



Minnesota Association of County Social Service Administrators



## MACSSA LEGISLATIVE UPDATE

Minnesota Association of County Social Service Administrators

# 2021 Legislative Session Review

The Minnesota House adjourned its June 2021 special session sine die in the wee hours of July 1. While both bodies finished their business of passing all state biennial budget bills, the Senate opted to continue meeting in special session for several days to consider confirmations of state agency commissioners. During this time, MN Pollution Control Agency Commissioner Laura Bishop resigned from her post amidst rumors that the Senate was poised to vote against her confirmation. The Senate finally adjourned sine die on July 7.

As the Legislature worked toward meeting the July 1 midnight deadline to avoid a government shutdown, a few notable things happened. As we knew heading into the regular session back in January, of the most controversial items the governor and legislative leaders would need to resolve this session would be the governor's executive powers and public safety reforms. In true human fashion, those were the last of the items resolved.

A public safety deal was released the Monday prior to adjournment and got an ice cold reaction from some legislators, particularly members of the People of Color and Indigenous (POCI) caucus, who warned that they would likely offer significant amendments on police accountability. Ultimately, the bill passed with only minor changes and was signed by the governor.

The state government finance agreement caused a bit of a stir as it was amended in the Senate to call for an immediate end to the peacetime emergency. As the House readied itself for debate on the bill, Walz announced an agreement with the U.S. Department of Agriculture to continue food benefits and a planned end to the peacetime emergency of July 1. Ultimately, the bill to immediate end the peacetime emergency passed off the House and Senate floors and went to the governor's desk. Recognizing some potential problems with timing of that abrupt end, legislative leaders and the governor agree to a small modification that was adopted into the tax bill that was the last bill to be passed and sent to the governor. This provision was adopted and was effectively retroactively:

"Sec. 23. COVID-19 PUBLIC HEALTH DISASTER RESPONSE.

Subdivision 1. Public health disaster declaration; eligibility for federal assistance. (a) Notwithstanding any other law to the contrary, the commissioner of human services or the commissioner of health may declare a public health disaster if either commissioner determines that the state must take action to protect the public health, including providing public health services or enforcing existing health and human services laws, as part of the state's response to the ongoing COVID-19 infectious disease outbreak.

(b) The declaration of a public health disaster under this subdivision does not provide any authority in addition to existing law.

Subd. 2. Expiration. A public health disaster declared under subdivision 1 expires on the earlier of the following dates:

(1) the date the commissioner of health or the commissioner of human services determines the public health disaster declaration is no longer necessary; or (2) the public health emergency issued under section 319 of the Public Health Service Act expires, subject to renewal by the United States Secretary of Health and Human Services.

Subd. 3. Orderly redeployment of state workers. (a) Until August 1, 2021, the commissioner of management and budget may suspend provisions of all state employee collective bargaining agreements and compensation plans regarding: limitations on the appointing authority's ability to determine employee work schedules and hours of work; notice periods for changes in work schedules, work hours, or work locations; limitations on supervisor recission of vacation approval; seniority requirements for filling vacancies, reassignment, or distribution of overtime or on-call work; restrictions on appointment, assignment, or reassignment, including reassignment between job classifications; and notice requirements for seasonal layoff and recall. Until August 1, 2021, executive branch employees are subject to the scheduling and assignment decisions and work direction of their appointing authority.

(b) To the extent necessary, and until August 1, 2021, the commissioner of management and budget may transfer the direction, personnel, and functions of state agencies, including, but not limited to, redeploying executive branch employees from one state agency to another state agency, and between job classifications.

Subd. 4. Unemployment insurance program. To facilitate the recovery of the unemployment insurance program, strict compliance with Minnesota Statutes, section 268.047, is suspended through August 1, 2021.

Subd. 5. Testing and vaccination authority. Until the federal public health emergency issued under section 319 of the Public Health Service Act expires, the commissioner of health may exercise the authority provided in Minnesota Statutes, section 144.4197, to authorize persons to administer COVID-19 vaccinations and testing, and may take action to establish and operate COVID-19 vaccination and testing sites, notwithstanding the requirements of Minnesota Statutes, chapter 16C, and without compliance with time-consuming procedures and formalities prescribed by law. The commissioner's authority under this subdivision is subject to the terms and conditions provided in Minnesota Statutes, section 144.4197, except that any extension of this authority must be provided by law and not pursuant to Minnesota Statutes, section 144.4197. Persons authorized to administer vaccines and testing under this subdivision shall be held harmless as provided under Minnesota Statutes, section 144.4197, under the same terms and conditions.

EFFECTIVE DATE. This section is effective retroactively from June 29, 2021."

# Health and Human Services

Gov. Tim Walz signed Chapter 7, the biennial budget for the departments of health and human services, on June 29, 2021. By signing the bill prior to the end of the state's current fiscal year, the governor and Legislature averted a shutdown of critical services. At a high level, DHS received its full requested operating adjustment of \$16.3 million (FY22-23); \$21.85 million (FY24-25) for agency operations.

Much of the new funding in the bill is realized through the state's allocation of enhanced FMAP for home and community-based services. These federal dollars carry limitations for the kind of activity they can fund, so legislators were somewhat limited on how they could spend those dollars. Overall, the bill budgets \$686.09 million (FY22) for this enhancement and allocates those dollars throughout the bill.

A breakdown of the key provisions in the bill, sorted by MACSSA committee, can be found below. For reference purposes, [this pdf version of the final bill/law](#) will be used throughout this report.

## MACSSA Priorities

### SUD Reform

Unfortunately, a county priority to allow counties to conduct peer recovery supports and create an MA-billable service for substance use disorder pretreatment coordination did not cross the finish line this year. [SF1821/HF2115](#) (Utke/Frederick) was modified to address DHS concerns as it moved through the committee process. We were successful in getting the Senate to include the language as part of its omnibus bill heading into conference committee ([Article 1, Sections 1-7](#)). Ultimately, however, the provision was not included as part of a final deal.

### Codification of Waivers

The four initiatives in the county waiver bill, championed by Senator Carla Nelson and Representative Dan Wolgamott ([SF1324/HF1822](#)), are now law.

- **Targeted case management** - Allows for MA coverage of various forms of case management to be delivered through telehealth (children's, mental health services, chemical dependency services and SUD services). Other changes include removing the three visits per enrollee per week limit, expanding the provider types eligible to provide telehealth, and making MA coverage consistent in most areas with private sector coverage. Audio-only coverage is still prohibited in the language of this statute but is covered for MA through an expansion of the DHS waivers in a later section through July 1, 2023. (*Article 16, Section 11*)
- **MnCHOICES reassessments** - Allows for reassessments through interactive video or telephone if specified requirements are met. (*Article 16, Sections 17-19*)
- **Housing support absent days** - Modified to allow an additional 74 days per incident, not to exceed a total of 92 days in a calendar year when the resident is admitted into a behavioral health facility, hospital, or nursing facility. Counties may apply for an exception through DHS. (*Article 13, Sections 57-58*)

As a reminder, two additional waivers were passed as part of the HHS policy-only bill during the regular session ([Chapter 30](#)):

- **Eliminating face-to-face orientation for Minnesota Family Investment Program (MFIP) and allow agencies to accept MFIP applications over the phone:** Counties are still required to receive a signed written application within 30 days of clients submitting their application remotely and still requires that interviews be conducted. This was a county priority and originally part of SF1324/HF1822.
- **Timeline for responding to certain maltreatment investigations** was changed to allow for face-to-face contact in response to a report alleging sexual abuse or substantial child endangerment to be postponed for up to five calendar days if the child is residing in a location that is confirmed to restrict contact with the alleged offender, or the local welfare agency is pursuing a court order for the child's caregiver to produce the child for questioning. This was a position supported by counties and a priority brought forward by Sherburne County.

## **Adult Mental Health Initiative (AMHI) Grants**

AMHIs will receive an additional \$1.75 million per year for 3 years - \$3.5 million (FY22-23); \$1.75 million (FY24) in funding. The final deal also directs DHS to provide a report to the Legislature to reform the funding formula for adult mental health initiatives (AMHI) by February 1, 2022, and prior to implementation of the new formula. The section notes that DHS must consult with stakeholders including AMHIs, counties, tribal nations, mental health providers, and individuals with lived experiences and include their feedback in the report. *(Found in Article 11, Section 33 of final bill and outlined in Behavioral Health Committee section.)*

## **Other Secondary MACSSA Priority Issues**

### **Family First implementation**

Language worked on with the department makes updates to individual treatment plans, residential treatment service reviews, and discharge planning. These sections are effective September 30, 2021 and expire July 1, 2022. \$1.331 million (FY22-23) and \$2.156 million (FY24-25) is allocated for implementation purposes. *(Found in Article 11, Sections 2-4 of final bill and outlined in Children's Services Committee section.)*

### **"Back to Better" Transition Out of COVID**

This DHS initiative to wind down waivers and transition programs out of COVID is funded within the bill. This includes continuation of the background studies waiver for 365 days after the peacetime emergency ends, an up to 60-day wind down of other waivers, and a \$7.7 million (FY22-23) contract for The Work Number (electronic income verification), and other administrative type costs. In total, this initiative carries a \$14.26 million (FY22-23) general fund cost. *(Article 2, Section 72, Section 73, Sections 11, 29-51)*

### **Case Management Redesign**

The first phase of case management redesign is included in the final bill. This includes steps to a uniform statewide rate methodology for counties contracting with third party vendors for these services. *(Article 11, Sections 17, 24-36)*

### **State Accounting Error**

The agreement included \$8.328 million (FY21) to reimburse counties for the county share of DHS errors related to substance use disorder services withing institutions of mental disease (IMDs). Counties will be required to first make payments regarding the billing errors to the state, before being reimbursed by the state from state general funds. *(Article 16, Section 24)*

### **County Cost Shift: County Share for Child and Adolescent Behavioral Health Hospital (CABHH)**

Unfortunately, counties did pick up one cost shift related to direct care and treatment: 100% when the facility determines that it is clinically appropriate for the client to be discharged. This brings the CABHH facility county cost share in alignment with all of the other Direct Care and Treatment (DCT) services. Cost to counties ("savings to state") is projected at \$2.458 million per biennium. Counties have expressed concerns for the last several years about cost shifts related to DCT services. It is frustrating and disappointed to see this cost shift as it fails to recognize the shortcomings in the continuum of care available that makes efficient discharge from DCT facilities to alternative settings challenging. It also fails to work to address this problem, as the \$2.458 million goes to the general fund and is not targeted to mental health services. *(Article 1, Section 1)*

### **3<sup>rd</sup> Path - NAMI Proposal for Children's Residential Placements Outside of the Foster Care System**

The bill included a version of the proposal from NAMI ([HF944/SF1869](#)) which originated from the 245D legislative task force required by legislation from the 2019 session. This creates a new pathway for children's mental health residential placements which will result in counties losing Title IV-E reimbursement for room and board cost (due to these placements not following FFPSA QRTP requirements). \$1.964 million (FY22); \$1.979 million (FY23) were appropriated to reimburse counties and tribes for a portion of the cost of treatment in children's residential facilities. The language also includes a workgroup to develop recommendations on how to efficiently and effectively fund room and board costs for children's mental health residential treatment under the children's mental health act and report to Legislature by February 15, 2022 (Article 16, section 2).

## **Parental Representation**

New policy requirements direct the court to appoint counsel to represent a parent, guardian or custodial prior to the first hearing on a child in need of protection or services petition. The section also removes some of the requirements setting up qualifications for the appointment of counsel. This is effective January 1, 2023. \$1.3 million (FY22-23); \$1.3 million (FY24-25). Of that, roughly \$1 million each biennium is for children's services grants to counties, to be used to offset cost of parental representation or administrative costs of counties seeking federal Title IV-E reimbursement for eligible parental representation costs. This will result in new costs to be incurred by counties. The bill also requires the commissioner of human services to consult with counties and court administration on collecting data on court appointed counsel in child protection proceedings and submit a report with findings and a plan for regular reporting of data. (*Article 9, Section 5, Section 6*).

## **Basic Sliding Fee Child Care -Reprioritization and Additional Funding**

This provision provides for the temporary reprioritization of child care assistance under the basic sliding fee (BSF) program (from June 1, 2021, through May 31, 2024). In addition, this section permanently modifies the allocation component of BSF state and federal funds so that up to one-half of funds can be allocated in proportion to the county's most recent 12 months of reported waiting list (changed from up to one-fourth of funds based on 6 months of waiting list). This section is effective January 1, 2022; calendar year 2022 shall be a phase-in year for the allocation formula. There is also an additional \$15 million allocated to BSF. (*Article 8, Section 1, Section 2*).

## **What Didn't Happen**

### **Disability Services Cost Shifts**

Three adult services proposals that counties weighed in on with concerns during the regular session did not advance. The Senate supported several modifications that would cap disability waiver allocations, freeze MnCHOICES assessments at 2019 levels, and impose a county cost share on placements of disabled individuals 18-27 years of age in certain settings. (*These initiatives were included as part of the Senate's version of the HHS bills heading into final negotiations. There are found in [this version](#) of bill in Article 14, Sections 14, 20, and 71.*)

These proposals would have resulted in significant cost shifts to counties. Legislators stated their goals were to drive down costs; move individuals into more productive, individualized settings; and push counties to toward these placement options. While these proposals did not move forward, legislation addressing informed choice and new standards for informed decision-making passed. (*See Article 13 of final bill, noted in Adult Services Committee section.*)

Additionally, DHS is tasked with conducting a lead agency mapping project to review policies and business practices to identify efficiencies in long-term care consultation services (MnCHOICES). DHS is also directed to develop a guide documenting the process for determining MA eligibility and authorization of long-term services and supports. (*These provisions can be found in Article 17 and are noted in the Adult Services Committee section.*)

### **Metro Housing Demo**

An initiative brought forward by MICA to increase the number of housing units as part of the Metro Housing Demo also did not make it to the finish line. This proposal would have strategically expanded the program to address increased mental health and substance use disorders supports by adding units and expanding to Carver, Scott and Washington counties. [SF1468/HF780](#) (Draheim/Reyer) was carried into conference committee by the House but ultimately did not survive final negotiations.



