

421.21 **ARTICLE 24**
421.22 **CONTINUING CARE**

3.1 **ARTICLE 1**
3.2 **CONTINUING CARE**

3.18 Sec. 2. Minnesota Statutes 2014, section 144A.071, subdivision 4c, is amended to read:

3.19 Subd. 4c. **Exceptions for replacement beds after June 30, 2003.** (a) The
3.20 commissioner of health, in coordination with the commissioner of human services, may
3.21 approve the renovation, replacement, upgrading, or relocation of a nursing home or
3.22 boarding care home, under the following conditions:

3.23 (1) to license and certify an 80-bed city-owned facility in Nicollet County to be
3.24 constructed on the site of a new city-owned hospital to replace an existing 85-bed facility
3.25 attached to a hospital that is also being replaced. The threshold allowed for this project
3.26 under section 144A.073 shall be the maximum amount available to pay the additional
3.27 medical assistance costs of the new facility;

3.28 (2) to license and certify 29 beds to be added to an existing 69-bed facility in St.
3.29 Louis County, provided that the 29 beds must be transferred from active or layaway status
3.30 at an existing facility in St. Louis County that had 235 beds on April 1, 2003.

3.31 The licensed capacity at the 235-bed facility must be reduced to 206 beds, but the payment
3.32 rate at that facility shall not be adjusted as a result of this transfer. The operating payment
3.33 rate of the facility adding beds after completion of this project shall be the same as it was
4.1 on the day prior to the day the beds are licensed and certified. This project shall not
4.2 proceed unless it is approved and financed under the provisions of section 144A.073;

4.3 (3) to license and certify a new 60-bed facility in Austin, provided that: (i) 45 of
4.4 the new beds are transferred from a 45-bed facility in Austin under common ownership
4.5 that is closed and 15 of the new beds are transferred from a 182-bed facility in Albert Lea
4.6 under common ownership; (ii) the commissioner of human services is authorized by the
4.7 2004 legislature to negotiate budget-neutral planned nursing facility closures; and (iii)
4.8 money is available from planned closures of facilities under common ownership to make
4.9 implementation of this clause budget-neutral to the state. The bed capacity of the Albert
4.10 Lea facility shall be reduced to 167 beds following the transfer. Of the 60 beds at the
4.11 new facility, 20 beds shall be used for a special care unit for persons with Alzheimer's
4.12 disease or related dementias;

4.13 (4) to license and certify up to 80 beds transferred from an existing state-owned
4.14 nursing facility in Cass County to a new facility located on the grounds of the
4.15 Ah-Gwah-Ching campus. The operating cost payment rates for the new facility shall be
4.16 determined based on the interim and settle-up payment provisions of Minnesota Rules,
4.17 part 9549.0057, and the reimbursement provisions of section 256B.431. The property
4.18 payment rate for the first three years of operation shall be \$35 per day. For subsequent
4.19 years, the property payment rate of \$35 per day shall be adjusted for inflation as provided
4.20 in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract
4.21 under section 256B.434;

4.22 (5) to initiate a pilot program to license and certify up to 80 beds transferred from
 4.23 an existing county-owned nursing facility in Steele County relocated to the site of a new
 4.24 acute care facility as part of the county's Communities for a Lifetime comprehensive plan
 4.25 to create innovative responses to the aging of its population. Upon relocation to the new
 4.26 site, the nursing facility shall delicense 28 beds. The property payment rate for the first
 4.27 ~~three years of operation of external fixed costs~~ for the new facility shall be increased by an
 4.28 amount as calculated according to items (i) to (v):

4.29 (i) compute the estimated decrease in medical assistance residents served by the
 4.30 nursing facility by multiplying the decrease in licensed beds by the historical percentage
 4.31 of medical assistance resident days;

4.32 (ii) compute the annual savings to the medical assistance program from the
 4.33 delicensure of 28 beds by multiplying the anticipated decrease in medical assistance
 4.34 residents, determined in item (i), by the existing facility's weighted average payment rate
 4.35 multiplied by 365;

5.1 (iii) compute the anticipated annual costs for community-based services by
 5.2 multiplying the anticipated decrease in medical assistance residents served by the nursing
 5.3 facility, determined in item (i), by the average monthly elderly waiver service costs for
 5.4 individuals in Steele County multiplied by 12;

5.5 (iv) subtract the amount in item (iii) from the amount in item (ii); and

5.6 (v) divide the amount in item (iv) by an amount equal to the relocated nursing
 5.7 facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c),
 5.8 multiplied by the historical percentage of medical assistance resident days; and

