. Clarifies that temporary personnel agencies, personnel pool agencies, and professional service agencies must employ the individuals providing direct care services to children, people with disabilities, or the elderly. July 1, 2023. **Article 17, Sections 25, 31.**

Data privacy. Brings DHS into compliance with federal regulations related to data sharing and aligns with the minimum necessary rule of data sharing.

- Removes the requirement to share information about prior adoption background studies and bring statute in alignment with the minimum necessary rule of data sharing. (Article 17, Section 33)
- Repeals the requirement for child care providers to send a notification regarding a background study set aside or variance. (Article 17, Section 63)

July 1, 2023. **Article 17, Sections 33, 63.**

Transition to Community Initiative. Codifies authorized uses of grant funds and outcomes. Amending 256.478, adding subd. 3 and 4. Effective the day following enactment. **Article 17, sections 35-36.**

Administrative reconsideration for appeals of inpatient hospital services determined to be medically unnecessary. Establishes an updated and streamlined process for reconsideration for appeals of inpatient hospital services determined to be medically unnecessary. Changes the review from a three physician panel to at least one medical review agent. Amends process for reconsideration in 256.9685. Adds definition for “medical review agent,” and repeals now obsolete Minn. Rules. **Article 17, Sections 37-40.**

MA room and board rate. Reorganizes MA room and board rate from the housing support statute to MA statute, updates cross-references. Adding subd. 5d in 256B.056; amending 256B.0622, subdivision 8; 256B.0946, subdivision 6; 256B.0947, subdivision 7a. No effective date noted. Article 17, sections 41-42, 45-46, 63 (repealer).

Sanctions; Monetary recovery. Increases program integrity by clarifying that accompanying services providers are under similar investigative authority as other medical providers. Changing “vendor” to “individual or entity” where appropriate throughout 256B.064 allows for sanction authority for access to medical services. Clarified that medical assistance payments for goods and services include care and services in section 256B.0625 or any federally approved waiver. Removed affidavit of mailing requirement for notices of action (certified mailing is still required as a method of provider notification).
Article 17, Section 44.

Access to medical records. Adds language for access to requested records to include the manner and within the time prescribed by the commissioner (could include the ability to request by mail, fax, or through a secure electronic transfer). Allows for increased flexibility for records request with current process of all records requests conducted on-site and in-person. **Article 17, Section 47.**

Aligning application requirements for public assistance programs. Aligns General Assistance and Minnesota Supplemental Aid with other public assistance programs that allow for telephone or telepresence applications. Adding subd. 20 in 256D.02; amending 256D.07; adding subd. 16 in 256I.03; amending 256I.04, subdivision 2; amending 256I.06, subdivision 3; amending 256J.08, subdivision 21, amending 256J.09, subdivision 3; n 256J.95, subdivision 5; adding subd. 2c in 256P.01; adding subd. 1a in 256P.04. **Article 17, sections 48-49, 51-53, 55-59.**

Supportive Housing. Clarifies the definition of supportive housing to exclude licensed assisted living facilities. Amends Minn. Stat. §256I.03, subd. 15. **Article 17, Section 50.**

Community living infrastructure (CLI). Adds multi-Tribal collaboratives to eligible grantees for CLI. Amends Minn. Stat. §256I.09. **Article 17, Section 54.**

Gender-Affirming Services. Clarifies that medical assistance covers gender-affirming services. **Article 17, section 43.**

Repealer. Repeals medical necessity judicial review and transmittal of record (Minn. Stat. 256.9685, subd. 1c-1d). Repeals definition of medical review agent in Rule, now in statute (Minn. R. 9505.0505, subp. 18). Repeals physician advisers reconsideration process in Rule, now in statute (Minn. R. 9505.0520, subp. 9b). Repeals MA room and board rate in housing support state (256I.03, subd. 6).
Article 17, Section 63.

