

**Subject** DHS Office of Inspector General Policy Bill

**Authors** Fischer

**Analyst** Sarah Sunderman  
Annie Mach

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## Overview

This bill is the Department of Human Services (DHS) Office of Inspector General policy bill. The bill makes technical fixes and policy changes to licensing requirements and processes, including modifying the process for changing ownership of a licensed program and allowing the DHS commissioner to set terms for how programs with compliance issues may operate while the program is appealing a licensing decision.

It also modifies provisions related to background study procedures and requirements, allows for temporary emergency waivers or modifications to background study requirements, adds disqualifying crimes and conduct, and modifies withdrawal management, substance use disorder treatment, and opioid treatment program licensing provisions.

## Summary

Section	Description
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| 1 | <b>Licensing data.</b><br>Amends § 13.46, subd. 4. Provides that the email addresses of license holders, certification holders, and former licensees are considered public data, except for the email addresses for family child foster care providers. Makes the section effective January 1, 2025. |
| 2 | <b>Exclusion from licensure.</b><br>Amends § 245A.03, subd. 2. Provides that assisted living facilities licensed by the commissioner of health under chapter 144G are exempt from DHS licensing requirements.  |

<b>Section</b>	<b>Description</b>
3	<p><b>Notification to commissioner of changes in key staff positions; children’s residential facilities and detoxification programs.</b></p> <p>Adds a subdivision to § 245A.04. Directs a license holder of a children’s residential facility or a detoxification program to notify the DHS commissioner within five business days of a change or vacancy in specified staff positions.</p>
4	<p><b>Change in ownership.</b></p> <p>Amends § 245A.043, subd. 2. Modifies requirements governing what is considered a change of ownership and when a program must submit a new license application to the DHS commissioner. Makes the section effective January 1, 2025.</p>
5	<p><b>Standard change of ownership process.</b></p> <p>Amends § 245A.043, subd. 3. Makes changes to the standard change of ownership process for DHS license holders. Makes the section effective January 1, 2025.</p>
6	<p><b>Emergency change in ownership process.</b></p> <p>Adds a subdivision to § 245A.043. Establishes a process by which a license holder may submit a request to the DHS commissioner for an emergency change in ownership. Makes the section effective January 1, 2025.</p>
7	<p><b>Temporary transitional license.</b></p> <p>Amends § 245A.043, subd. 4. Strikes language providing a temporary change in ownership license. Allows the DHS commissioner to issue a temporary transitional license for specified licenses when the party requesting the license already holds an active license to provide home and community-based services under chapter 245D. Makes the section effective January 1, 2025.</p>
8	<p><b>Failure to comply.</b></p> <p>Adds a subdivision to § 245A.043. Allows the DHS commissioner to impose a licensing sanction on an applicant or license holder who does not comply with requirements governing license application after change of ownership. Makes the section effective January 1, 2025.</p>
9	<p><b>Sanctions; appeals; license.</b></p> <p>Amends § 245A.07, subd. 1. Allows the DHS commissioner to impose terms that a license holder must follow if the commissioner issues the license holder a temporary provisional license while pending a final order on an appeal of a suspension or revocation of a license. Makes the section effective January 1, 2025.</p>

<b>Section</b>	<b>Description</b>
10	<b>Appeal of multiple sanctions.</b> Amends § 245A.07, subd. 6. Provides for the use of the provider licensing and reporting hub when a license holder appeals more than one licensing action or sanction.
11	<b>Adult foster care and community residential setting; variance for alternate overnight supervision.</b> Amends § 245A.11, subd. 7. Allows the DHS commissioner to grant a variance to statute or rules that requires that a caregiver is present in a community residential setting during normal sleeping hours to allow for alternative methods of overnight supervision. Makes the section effective immediately.
12	<b>Delegation of authority to agencies.</b> Amends § 245A.16, subd. 1. Provides that only the DHS commissioner may issue specified variances that apply to community residential settings. Makes the section effective immediately.
13	<b>Contraindicated physical restraints.</b> Amends § 245A.211, subd. 4. Clarifies language governing the process by which a license or certification holder may use restraints on a person. Makes the section effective immediately.
14	<b>Emergency overdose treatment.</b> Amends § 245A.242, subd. 2. Modifies requirements for substance use and mental health programs that are required to maintain a supply of emergency overdose medication by allowing staff and adult clients to carry the medication on them and store it in an unlocked location and providing that staff who administer the medications only need to be trained on administering that medication if it is the only medicine they deliver. Makes the section effective immediately.
15	<b>Door to attached garage.</b> Amends § 245A.52, subd. 2. Modifies requirements governing doors to attached garages in licensed family child care homes.
16	<b>Stairways.</b> Modifies requirements governing stairways in licensed family child care homes and moves the requirements from rules to statute.