5.9 ~~For subsequent years, the adjusted property payment rate shall be adjusted for~~
 5.10 ~~inflation as provided in section 256B.434, subdivision 4, paragraph (e), as long as the~~
 5.11 ~~facility has a contract under section 256B.434; and~~

5.12 (6) to consolidate and relocate nursing facility beds to a new site in Goodhue County
 5.13 and to integrate these services with other community-based programs and services under a
 5.14 communities for a lifetime pilot program and comprehensive plan to create innovative
 5.15 responses to the aging of its population. ~~Eighty beds in the city of Red Wing shall be~~
 5.16 ~~transferred from the downsizing and relocation of an existing 84-bed, hospital-owned~~
 5.17 ~~nursing facility and the entire closure or downsizing of beds from a 65-bed nonprofit~~
 5.18 ~~nursing facility in the community resulting in the delicensure of 69 beds in the two~~
 5.19 ~~existing facilities~~ Two nursing facilities, one for 84 beds and one for 65 beds, in the city of
 5.20 Red Wing licensed on July 1, 2015, shall be consolidated into a newly renovated 64-bed
 5.21 nursing facility resulting in the delicensure of 85 beds. Notwithstanding the carryforward
 5.22 of the approval authority in section 144A.073, subdivision 11, the funding approved in
 5.23 April 2009 by the commissioner of health for a project in Goodhue County shall not carry
 5.24 forward. The closure of the ~~69~~ 85 beds shall not be eligible for a planned closure rate
 5.25 adjustment under section 256B.437. The construction project permitted in this clause shall

5.26 not be eligible for a threshold project rate adjustment under section 256B.434, subdivision
5.27 4f. The ~~property~~ payment rate for ~~the first three years of operation of~~ external fixed costs for
5.28 the new facility shall be increased by an amount as calculated according to items (i) to (vi):

5.29 (i) compute the estimated decrease in medical assistance residents served by both
5.30 nursing facilities by multiplying the difference between the occupied beds of the two
5.31 nursing facilities for the reporting year ending September 30, 2009, and the projected
5.32 occupancy of the facility at 95 percent occupancy by the historical percentage of medical
5.33 assistance resident days;

5.34 (ii) compute the annual savings to the medical assistance program from the
5.35 delicensure by multiplying the anticipated decrease in the medical assistance residents,
6.1 determined in item (i), by the hospital-owned nursing facility weighted average payment
6.2 rate multiplied by 365;

6.3 (iii) compute the anticipated annual costs for community-based services by
6.4 multiplying the anticipated decrease in medical assistance residents served by the
6.5 facilities, determined in item (i), by the average monthly elderly waiver service costs for
6.6 individuals in Goodhue County multiplied by 12;

6.7 (iv) subtract the amount in item (iii) from the amount in item (ii);

6.8 (v) multiply the amount in item (iv) by ~~48.5~~ 57.2 percent; and

6.9 (vi) divide the difference of the amount in item (iv) and the amount in item (v) by an
6.10 amount equal to the relocated nursing facility's occupancy factor under section 256B.431,
6.11 subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance
6.12 resident days.

6.13 ~~For subsequent years, the adjusted property payment rate shall be adjusted for~~
6.14 ~~inflation as provided in section 256B.434, subdivision 4, paragraph (e), as long as the~~
6.15 ~~facility has a contract under section 256B.434.~~

6.16 (b) Projects approved under this subdivision shall be treated in a manner equivalent
6.17 to projects approved under subdivision 4a.

6.18 **EFFECTIVE DATE.** This section is effective for rate years beginning on or after
6.19 January 1, 2017, except that the amendment to paragraph (a), clause (6), transferring the
6.20 rate adjustment in items (i) to (vi) from the property payment rate to the payment rate for
6.21 external fixed costs, is effective for rate years beginning on or after January 1, 2017, or
6.22 upon completion of the closure and new construction authorized in paragraph (a), clause
6.23 (6), whichever is later. The commissioner of human services shall notify the revisor
6.24 of statutes when the section is effective.

6.25 Sec. 3. Minnesota Statutes 2014, section 144A.071, subdivision 4d, is amended to read:

6.26 Subd. 4d. **Consolidation of nursing facilities.** (a) The commissioner of health,
6.27 in consultation with the commissioner of human services, may approve a request for
6.28 consolidation of nursing facilities which includes the closure of one or more facilities
6.29 and the upgrading of the physical plant of the remaining nursing facility or facilities,
6.30 the costs of which exceed the threshold project limit under subdivision 2, clause (a).
6.31 The commissioners shall consider the criteria in this section, section 144A.073, and
6.32 section 256B.437, in approving or rejecting a consolidation proposal. In the event the
6.33 commissioners approve the request, the commissioner of human services shall calculate a
6.34 ~~property~~ an external fixed costs rate adjustment according to clauses (1) to (3):