Article 18: Certified Community Behavioral Health Clinics

CCBHC policy modifications and return to the demonstration requirements. (Savings of \$30.8M in fiscal years 24-25 and savings of \$8.9M in fiscal years 26-27)

- **Definitions.** Codifies definitions in accordance federal guidelines. **Article 18, Section 1.**

- Establishment. Codifies an establishment clause to define Certified community behavioral health clinic model as an integrated payment and service delivery model that uses evidence-based practices. **Article 18, section 2.**
- **Recertification, Certification, and other requirements.** Requires DHS to establish a recertification process with criteria consistent with SAMHSA guidance. Imposes duties on DHS to provide clinics standard requirements of the community needs assessment and staffing plan and specifies timelines during which certification or recertification review must be conducted. Requires CCBHCs employ or contract with a medical director and defines medical director. Requires clinic access on evenings and weekends. **Article 18, section 3.**
- **Designated Collaborating Organizations.** Specifies that CCBHS may contract with another entity to provide certain services. **Article 18, section 4.**
- **Host county approval.** Specifies that CCBHS do not need a county contract or approval to operate and be reimbursed. **Article 18, section 5.**
- **Variations.** Allows DHS to grant variance when standards in this section or other standards conflict. Requires DHS to consult with partners on before granting variations. Outlines additional variance requirements. **Article 18, section 6.**
- **Evidence-based practices.** Requires DHS to issue a list of requires evidence based practices for CCBHCs. Allows DHS to update the list to reflect advances in research. Requires DHS to consider culturally responsive approaches and requires a comment period before issuing the initial list of EBPs. **Article 18, section 7.**
- **Recertification.** Requires CCBHCs to apply for recertification every 36 months. Article 18, section 8.
- **Opportunity to cure.** Requires DHS to provide a written notice for a CCBHC outlining determination of the application and corrective actions needed within 45 days of site visits. Specifies timelines of corrective actions and final decisions. **Article 18, section 9.**
- **Decertification process.** Requires DHS to establish a decertification process. **Article 18, section 10.**
- **Staffing requirements.** Requires minimum staffing requires as determined by the most recently issues guidance from SAMHSA. **Article 18, section 11.**
- **Functional assessments.** Specifies functional assessment requirements and requires use of Daily Living Activities-20 tool for adults. **Article 18, section 12.**
- **Comprehensive evaluations.** Specifies the comprehensive evaluations must be completed within 60 calendar days following preliminary screening and risk assessments. Requires that mental health professionals must complete the evaluation and specifies the elements required. Allows substitution of psychiatric evaluation and management service when an individual is exclusively receiving that services and substitution of the comprehensive assessment with an individual is exclusively receiving SUD services. **Article 18, section 13.**
- **Initial evaluations.** Requires completion of an initial evaluation or a comprehensive evaluation as required under SAMHSA guidance. **Article 18, section 14.**

- **Integrated treatment plans.** Requires treatment plans are completed within 60 days following preliminary screenings and risk assessment. Specifies that only mental health professionals can complete a treatment plan and that they must consult with an LADC when SUD services are clinically warranted. Requires treatment plans use the ASAM 6 dimensions framework and incorporate prevention, medical and behavioral health needs, and service delivery. Allows for substitutions of psychiatric evaluation and management services. **Article 18, section 15.**
- **Licensing requirements.** Specifies additional licensing requirements and clarifications. **Article 18, section 16.**
- **Data reporting.** Requires DHS to provide data reporting requires to CCBHCs. **Article 18, section 17.**
- **PAMA section 223 demonstration.** Requires DHS to request federal approval to participate in the section 223 of the Protecting Access to Medicare Act demonstration and if approved to participation until federal funding is unavailable. Requires DHS to follow federal payment guidance for dual eligible Medicare and MA when Medicare is the primary payer. Specifies that CCBHCs under the state plan will not receive the prospective payment system for dual eligible individuals when Medicare is the primary payer. Specifies that payment for services to individuals who have commercial insurance as the primary payer and MA as secondary will be subject to recoupment and are not eligible for the prospective payment system rate. The provision requiring return to the demo is effective upon federal approval. **Article 18, section 18.**
- **Addition of CCBHCS to PAMA section 223 demonstration.** Requires DHS to follow all federal guidance on the addition of CCBHCs to the demonstration if the request is approved. Requires CCBHCS meet demonstration criteria and PPS guidance prior to participation. Newly added CCBHCs must report quality measures before its first full demonstration year. Effective on federal approval. **Article 18, section 19.**
- **Grievance procedures.** Requires that CCBHCS and designated collaborating organizations must allow service recipients to access grievance procedures. **Article 18, section 20.**
- **Bundled rate clarification and peer services.** Corrects an error to clarify that entities that receive a CCBHC daily bundled rate that overlaps with another federal Medicaid rate are not eligible for the CCBHC rate methodology. Allows peer services by a CCBHC when determined to be medically necessary. Effective January 1, 2024 or upon federal approval whichever is later. **Article 18, section 21.**
- **Transition to licensure.** Requires DHS to transition certain mental health services from certification to licensure, including CCBHC clinics, adult rehabilitative mental health services, mobile mental health crisis services, children’s therapeutic services and supports, and community mental health centers. Requires DHS to submit proposed legislation to the legislature by January 1, 2025. **Article 18, section 22.**