<b>Section</b>	<b>Description</b>
17	<b>NETStudy 2.0.</b> Amends § 245C.02, subd. 13c. Specifies that information obtained from public web-based data or any other source that is not direct correspondence from DHS does not constitute notice of disqualification.
18	<b>Individuals affiliated with a Head Start program.</b> Amends § 245C.03 by adding subd. 16. Adds background studies initiated by Head Start programs.
19	<b>Procedure; maltreatment and state licensing agency data.</b> Amends § 245C.033, subd. 3. Differentiates between procedures for requests for maltreatment and state licensing agency data paid directly by a guardian or conservator and procedures for requests paid by the court on the in forma pauperis (fee waived due to inability to pay) status of the guardian or conservator.
20	<b>Emergency waiver to temporarily modify background study requirements.</b> Proposes coding for § 245C.041. Adds section to allow for the commissioner to temporarily waive or modify background study requirements in the event of an emergency identified by the commissioner. Lists provisions the commissioner cannot modify or waive, and what an emergency may include. Specifies requirements for entities when an emergency ends. Provides an immediate effective date.
21	<b>Fingerprints and photographs.</b> Amends § 245C.05, subd. 5. Establishes fingerprint submission requirements for Head Start program background studies.
22	<b>Background studies conducted by Department of Human Services.</b> Amends § 245C.08, subd. 1. Clarifies that juvenile court records are reviewed for all background studies conducted under chapter 245C.
23	<b>Juvenile court records.</b> Amends § 245C.08, subd. 4. Clarifies that juvenile court records are reviewed for all background study subjects under chapter 245C. Removes language specific to family child care background study review of juvenile court records.
24	<b>Guardians and conservators.</b> Amends § 245C.10, subd. 15. Requires the court to pay fees for a guardian and conservator maltreatment and state licensing agency check for an applicant granted in forma pauperis status.

<b>Section</b>	<b>Description</b>
25	<p><b>Applicants, licensees, or other occupations regulated by commissioner of health.</b></p> <p>Amends § 245C.10, subd. 18. Specifies that background study fees must not exceed \$44 per study for individuals regulated by the commissioner of health.</p>
26	<p><b>Disqualification from direct contact.</b></p> <p>Amends § 245C.14, subd. 1. Adds a termination of the individual’s parental rights to the items that disqualify an individual from direct contact with persons receiving services from a license holder or entity under this chapter.</p>
27	<p><b>Basis for disqualification.</b></p> <p>Amends § 245C.14 by adding subd. 5. Specifies that information obtained from public web-based data or any other source that is not direct correspondence from DHS does not constitute notice of disqualification.</p>
28	<p><b>15-year disqualification.</b></p> <p>Amends § 245C.15, subd 2. Adds the following felony-level crimes and conduct to the 15-year disqualification list:</p> <ul style="list-style-type: none"><li>▪ Possession of cannabis in the first degree</li><li>▪ Sale of cannabis in the first degree</li><li>▪ Cultivation of cannabis in the first degree</li><li>▪ First-degree driving while impaired</li><li>▪ Criminal jurisdiction for contributing to status as a juvenile petty offender or delinquency</li><li>▪ Criminal jurisdiction for contributing to need for protection or services</li><li>▪ Violation of an order for protection</li><li>▪ Organized retail theft</li><li>▪ Interference with privacy</li><li>▪ Termination of parental rights</li></ul>
29	<p><b>Ten-year disqualification.</b></p> <p>Amends § 245C.15, subd 3. Adds the following gross misdemeanor-level crimes and conduct to the ten-year disqualification list:</p> <ul style="list-style-type: none"><li>▪ Criminal jurisdiction for contributing to status as a juvenile petty offender or delinquency</li><li>▪ Criminal jurisdiction for contributing to need for protection or services</li><li>▪ Organized retail theft</li></ul>