7.1 (1) the closure of beds shall not be eligible for a planned closure rate adjustment
7.2 under section 256B.437, subdivision 6;

7.3 (2) the construction project permitted in this clause shall not be eligible for a
7.4 threshold project rate adjustment under section 256B.434, subdivision 4f, or a moratorium
7.5 exception adjustment under section 144A.073; and

7.6 (3) the ~~property~~ payment rate for external fixed costs for a remaining facility or
7.7 facilities shall be increased by an amount equal to 65 percent of the projected net cost
7.8 savings to the state calculated in paragraph (b), divided by the state's medical assistance
7.9 percentage of medical assistance dollars, and then divided by estimated medical assistance
7.10 resident days, as determined in paragraph (c), of the remaining nursing facility or facilities
7.11 in the request in this paragraph. The rate adjustment is effective on the later of the first
7.12 day of the month following completion of the construction upgrades in the consolidation
7.13 plan or the first day of the month following the complete closure of a facility designated
7.14 for closure in the consolidation plan. If more than one facility is receiving upgrades in
7.15 the consolidation plan, each facility's date of construction completion must be evaluated
7.16 separately.

7.17 (b) For purposes of calculating the net cost savings to the state, the commissioner
7.18 shall consider clauses (1) to (7):

7.19 (1) the annual savings from estimated medical assistance payments from the net
7.20 number of beds closed taking into consideration only beds that are in active service on the
7.21 date of the request and that have been in active service for at least three years;

7.22 (2) the estimated annual cost of increased case load of individuals receiving services
7.23 under the elderly waiver;

7.24 (3) the estimated annual cost of elderly waiver recipients receiving support under
7.25 group residential housing;

7.26 (4) the estimated annual cost of increased case load of individuals receiving services
7.27 under the alternative care program;

7.28 (5) the annual loss of license surcharge payments on closed beds;

- 7.29 (6) the savings from not paying planned closure rate adjustments that the facilities
7.30 would otherwise be eligible for under section 256B.437; and
- 7.31 (7) the savings from not paying ~~property external fixed costs~~ payment rate
7.32 adjustments from submission of renovation costs that would otherwise be eligible as
7.33 threshold projects under section 256B.434, subdivision 4f.
- 7.34 (c) For purposes of the calculation in paragraph (a), clause (3), the estimated medical
7.35 assistance resident days of the remaining facility or facilities shall be computed assuming
7.36 95 percent occupancy multiplied by the historical percentage of medical assistance
8.1 resident days of the remaining facility or facilities, as reported on the facility's or facilities'
8.2 most recent nursing facility statistical and cost report filed before the plan of closure
8.3 is submitted, multiplied by 365.
- 8.4 (d) For purposes of net cost of savings to the state in paragraph (b), the average
8.5 occupancy percentages will be those reported on the facility's or facilities' most recent
8.6 nursing facility statistical and cost report filed before the plan of closure is submitted, and
8.7 the average payment rates shall be calculated based on the approved payment rates in
8.8 effect at the time the consolidation request is submitted.
- 8.9 (e) To qualify for the ~~property external fixed costs~~ payment rate adjustment under
8.10 this ~~provision~~ subdivision, the closing facilities shall:
- 8.11 (1) submit an application for closure according to section 256B.437, subdivision
8.12 3; and
- 8.13 (2) follow the resident relocation provisions of section 144A.161.
- 8.14 (f) The county or counties in which a facility or facilities are closed under this
8.15 subdivision shall not be eligible for designation as a hardship area under section 144A.071,
8.16 subdivision 3, for five years from the date of the approval of the proposed consolidation.
8.17 The applicant shall notify the county of this limitation and the county shall acknowledge
8.18 this in a letter of support.
- 8.19 **EFFECTIVE DATE.** This section is effective for rate years beginning on or after
8.20 January 1, 2017.
- 8.21 Sec. 4. Minnesota Statutes 2014, section 144A.073, subdivision 13, is amended to read:
- 8.22 Subd. 13. **Moratorium exception funding.** In fiscal year 2013, the commissioner
8.23 of health may approve moratorium exception projects under this section for which the
8.24 full annualized state share of medical assistance costs does not exceed \$1,000,000 plus
8.25 any carryover of previous appropriations for this purpose.
- 8.26 Sec. 5. Minnesota Statutes 2014, section 144A.073, subdivision 14, is amended to read:

8.27 Subd. 14. **Moratorium exception funding.** In fiscal year 2015, the commissioner
8.28 of health may approve moratorium exception projects under this section for which the
8.29 full annualized state share of medical assistance costs does not exceed \$1,000,000 plus
8.30 any carryover of previous appropriations for this purpose.