# Outside of Human Services Bill

## **Eviction Moratorium**

An issue hotly debated nearly since its onset was a wind-down of the governor's executive orders that prohibited evictions and lease terminations (with certain exceptions) during the COVID-19 peacetime emergency. [Chapter 8](#) was signed into law as one of the final budget bills to provide protections to tenants and landlords.

For 105 days following enactment of the law (June 28) a landlord cannot terminate or fail to renew a lease, except in cases where the tenant is endangering others, engaging in certain criminal activities, materially violating the lease or when the tenant requests the termination of the lease. The law also prohibits an eviction for nonpayment of rent when the tenant has a pending application for COVID-19 federal or state rental assistance.

Evictions will be allowed beginning 15 days following enactment for situations where a tenant materially violates the lease or has not paid rent and refuses to apply for COVID-19 rental assistance, provided the landlord gives 15 days notice before filing the eviction.

The off-ramp is intended to drive Minnesotans to [RentHelpMN.org](https://renthelpmn.org) or to call 211 to apply for nearly \$700 million in rental assistance that was passed by Congress. It will help Minnesotans who have fallen behind on their rent catch up and will help to ensure that landlords are made whole.

## **County Homeless Aid**

The tax bill ([Chapter 9](#)) contains \$20 million in local homeless prevention aid to help ensure "no child is homeless within a local jurisdiction by keeping families from losing housing and helping those experiencing homelessness find housing." Counties may use the funding for new or existing family homeless prevention and assistance projects or programs. Other program requirements are laid out in the law (Article 7, Section 3). These additional homelessness resources combine with historic investments in the what was previously the state's only investment to help Minnesota's shelter providers respond to the unsheltered crisis, Emergency Services Program (ESP). ESP will see an increase of \$6 million/year, ongoing (\$12 million/biennium), with funding beginning FY22 (July 1, 2021). This is up from the current state investment of \$844,000/year (Line 644 of the spreadsheet).

## **Background Checks: Access to Federal Tax Information**

This provision in the tax bill requires state agencies whose employees or contractors access federal tax information to be fingerprinted for and undergo national criminal history background checks, in compliance with federal law and IRS guidance. It also creates the same requirements for any individual authorized to access federal tax information by the requesting agency, which would apply to county staff in accessing federal tax information as part of eligibility determinations (Article 11, Section 24).

\*\*\*Note about the structure of this legislative report document. The following details about the 2021 HHS Budget Bill are organized in an attempt to mirror the MACSSA Committee Structure.

# Adult Services

## Article 2

### DHS Licensing and Background Studies

Sections 12-17, 19 (p. 62-72, 78-80): Includes DHS background study federal compliance language and expands background study requirements across many services including adult and child foster care, children's residential facilities, childcare centers and family child care providers, home and community-based services, mental health programs substance use disorder (SUD) programs, withdrawal management, personal care assistants; facilities; and providers. \$1.036 million (FY22-23); \$390,000 (FY24-25).

Section 71 (p. 112-113): Adds the following DHS waivers (required to comply with federal law) to the list of waivers that will remain in effect after the peacetime emergency ends. They will remain in effect until federal requirements change, or until a state plan amendment is approved, whichever is later. The intention is that these waivers will be made permanent.

- CV15: allowing telephone or video visits for waiver programs
- CV24: allowing telephone or video use for targeted case management visits
- CV30: expanding telemedicine in health care, mental health, and substance use disorder settings
- CV42: implementation of federal changes to SNAP
- CV43: expanding remote home and community-based waiver services
- CV44: allowing remote delivery of adult day services
- CV109: providing 15 percent increase for MN Food Assistance Program and MFIP maximum food benefits

Section 72 (p. 113): Allows for all waivers that have not been otherwise extended may remain in effect for no more than 60 days after the peacetime emergency ends.

Section 73 (p. 114): Allows for CV23 (modifying background study requirements) and any consequent amendments to remain in effect for 365 days after the peacetime emergency ends.

Section 74 (p. 114-116): Creates a legislative task force to review background study eligibility and disqualifications to evaluate existing statutes' effectiveness in protecting individuals and identifying weaknesses and inefficiencies. The 26-member task force includes county attorneys, tribal organizations, members of the public and two MACSSA appointees. DHS: \$234,000 (FY22-23); LCC: \$208,000 (FY22-23). (Article 16, Section 7.)

## Article 6

### Telehealth

The telehealth article is funded at \$36.9 million (FY22-23); \$10.9 million (FY24-25) and contains provisions of interest to several MACSSA committees. We have tried to highlight the provisions of most interest to each committee.

Section 6 (p. 191): Makes changes in chapter 245G to permit an assessment for SUD to be delivered via telehealth.

Sections 7-8 (p. 191-195): Clarifies that chemical use assessments and chemical dependency services may be conducted through telehealth.

Section 9 (p. 195): Makes changes to the definition of interactive video when used for relocation targeted case management.

Section 10 (p. 195-199): Removes the requirement for a psychiatric provider, as part of an ACT team, from needing to obtain approval from the commissioner when providing services by telehealth.

Section 11 (p. 199-202): Changes to coverage of telehealth services for public health care programs. Medical assistance coverage requirements are modified for services delivered through telehealth (including health care services, mental health services, chemical dependency services and SUD services). Major changes include removing the three visits per enrollee per week limit, expanding the provider types eligible to provide telehealth, and making MA coverage consistent in most areas with private sector coverage. Audio-only coverage is still prohibited in the language of this statute, but is covered for MA through an expansion of the DHS waivers in a later section through July 1, 2023.

Section 12 (p. 202-203): Expands MA coverage to telemonitoring services.

Section 13 (p. 203-205): Modifies medication therapy management services to include services delivered through telehealth.

Section 14 (p. 205-208): Clarifies that mental health case management services may be provided either in person or through interactive video.

Section 15 (p. 208-209): Clarifies conditions under which face-to-face contact requirements for targeted case management services may be met through interactive video.

Section 16 (p. 210): Clarifies that mental health services may be provided through telehealth.

Sections 17-19 (p. 210-218): Allows for MnCHOICES reassessments to be provided through interactive video or telephone if specified requirements are met. These requirements include if the person's legal representative and the lead agency case manager both agree there is no change in the person's condition. The person, or the person's legal representative can refuse remote assessment any time. If at any point a lead agency determines that a face-to-face reassessment is necessary or if there is a need for a change in services.

Section 24 (p. 227): Permits remote assessments for community-based service waivers for persons with disabilities.

Section 25 (p. 228): Allows for remote assessments in determining elderly waiver eligibility.

Section 27 (p. 228-230): Requires MDH, DHS and Commerce to study the impact of telehealth payment methodologies and delivery expansion on the coverage and provision of services delivered through telehealth. Requires the commissioners to present preliminary reports to the Legislature by January 15, 2023 (which must include recommendations on whether audio-only communication should continue to be allowed), and final reports by January 15, 2024. This is for both the private and public sectors. \$2.3 million (FY22-23), \$498,000 for (FY24).

## **Article 13**

### **Disability Services and Continuing Care for Older Adults**

Section 4 (p. 322-323): Defines "family adult foster care home."

Sections 5, 29, 60, 66 (p. 323-327, 350, 394, 401-402 ): governor's proposal that creates a time limited exception to the corporate foster care and community residential licensing moratorium for unlicensed customized living settings. Section 66 directs DHS to produce a report regarding the continuation of the moratorium on customized living settings. Savings of \$4 million (FY22-23); savings of \$8.6 million (FY24-25). This was a Blue Ribbon Commission proposal.

Sections 6, 13, 14, 50, 54, 67, 70 (p. 327, 333-336, 380, 384-386, 402, 404): Reduces from 12 to 10 the required hours of service a person needs to qualify for an enhanced PCA or CFSS service rate. Section 70 resumes temporary



funding for the provision of PCA services by parents of a minor and by spouses. Expires with the expiration of the federal public health emergency. \$1.6 million (FY22-23); \$2.7 million (FY24-25).

Section 7 (p. 328-329): Expands existing self-advocacy grants for individuals with developmental disabilities. \$496,000 (FY22-23); \$496,000 (FY24-25).

Section 8 (p. 329-331): Establishes a new Minnesota inclusion initiative grant program to fund projects that encourage self-advocacy groups of persons with intellectual and developmental disabilities to increase community inclusion and improve outcomes. \$300,000 (FY22-23); \$300,000 (FY24-25).

Section 9 (p. 331-332): Establishes new parent to parent peer support grant program. \$250,000 (FY22-23); \$250,000 (FY24-25).

Section 11 (p. 333): Directs DHS to annually adjust payments for home health agency services to reflect the change in CMS home health agency market basket. \$4.5 million (FY22-23); \$15.7 million (FY24-45).

Section 12 (p. 333): Directs DHS to annually adjust payments for home care nursing services to reflect the change in CMS home health agency market basket. \$6.8 million (FY22-23); \$9.8 million (FY24-25).

Sections 15, 18, 30-41, 76 (p. 336-338, 341, 350-356, 408): Reframes and restates the home and community-based (HCBS) policy statements enacted in 2020, and includes new language concerning standards for an informed decision-making process. The bill repeals the 2020 language. Directs DHS to collect data on the implementation of residential support services criteria and make recommendations to align disability waiver configuration and individual support range implementation.

Sections 16-17, 19, 26-28, 73, 75 (p. 338-341, 342, 346-350, 405, 406-408): Modified version of governor's Waiver Reimagine Phase II: Commissioner is required to seek federal approval to reconfigure MA home and community-based waivers to implement a two-waiver program structure and implement an individual resource allocation methodology and transferring management of waiver funds from the counties to the commissioner. Directs DHS to consult with the public and other stakeholders and convene a Waiver Reimagine Advisory Committee (includes counties) to assist in developing proposed budget methodologies, waiver reimagine components and other aspects. \$1.7 million (FY22-23); savings of \$7.1 million (FY24-25).

Section 75 (406-408) creates a stakeholder process to examine potential adjustments to the streamlined service menu from Waiver Reimagine Phase I, the existing rate exemption criteria, and consider changes to the development and implementation of Waiver Reimagine Phase II. \$600,000 (FY22-23); projected state savings in MA of \$10.78 million starting in FY24-25.

Sections 20-23 (p. 343-345): Reconfigures the existing regional quality councils to allow them to perform new and remaining functions in the absence of the state quality council. There is no proposed funding increase but current funding for state council (\$1.2 million per biennium) is transferred to the regional councils.

Section 42 (p. 356-363) Modifies DWRS inflationary adjustment timeline and adds requirements for uses of the 2022 inflationary adjustment revenue. The 2022 advancements comes with a \$69.5 million (FY22-23) state cost, while the 2024 delay is projected to save \$25.5 million (FY25).

Section 43 (p. 364-367): governor's proposal around customized living program integrity measures; books savings of \$2.3 million (FY22-23); \$7.6 million (FY24-25).

Sections 44-47 (p. 367-370): Provides for a 5% rate increase for ICF/DDs and modifies the rates and procedures related to variable rates and services during the day. \$4.6 million (FY22-23); \$6.6 million (FY24-25).

Sections 48, 55 (p. 370-375, 386-391): Establishes a PCA/CFSS rate framework and service rate increase. The PCA service rate increase is funded at \$67.6 million (FY22-23); \$103.9 million (FY24-25). The CFSS rate framework is funded at \$30.4 million (FY22-23); \$39.6 million (FY24-25).

Sections 49, 51-53 (p. 375-380, 381-384): Allows CFSS support workers to be reimbursed for driving clients under MA. \$5.6 million (FY22-23); \$11.2 million (FY24-25).

Section 56 (p. 391-392): \$50 monthly increase for the monthly room and board rate for housing supports provided to residents of certain supportive housing establishments where an individual has an approved habitability inspection and an individual lease agreement. \$3.2 million (FY22-23); \$7.4 million (FY24-25).

Sections 57-58 (p. 393-394): Modifies housing support absent days by allowing an additional 74 days per incident, not to exceed a total of 92 days in a calendar year when the resident is admitted into a behavioral health facility, hospital, or nursing facility. Effective July 1, 2021. Counties may apply for an exception through DHS.

Section 59 (p. 394): Modifies elderly waiver monthly case mix budget cap exceptions.

Sections 61-64 (p. 395-397): Elderly waiver increases:

- Customized living services in exempt settings and implementing a phase-in for an elderly waiver increase which requires federal approval. \$8.3 million (FY22-23); \$17.9 million (FY24-25).
- Customized living rate floor for disproportionate share facilities. \$3.05 million (FY22-23); \$9.3 million (FY24-25).

Sections 65, 71 (p. 397-401, 404): Establishes requirements for providers of customized living services in exempt settings and requires a report.

Section 68 (p. 403): Directs the commissioner to develop an MA service allowing direct care to be provided to individuals while in an acute care setting. \$182,000 (FY22-23).

Section 69 (p. 403-404): Requires the commissioner to conduct a study to determine the feasibility of adding supportive parenting services as a covered MA service and move forward with implementation in FY24. \$102,000 (FY22-23); \$1 million (FY24).

Section 72, 77 (p. 404-405, 409): Rate increases for direct support services workers upon agreement between the State of Minnesota and SEIU Health Care Minnesota. governor's proposal to ratify the self-directed workforce contract and provide rate increases.

Section 74 (p. 406): Provides a 5% rate increase for certain home care services.

## **Article 16 - Appropriations**

### **Budget Spreadsheet**

This article contains various appropriations and associated policy language. Not all appropriations agreed to in negotiations are listed in the text of the bill but rather are reflected in increased MDH or DHS budgets. Those items are found on the budget spreadsheet. For tracking purposes, we have included references to those items in this section of the report.