Section	Description
	Removes repeat offenses for interference with privacy from the ten-year disqualification list.
30	<p><b>Seven-year disqualification.</b></p> <p>Amends § 245C.15, subd 4. Adds the following misdemeanor-level crimes and conduct to the seven-year disqualification list:</p> <ul style="list-style-type: none"><li>▪ Criminal jurisdiction for contributing to status as a juvenile petty offender or delinquency</li><li>▪ Criminal jurisdiction for contributing to need for protection or services</li><li>▪ Organized retail theft</li><li>▪ Explosive and incendiary devices</li></ul>
31	<p><b>Licensed family foster setting disqualifications.</b></p> <p>Amends § 245C.15, subd. 4a. Adds felony-level sexual extortion to permanent disqualifying crimes for licensed family foster setting background studies. Adds the following felony-level crimes to the five-year disqualification list for licensed family foster setting background studies:</p> <ul style="list-style-type: none"><li>▪ Possession of cannabis in the first degree</li><li>▪ Sale of cannabis in the first degree</li><li>▪ Cultivation of cannabis in the first degree</li></ul>
32	<p><b>Risk of harm; set aside.</b></p> <p>Amends § 245C.22, subd. 4. Requires the commissioner, for an individual seeking a child foster care license who is a relative of the child, to consider the importance of maintaining the child’s relative relationships as a significant factor in determining whether to set aside a background study disqualification.</p>
33	<p><b>Permanent bar to set aside a disqualification.</b></p> <p>Amends § 245C.24, subd. 2. Prohibits the commissioner from granting a set aside or variance for a disqualification connected with a foster residence setting or children’s residential facility, if the individual was disqualified under the licensed family foster setting permanent disqualifications.</p>
34	<p><b>Five-year bar to set aside or variance disqualification; children’s residential facilities, foster residence settings.</b></p> <p>Amends § 245C.24, subd. 5. Adds variance language and broadens bar to set aside or granting a variance to include foster residence settings.</p>

<b>Section</b>	<b>Description</b>
35	<p><b>Five-year bar to set aside disqualification; family foster setting.</b></p> <p>Amends § 245C.24, subd. 6. Allows for a set aside or variance connected with a foster family setting license if the individual is under 18 years old at the time of the background study.</p>
36	<p><b>Child foster care variances.</b></p> <p>Amends § 245C.30 by adding subd. 1b. Requires the commissioner, for an individual seeking a child foster care license who is a relative of the child, to consider the importance of maintaining the child’s relative relationships as a significant factor in determining whether to grant a variance background study disqualification.</p>
37	<p><b>Protective procedures plan.</b></p> <p>Amends § 245F.09, subd. 2. In withdrawal management licensing statutes, adds that contraindicated holds are not allowed. Provides an immediate effective date.</p>
38	<p><b>Notification to commissioner of changes in key staff positions.</b></p> <p>Amends § 245F.14 by adding subd. 8. Requires a withdrawal management program license holder to notify the commissioner of human services, on a form approved by the commissioner, within five days of a change or vacancy in a key staff position. Lists key positions. Makes this section effective January 1, 2025.</p>
39	<p><b>Personnel files.</b></p> <p>Amends § 245F.17. Removes the requirement that a withdrawal management program license holder maintain documentation of a statement of freedom from substance use problems in a personnel file for each staff member. Provides an immediate effective date.</p>
40	<p><b>Location of service provision.</b></p> <p>Amends § 245G.07, subd. 4. Modifies permissible locations for a licensed substance use disorder treatment provider to provide treatment. Allows services to be provided: (1) at one of the licensee’s licensed locations; (2) at a client’s residence, for nonresidential services; (3) via telehealth under specified circumstances; and (4) upon written approval, satellite locations at a school, jail, or nursing home, or other approved suitable locations, for nonresidential services.</p> <p>Requires the license holder to provide the commissioner access to all files, documentation, staff, and any other information the commissioner requires at the main licensed location. Exempts listed locations from program abuse prevention plan requirements. Makes this section effective January 1, 2025.</p>