8.31 Sec. 6. Minnesota Statutes 2014, section 144A.073, is amended by adding a
8.32 subdivision to read:

9.1 Subd. 15. **Moratorium exception funding.** In fiscal year 2017, the commissioner
9.2 may approve moratorium exception projects under this section for which the full
9.3 annualized state share of medical assistance costs does not exceed \$1,000,000 plus any
9.4 carryover of previous appropriations for this purpose.

9.5 Sec. 7. Minnesota Statutes 2014, section 144A.611, subdivision 1, is amended to read:

9.6 Subdivision 1. **Nursing homes and certified boarding care homes.** The actual
9.7 costs of tuition and textbooks and reasonable expenses for the competency evaluation
9.8 or the nursing assistant training program and competency evaluation approved under
9.9 section 144A.61, which are paid to nursing assistants or adult training programs pursuant
9.10 to subdivision subdivisions 2 and 4, are a reimbursable expense for nursing homes
9.11 and certified boarding care homes under ~~the provisions of chapter 256B and the rules~~
9.12 ~~promulgated thereunder~~ section 256B.431, subdivision 36.

9.13 Sec. 8. Minnesota Statutes 2014, section 144A.611, subdivision 2, is amended to read:

9.14 Subd. 2. **Nursing assistants Reimbursement for training program and**
9.15 **competency evaluation costs.** A nursing assistant who has completed an approved
9.16 competency evaluation or an approved training program and competency evaluation
9.17 shall be reimbursed by the nursing home or certified boarding care home for actual costs
9.18 of tuition and textbooks and reasonable expenses for the competency evaluation or the
9.19 training program and competency evaluation 90 days after the date of employment, or
9.20 upon completion of the approved training program, whichever is later.

9.21 Sec. 9. Minnesota Statutes 2014, section 144A.611, is amended by adding a
9.22 subdivision to read:

9.23 Subd. 4. **Reimbursement for adult basic education components.** (a) Nursing
9.24 facilities and certified boarding care homes shall provide reimbursement for costs related
9.25 to additional adult basic education components of an approved nursing assistant training
9.26 program, to:

9.27 (1) an adult training program that provided an approved nursing assistant training
9.28 program to an employee of the nursing facility or boarding care home; or

9.29 (2) a nursing assistant who is an employee of the nursing facility or boarding care
9.30 home and completed an approved nursing assistant training program provided by an
9.31 adult training program.

9.32 (b) For purposes of this subdivision, adult basic education components of a nursing
9.33 assistant training program must include the following, if needed: training in mathematics,
10.1 vocabulary, literacy skills, workplace skills, resume writing, and job interview skills.
10.2 Reimbursement provided under this subdivision shall not exceed 30 percent of the cost of
10.3 tuition, textbooks, and competency evaluation.

10.4 (c) An adult training program is prohibited from billing program students, nursing
10.5 facilities, or certified boarding care homes for costs under this subdivision until the
10.6 program student has been employed by the nursing facility as a certified nursing assistant
10.7 for at least 90 days.

10.8 **EFFECTIVE DATE.** This section is effective for costs incurred on or after October
10.9 1, 2016.

421.23 Section 1. Minnesota Statutes 2014, section 245A.10, subdivision 4, is amended to read:

421.24 Subd. 4. **License or certification fee for certain programs.** (a) Child care centers

421.25 shall pay an annual nonrefundable license fee based on the following schedule:

421.26	Licensed Capacity	Child Care Center License Fee
421.28	1 to 24 persons	\$200
421.29	25 to 49 persons	\$300
421.30	50 to 74 persons	\$400
421.31	75 to 99 persons	\$500
421.32	100 to 124 persons	\$600

421.33	125 to 149 persons	\$700
421.34	150 to 174 persons	\$800
421.35	175 to 199 persons	\$900
422.1	200 to 224 persons	\$1,000
422.2	225 or more persons	\$1,100

422.3 (b)(1) A program licensed to provide one or more of the home and community-based
 422.4 services and supports identified under chapter 245D to persons with disabilities or age
 422.5 65 and older, shall pay an annual nonrefundable license fee based on revenues derived
 422.6 from the provision of services that would require licensure under chapter 245D during the
 422.7 calendar year immediately preceding the year in which the license fee is paid, according to
 422.8 the following schedule:

422.9 License Holder Annual Revenue	License Fee
422.10 less than or equal to \$10,000	\$200
422.11 greater than \$10,000 but less than or 422.12 equal to \$25,000	\$300
422.13 greater than \$25,000 but less than or 422.14 equal to \$50,000	\$400