Article 19: Forecast Adjustments

N/A

Article 20: Appropriations

Improve the Applicant and Enrollee Experience for MA and MinnesotaCare. Invests in improving Minnesota Health Care Program applications and forms and translating additional materials used by consumers into multiple languages. **Article 20, Sec. 1, Subd. 5a. FY24-25: \$3.376m, FY26-27: \$624k.**

Fraud prevention initiative start-up grants. One-time appropriation of \$400,000 in fiscal year 2024 to Red Lake Nation, White Earth Nation, and Mille Lacs Band of Ojibwe for start-up grants to develop a fraud prevention program. The appropriation is available until June 30, 2025. **Article 20, Section 2, Subd. 24 (a)**

Keeping Nurses at the Bedside Act; contingent appropriation. \$6.109M is appropriated in FY 25 to Mental Health and Substance Abuse – Direct Care and Treatment contingent upon legislative enactment of 2023 Senate File 1384 by the 93rd Legislature. **Subdivision 31.**

Capital Investment – GF Bonding

Minnesota session Laws – 2023, [Chapter 71](#) (HF 670)

Asset Preservation. Appropriates \$2M in General Funds for asset preservation and betterments of a capital nature. **Section 12, subdivision 2.**

St. Peter Regional Treatment Center Campus; Phase 2. Appropriates \$21.568M to design, renovate, construct, furnish, and equip the second phase of a multiphase project to develop additional residential, program, activity, and ancillary facilities for the Minnesota Sex Offender Program (MSOP) on the lower campus of the St. Peter Regional Treatment Center. **Section 12, subdivision 3.**

Early Childhood Learning Facilities. Appropriates \$1.125 million from the General Fund for grants under Minnesota Statutes, section 256E.37, to predesign, design, construct, renovate, furnish, and equip early childhood learning facilities. Strikes the statutory requirement that at least 80 percent of the funds must be distributed to projects in Greater Minnesota. Cost: \$1.125 million. Effective July 1, 2023. **Article 1, Section 12, subdivision 4; Article 2, Section 10.**

Harriet Tubman Center East Renovation. Appropriates \$3.388 million from the General Fund for a grant to Tubman to design, construct, renovate, furnish, and equip capital improvements to the Harriet Tubman Center East building in the city of Maplewood. This appropriation includes money for installation of a public elevator, partial replacement of the roof, fire sprinklers, and electrical system improvements. Any unspent portion of this appropriation remaining after completion of the projects listed in this subdivision, after written notice to the commissioner of human services, is available for additional improvements and betterments of a capital nature at the Harriet Tubman Center East building. Cost: \$3.388 million. Effective July 1, 2023. **Article 1, Section 12, subdivision 6.**

Capital Investment – GO Bonding

Minnesota Session Laws – 2023, [Chapter 72](#) (HF 669)

Regional Behavioral Health Crisis Facilities. Appropriates \$6mil to Dakota County for a behavioral health crisis facility and \$2.5mil to Duluth under Minn. Stat. §245G.011 Behavioral Health Crisis Facility Grants project criteria in Subd. 4. **Article 1, Section 18.**