Section 20 (p. 481): Blue Ribbon Commission (BRC) Budget Reserve Reduction: \$100 million on July 1, 2021.

Section 21 (p. 481): One-time MFIP cash benefit \$435 for MFIP/DWP recipients. \$14.38 million (FY22)

\$2.3 million (FY22); \$2.2 million (FY23); \$1.7 million (FY24) for grants to disability services, mental health, and SUD treatment providers to implement culturally and linguistically appropriate service standards (p. 459).

\$25.91 million (FY22-23); \$20.3 million (FY24-25) for homelessness grants and projects (Spreadsheet, lines 642-657)

- \$12 million each biennium for emergency shelter grants
- \$10 million (FY22-23); \$5 million (FY24-25) for Community Living infrastructure grants; page 488; Article 17, section 5

Fraud, Waste, and Abuse Enhancements: Savings of \$1.9 million (FY22-23); savings of \$2.4 (FY24-25). (Spreadsheet, lines 1383-1400)

## **ARTICLE 17**

### **Home and community-based services; special time-limited funding provisions**

Sections 1, 6 (p. 485-486, 488): Changes HCBS transition grants to the transition to community initiative. \$11.8 million (FY22-23); \$4.5 million (FY24).

Section 2 (p. 486-487): Extends the Governor's Council on Age Friendly Minnesota to June 30, 2024.

Section 3 (p. 487): \$2.8 million (FY22-23); \$1.6 million (FY24) for competitive grants to HCBS providers for technology assistance to older adults and people with disabilities.

Section 4 (p. 487): \$5 million (FY22-23) to DHS to develop online support planning tool for those who use HCBS waivers.

Section 5 (p. 487): \$10.5 million (FY22-23); \$4.3 million (FY24) for one-time payments of up to \$3,000 per transition for individuals moving into a community setting. DHS direction to seek state planning amendment to allow these payments as a housing stabilization service.

Section 7 (p. 488): \$2.9 million (FY22-23); \$1.2 million (FY24) to DHS to review lead agency policies and business practices to identify efficiencies in long-term care consultation services (MnCHOICES). DHS will develop a guide documenting the process for determining MA eligibility and authorization of long-term services and supports. \$2.1 (FY22-23); \$789,000 (FY24).

Section 8 (p. 489): \$2.1 million (FY22-23); \$1.8 million (FY24-25) for grants to help cities, counties, tribes, and other collaboratives to become Age Friendly Communities and provide technical assistance grants.

Section 10 (p. 490); \$15.9 million (FY22-23); \$8.8 million (FY24) for a grant program for small providers that serve rural or underserved communities with limited HCBS provider capacity.

Section 11 (p.491): \$16.4 million (FY22-23); \$4.1 million (FY24) in additional capacity for grants for adult mobile crisis services. Language indicated that beginning April 1, 2024, counties may fund and continue activities under this section.

Section 14-15 (p. 492-495): Establishes a task force on eliminating subminimum wages for people with a disability. \$10.9 million (FY22-23); \$4.8 million (FY24) for a reinvention grant to promise independence and increase opportunities for people with disabilities to earn competitive wages.

Section 16 (p. 495): \$863,000 (FY22-23) for an actuarial study of public and private financing options for long-term services and supports reform to increase access across the state.

Section 17 (p. 496): \$4.7 million (FY22-23); \$2.1 million (FY24) for additional funding for respite services and study related to long-term care services and support trends.

Section 18 (p. 496-497): \$803,000 (FY22-23); \$407,000 (FY24) for an analysis of current rate setting methodology for outpatient services in MA and MinnesotaCare.

Section 19 (p. 497): \$2.4 million (FY22-23) for eight organizations to expand services for people with disabilities who are ineligible for MA to live in their own home and communities.

Section 20 (p. 497-498): \$5.8 million (FY22-23); \$5.8 million (FY24-25) to address challenges related to attracting and maintaining direct care workers who provide HCBS for people with disabilities and older adults.

Section 21 (p. 498): Directs DHS to consult with stakeholders prior to submitting Minnesota's spending plan of American Rescue Plan Act (ARPA) dollars.

Section 22 (p. 498): Specifies that Article 17 is effective upon federal approval of Minnesota's spending plan under the ARPA.

# Children's Services

## Article 2

### DHS Licensing and Background Studies

Sections 4, 5, 8, 24-27, 52-55, 60-63, 64, 69, 70 (p. 48-50, 57-59, 82-85, 92-99, 102-106, 111-112): Modifies family foster care setting background studies and directs DHS to establish family foster setting licensing guidelines for county agencies and private agencies to perform licensing functions. \$601,000 (FY22-23); \$306,000 (FY24-25).

Section 7 (p. 54-57): Modifies licensure for special family child care homes and permits up to four licenses to a single organization at the same location if each program operates as a distinct program within its own license requirements.

Sections 12-17, 19 (p. 62-72, 78-80): Includes DHS background study federal compliance language and expands background study requirements across many services including adult and child foster care, children's residential facilities, childcare centers and family child care providers, home and community-based services, mental health programs substance use disorder (SUD) programs, withdrawal management, personal care assistants; facilities; and providers. \$1.036 million (FY22-23); \$390,000 (FY24-25).

Section 18 (p. 72-78): Permits alternative background studies for certain classifications of individuals, including child protection workers (when the background study is initiated by county or local welfare agency).

Section 71 (p. 112-113): Adds the following DHS waivers (required to comply with federal law) to the list of waivers that will remain in effect after the peacetime emergency ends. They will remain in effect until federal requirements change, or until a state plan amendment is approved, whichever is later. The intention is that these waivers will be made permanent.

- CV15: allowing telephone or video visits for waiver programs
- CV24: allowing telephone or video use for targeted case management visits
- CV30: expanding telemedicine in health care, mental health, and substance use disorder settings
- CV42: implementation of federal changes to SNAP
- CV43: expanding remote home and community-based waiver services
- CV44: allowing remote delivery of adult day services
- CV109: providing 15 percent increase for MN Food Assistance Program and MFIP maximum food benefits

Section 72 (p. 113): Allows for all waivers that have not been otherwise extended may remain in effect for no more than 60 days after the peacetime emergency ends.

Section 73 (p. 114): Allows for CV23 (modifying background study requirements) and any consequent amendments to remain in effect for 365 days after the peacetime emergency ends.

Section 74 (p. 114-116): Creates a legislative task force to review background study eligibility and disqualifications to evaluate existing statutes' effectiveness in protecting individuals and identifying weaknesses and inefficiencies. The 26-member task force includes county attorneys, tribal organizations, members of the public and two MACSSA appointees. DHS: \$234,000 (FY22-23); LCC: \$208,000 (FY22-23). (Article 16, Section 7.)

Section 76 (p. 117): Directs DHS to consult with experts in child protection and children's behavioral health to develop family foster setting licensing guidelines for county and private agencies.



## **Article 3**

### **Health Department**

Sections 25-29, 40 (p. 148-151, 165-166): Issuance of certified birth records and state identification cards to homeless youth and fee waiver. \$104,000 (FY22-23).

## **Article 6**

### **Telehealth**

The telehealth article is funded at \$36.9 million (FY22-23); \$10.9 million (FY24-25) and contains provisions of interest to several MACSSA committees. We have tried to highlight the provisions of most interest to each committee.

Section 9 (p. 195): Makes changes to the definition of interactive video when used for relocation targeted case management.

Section 11 (p. 199-202): Changes to coverage of telehealth services for public health care programs. Medical assistance coverage requirements are modified for services delivered through telehealth (including health care services, mental health services, chemical dependency services and SUD services). Major changes include removing the three visits per enrollee per week limit, expanding the provider types eligible to provide telehealth, and making MA coverage consistent in most areas with private sector coverage. Audio-only coverage is still prohibited in the language of this statute, but is covered for MA through an expansion of the DHS waivers in a later section through July 1, 2023.

Section 12 (p. 202-203): Expands MA coverage to telemonitoring services.

Section 14 (p. 205-208): Clarifies that mental health case management services may be provided either in person or through interactive video.

Section 15 (p. 208-209): Clarifies conditions under which face-to-face contact requirements for targeted case management services may be met through interactive video.

Section 16 (p. 210): Clarifies that mental health services may be provided through telehealth.

Sections 20-21 (p. 219-222): Allows for payments for targeted case management when requirements are met for adults and child welfare using interactive video.

Section 23 (p. 225-227): Clarifies that travel time is only allowed to be billed for early intensive developmental and behavioral intervention benefits for individual with autism when providing in-person services.

Section 26 (p. 228): This has the effect of allowing audio-only telehealth services to continue under MA and MinnesotaCare through June 30, 2023. CV16 (Children's Health Insurance Program, MA and MinnesotaCare), CV21 (school linked mental health services and intermediate school district mental health services).

Section 27 (p. 228-230): Requires MDH, DHS and Commerce to study the impact of telehealth payment methodologies and delivery expansion on the coverage and provision of services delivered through telehealth. Requires the commissioners to present preliminary reports to the Legislature by January 15, 2023 (which must include recommendations on whether audio-only communication should continue to be allowed), and final reports by January 15, 2024. This is for both the private and public sectors. \$2.3 million (FY22-23), \$498,000 for (FY24).

## **Article 9**

### **Child Protection**

Sections 1-4 (p. 261-266): Modifies the requirements of Northstar Care for Children kinship and adoption assistance payment agreements. \$3.6 million (FY22-23).

- Removes renegotiation requirements of the agreement under §256N.26 subdivision 3.
- Removes consideration of income and resources attributable to the child as part of the negotiation process.
- Removes the monthly amount of other benefits that must be considered to offset the amount of payment a child is eligible for. This includes, survivor's disability insurance, veteran's benefits, railroad retirement or black lung benefits.

Section 5 (p. 266-268): Directs the court to appoint counsel to represent a parent, guardian or custodial prior to the first hearing on a child in need of protection or services petition. The section also removes some of the requirements setting up qualifications for the appointment of counsel. This is effective January 1, 2023. \$1.3 million (FY22-23); \$1.3 million (FY24-25). Of that, roughly \$1 million each biennium is for children's services grants to counties.

Section 6 (p. 268-269): This section requires the commissioner of human services to consult with counties and court administration on collecting data on court appointed counsel in child protection proceedings and submit a report with findings and a plan for regular reporting of data.

## **Article 10**

### **Child Protection Policy**

Section 1 (p. 269-271): Requires an employee or supervisor of a private or public youth recreation program to report abuse of a child by another program employee or supervisor within the past three years.

Section 2 (p. 271): Requires local welfare agencies to offer training to mandatory reporters of child abuse or maltreatment. The training may be offered on-line or in-person.

Section 3 (p. 271-273): Establishes a legislative task force on child protection. The task force will:

- Review the efforts being made to implement the recommendations of the Governor's Task Force on the Protection of Children
- Expand efforts into related areas of the child welfare system
- Work with the commissioner of DHS and community partners to establish and evaluate child protection grants to address disparities in child welfare
- Review and recommend alternatives to law enforcement responding to a maltreatment report, and to evaluate when another person should remove a child from the home
- Evaluate mandatory reporting statutes and consider modifications of reporting for youth programs, and introduce legislation by February 15, 2022
- Evaluate the cross section of educational neglect and child protection
- Identify areas within the child protection system that need to be addressed by the Legislature.

The committee will be made up of 12 members, 6 from the House and 6 from the Senate. The task force shall have oversight of DHS and the tribes to implement laws related to child protection, but also the Departments of Education, Housing, Corrections and Public Safety. The task force must report to the Legislature and governor by February 1, 2024. The task force sunsets on December 31, 2024. The report must contain information on the progress of implementation of changes to the child protection system and needed legislative changes.

Appointments will be made by July 15, 2021; the task force shall convene its first meeting by August 15, 2021.

## **Article 11**

### **Behavioral Health**

Sections 2-4 (p. 275-277): Family First implementation updates to individual treatment plans, residential treatment service reviews, and discharge planning. These sections are effective September 30, 2021. Expires July 1, 2022. \$1.331 million (FY22-23) and \$2.156 million (FY24-25) is allocated for implementation purposes.

Sections 5, 34 (p. 277-279): Modifies county duties related to discharge planning content and timelines. Includes requirement that a child and the child's family must be invited to any meeting where the level of care determination is discussed and decisions relative to residential treatment are made and allows the child and family to invite others to attend the meetings. This language comes from HF944 (Hanson); \$4.2 million (FY22-23); \$4.1 million (FY24-25) for implementation. Includes \$1.964 million (FY22); \$1.979 million (FY23) to reimburse counties and tribes for a portion of the cost of treatment in children's residential facilities. Annual distribution will be based on DHS methodology. (Article 16, section 2 (p. 460). Within this funding initiative, there is \$70,000 allocated for language found in Article 11, Section 34 (p. 311) that directs DHS to work with counties, children's mental health residential providers, and mental health advocates to organize a work group to develop recommendations on how to efficiently and effectively fund room and board costs for children's mental health residential treatment under the children's mental health act. The section indicates some optional recommendations for the group to consider related to system barriers to transitioning children into community and community-based treatment options. The report is due by February 15, 2022.

Section 7, 43, 44 (p. 280-282, 316): Expands school-linked mental health grants to be inclusive of substance use disorder and modifies the name to "school-linked behavioral health grants." Allows DHS to allocate \$5 million (FY22-23); \$5 million (FY24-25) from the community mental health services block grant in the state's federal fund for school-linked behavioral health grants. Allows DHS to allocate an additional \$3.5 million (FY22-23); \$3.5 million (FY24-25) from the substance abuse prevention and treatment block grant amount in the federal fund for SUD services provided through the school-linked behavioral health grant program.

Sections 14-15, 46 (p. 290-291, 317): Makes changes to the Opiate Epidemic Response Advisory Council (OERAC), including the timing of its report (from March to December) and starting in FY2022. Funds for county social service and tribal social service agencies and other grant funds will be distributed on a calendar year basis. Directs DHS to allocate \$2.7 million (FY22); \$2.7 million (FY23) from the substance abuse prevention and treatment block grant amount in the federal fund for OERAC grant recommendations.