422.15greater than \$50,000 but less than or 422.16equal to \$100,000	\$500
422.17greater than \$100,000 but less than or 422.18equal to \$150,000	\$600
422.19greater than \$150,000 but less than or 422.20equal to \$200,000	\$800
422.21greater than \$200,000 but less than or 422.22equal to \$250,000	\$1,000
422.23greater than \$250,000 but less than or 422.24equal to \$300,000	\$1,200
422.25greater than \$300,000 but less than or 422.26equal to \$350,000	\$1,400
422.27greater than \$350,000 but less than or 422.28equal to \$400,000	\$1,600
422.29greater than \$400,000 but less than or 422.30equal to \$450,000	\$1,800
422.31greater than \$450,000 but less than or 422.32equal to \$500,000	\$2,000

422.33 greater than \$500,000 but less than or 422.34 equal to \$600,000	\$2,250
422.35 greater than \$600,000 but less than or 422.36 equal to \$700,000	\$2,500
422.37 greater than \$700,000 but less than or 422.38 equal to \$800,000	\$2,750
422.39 greater than \$800,000 but less than or 422.40 equal to \$900,000	\$3,000
422.41 greater than \$900,000 but less than or 422.42 equal to \$1,000,000	\$3,250
422.43 greater than \$1,000,000 but less than or 422.44 equal to \$1,250,000	\$3,500
422.45 greater than \$1,250,000 but less than or 422.46 equal to \$1,500,000	\$3,750
423.1 greater than \$1,500,000 but less than or 423.2 equal to \$1,750,000	\$4,000
423.3 greater than \$1,750,000 but less than or 423.4 equal to \$2,000,000	\$4,250

423.5 greater than \$2,000,000 but less than or 423.6 equal to \$2,500,000	\$4,500
423.7 greater than \$2,500,000 but less than or 423.8 equal to \$3,000,000	\$4,750
423.9 greater than \$3,000,000 but less than or 423.10 equal to \$3,500,000	\$5,000
423.11 greater than \$3,500,000 but less than or 423.12 equal to \$4,000,000	\$5,500
423.13 greater than \$4,000,000 but less than or 423.14 equal to \$4,500,000	\$6,000
423.15 greater than \$4,500,000 but less than or 423.16 equal to \$5,000,000	\$6,500
423.17 greater than \$5,000,000 but less than or 423.18 equal to \$7,500,000	\$7,000
423.19 greater than \$7,500,000 but less than or 423.20 equal to \$10,000,000	\$8,500
423.21 greater than \$10,000,000 but less than 423.22 or equal to \$12,500,000	\$10,000

423.23 greater than \$12,500,000 but less than
 423.24 or equal to \$15,000,000 \$14,000

423.25 greater than \$15,000,000 \$18,000

423.26 (2) If requested, the license holder shall provide the commissioner information to
 423.27 verify the license holder's annual revenues or other information as needed, including
 423.28 copies of documents submitted to the Department of Revenue.

423.29 (3) At each annual renewal, a license holder may elect to pay the highest renewal
 423.30 fee, and not provide annual revenue information to the commissioner.

423.31 (4) A license holder that knowingly provides the commissioner incorrect revenue
 423.32 amounts for the purpose of paying a lower license fee shall be subject to a civil penalty in
 423.33 the amount of double the fee the provider should have paid.

423.34 (5) Notwithstanding clause (1), a license holder providing services under one or
 423.35 more licenses under chapter 245B that are in effect on May 15, 2013, shall pay an annual
 423.36 license fee for calendar years 2014, 2015, and 2016, and 2017, equal to the total license
 423.37 fees paid by the license holder for all licenses held under chapter 245B for calendar year
 423.38 2013. For calendar year ~~2017~~ 2018 and thereafter, the license holder shall pay an annual
 423.39 license fee according to ~~clause (1)~~ paragraph (m).

423.40 (c) A chemical dependency treatment program licensed under Minnesota Rules,
 423.41 parts 9530.6405 to 9530.6505, to provide chemical dependency treatment shall pay an
 423.42 annual nonrefundable license fee based on the following schedule:

424.1	Licensed Capacity	License Fee
424.2	1 to 24 persons	\$600
424.3	25 to 49 persons	\$800
424.4	50 to 74 persons	\$1,000

Senate Language UEH2749-1

House Language H3467-3

424.5	75 to 99 persons	\$1,200
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424.6	100 or more persons	\$1,400
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424.7 (d) A chemical dependency program licensed under Minnesota Rules, parts
 424.8 9530.6510 to 9530.6590, to provide detoxification services shall pay an annual
 424.9 nonrefundable license fee based on the following schedule:

424.10	Licensed Capacity	License Fee
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424.11	1 to 24 persons	\$760
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424.12	25 to 49 persons	\$960
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424.13	50 or more persons	\$1,160
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424.14 (e) Except for child foster care, a residential facility licensed under Minnesota Rules,
 424.15 chapter 2960, to serve children shall pay an annual nonrefundable license fee based on
 424.16 the following schedule:

424.17	Licensed Capacity	License Fee
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424.18	1 to 24 persons	\$1,000
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424.19	25 to 49 persons	\$1,100
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424.20	50 to 74 persons	\$1,200
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424.21	75 to 99 persons	\$1,300
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424.22	100 or more persons	\$1,400
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424.23 (f) A residential facility licensed under Minnesota Rules, parts 9520.0500 to
 424.24 9520.0670, to serve persons with mental illness shall pay an annual nonrefundable license
 424.25 fee based on the following schedule:

424.26	Licensed Capacity	License Fee
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424.27	1 to 24 persons	\$2,525
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424.28	25 or more persons	\$2,725
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424.29 (g) A residential facility licensed under Minnesota Rules, parts 9570.2000 to
 424.30 9570.3400, to serve persons with physical disabilities shall pay an annual nonrefundable
 424.31 license fee based on the following schedule:

424.32	Licensed Capacity	License Fee
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424.33	1 to 24 persons	\$450
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424.34	25 to 49 persons	\$650
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424.35	50 to 74 persons	\$850
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424.36	75 to 99 persons	\$1,050
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424.37 100 or more persons \$1,250

425.1 (h) A program licensed to provide independent living assistance for youth under
425.2 section 245A.22 shall pay an annual nonrefundable license fee of \$1,500.

425.3 (i) A private agency licensed to provide foster care and adoption services under
425.4 Minnesota Rules, parts 9545.0755 to 9545.0845, shall pay an annual nonrefundable
425.5 license fee of \$875.

425.6 (j) A program licensed as an adult day care center licensed under Minnesota Rules,
425.7 parts 9555.9600 to 9555.9730, shall pay an annual nonrefundable license fee based on
425.8 the following schedule:

425.9	Licensed Capacity	License Fee
425.10	1 to 24 persons	\$500
425.11	25 to 49 persons	\$700
425.12	50 to 74 persons	\$900
425.13	75 to 99 persons	\$1,100
425.14	100 or more persons	\$1,300

425.15 (k) A program licensed to provide treatment services to persons with sexual
425.16 psychopathic personalities or sexually dangerous persons under Minnesota Rules, parts
425.17 9515.3000 to 9515.3110, shall pay an annual nonrefundable license fee of \$20,000.

425.18 (l) A mental health center or mental health clinic requesting certification for
425.19 purposes of insurance and subscriber contract reimbursement under Minnesota Rules,
425.20 parts 9520.0750 to 9520.0870, shall pay a certification fee of \$1,550 per year. If the
425.21 mental health center or mental health clinic provides services at a primary location with
425.22 satellite facilities, the satellite facilities shall be certified with the primary location without
425.23 an additional charge.

425.24 (m)(1) Effective for fees paid after July 1, 2017, a program licensed to provide one
425.25 or more of the home and community-based services and supports identified under chapter
425.26 245D to persons with disabilities or age 65 and older, shall pay an annual nonrefundable
425.27 license fee of 0.27 percent of revenues derived from the provision of services that
425.28 would require licensure under this chapter and that are specified under section 245D.03,
425.29 subdivision 1, during the calendar year immediately preceding the year in which the
425.30 license fee is paid. If the calculated fee is less than \$450, the fee shall be \$450.

425.31 (2) The commissioner shall calculate the licensing fee for providers of home and
425.32 community-based services and supports under this paragraph and invoice the license
425.33 holder annually. Upon challenge of the invoiced fee amount by the license holder, the
425.34 commissioner shall provide the license holder with a report identifying the medical
425.35 assistance claims paid by the commissioner to the license holder that formed the basis
425.36 for the licensing fee calculation.

426.1 Sec. 2. Minnesota Statutes 2014, section 245A.10, subdivision 8, is amended to read:

426.2 Subd. 8. **Deposit of license fees.** A human services licensing account is created in
426.3 the ~~state government~~ special revenue fund. Fees collected under subdivisions 3 and 4 must
426.4 be deposited in the human services licensing account and are ~~annually~~ appropriated to the
426.5 commissioner for licensing activities authorized under this chapter.

426.6 **EFFECTIVE DATE.** This section is effective July 1, 2017.

426.7 Sec. 3. Minnesota Statutes 2015 Supplement, section 245D.03, subdivision 1, is
426.8 amended to read:

426.9 Subdivision 1. **Applicability.** (a) The commissioner shall regulate the provision of
426.10 home and community-based services to persons with disabilities and persons age 65 and
426.11 older pursuant to this chapter. The licensing standards in this chapter govern the provision
426.12 of basic support services and intensive support services.