Asset Preservation. Appropriates \$7.2M in General Obligation funds for asset preservation and betterments of a capital nature at DHS facilities statewide. **Section 18, subdivision 2.**

St. Peter Water and Sewer Upgrades. Appropriates \$1.05M in General Obligation funds to design upgrades and the replacement of water, sanitary, and storm sewer infrastructure on the St. Peter campus. **Section 18, subdivision 3.**

Early Childhood Learning Facilities. Appropriates \$900K in General Obligation bonds for grants under Minnesota Statutes, section 256E.37, to predesign, design, construct, renovate, furnish, and equip early childhood learning facilities. Cost: \$900K. Effective July 1, 2023. **Article 1, Section 18, subdivision 4.**

Nursing Facility & Hospital Funding

Minnesota Session Laws – 2023, [Chapter 74](#) (HF 3342)

Nursing Facility Workforce Incentive Grant Program. Requires DHS to establish grants for nursing facilities to recruit and retain eligible workers. Lists allowable uses of grant money, requires a nursing facility to agree to listed conditions for obtaining grant payments via an attestation, details a grant distribution plan, requires a report from each grantee as to how money was spent, grants commissioner the authority to audit and recoup misspent funds or overpayment, prohibits awarded grant funds to workers from being considered as income or assets under certain means tested assistance programs, directs the commissioner to treat grant payments under this section as an applicable credit as defined under MN Statute 256R.10, subd. 6. Effective July 1, 2023. **Section 1, subdivisions 1-10. \$75M in fiscal years 24/25 with carryforward through June 30, 2029.**

Payments to Nursing Facilities not to Exceed Forecast Spending. Requires DHS to make a onetime payment to nursing facilities of \$225,000 each; to use the remainder of the appropriation to pay each nursing facility an amount, determined by a formula in the legislation, for each active bed the nursing facility had as of May 12, 2023; to distribute the amount for active beds each nursing facility had in two equal payments to each nursing facility on August 21, 2023 and August 1, 2024. Lists allowable uses for the additional payments and requires nursing facility to attest what the payments were used for. Prohibits payments to related parties as defined in MN Statute 256R.02, subd. 43. Authorizes the commissioner to conduct an audit of how money was spent and recoup misspent funds; directs the commissioner to determine if the temporary payments affected the forecast resulting in an increase in medical assistance payments to nursing facilities beyond what was forecasted for fiscal year 2024 to 2027. If the forecast for this time period was exceeded the commissioner is to adjust future rates for each nursing facility proportional to the payments under this provision to reflect the forecasted rates for that time period in rate year 2029. Effective date following enactment. **Section 2, subdivisions 1-7. \$173.5M in fiscal years 24/25.**

Nursing Facility Temporary Rate Add-On. Requires the commissioner to provide a temporary rate add-on for all nursing facilities reimbursed under Medical Assistance of \$12.35 per resident day. Effective July 1, 2023, or upon federal approval, whichever is later. Expires on December 31, 2024. **Section 3. \$36.5M in fiscal years 24/25 and \$15m in fiscal years 26/27.**

Partial Reimbursement to Hospitals for Qualifying Avoidable Patient Days. Requires DHS to make payments of up to \$1,400 per qualifying avoidable patient day to hospitals beginning July 1, 2023. Requires hospitals to report to DHS on the number of qualifying avoidable patient days between January 1, 2023 and May 31, 2023 by June 15, 2023. **Section 4. FY24-25: \$18M.**

Nurse and Patient Safety Act

Minnesota Session Laws – 2023, [Chapter 75](#) (SF 1384)

Keeping Nurses at the Bedside Act; contingent appropriation. Amends 2023 S.F. No. 2995, article 20, section 2, subdivision 31, if enacted, to provide an appropriation of \$6.109M in FY 25 to Mental Health and Substance Abuse – Direct Care and Treatment contingent upon legislative enactment of 2023 Senate File 1384 by the 93rd Legislature. ***Section 12.***