Sections 29-31 (p. 306-311): Defines child intensive nonresidential rehabilitative mental health services to address recipients who are between 8-26 years of age. Section 31 indicates that the treatment team must have specialized training in providing services to defined age groups. \$1.3 million (FY22-23); \$2.3 million (FY24-25) is allocated for these changes.

Section 49 (p. 317): Repeals mental health case management sections that are now obsolete and repeals "responsible social services agency" definition in the children's mental health act.

## **Article 12**

### **Direct Care and Treatment**

Section 1 (p. 318): County share for Child and Adolescent Behavioral Health Hospital (CABHH) of 100% when the facility determines that it is clinically appropriate for the client to be discharged. This brings the CABHH facility county cost share in alignment with all of the other DCT services. Cost to counties ("savings to state") \$2.458 million per biennium.

## **Article 14**

### **Miscellaneous**

Section 4 (p. 417-420): Parent Aware Evaluation: By February 1, 2022, DHS must arrange an independent evaluation of the quality rating and improvement system's effectiveness and impact on: (1) children's progress toward school readiness; (2) the quality of the early learning and care system supply and workforce; (3) parents' ability to access and use meaningful information about early learning and care program quality; and (4) provider's ability to serve children and families, including those from racially, ethnically, or culturally diverse backgrounds. \$1.4 million from CCDBG (FY22).

Section 15 (p. 426-429): Grants to expand child care access for children with disabilities: DHS shall establish a competitive grant program to expand access to licensed family child care providers or licensed child care centers for children with disabilities, including medical complexities. The commissioner shall award grants to counties and tribes, including at least one county from the seven-county metropolitan area and at least one county or Tribe outside the seven-county metropolitan area. Grant funds shall be used to enable child care providers to develop an inclusive child care setting and offer care to children with disabilities and children without disabilities. Grants shall be awarded to at least two applicants beginning no later than January 15, 2022. \$702,000 (FY22-23); \$43,000 (FY24).

Section 17 (p. 429): Foster Family Recruitment and Licensing Technology Request for Information: DHS shall publish a request for information to identify available technology to support foster family recruitment and training through an online portal for potential foster care families to apply for licensure online. The technology shall enable relative families of foster youth to apply online; offer content in multiple languages; enable tracking of users' ethnic identity to identify potential gaps in recruitment and to ensure racial equity in serving foster families; and recognize Tribal government sovereignty over data control and recruiting and licensing families to support children in their community. By January 15, 2022, the commissioner shall report to the legislative committees with jurisdiction over human services on responses received.

Section 18 (p. 430-434): Task force for high-quality early care and education for all families: The goal is to create a system in which family costs for early care and education are affordable; ensuring that a child's access to high-quality early care and education is not determined by the child's race, family income, or zip code; and ensuring that Minnesota's early childhood educators are qualified, diverse, supported, and equitably compensated regardless of setting. Establishes a "Great Start for All Minnesota Children Task Force," which is charged with developing a plan to include an affordability standard that clearly identifies the maximum percentage of income that a family must pay for early care and education. \$858,000 in FY22 for transfer to the commissioner of management and budget for the affordable high-quality child care and early education for all families working group.

Section 19 (p. 434-435): Family Supports and Improvement Program: DHS shall collaborate with the children's cabinet to engage with the Departments of Education, Health and other relevant state agencies, counties and Tribal agencies, child care providers, early childhood education providers, school administrators, parents of families who qualify for or are receiving state or county assistance, and other service providers working with those families to develop recommendations for implementing a family-focused voluntary information sharing program intended to improve the effectiveness of public assistance programs and the delivery of services to families, including the child care assistance program, MFIP, SNAP, early learning scholarships, MA, and home visiting programs. \$150,000 in FY22 to develop recommendations for implementing a family supports and improvement program.

Section 20 (p. 435-436): Report on foster care enrollment in early childhood programs: DHS shall report on the participation in early care and education programs by children under six years of age who have experienced foster care. Defines "early care and education program" as Early Head Start and Head Start under the federal Improving Head Start for School Readiness Act; special education programs; early learning scholarships; school readiness; voluntary prekindergarten; child care assistance and other programs determined by DHS. DHS shall submit the report by December 1, 2022. \$290,000 (FY22).

Section 22 (p. 439-440): Direction to the Children’s Cabinet; Early Childhood Governance Report: The Children’s Cabinet shall develop recommendations on programs relating to childhood development, care, and learning, including how such programs could be consolidated into an existing state agency or a new state Department of Early Childhood. By February 1, 2022, the Children’s Cabinet shall submit the report to the governor and legislative committees with jurisdiction over early childhood programs. \$200,000 (FY22).

Section 23 (p. 440-441): Federal Fund and Child Care and Development Block Grant Allocations: Outlines expenditures from CCDBG, including \$3.5 million (FY22) to DHS for administration. The allocations are available until June 30, 2025.

## **Article 16 - Appropriations Budget Spreadsheet**

This article contains various appropriations and associated policy language. Not all appropriations agreed to in negotiations are listed in the text of the bill but rather are reflected in increased MDH or DHS budgets. Those items are found on the [budget spreadsheet](#). For tracking purposes, we have included references to those items in this section of the report.

\$2 million (FY22-23); \$2.1 million (FY24-25) for Indian Child Welfare Training at University of Minnesota Duluth (p. 451).

\$4 million (FY22-23) from TANF for decreasing racial and ethnic disparities and infant mortality rates (MDH) (p. 463).

Redesign Outreach Activities for Child and Teen Checkup Program – This was considered as part of the governor’s budget recommendations which can be found [here](#) on Page 94. Savings of \$2.4 million (FY22-23); savings of \$3.2 million (FY24-25). (Spreadsheet, lines 1124-1126)

Fraud, Waste, and Abuse Enhancements: Savings of \$1.9 million (FY22-23); savings of \$2.4 (FY24-25). (Line 1383-1400.)

## **ARTICLE 17**

### **Home and community-based services; special time-limited funding provisions**

Section 9 (p. 490): \$48,000 in FY22 to DHS to work with MDE and stakeholders to identify strategies to streamline access and reimbursement for behavioral health services for students enrolled in MA and who have individualized education programs or individualized family services plans. The report is due January 15, 2022.

Section 12 (p. 491): \$5 million (FY22-23); \$1.9 million (FY24) to create a children’s mental health transition and support team to facilitate transition back to the community of children from psychiatric residential treatment facilities (PRTF) and child and adolescent behavioral health hospitals (CABHH). Language indicated that beginning April 1, 2024, counties may fund and continue activities under this section.

Section 13 (p. 491-492): \$200,000 (FY22) for an analysis of the utilization and efficacy of current residential and PRTF treatment options for children under state MA. Report is due February 1, 2022.

Section 21 (p. 498): Directs DHS to consult with stakeholders prior to submitting Minnesota’s spending plan of American Rescue Plan Act (ARPA) dollars.

Section 22 (p. 498): Specifies that Article 17 is effective upon federal approval of Minnesota’s spending plan under the ARPA.



# Behavioral Health

## Article 2

### DHS Licensing and Background Studies

Sections 12-17, 19 (p. 62-72, 78-80): Includes DHS background study federal compliance language and expands background study requirements across many services including adult and child foster care, children's residential facilities, childcare centers and family child care providers, home and community-based services, mental health programs substance use disorder (SUD) programs, withdrawal management, personal care assistants; facilities; and providers. \$1.036 million (FY22-23); \$390,000 (FY24-25).

Section 71 (p. 112-113): Adds the following DHS waivers (required to comply with federal law) to the list of waivers that will remain in effect after the peacetime emergency ends. They will remain in effect until federal requirements change, or until a state plan amendment is approved, whichever is later. The intention is that these waivers will be made permanent.

- CV15: allowing telephone or video visits for waiver programs
- CV24: allowing telephone or video use for targeted case management visits
- CV30: expanding telemedicine in health care, mental health, and substance use disorder settings
- CV42: implementation of federal changes to SNAP
- CV43: expanding remote home and community-based waiver services
- CV44: allowing remote delivery of adult day services
- CV109: providing 15 percent increase for MN Food Assistance Program and MFIP maximum food benefits

Section 72 (p. 113): Allows for all waivers that have not been otherwise extended may remain in effect for no more than 60 days after the peacetime emergency ends.

Section 73 (p. 114): Allows for CV23 (modifying background study requirements) and any consequent amendments to remain in effect for 365 days after the peacetime emergency ends.

Section 74 (p. 114-116): Creates a legislative task force to review background study eligibility and disqualifications to evaluate existing statutes' effectiveness in protecting individuals and identifying weaknesses and inefficiencies. The 26-member task force includes county attorneys, tribal organizations, members of the public and two MACSSA appointees. DHS: \$234,000 (FY22-23); LCC: \$208,000 (FY22-23). (Article 16, Section 7.)

Section 76 (p. 117): Directs DHS to consult with experts in child protection and children's behavioral health to develop family foster setting licensing guidelines for county and private agencies.

## Article 3

### Health Department

Sections 22-24, 43 (p. 144-147, 168): Alcohol and drug counselors added to the health professional education loan forgiveness program, effective July 1, 2025. Temporarily adds certain providers serving public program enrollees.

## Article 6

### Telehealth

The telehealth article is funded at \$36.9 million (FY22-23); \$10.9 million (FY24-25) and contains provisions of interest to several MACSSA committees. We have tried to highlight the provisions most relevant to each committee.

Section 6 (p. 191): Makes changes in chapter 245G to permit an assessment for SUD to be delivered via telehealth.

Sections 7-8 (p. 191-195): Clarifies that chemical use assessments and chemical dependency services may be conducted through telehealth.

Section 9 (p. 195): Makes changes to the definition of interactive video when used for relocation targeted case management.

Section 10 (p. 195-199): Removes the requirement for a psychiatric provider, as part of an ACT team, from needing to obtain approval from the commissioner when providing services by telehealth.

Section 11 (p. 199-202): Changes to coverage of telehealth services for public health care programs. Medical assistance coverage requirements are modified for services delivered through telehealth (including health care services, mental health services, chemical dependency services and SUD services). Major changes include removing the three visits per enrollee per week limit, expanding the provider types eligible to provide telehealth, and making MA coverage consistent in most areas with private sector coverage. Audio-only coverage is still prohibited in the language of this statute, but is covered for MA through an expansion of the DHS waivers in a later section through July 1, 2023.

Section 13 (p. 203-205): Modifies medication therapy management services to include services delivered through telehealth.

Section 14 (p. 205-208): Clarifies that mental health case management services may be provided either in person or through interactive video.

Section 15 (p. 208-209): Clarifies conditions under which face-to-face contact requirements for targeted case management services may be met through interactive video.

Section 16 (p. 210): Clarifies that mental health services may be provided through telehealth.

Section 23 (p. 225-227): Clarifies that travel time is only allowed to be billed for early intensive developmental and behavioral intervention benefits for individual with autism when providing in-person services.

Section 26 (p. 228): This has the effect of allowing audio-only telehealth services to continue under MA and MinnesotaCare through June 30, 2023. CV16 (Children's Health Insurance Program, MA and MinnesotaCare), CV21 (school linked mental health services and intermediate school district mental health services).

Section 27 (p. 228-230): Requires MDH, DHS and Commerce to study the impact of telehealth payment methodologies and delivery expansion on the coverage and provision of services delivered through telehealth. Requires the commissioners to present preliminary reports to the Legislature by January 15, 2023 (which must include recommendations on whether audio-only communication should continue to be allowed), and final reports by January 15, 2024. This is for both the private and public sectors. \$2.3 million (FY22-23), \$498,000 for (FY24).

## **Article 11**

### **Behavioral Health**

Sections 2-4 (p. 275-277): Family First implementation updates to individual treatment plans, residential treatment service reviews, and discharge planning. These sections are effective September 30, 2021. Expires July 1, 2022. \$1.331 million (FY22-23) and \$2.156 million (FY24-25) is allocated for implementation purposes.

Sections 5, 34 (p. 277-279): Modifies county duties related to discharge planning content and timelines. Includes requirement that a child and the child's family must be invited to any meeting where the level of care determination is discussed and decisions relative to residential treatment are made and allows the child and family to invite others to attend the meetings. This language comes from HF944 (Hanson); \$4.2 million (FY22-23); \$4.1 million (FY24-25) for implementation. Includes \$1.964 million (FY22); \$1.979 million (FY23) to reimburse counties and tribes for a portion of the cost of treatment in children's residential facilities. Annual distribution will be based on DHS methodology. (Article 16, section 2 (p. 460). Within this funding initiative, there is \$70,000

allocated for language found in Article 11, Section 34 (p. 311) that directs DHS to work with counties, children's mental health residential providers, and mental health advocates to organize a work group to develop recommendations on how to efficiently and effectively fund room and board costs for children's mental health residential treatment under the children's mental health act. The section indicates some optional recommendations for the group to consider related to system barriers to transitioning children into community and community-based treatment options. The report is due by February 15, 2022.

Section 7, 43, 44 (p. 280-282, 316): Expands school-linked mental health grants to be inclusive of substance use disorder and modifies the name to "school-linked behavioral health grants." Allows DHS to allocate \$5 million (FY22-23); \$5 million (FY24-25) from the community mental health services block grant in the state's federal fund for school-linked behavioral health grants. Allows DHS to allocate an additional \$3.5 million (FY22-23); \$3.5 million (FY24-25) from the substance abuse prevention and treatment block grant amount in the federal fund for SUD services provided through the school-linked behavioral health grant program.

Section 8 (p. 282-283): Establishes the Culturally Informed and Culturally Responsive Mental Health Task Force to evaluate and make recommendations on improving culturally-informed and responsive mental health services. The task force includes mental health practitioners, mental health providers, mental health professional education programs and state agencies. The task force recommendations are due to the Legislature by June 1, 2022. This task force is funded through a \$222,000 (FY22-23) and a \$194,000 (FY24-25) appropriation.