426.13 (b) Basic support services provide the level of assistance, supervision, and care that
426.14 is necessary to ensure the health and welfare of the person and do not include services that
426.15 are specifically directed toward the training, treatment, habilitation, or rehabilitation of
426.16 the person. Basic support services include:

426.17 (1) in-home and out-of-home respite care services as defined in section 245A.02, 426.18 subdivision 15, and under the brain injury, community alternative care, community access 426.19 for disability inclusion, developmental disability, and elderly waiver plans, excluding 426.20 out-of-home respite care provided to children in a family child foster care home licensed 426.21 under Minnesota Rules, parts 2960.3000 to 2960.3100, when the child foster care license 426.22 holder complies with the requirements under section 245D.06, subdivisions 5, 6, 7, and 426.23 8, or successor provisions; and section 245D.061 or successor provisions, which must 426.24 be stipulated in the statement of intended use required under Minnesota Rules, part 426.25 2960.3000, subpart 4;

426.26 (2) adult companion services as defined under the brain injury, community access 426.27 for disability inclusion, and elderly waiver plans, excluding adult companion services 426.28 provided under the Corporation for National and Community Services Service, Senior 426.29 Companion Program established under the Domestic Volunteer Service Act of 1973, Public 426.30 Law 98-288 Code of Federal Regulations, title 45, subpart B, chapter 25, part 2551 et seq.;

426.31 (3) personal support as defined under the developmental disability waiver plan;

426.32 (4) 24-hour emergency assistance, personal emergency response as defined under 426.33 the community access for disability inclusion and developmental disability waiver plans;

426.34 (5) night supervision services as defined under the brain injury waiver plan; and

427.1 (6) homemaker services as defined under the community access for disability 427.2 inclusion, brain injury, community alternative care, developmental disability, and elderly 427.3 waiver plans, excluding providers licensed by the Department of Health under chapter 427.4 144A and those providers providing cleaning services only; and

427.5 (7) individual community living support under section 256B.0915, subdivision 3j.

427.6 (c) Intensive support services provide assistance, supervision, and care that is 427.7 necessary to ensure the health and welfare of the person and services specifically directed 427.8 toward the training, habilitation, or rehabilitation of the person. Intensive support services 427.9 include:

427.10 (1) intervention services, including:

427.11 (i) behavioral support services as defined under the brain injury and community 427.12 access for disability inclusion waiver plans;

427.13 (ii) in-home or out-of-home crisis respite services as defined under the developmental 427.14 disability waiver plan; and

427.15 (iii) specialist services as defined under the current developmental disability waiver 427.16 plan;

427.17 (2) in-home support services, including:

- 427.18 (i) in-home family support and supported living services as defined under the
427.19 developmental disability waiver plan;
- 427.20 (ii) independent living services training as defined under the brain injury and
427.21 community access for disability inclusion waiver plans; and
- 427.22 (iii) semi-independent living services;
- 427.23 (3) residential supports and services, including:
- 427.24 (i) supported living services as defined under the developmental disability waiver
427.25 plan provided in a family or corporate child foster care residence, a family adult foster
427.26 care residence, a community residential setting, or a supervised living facility;
- 427.27 (ii) foster care services as defined in the brain injury, community alternative care,
427.28 and community access for disability inclusion waiver plans provided in a family or
427.29 corporate child foster care residence, a family adult foster care residence, or a community
427.30 residential setting; and
- 427.31 (iii) residential services provided to more than four persons with developmental
427.32 disabilities in a supervised living facility, including ICFs/DD;
- 427.33 (4) day services, including:
- 427.34 (i) structured day services as defined under the brain injury waiver plan;
- 427.35 (ii) day training and habilitation services under sections 252.41 to 252.46, and as
427.36 defined under the developmental disability waiver plan; and
- 428.1 (iii) prevocational services as defined under the brain injury and community access
428.2 for disability inclusion waiver plans; and
- 428.3 (5) supported employment as defined under the brain injury, developmental
428.4 disability, and community access for disability inclusion waiver plans.

428.5 **EFFECTIVE DATE.** Paragraph (b), clause (2), of this section is effective the day
428.6 following final enactment. Paragraph (b), clause (7), of this section is effective July 1, 2017.