<b>Section</b>	<b>Description</b>
41	<b>Administration of medication and assistance with self-medication.</b> Amends § 245G.08, subd. 5. Removes naloxone training language; modifies terminology from “naloxone” to “opiate antagonist.” Provides an immediate effective date.
42	<b>Control of drugs.</b> Amends § 245G.08, subd. 6. Removes naloxone destruction language; modifies terminology from “naloxone” to “opiate antagonist.” Provides an immediate effective date.
43	<b>Notification to commissioner of changes in key staff positions.</b> Amends § 245G.10 by adding subd. 6. Requires a substance use disorder program license holder to notify the commissioner of human services, on a form approved by the commissioner, within five days of a change or vacancy in a key staff position. Lists key positions. Makes this section effective January 1, 2025.
44	<b>Definitions.</b> Amends § 245G.22, subd. 2. Modifies the definitions of “practitioner” by removing variance language and “unsupervised use” by adding “take-home doses” in the section of statutes governing opioid treatment programs. Provides an immediate effective date.
45	<b>Criteria for unsupervised use.</b> Amends § 245G.22, subd. 6. Modifies requirements for unsupervised use of medication used for the treatment of opioid use disorder, to allow for individualized take-home doses as ordered for days the client’s clinic is closed, on one weekend day and state and federal holidays. Removes the list of criteria a practitioner must review and document for allowed take-home doses and instead requires review and documentation of federally required criteria. Provides an immediate effective date.
46	<b>Restrictions for unsupervised use of methadone hydrochloride.</b> Amends § 245G.22, subd. 7. Modifies unsupervised use of methadone to allow unsupervised use if a client meets statutory criteria and can safely manage unsupervised doses, as assessed, determined, and documented by a practitioner. Cites federal regulations for the limitation on the number of allowed take-home doses a client can receive. Provides an immediate effective date.
47	<b>Policies and procedures.</b> Amends § 245G.22, subd. 17. Makes conforming changes. Provides an immediate effective date.



Section	Description
48	<p><b>Administrative disqualification of child care providers caring for children receiving child care assistance.</b></p> <p>Amends § 256.046, subd. 3. Provides that when the DHS commissioner initiates an administrative disqualification for a child care provider receiving child care assistance, the commissioner must send written notice using a signature-verified confirmed delivery method. Makes the section effective August 1, 2024.</p>
49	<p><b>Notice.</b></p> <p>Amends § 256B.064, subd. 4. Provides that when the DHS commissioner serves notice to an individual or entity about monetary recovery or sanctions under medical assistance, the commissioner must do so using a signature-verified confirmed delivery method.</p>
50	<p><b>Request for reconsideration.</b></p> <p>Amends § 260C.33, subd. 2. Requires an individual or facility to use the provider licensing and reporting hub to request reconsideration of a maltreatment determination, once the hub is implemented. Requires the request to be received by the commissioner within 15 calendar days of the individual's receipt of the notice of determination.</p>
51	<p><b>Repealer.</b></p> <p>(a) Repeals section 245.125 (background study; Head Start programs).</p> <p>(b) Repeals section 245C.08, subdivision 2 (pre-NETStudy 2.0 background studies conducted by a county agency for family child care).</p> <p>(c) Repeals part 9502.0425, subparts 5 (occupancy separations) and 10 (stairways).</p>



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