Section 11 (p. 285-288): Directs DHS to develop rates for providers of culturally and disability responsive SUD programs; removes higher rates for certain SUD treatment services/providers; limits certain outpatient SUD services to six hours per day or 30 hours per week unless prior authorization is obtained from DHS. \$897,000 (FY22-23); \$1.3 million (FY24-25).

Section 12 (p. 288): Provides a 5 percent rate increase for culturally-specific or culturally or disability-responsive program providers. This rate increase is tracked alongside provider grants to disability services, mental health, and SUD treatment providers to implement culturally and linguistically appropriate services standards. In total, the proposal costs \$4.7 million (FY22-23); \$1.8 million (FY24-25).

Section 13 (p. 288-290): Directs DHS to work with SUD subject matter experts to establish an SUD community of practice with the purpose of improving treatment outcomes for individuals and reducing disparities. The community must include counties amongst its membership and must meet before January 1, 2022.

Sections 14-15, 46 (p. 290-291, 317): Makes changes to the Opiate Epidemic Response Advisory Council (OERAC), including the timing of its report (from March to December) and starting in FY2022. Funds for county social service and tribal social service agencies and other grant funds will be distributed on a calendar year basis. Directs DHS to allocate \$2.7 million (FY22); \$2.7 million (FY23) from the substance abuse prevention and treatment block grant amount in the federal fund for OERAC grant recommendations.

Section 16 (p. 291-292): Directs DHS to establish a statewide per diem rate for crisis stabilization services for MA enrollees, which shall not exceed the rate charged by that provider for the same service to other payers. DHS is directed to update the rate annually. Effective January 1, 2022, or upon federal approval, whichever is later.

Sections 17; 24-26 (p. 292-295, 299-304): Modifies the payment requirements for mental health targeted case management provided by vendors. Outlines policy for MA coverage of targeted case management services and directs DHS to develop and implement a statewide rate methodology for contracted targeted case management services. There is a process outlined and direction to DHS for considerations when developing the methodology spelled out in this section. This section also directs DHS to work with tribes, counties, providers and individuals served to propose further modifications to TCM services to ensure program compliance with federal requirements, cost-effective service delivery, uniform expectations, and promotion of person- and family-centered services.

Sections 25 and 26 make modifications necessary to refer back to the new Section 24. \$612,000 (FY22-23) for this initial redesign reform.

Sections 18-23 (p. 295-298): Modifies SUD 1115 demonstration project for SUD providers that meet the requirements by January 1, 2024. For providers enrolled before July 1, 2021, with some guidelines. DHS will be required to report out on the demonstration project within 30 days of CMS approval. Beginning October 1, 2021, DHS shall assemble a work group of stakeholders (with the Minnesota Association of Resources for Recovery and Chemical Health (MARRCH) specified) to meet quarterly during the duration of the demonstration project to discuss sustainability. This proposal projects savings of \$2.2 million (FY22-23); savings of \$14.6 million (FY24-25).

Sections 27-28 (p. 304-306): Authorizes temporary reduction of weekly service units for no more than 60 days if the provider and family agree. Requires psychotherapy, crisis assistance, or psychoeducation services to be provided to receive a daily per-client encounter rate.

Sections 29-31 (p. 306-311): Defines child intensive nonresidential rehabilitative mental health services to address recipients who are between 8-26 years of age. Section 31 indicates that the treatment team must have specialized training in providing services to defined age groups. \$1.3 million (FY22-23); \$2.3 million (FY24-25) is allocated for these changes.

Section 32 (p. 311): Directs DHS to evaluate the rate structure for opioid treatment programs and report recommendations, including a revised rate structure and draft legislation by December 1, 2021.

Section 33 (p. 311): Directs DHS to provide a report to the Legislature to reform the funding formula for adult mental health initiatives (AMHI) by February 1, 2022, and prior to implementation of the new formula. The section notes that DHS must consult with stakeholders including AMHIs, counties, tribal nations, mental health providers, and individuals with lived experiences and include their feedback in the report. AMHIs are funded at \$3.5 million (FY22-23); \$1.75 million (FY24).

Sections 27-28 (p. 304-306): Authorizes temporary reduction of weekly service units for no more than 60 days if the provider and family agree. Requires psychotherapy, crisis assistance, or psychoeducation services to be provided to receive a daily per-client encounter rate.

Section 35 (p. 312): Clarifies that First Episode of Psychosis grant dollars can be used for intensive treatment and support for adolescents and adults experiencing, or at risk of experiencing, a first psychotic episode, conduct outreach, and ensure access for individuals to services. This section also allows for grant funds to also be used for housing or travel expenses to address other barriers to services.

Section 36 (p. 312): Directs DHS to work with nonpartisan research staff in the House and Senate to prepare legislation for the 2022 session to enact mental health grant programs as statutes and include eligibility criteria, target populations, authorized use of grant funds, and outcome measures.

Section 37 (p. 313): Directs DHS to work with stakeholders to develop recommendations on increasing access to sober housing programs; promoting person-centered care and cultural responsiveness in sober housing programs; oversight or sober housing; and consumer protections. The report is to be completed by September 1, 2022. \$61,000 (FY22).

Section 38 (p. 313-314): Directs DHS to work with counties, tribes, managed care organizations, SUD professional organizations and others to develop, assess, and recommend systems improvements to minimize regulatory paperwork and improve SUD program systems. DHS is directed to hire a consultant with expertise in statewide system changes for multiple states at the payer and provider levels. DHS is directed to take steps to implement

these systems improvements and report out on what needs to be done legislatively by December 15, 2022. \$296,000 (FY22).

Section 39 (p. 314): Directs DHS to work with tribal nations to develop protocols that must be used to address and resolve any future overpayment involving any tribal nation.

Section 40 (p. 314-315): Directs DHS to consult with SUD providers, lead agencies, and individuals receiving SUD services to develop a statewide implementation and transition plan for culturally and linguistically appropriate services national standards.

Sections 41, 45 (p. 315-316): Authorization to Anoka County and an academic institution, in consultation with the North Metro Mental Health Roundtable, to conduct a one-year pilot project to evaluate the effects on treatment outcomes using the telephone-based Pathfinder Companion for individuals in SUD recovery and computer-based Pathfinder Bridge application by providers. The Pathfinder Companion allows individuals in recovery to connect with peers, resources, providers, and others helping with the individual's recovery after treatment discharge. The Pathfinder Bridge application allows providers to prioritize care, connect directly with patients and monitor long-term outcomes. The project shall report to the Legislature with its results by January 15, 2023. Directs DHS to allocate \$550,000 in FY22 from the substance abuse prevention and treatment block grant amount in the federal fund for a grant to Anoka County for the pilot project.

Section 42 (p. 315-316): Directs DHS to allocate \$7.5 million (FY22); \$2 million (FY24-25) from the community mental health services block grant amount in the state's federal fund to items DHS has proposed to the federal Substance Abuse and Mental Health Services Administration (SAMHSA) which was approved on June 11, 2021.

Section 47 (p. 317): Directs DHS to allocate \$10.767 million in FY22 from the substance abuse prevention and treatment block grant amount in the federal fund for items DHS has proposed to the federal Substance Abuse and Mental Health Services Administration (SAMHSA) which was approved on June 11, 2021.

Section 49 (p. 317): Repeals mental health case management sections that are now obsolete and repeals "responsible social services agency" definition in the children's mental health act.

## **Article 12**

### **Direct Care and Treatment**

Section 1 (p. 318): County share for Child and Adolescent Behavioral Health Hospital (CABHH) of 100% when the facility determines that it is clinically appropriate for the client to be discharged. This brings the CABHH facility county cost share in alignment with all of the other DCT services. Cost to counties ("savings to state") \$2.458 million per biennium.

Section 2 (318-319): Requires the commissioner to assess the extent to which state operated direct care and treatment services function as safety net services and report to the Legislature. \$277,000 (FY22-23). This provision comes from legislative concerns of how DCT aligns with existing continuum of care.

## **Article 16 - Appropriations**

### **Budget Spreadsheet**

This article contains various appropriations and associated policy language. Not all appropriations agreed to in negotiations are listed in the text of the bill but rather are reflected in increased MDH or DHS budgets. Those items are found on the [budget spreadsheet](#). For tracking purposes, we have included references to those items in this section of the report.

Section 2 (p. 461-462): Direct Care & Treatment will receive an operating adjustment of \$33.6 million (FY22-23); \$51.8 million (FY24-25). This increase is about \$16 million (FY22-23); \$6 million (FY24-25) less than the DHS request.



Section 20 (p. 481): Blue Ribbon Commission (BRC) Budget Reserve Reduction: \$100 million on July 1, 2021.

Section 23 (p. 482): \$28.873 million (FY21) to Leech Lake Band of Ojibwe (\$14.6 million) and White Earth Band of Chippewa (\$14.21 million) for DHS errors related to medication-assisted treatment services (MAT).

Section 24 (p. 482): \$8.328 million (FY21) to reimburse counties for the county share of DHS errors related to substance use disorder services within institutions of mental disease (IMD).

\$2.3 million (FY22); \$2.2 million (FY23); \$1.7 million (FY24) for grants to disability services, mental health, and SUD treatment providers to implement culturally and linguistically-appropriate service standards (p. 459).

\$4 million (FY22-23); \$2 million (FY24) for grants to recovery community organizations (p. 460-461). \$498,000 (FY22-23); \$431,000 (FY24-25) is allocated for implementation of mental health uniform service standards. The related policy was passed during the 2021 regular session. (Spreadsheet, lines 450-456)

Fraud, Waste, and Abuse Enhancements: Savings of \$1.9 million (FY22-23); savings of \$2.4 (FY24-25). (Line 1383-1400.)

## **Article 17**

### **Home and community-based services; special time-limited funding provisions**

Section 2 (p. 486-487): Extends the Governor's Council on Age Friendly Minnesota to June 30, 2024.

Section 8 (p. 489): \$2.1 million (FY22-23); \$1.8 million (FY24-25) for grants to help cities, counties, tribes, and other collaboratives to become Age Friendly Communities and provide technical assistance grants.

Section 9 (p. 490): \$48,000 in FY22 to DHS to work with MDE and stakeholders to identify strategies to streamline access and reimbursement for behavioral health services for students enrolled in MA and who have individualized education programs or individualized family services plans. The report is due January 15, 2022.

Section 11 (p.491): \$16.4 million (FY22-23); \$4.1 million (FY24) in additional capacity for grants for adult mobile crisis services. Language indicated that beginning April 1, 2024, counties may fund and continue activities under this section.

Section 12 (p. 491): \$5 million (FY22-23); \$1.9 million (FY24) to create a children's mental health transition and support team to facilitate transition back to the community of children from psychiatric residential treatment facilities (PRTF) and child and adolescent behavioral health hospitals (CABHH). Language indicated that beginning April 1, 2024, counties may fund and continue activities under this section.

Section 13 (p. 491-492): \$200,000 (FY22) for an analysis of the utilization and efficacy of current residential and PRTF treatment options for children under state MA. Report is due February 1, 2022.

Section 17 (p. 496): \$4.7 million (FY22-23); \$2.1 million (FY24) for additional funding for respite services and study related to long-term care services and support trends.

Section 18 (p. 496-497): \$803,000 (FY22-23); \$407,000 (FY24) for an analysis of current rate setting methodology for outpatient services in MA and MinnesotaCare.

Section 21 (p. 498): Directs DHS to consult with stakeholders prior to submitting Minnesota's spending plan of American Rescue Plan Act (ARPA) dollars.

Section 22 (p. 498): Specifies that Article 17 is effective upon federal approval of Minnesota's spending plan under the ARPA.

# Self Sufficiency

## Article 2

### DHS Licensing and Background Studies

Section 3 (p. 46-48): Establishes an ombudsperson for family child care providers to assist with licensing, compliance, and other issues facing providers. This section outlines duties for the position, including access to other state agency data. Under this section, a county agency must provide the ombudsperson copies of all fix-it tickets, correction orders, and licensing actions issued to family child care providers. Counties must also provide family child care applicants and providers with the name and contact information for the ombudsperson upon request. This section is funded through a \$499,000 from CCDBG (FY22).

Sections 12-17, 19 (p. 62-72, 78-80): Includes DHS background study federal compliance language and expands background study requirements across many services including adult and child foster care, children's residential facilities, childcare centers and family child care providers, home and community-based services, mental health programs substance use disorder (SUD) programs, withdrawal management, personal care assistants; facilities; and providers. \$1.036 million (FY22-23); \$390,000 (FY24-25).

Section 71 (p. 112-113): Adds the following DHS waivers (required to comply with federal law) to the list of waivers that will remain in effect after the peacetime emergency ends. They will remain in effect until federal requirements change, or until a state plan amendment is approved, whichever is later. The intention is that these waivers will be made permanent.

- CV15: allowing telephone or video visits for waiver programs
- CV24: allowing telephone or video use for targeted case management visits
- CV30: expanding telemedicine in health care, mental health, and substance use disorder settings
- CV42: implementation of federal changes to SNAP
- CV43: expanding remote home and community-based waiver services
- CV44: allowing remote delivery of adult day services
- CV109: providing 15 percent increase for MN Food Assistance Program and MFIP maximum food benefits

Section 72 (p. 113): Allows for all waivers that have not been otherwise extended may remain in effect for no more than 60 days after the peacetime emergency ends.

Section 73 (p. 114): Allows for CV23 (modifying background study requirements) and any consequent amendments to remain in effect for 365 days after the peacetime emergency ends.

Section 74 (p. 114-116): Creates a legislative task force to review background study eligibility and disqualifications to evaluate existing statutes' effectiveness in protecting individuals and identifying weaknesses and inefficiencies. The 26-member task force includes county attorneys, tribal organizations, members of the public and two MACSSA appointees. DHS: \$234,000 (FY22-23); LCC: \$208,000 (FY22-23). (Article 16, Section 7.)

Section 79 (p. 118): Directs DHS to consult with counties and providers to establish a one-stop regional assistance network of individuals with child care experience and technical expertise regarding state licensing statutes. \$300,000 (FY22-23); \$300,000 (FY24-25) for grants to Minnesota One Stop for communities to provide parent services to navigate the child welfare system.

Section 80 (p. 119): Directs DHS to work with licensed family child care providers and counties to develop recommended orientation training materials to ensure uniformity across applicants. Recommendations due July 1, 2022.

Section 81 (p. 119-120): Directs DHS to contract for a proposal to update child care licensing standards.

Section 83 (p. 122): Directs DHS to consult with counties, child care providers, and other stakeholders to review child care models that are not currently allowed under Minnesota law (including licensing standards) to consider whether other models might be appropriate for the state. The DHS report is due no later than January 1, 2023.

Section 84 (p. 122-123): Outlines legislative direction on the spending of child care and development block grants (CCDBG) in FY22 with allocations available until June 30, 2025:

- \$3 million for grants to organizations operating child care resource and referral programs to create a child care one-stop regional assistance network.
- \$50,000 to DHS to modify the family child care provider FAQ website
- \$4.5 million to DHS for costs related to administering child care background studies
- \$2.059 million for child care center regulation modernization project
- \$1.7 million for family child care regulation modernization project
- \$100,000 for a working group to review alternative child care licensing models
- \$59,000 for family child care training advisory committee
- \$7.65 million for child care information technology and system improvement

## **Article 6**

### **Telehealth**

The telehealth article is funded at \$36.9 million (FY22-23); \$10.9 million (FY24-25) and contains provisions of interest to several MACSSA committees. We have tried to highlight the provisions most relevant to each committee.

Section 1 (p. 182): Establishes requirements for the coverage of services that may be delivered via telehealth for private sector health plans. These changes include expanding providers who can provide telehealth, continued audio-only coverage through July 1, 2023, expanding parity requirements, and setting requirements for equipment and telehealth monitoring services.

Section 9 (p. 195): Makes changes to the definition of interactive video when used for relocation targeted case management.

Section 11 (p. 199-202): Changes to coverage of telehealth services for public health care programs. Medical assistance coverage requirements are modified for services delivered through telehealth (including health care services, mental health services, chemical dependency services and SUD services). Major changes include removing the three visits per enrollee per week limit, expanding the provider types eligible to provide telehealth, and making MA coverage consistent in most areas with private sector coverage. Audio-only coverage is still prohibited in the language of this statute, but is covered for MA through an expansion of the DHS waivers in a later section through July 1, 2023.

Section 12 (p. 202-203): Expands MA coverage to telemonitoring services.

Section 14 (p. 205-208): Clarifies that mental health case management services may be provided either in person or through interactive video.

Section 15 (p. 208-209): Clarifies conditions under which face-to-face contact requirements for targeted case management services may be met through interactive video.

Section 16 (p. 210): Clarifies that mental health services may be provided through telehealth.

Sections 20-21 (p. 219-222): Allows for payments for targeted case management when requirements are met for adults and child welfare using interactive video.

Section 26 (p. 228): This has the effect of allowing audio-only telehealth services to continue under MA and MinnesotaCare through June 30, 2023. CV16 (Children’s Health Insurance Program, MA and MinnesotaCare), CV21 (school linked mental health services and intermediate school district mental health services).

Section 27 (p. 228-230): Requires MDH, DHS and Commerce to study the impact of telehealth payment methodologies and delivery expansion on the coverage and provision of services delivered through telehealth. Requires the commissioners to present preliminary reports to the Legislature by January 15, 2023 (which must include recommendations on whether audio-only communication should continue to be allowed), and final reports by January 15, 2024. This is for both the private and public sectors. \$2.3 million (FY22-23), \$498,000 for (FY24).

## **Article 7**

### **Economic Supports**

Sections 1, 20-22, 24 (p. 230-231, 239-240, 241): Self-employment income modification for cash assistance program eligibility: Adds business accounts used to pay expenses not related to the business to the list of personal property limitations. Participants who qualify for child care assistance programs are exempt from self-employment budgeting. Effective May 1, 2022. \$78,000 (FY22-23); \$26,000 (FY24-25). This provision reflected a county priority and its advocacy was led by Anoka county.

Sections 2-6; 30 (p. 231-233, 246): Governor’s proposal to align SNAP employment and training requirements with federal policy. Counties and tribal agencies that administer SNAP shall inform adult SNAP recipients about employment and training services and providers. County or Tribal agencies may elect to subcontract with a public or private entity approved by the commissioner. Commissioner shall supervise the administration of SNAP employment and training services. The U.S. Department of Agriculture annually allocates SNAP employment and training funds to DHS for the operation of the SNAP employment and training program. \$1.45 million (FY22-23); \$1.3 million (FY24-25).

Sections 8-12, 14-19, 23, 25, 26 (p. 234-235, 236-239, 230, 240, 242-244): Governor’s proposal clarifying public assistance statutes. Technical changes to definitions including “countable income” and “lump sum.” Deletes requirement that funds distributed from a trust must be considered income. In determining income, includes nonrecurring income over \$60 per quarter unless it is from tax refunds, tax rebates or tax credits; a reimbursement, rebate, award, grant, or refund of personal or real property or costs or losses incurred when these payments are made by: a public agency; a court; solicitations through public appeal; a federal, state, or local unit of government; or a disaster assistance organization. No cost.

Section 13 (p. 236): Governor’s proposal that provides an MFIP cost of living adjustment. \$13.6 million (FY22-23); \$38.5 million (FY24-25). This uses a one-time positive TANF balance. If the TANF balance is not available, this expenditure will move to the General Fund in FY26.

Section 27 (p. 244): Extends two waivers through December 31, 2021 (unless federal approval is not received): Executive Orders 20-42, 21-03, and 21-15 that ensures emergency economic relief payments do not prevent eligibility for human services programs; and CV04 that modifies the interview requirements for recertifications of cash assistance eligibility.

Section 28 (p. 244-245): Long-term homeless supportive services report. By January 15, 2023, DHS shall produce information which shows the projects funded and make this information available on the DHS website.

Section 29 (p. 245-246): 2022 report to Legislature on runaway and homeless youth. Commissioner shall update the 2007 legislative report using existing data, studies, and analysis provided by the state, county, and other entities. Must include key elements, including the unique causes of youth homelessness, targeted responses to youth homelessness, and recommendations based on existing reports and analysis on how to end youth homelessness. \$41,000 (FY22-23).

## **Article 8**

### **Child Care Assistance**

Investments tracked as CCAP maximum updates total \$101.86 million (FY22-23) and \$139.5 million (FY24-25) for the following provisions. Funding amounts for the various components of the child care proposals are noted in the spreadsheet on lines 136-148.

Section 1 (p. 246-247): Provides for the temporary reprioritization of child care assistance under the basic sliding fee (BSF) program (from June 1, 2021, through May 31, 2024). MACSSA was unable to secure its permanent reprioritization priority.

Section 2 (p. 247-248): Modifies the allocation component of BSF state and federal funds so that up to one-half of funds can be allocated in proportion to the county's most recent 12 months of reported waiting list (changed from up to one-fourth of funds based on 6 months of waiting list). This section is effective January 1, 2022; calendar year 2022 shall be a phase-in year for the allocation formula. This change was originated by MACSSA and advocacy was led by Hennepin and Olmsted counties.

Sections 3, 10 (p. 248-251, 259-260): Modifies CCAP overpayment collections, including expanding collection duties to DHS and not just counties. Outlines that overpayments designated solely as an agency error must not be established or collected. Sets a statute of limitations of six years for counties or DHS to recover overpayments.

Section 5 (p. 252-253): Starting November 15, 2021, changes the maximum CCAP reimbursement rate calculation to the greater of the following percentiles of the 2021 child care provider rate survey:

- 40<sup>th</sup> percentile for infants and toddlers; and
- 30<sup>th</sup> percentile for all preschool and school-age children.

Beginning the first full service period on or after January 1, 2025, the maximum rate paid for CCAP in a county or county price cluster under the child care fund will be updated based on the 2024 child care provider rate survey (with percentiles staying the same). The maximum registration fee will be similarly updated on this schedule and percentiles.

Section 6 (p. 254): Increases the legal nonlicensed family child care provider rates to be 90 percent of the county maximum hourly rate for licensed family child care providers. In counties or county price clusters where the maximum hourly rate for licensed family child care providers is higher than the maximum weekly rate for those providers divided by 50, the maximum hourly rate for legal nonlicensed providers will be equal to the maximum weekly rate for licensed providers divided by 50 then multiplied by .90 (up from .68). This is effective November 15, 2021.

Section 7 (p. 254-256): Allows for a maximum of three months look-back period for CCAP provider payments (modified from six months). If a provider provides child care without receiving care authorization or a billing form, a county may only make retroactive CCAP payments from the date care began or the date the family meets authorization requirements (not to exceed six months from issuance of care authorization and billing form, whichever is later). This section also outlines provider forfeiture of overpayment. This section is projected to save the state \$1.3 million in each biennium.

Section 8 (p. 256-258): Modifies absent day overpayment policy.

Section 9 (p. 258-259): Modifies the child care improvement grants to allow for expanded uses.

Section 11 (p. 260-261): Outlines legislative direction on the spending of federal fund and child care and development block grants (CCDBG) in FY22 with allocations available until June 30, 2025:



- \$1.5 million from federal fund to community-based organizations that work with family, friend, and neighbor caregivers to promote health development, social-emotional learning, early literacy, and school readiness. The grants shall be allocated with an emphasis on caregivers serving children from low-income families, families of color, tribal communities, or families with limited English language proficiency.
- \$13.5 million from federal fund and \$9 million from CCDBG for child care improvement grants financing programs.
- \$1.5 million from federal fund and \$1.5 million from CCDBG for workforce development grants to organizations operating child care resource and referral programs to promote careers in child care. A report on this spending and its effects on the child care workforce is due by January 1, 2024.
- \$3 million from the federal fund for child care business training.
- Allocations from CCDBG for the aforementioned reprioritization, child care assistance increases, and BSF child care:
  - \$33.444 million (FY22)
  - \$66.398 million (FY23)
  - \$81.755 million (FY24)
  - \$57.737 million (FY25)

## Article 14

### Miscellaneous

Section 1-2, 8-14 (p. 409-416, 425-426 ): Creating the Office of Ombudsperson for American Indian Families. Establishing the American Indian Community-Specific Board, to appoint and assist the ombudsperson for American Indian families.

Section 3 (p. 416-417): Retaining Early Educators Through Attaining Incentives Now (REETAIN) Grant Program: Established to provide competitive grants to incentivize well-trained child care professionals to remain in the workforce. Program administered through a grant to a nonprofit with demonstrated ability to manage benefit programs for child care professionals. \$1 million from CCDBG (FY22).

Section 4 (p. 417-420): Parent Aware Evaluation: By February 1, 2022, DHS must arrange an independent evaluation of the quality rating and improvement system's effectiveness and impact on: (1) children's progress toward school readiness; (2) the quality of the early learning and care system supply and workforce; (3) parents' ability to access and use meaningful information about early learning and care program quality; and (4) provider's ability to serve children and families, including those from racially, ethically, or culturally diverse backgrounds. \$1.4 million from CCDBG (FY22).

Sections 5-6 (p. 420-421): Teacher Education and Compensation Helps; Early Childhood Teacher Education Incentives (TEACH) Grants: Increases tuition scholarships from \$5,000 to \$10,000 per year for courses leading to the nationally-recognized child development associate credential or college-level courses leading to an associate's degree or bachelor's degree in early childhood development and school-age care. \$2 million from CCDBG (FY22).

Section 7 (p. 421-425): Cultural and Ethnic Communities Leadership Council clarifying and policy changes: Advise DHS on implementing strategies to reduce inequities and disparities that particularly affect racial and ethnic groups in Minnesota. The commissioner shall investigate and implement cost-effective, equitable, and culturally responsive models of service delivery, including careful adoption of proven services to increase the number of culturally relevant services available to currently underserved populations and advise the department on progress and accountability measures for addressing inequities. The council shall make recommendations to strengthen equity, diversity, and inclusion within the department. The report must identify racial and ethnic groups' difficulty in accessing human services and make recommendations. The report must include any updated DHS equity policy, implementation plans, equity initiatives, and the council's progress.

Section 15 (p. 426-429): Grants to expand child care access for children with disabilities: DHS shall establish a competitive grant program to expand access to licensed family child care providers or licensed child care centers for children with disabilities, including medical complexities. The commissioner shall award grants to counties and

tribes, including at least one county from the seven-county metropolitan area and at least one county or Tribe outside the seven-county metropolitan area. Grant funds shall be used to enable child care providers to develop an inclusive child care setting and offer care to children with disabilities and children without disabilities. Grants shall be awarded to at least two applicants beginning no later than January 15, 2022. \$702,000 (FY22-23); \$43,000 (FY24).

Section 16 (p. 429): Family Child Care Shared Services Innovation Grants: DHS shall establish a grant program to test strategies by which family child care providers may share services and thereby achieve economies of scale. The commissioner shall report the results to the legislative committees with jurisdiction over early care and education programs. \$200,000 in FY22 from the federal fund for the shared services pilot program for family child care providers.

Section 17 (p. 429): Foster Family Recruitment and Licensing Technology Request for Information: DHS shall publish a request for information to identify available technology to support foster family recruitment and training through an online portal for potential foster care families to apply for licensure online. The technology shall enable relative families of foster youth to apply online; offer content in multiple languages; enable tracking of users' ethnic identity to identify potential gaps in recruitment and to ensure racial equity in serving foster families; and recognize Tribal government sovereignty over data control and recruiting and licensing families to support children in their community. By January 15, 2022, the commissioner shall report to the legislative committees with jurisdiction over human services on responses received.

Section 18 (p. 430-434): Task force for high-quality early care and education for all families: The goal is to create a system in which family costs for early care and education are affordable; ensuring that a child's access to high-quality early care and education is not determined by the child's race, family income, or zip code; and ensuring that Minnesota's early childhood educators are qualified, diverse, supported, and equitably compensated regardless of setting. Establishes a "Great Start for All Minnesota Children Task Force," which is charged with developing a plan to include an affordability standard that clearly identifies the maximum percentage of income that a family must pay for early care and education. \$858,000 in FY22 for transfer to the commissioner of management and budget for the affordable high-quality child care and early education for all families working group.

Section 19 (p. 434-435): Family Supports and Improvement Program: DHS shall collaborate with the children's cabinet to engage with the Departments of Education, Health and other relevant state agencies, counties and Tribal agencies, child care providers, early childhood education providers, school administrators, parents of families who qualify for or are receiving state or county assistance, and other service providers working with those families to develop recommendations for implementing a family-focused voluntary information sharing program intended to improve the effectiveness of public assistance programs and the delivery of services to families, including the child care assistance program, MFIP, SNAP, early learning scholarships, MA, and home visiting programs. \$150,000 in FY22 to develop recommendations for implementing a family supports and improvement program.

Section 20 (p. 435-436): Report on foster care enrollment in early childhood programs: DHS shall report on the participation in early care and education programs by children under six years of age who have experienced foster care. Defines "early care and education program" as Early Head Start and Head Start under the federal Improving Head Start for School Readiness Act; special education programs; early learning scholarships; school readiness; voluntary prekindergarten; child care assistance and other programs determined by DHS. DHS shall submit the report by December 1, 2022. \$290,000 (FY22).

Section 21 (p. 436-439): Child Care Stabilization Grants: DHS shall award grant money to eligible child care programs to support the stability of the child care sector during and after the COVID-19 public health emergency. DHS shall award transition grants to all eligible programs on a noncompetitive basis through August 31, 2021. DHS shall award base grant amounts to all eligible programs on a noncompetitive basis beginning on September 1, 2021, through June 30, 2023. May be used for personnel costs, employee benefits, premium pay, or costs for employee recruitment and retention; providing relief from co-payments and tuition payments for families enrolled in the program; paying rent or making payments on any mortgage obligation, utilities, facility maintenance or improvements, or insurance; purchasing PPE, cleaning and sanitization supplies and services, or obtaining training and professional development related to health and safety practices; purchasing or updating equipment and

supplies to respond to the COVID-19 public health emergency; purchasing goods and services necessary to maintain or resume child care services; providing mental health supports for children and employees; or providing reimbursement for losses incurred during the COVID-19 public health emergency. \$304,398,000 in FY22 from the federal fund for child care stabilization grants, including up to \$5 million for administration.

Section 22 (p. 439-440): Direction to the Children’s Cabinet; Early Childhood Governance Report: The Children’s Cabinet shall develop recommendations on programs relating to childhood development, care, and learning, including how such programs could be consolidated into an existing state agency or a new state Department of Early Childhood. By February 1, 2022, the Children’s Cabinet shall submit the report to the governor and legislative committees with jurisdiction over early childhood programs. \$200,000 (FY22).

Section 23 (p. 440-441): Federal Fund and Child Care and Development Block Grant Allocations: Outlines expenditures from CCDBG, including \$3.5 million (FY22) to DHS for administration. The allocations are available until June 30, 2025.

## **Article 16 - Appropriations Budget Spreadsheet**

This article contains various appropriations and associated policy language. Not all appropriations agreed to in negotiations are listed in the text of the bill but rather are reflected in increased MDH or DHS budgets. Those items are found on the [budget spreadsheet](#). For tracking purposes, we have included references to those items in this section of the report.

Section 21 (p. 481): One-time MFIP cash benefit \$435 for MFIP/DWP recipients. \$14.38 million (FY22).

\$2.1 million (FY22) from the Health Care Access Fund for MnSURE grant services navigator assister contracts (p. 456).

\$461,000 (FY22); \$136,000 (FY24-25) for implementation of child support policy changes passed during the 2021 regular session (SF1519) (Spreadsheet, lines 350-353).

\$25.91 million (FY22-23); \$20.3 million (FY24-25) for homelessness grants and projects (Spreadsheet; lines 642-657)

- \$12 million each biennium for emergency shelter grants
- \$10 million (FY22-23); \$5 million (FY24-25) for Community Living infrastructure grants; page 488; Article 17, section 5

Expand Grants for Integrated Care for High-Risk Pregnant Women; \$1.6 million (FY22-23); \$706,000 (FY24-25). (Spreadsheet, lines 1144-1149).

Fraud, Waste, and Abuse Enhancements: Savings of \$1.9 million (FY22-23); savings of \$2.4 (FY24-25). (Line 1383-1400.)

## **ARTICLE 17**

### **Home and community-based services; special time-limited funding provisions**

Sections 1, 6 (p. 485-486, 488): Changes HCBS transition grants to the transition to community initiative. \$11.8 million (FY22-23); \$4.5 million (FY24).

Section 2 (p. 486-487): Extends the Governor’s Council on Age Friendly Minnesota to June 30, 2024.

Section 3 (p. 487): \$2.8 million (FY22-23); \$1.6 million (FY24) for competitive grants to HCBS providers for technology assistance to older adults and people with disabilities.

Section 4 (p. 487): \$5 million (FY22-23) to DHS to develop online support planning tool for those who use HCBS waivers.

Section 5 (p. 487): \$10.5 million (FY22-23); \$4.3 million (FY24) for one-time payments of up to \$3,000 per transition for individuals moving into a community setting. DHS direction to seek state planning amendment to allow these payments as a housing stabilization service.

Section 8 (p. 489): \$2.1 million (FY22-23); \$1.8 million (FY24-25) for grants to help cities, counties, tribes, and other collaboratives to become Age Friendly Communities and provide technical assistance grants.

Section 14-15 (p. 492-495): Establishes a task force on eliminating subminimum wages for people with a disability. \$10.9 million (FY22-23); \$4.8 million (FY24) for a reinvention grant to promise independence and increase opportunities for people with disabilities to earn competitive wages.

Section 19 (p. 497): \$2.4 million (FY22-23) for eight organizations to expand services for people with disabilities who are ineligible for MA to live in their own home and communities.

Section 21 (p. 498): Directs DHS to consult with stakeholders prior to submitting Minnesota's spending plan of American Rescue Plan Act (ARPA) dollars.

Section 22 (p. 498): Specifies that Article 17 is effective upon federal approval of Minnesota's spending plan under the ARPA.

# Modernization

## Article 2

### DHS Licensing and Background Studies

Sections 11, 29-51 (p. 61, 86-92): Authorizes DHS to contract with more than one authorized fingerprint collection vendor. This initiative is paid for through background study fee revenue and has no additional general fund cost. Background study revenue authorized in these sections.

Sections 12-17, 19 (p. 62-72, 78-80): Includes DHS background study federal compliance language and expands background study requirements across many services including adult and child foster care, children's residential facilities, childcare centers and family child care providers, home and community-based services, mental health programs substance use disorder (SUD) programs, withdrawal management, personal care assistants; facilities; and providers. \$1.036 million (FY22-23); \$390,000 (FY24-25).

Section 71 (p. 112-113): Adds the following DHS waivers (required to comply with federal law) to the list of waivers that will remain in effect after the peacetime emergency ends. They will remain in effect until federal requirements change, or until a state plan amendment is approved, whichever is later. The intention is that these waivers will be made permanent.

- CV15: allowing telephone or video visits for waiver programs
- CV24: allowing telephone or video use for targeted case management visits
- CV30: expanding telemedicine in health care, mental health, and substance use disorder settings
- CV42: implementation of federal changes to SNAP
- CV43: expanding remote home and community-based waiver services
- CV44: allowing remote delivery of adult day services
- CV109: providing 15 percent increase for MN Food Assistance Program and MFIP maximum food benefits

Section 72 (p. 113): Allows for all waivers that have not been otherwise extended may remain in effect for no more than 60 days after the peacetime emergency ends.

Section 73 (p. 114): Allows for CV23 (modifying background study requirements) and any consequent amendments to remain in effect for 365 days after the peacetime emergency ends.

Section 74 (p. 114-116): Creates a legislative task force to review background study eligibility and disqualifications to evaluate existing statutes' effectiveness in protecting individuals and identifying weaknesses and inefficiencies. The 26-member task force includes county attorneys, tribal organizations, members of the public and two MACSSA appointees. DHS: \$234,000 (FY22-23); LCC: \$208,000 (FY22-23). (Article 16, Section 7.)

## Article 4

### Health Related Licensing Boards

Sections 12-14 (p. 177-178): Make changes to the Minnesota Board of Social Work Practice Act by adding a definition of cultural responsiveness, requiring that at least four hours of the required continuing education hours be on cultural responsiveness, and providing for implementation of the new continuing education requirement.

## Article 7

### Economic Supports

Sections 1, 20-22, 24 (p. 230-231, 239-240, 241): Self-employment income modification for cash assistance program eligibility: Adds business accounts used to pay expenses not related to the business to the list of personal property limitations. Participants who qualify for child care assistance programs are exempt from self-employment budgeting. Effective May 1, 2022. \$78,000 (FY22-23); \$26,000 (FY24-25). \$100 work n

Sections 2-6; 30 (p. 231-233, 246): Governor’s proposal to align SNAP employment and training requirements with federal policy. Counties and tribal agencies that administer SNAP shall inform adult SNAP recipients about employment and training services and providers. County or Tribal agencies may elect to subcontract with a public or private entity approved by the commissioner. Commissioner shall supervise the administration of SNAP employment and training services. The U.S. Department of Agriculture annually allocates SNAP employment and training funds to DHS for the operation of the SNAP employment and training program. \$1.45 million (FY22-23); \$1.3 million (FY24-25).

Sections 8-12, 14-19, 23, 25, 26 (p. 234-235, 236-239, 230, 240, 242-244): Governor’s proposal clarifying public assistance statutes. Technical changes to definitions including “countable income” and “lump sum.” Deletes requirement that funds distributed from a trust must be considered income. In determining income, includes nonrecurring income over \$60 per quarter unless it is from tax refunds, tax rebates or tax credits; a reimbursement, rebate, award, grant, or refund of personal or real property or costs or losses incurred when these payments are made by: a public agency; a court; solicitations through public appeal; a federal, state, or local unit of government; or a disaster assistance organization. No cost.

## **Article 14**

### **Miscellaneous**

Section 1-2, 8-14 (p. 409-416, 425-426 ): Creating the Office of Ombudsperson for American Indian Families. Establishing the American Indian Community-Specific Board, to appoint and assist the ombudsperson for American Indian families.

Section 7 (p. 421-425): Cultural and Ethnic Communities Leadership Council clarifying and policy changes: Advise DHS on implementing strategies to reduce inequities and disparities that particularly affect racial and ethnic groups in Minnesota. The commissioner shall investigate and implement cost-effective, equitable, and culturally responsive models of service delivery, including careful adoption of proven services to increase the number of culturally relevant services available to currently underserved populations and advise the department on progress and accountability measures for addressing inequities. The council shall make recommendations to strengthen equity, diversity, and inclusion within the department. The report must identify racial and ethnic groups’ difficulty in accessing human services and make recommendations. The report must include any updated DHS equity policy, implementation plans, equity initiatives, and the council’s progress.

Section 16 (p. 429): Family Child Care Shared Services Innovation Grants: DHS shall establish a grant program to test strategies by which family child care providers may share services and thereby achieve economies of scale. The commissioner shall report the results to the legislative committees with jurisdiction over early care and education programs. \$200,000 in FY22 from the federal fund for the shared services pilot program for family child care providers.

Section 17 (p. 429): Foster Family Recruitment and Licensing Technology Request for Information: DHS shall publish a request for information to identify available technology to support foster family recruitment and training through an online portal for potential foster care families to apply for licensure online. The technology shall enable relative families of foster youth to apply online; offer content in multiple languages; enable tracking of users’ ethnic identity to identify potential gaps in recruitment and to ensure racial equity in serving foster families; and recognize Tribal government sovereignty over data control and recruiting and licensing families to support children in their community. By January 15, 2022, the commissioner shall report to the legislative committees with jurisdiction over human services on responses received.

Section 18 (p. 430-434): Task force for high-quality early care and education for all families: The goal is to create a system in which family costs for early care and education are affordable; ensuring that a child’s access to high-quality early care and education is not determined by the child’s race, family income, or zip code; and ensuring that Minnesota’s early childhood educators are qualified, diverse, supported, and equitably compensated regardless of setting. Establishes a “Great Start for All Minnesota Children Task Force,” which is charged with developing a plan to include an affordability standard that clearly identifies the maximum percentage of income that a family must



pay for early care and education. \$858,000 in FY22 for transfer to the commissioner of management and budget for the affordable high-quality child care and early education for all families working group.

Section 22 (p. 439-440): Direction to the Children’s Cabinet; Early Childhood Governance Report: The Children’s Cabinet shall develop recommendations on programs relating to childhood development, care, and learning, including how such programs could be consolidated into an existing state agency or a new state Department of Early Childhood. By February 1, 2022, the Children’s Cabinet shall submit the report to the governor and legislative committees with jurisdiction over early childhood programs. \$200,000 (FY22).

# Healthcare

## Article 1

### DHS Health Care Programs

Sections 2, 39 (p. 3-5, 44): Requires the commissioner to report annually to the Legislature on dental utilization for individuals 1-20 years of age, including county-based purchasing. Also directs DHS to establish benchmarks for children and adults on MA or MinnesotaCare to receive at least one dental visit per year and allows commissioner to issue corrective action plan for managed care or county-based purchasing plans who do not meet the performance benchmark. If plans do not meet performance benchmarks, DHS is directed to contract with a dental administrator for this purpose.

Sections 3, 14, 16 (p. 5-6, 22-24, 25-26): Establishes an MA enhanced asthma benefit. \$866,000 (FY22-23); \$1.9 million (FY24-25).

Sections 4, 5, 6, 31 (p. 7-12, 40): Extends MA postpartum coverage to 12 months with some revised costs (from current 60 days). \$4.7 million (FY22-23); \$10.4 million (FY24-25).

Section 13 (p. 22): Allows DHS to provide monthly transit passes to NEMT recipients. \$65,000 (FY22-23); \$70,000 (FY24-25).

Section 15 (p. 24-25): Establishes additional requirements for early and periodic screening, diagnosis, and treatment services (EPSDT). Requires DHS to provide information on benefits of preventative health visits; available services; and how to find provider, transportation or interpreter services. Also allows for DHS to contract for outreach services to an integrated health partnership (IHP) demonstration project. For children who are not part of the IHP demonstration project, DHS may also contract out for outreach services.

Sections 18-19 (27-28): Requires managed care and county-based purchasing plans to give individual dental providers applicable fee schedules and a uniform credentialing process.

Section 20 (p. 29): Directs DHS to submit a legislative report by December 15 each year (beginning in 2021) on managed care and county-based purchasing plan provider reimbursement plans. The report must include the mean and median provider reimbursement rates and fee-for-service reimbursement rates by county for the 5 most common billing codes statewide across all plans, in the following provider service categories if there are more than three MA-enrolled providers providing a specific service within the category:

- Physician prenatal services
- Physician preventative services
- Physician services other than prenatal or preventative
- Dental services
- Inpatient hospital services
- Outpatient hospital services
- Mental health services

Sections 22, 23, 28, 29 (p. 31-34, 34-36, 38-39): Makes modifications to dental service rates for managed care and county-based purchasing plans. Also increases rates for critical access dental providers. \$23.95 million (FY22-23); \$37.1 million (FY24-25). A modified version of the Blue Ribbon Commission recommendation.

Section 26 (p. 37): Requires DHS to submit a biennial report (starting April 15, 2022) on the effectiveness of state maternal and infant health policies and programs intended to address health disparities in prenatal and postpartum health outcomes. The report shall also indicate the number of women enrolled in the MA program who are pregnant or in the 12-month postpartum eligibility period who are receiving services (spelled out in language).

The report must rely on 2017 calendar year as the baseline, determine metrics to be updated every two years, and report in the aggregate stratified by race and ethnicity. \$78,000 (FY22-23); \$84,000 (FY24-25).

Section 27 (p. 38): Allows for individuals subject to the “family glitch” to be eligible for MinnesotaCare. \$3.2 million (FY22-23); \$13.6 million (FY24-25).

Section 30 (p. 39-40): Adjusts MinnesotaCare premiums to reflect federal reductions in qualified health plan (QHP) premiums. \$178,000 (FY21).

Section 32 (p. 40): Provides MA coverage for treatment, testing and vaccination for COVID-19 as required under the American Rescue Plan. \$774,000 (FY22).

Section 33 (p. 40-42): Directs the Dental Services Advisory Committee to consult with stakeholders to design a dental home demonstration project and develop legislative recommendations by February 1, 2022. Directs outreach to a defined group of stakeholders, serving both private-pay and public enrollee patients. The project shall include incentives for qualified providers with the goal of increasing the number of new dental providers serving MA and MinnesotaCare enrollees, create equity and reduce disparities, advance alternative delivery models of care, and improve quality. \$41,000 (FY22).

Section 36 (p. 43): Permits DHS to suspend collection of unpaid premiums and use of periodic data matching for up to six months following the end of the public health emergency.

Section 37 (p. 43): Directs DHS to review the Medicaid dental program delivery systems in various states that have enacted and implemented a carve-out dental delivery system. The review must compare the program design, provider rates, program costs, and quality metrics. The legislative report must also include a consultation with stakeholders to analyze dental provider hesitancy to participate in the MA program. The report is due February 1, 2022. \$294,000 (FY22-23); \$168,000 (FY24-25).

## **Article 2**

### **DHS Licensing and Background Studies**

Section 1 (p. 44-45): Requires the MNsure board to initiative background studies (under Chapter 245C.031) of MNsure navigators, in-person assisters, and certified application counselors using the online NETStudy 2.0 system.

Sections 12-17, 19 (p. 62-72, 78-80): Includes DHS background study federal compliance language and expands background study requirements across many services including adult and child foster care, children’s residential facilities, childcare centers and family child care providers, home and community-based services, mental health programs substance use disorder (SUD) programs, withdrawal management, personal care assistants; facilities; and providers. \$1.036 million (FY22-23); \$390,000 (FY24-25).

Section 71 (p. 112-113): Adds the following DHS waivers (required to comply with federal law) to the list of waivers that will remain in effect after the peacetime emergency ends. They will remain in effect until federal requirements change, or until a state plan amendment is approved, whichever is later. The intention is that these waivers will be made permanent.

- CV15: allowing telephone or video visits for waiver programs
- CV24: allowing telephone or video use for targeted case management visits
- CV30: expanding telemedicine in health care, mental health, and substance use disorder settings
- CV42: implementation of federal changes to SNAP
- CV43: expanding remote home and community-based waiver services
- CV44: allowing remote delivery of adult day services
- CV109: providing 15 percent increase for MN Food Assistance Program and MFIP maximum food benefits

Section 72 (p. 113): Allows for all waivers that have not been otherwise extended may remain in effect for no more than 60 days after the peacetime emergency ends.

Section 73 (p. 114): Allows for CV23 (modifying background study requirements) and any consequent amendments to remain in effect for 365 days after the peacetime emergency ends.

Section 74 (p. 114-116): Creates a legislative task force to review background study eligibility and disqualifications to evaluate existing statutes' effectiveness in protecting individuals and identifying weaknesses and inefficiencies. The 26-member task force includes county attorneys, tribal organizations, members of the public and two MACSSA appointees. DHS: \$234,000 (FY22-23); LCC: \$208,000 (FY22-23). (Article 16, Section 7.)

### **Article 3**

#### **Health Department**

Section 10 (p. 132): Expanding sources of data the commissioner may use to derive health risk limits for substances degrading groundwater.

Sections 11, 46 (p. 133-134, 170): Vivian Act: requiring the commissioner of health to make available information about congenital CMV (human herpesvirus cytomegalovirus); requiring the commissioner to establish an outreach program to provide education about and raise awareness of CMV; requiring review of congenital CMV for inclusion in the newborn screening program and increasing the per-specimen fee if included. DHS Budget: \$61,000 (FY22-23); \$146,000 (FY24-25). MDH Budget: \$491,000 (FY22-23); savings of \$512,000 (FY24-25).

Section 20 (p. 142): Increasing the per-specimen fee for testing under the newborn screening program. DHS: \$127,000 (FY22-23); \$142,000 (FY24-24). MDH: savings of \$2.2 million (FY22-23); savings of \$2 million (FY24-25).

Section 21 (p. 142-144): The dignity in pregnancy and childbirth act that directs hospitals to develop a curriculum for employees regarding antiracism and implicit bias. \$699,000 (FY22-23). \$520,000 (FY22-23) to the Wilder Foundation for community training and education.

Section 30 (p. 151-156): Modifies hospital moratorium to allow for additional safety net beds for Regions Hospital and Prairie Care.)

Section 31 (p. 156-158): Requiring notice and public hearing before closure of a hospital or hospital campus, relocation of services, or cessation in offering certain services.

Sections 32-35, 41 (p. 158-162, 166-177): Modifying requirements for lead risk assessments, including expanding settings where lead risk assessments must be conducted and blood lead levels at which lead risk assessments must be conducted; and allowing an assessing agency to order additional lead hazard reduction and remediation activities. \$2.8 million (FY22-23); \$2.6 million (FY24-25).

Sections 37-39 (p. 163-165): Changes to provisions governing access to data for maternal mortality studies; clarifying the data classification of certain data held by the commissioner for these studies; and authorizing the commissioner to convene a Maternal Mortality Review Committee to conduct maternal death study reviews. \$1.1 million (FY22-23); \$796,000 (FY24-25) for anti-racism curriculum, maternal mortality reviews and midwife/doula initiatives.

Section 44 (p. 168-169): Continuing education for certain social workers, marriage and family therapists, psychologists and clinical counselors. Must be from communities of color or underrepresented communities and work for community health providers that serve at least 25% public program enrollees. \$1 million (FY22-23) in SHIP dollars.

Section 45 (p. 169): Requiring the commissioner of health to distribute public health infrastructure funds to community health boards and tribal governments for projects to build public health capacity, pilot new models for providing public health services, or improve the state's public health system.

## **Article 6**

### **Telehealth**

The telehealth article is funded at \$36.9 million (FY22-23); \$10.9 million (FY24-25) and contains provisions of interest to several MACSSA committees. We have tried to highlight the provisions most relevant to each committee.

Section 1 (p. 182): Establishes requirements for the coverage of services that may be delivered via telehealth for private sector health plans. These changes include expanding providers who can provide telehealth, continued audio-only coverage through July 1, 2023, expanding parity requirements, and setting requirements for equipment and telehealth monitoring services.

Section 11 (p. 199-202): Changes to coverage of telehealth services for public health care programs. Medical assistance coverage requirements are modified for services delivered through telehealth (including health care services, mental health services, chemical dependency services and SUD services). Major changes include removing the three visits per enrollee per week limit, expanding the provider types eligible to provide telehealth, and making MA coverage consistent in most areas with private sector coverage. Audio-only coverage is still prohibited in the language of this statute, but is covered for MA through an expansion of the DHS waivers in a later section through July 1, 2023.

Section 12 (p. 202-203): Expands MA coverage to telemonitoring services.

Section 26 (p. 228): This has the effect of allowing audio-only telehealth services to continue under MA and MinnesotaCare through June 30, 2023. CV16 (Children's Health Insurance Program, MA and MinnesotaCare), CV21 (school linked mental health services and intermediate school district mental health services).

Section 27 (p. 228-230): Requires MDH, DHS and Commerce to study the impact of telehealth payment methodologies and delivery expansion on the coverage and provision of services delivered through telehealth. Requires the commissioners to present preliminary reports to the Legislature by January 15, 2023 (which must include recommendations on whether audio-only communication should continue to be allowed), and final reports by January 15, 2024. This is for both the private and public sectors. \$2.3 million (FY22-23), \$498,000 for (FY24).

## **Article 15**

### **Reinsurance**

Full article (p.442-444): Legislative leaders agreed to a one-year extension of the Minnesota Premium Security Plan.

## **Article 16 - Appropriations**

### **Budget Spreadsheet**

This article contains various appropriations and associated policy language. Not all appropriations agreed to in negotiations are listed in the text of the bill but rather are reflected in increased MDH or DHS budgets. Those items are found on the [budget spreadsheet](#). For tracking purposes, we have included references to those items in this section of the report.

Section 20 (p. 481): Blue Ribbon Commission (BRC) Budget Reserve Reduction: \$100 million on July 1, 2021.

\$2.1 million (FY22) from the Health Care Access Fund for MnSURE grant services navigator assister contracts (p. 456).



\$4 million (FY22-23) from TANF for decreasing racial and ethnic disparities and infant mortality rates (MDH) (p. 463).

Redesign Outreach Activities for Child and Teen Checkup Program – This was considered as part of the governor’s budget recommendations which can be found [here](#) on Page 94. Savings of \$2.4 million (FY22-23); savings of \$3.2 million (FY24-25). (Spreadsheet, lines 1124-1126)

Expand Grants for Integrated Care for High-Risk Pregnant Women – This was considered as part of the governor’s budget recommendations which can be found [here](#) on Page 92. \$1.6 million (FY22-23); \$706,000 (FY24-25). (Spreadsheet, lines 1144-1149)

\$300,000 transfer to Public Health Response Account (Spreadsheet, line 1510)

Asbestos Licensing Fee Adjustment: savings of \$620,000 (FY22-23); savings of \$620,000 (FY24-25) (Spreadsheet, line 1533)

Radioactive Materials Unit Fee Adjustment: savings of \$664,000 (FY22-23); savings of \$664,000 (FY24-25) (Line 1537)

Medical Cannabis Program Operation: \$105,000 (FY22-23); \$36,000 (FY24-25) (Spreadsheet, line 1546)

Medical Cannabis-Dried Raw Cannabis: savings of \$8.9 million (FY22-23); savings of \$10.1 million (FY24-25) (Spreadsheet, line 1550)

Home Visiting Grants Increase: \$3 million (FY22-23); \$1.5 million (FY24) (Spreadsheet, line 1573)

Supporting Healthy Babies Grants: \$558,000 (FY22-23) (Spreadsheet, line 1639)

Dignity in Pregnancy and Childbirth: \$1.1 million (FY22-23); \$796,000 (FY24-25) (Spreadsheet, line 1644)

New Local Public Health Funding Distribution Framework: \$15 million (FY22-23); \$15 million (FY24-25) (Spreadsheet, line 1658)

Increase Funding for Local Public Health Grants: \$15 million (FY22-23); \$15 million (FY24-25). Note that this is an approximate 30% increase over the base. (Spreadsheet, line 1663)

Tobacco and Vaping Prevention: \$8 million (FY22-23); \$8 million (FY24-25) (Spreadsheet, line 1670)

Fraud, Waste, and Abuse Enhancements: Savings of \$1.9 million (FY22-23); savings of \$2.4 (FY24-25). (Line 1383-1400.)

## **ARTICLE 17**

### **Home and community-based services; special time-limited funding provisions**

Section 18 (p. 496-497): \$803,000 (FY22-23); \$407,000 (FY24) for an analysis of current rate setting methodology for outpatient services in MA and MinnesotaCare.

Section 21 (p. 498): Directs DHS to consult with stakeholders prior to submitting Minnesota’s spending plan of American Rescue Plan Act (ARPA) dollars.

Section 22 (p. 498): Specifies that Article 17 is effective upon federal approval of Minnesota’s spending plan under the ARPA.