428.7 Sec. 4. Minnesota Statutes 2014, section 256B.0949, is amended to read:

428.8 **256B.0949 AUTISM EARLY INTENSIVE DEVELOPMENTAL AND**

428.9 **BEHAVIORAL INTERVENTION BENEFIT.**

- 428.10 Subdivision 1. **Purpose.** This section creates a new the early intensive
428.11 developmental and behavioral intervention (EIDBI) benefit to provide early intensive
428.12 intervention to a child with an autism spectrum disorder diagnosis or related condition.
428.13 This benefit must provide coverage for diagnosis a comprehensive, multidisciplinary
428.14 assessment, ongoing progress evaluation, and medically necessary early intensive
428.15 treatment of autism spectrum disorder or related conditions.

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

428.18 (b) "Agency" means the legal entity that is enrolled with Minnesota health care
428.19 programs as a medical assistance provider according to Minnesota Rules, part 9505.0195,
428.20 to provide EIDBI and that has the legal responsibility to ensure that its employees or
428.21 contractors carry out the responsibilities defined in this section. The definition of "agency"
428.22 includes licensed individual professionals who practice independently and act as an agency.

428.23 ~~(b)~~ (c) "Autism spectrum disorder diagnosis" is defined by diagnostic code 299 or
428.24 "ASD" has the meaning given in the current version of the Diagnostic and Statistical
428.25 Manual of Mental Disorders (DSM).

428.26 (d) "ASD and related conditions" means a condition that is found to be closely
428.27 related to autism spectrum disorder and may include but is not limited to autism,
428.28 Asperger's syndrome, pervasive developmental disorder-not otherwise specified, fetal
428.29 alcohol spectrum disorder, Rhettt's syndrome, and autism-related diagnosis as identified
428.30 under the current version of the DSM and meets all of the following criteria:

428.31 (1) is severe and chronic;

428.32 (2) results in impairment of adaptive behavior and function similar to that of persons
428.33 with ASD;

428.34 (3) requires treatment or services similar to those required for persons with ASD; and

429.1 (4) results in substantial functional limitations in three core developmental deficits
429.2 of ASD: social interaction; nonverbal or social communication; and restrictive, repetitive
429.3 behaviors or hyperreactivity or hyporeactivity to sensory input; and may include deficits
429.4 in one or more of the following related developmental domains:

429.5 (i) self-regulation;

429.6 (ii) self-care;

429.7 (iii) behavioral challenges;

429.8 (iv) expressive communication;

429.9 (v) receptive communication;

429.10 (vi) cognitive functioning;

429.11 (vii) safety; and

429.12 (viii) level of support needed.

429.13 ~~(e)~~ (e) "Child" means a person under the age of 18 21.

429.14 (f) "Clinical supervision" means the overall responsibility for the control and direction
429.15 of EIDBI service delivery, including individual treatment planning, staff supervision,
429.16 progress monitoring, and treatment review for each client. Clinical supervision is provided
429.17 by a qualified supervising professional who takes full professional responsibility for the
429.18 services provided by each of the supervisees. All EIDBI services must be billed by and
429.19 either provided by or under the clinical supervision of a qualified supervising professional.

429.20 (d) (g) "Commissioner" means the commissioner of human services, unless
429.21 otherwise specified.

429.22 (h) "Comprehensive multidisciplinary evaluation" or "CMDE" means a
429.23 comprehensive evaluation of a child's developmental status to determine medical necessity
429.24 for EIDBI based on the requirements in subdivision 5.

429.25 (e) (i) "Early intensive developmental and behavioral intervention benefit" or
429.26 "EIDBI" means ~~autism treatment options~~ intensive treatment interventions based in
429.27 behavioral and developmental science, ~~which may include modalities such as applied~~
429.28 ~~behavior analysis, developmental treatment approaches, and naturalistic and parent~~
429.29 ~~training models~~ that include the services covered under subdivision 13.

429.30 (f) (j) "Generalizable goals" means results or gains that are observed during a variety
429.31 of activities over time with different people, such as providers, family members, other
429.32 adults, and children, and in different environments including, but not limited to, clinics,
429.33 homes, schools, and the community.

429.34 (k) "Individual treatment plan" or "ITP" means the person-centered, individualized
429.35 written plan of care that integrates and coordinates child and family information from the
429.36 comprehensive multidisciplinary evaluation for a child who meets medical necessity for
430.1 the early intensive developmental and behavioral intervention benefit. An individual
430.2 treatment plan must meet the standards in subdivision 6.

430.3 (l) "Legal representative" means the parent of a person who is under 18 years of age,
430.4 a court-appointed guardian, or other representative with legal authority to make decisions
430.5 about services for a person. Other representatives with legal authority to make decisions
430.6 include but are not limited to a health care agent or an attorney-in-fact authorized through
430.7 a health care directive or power of attorney.

430.8 (m) "Level I treatment provider" means a person who meets the EIDBI provider
430.9 qualifications under subdivision 15, paragraph (a).

430.10 (n) "Level II treatment provider" means a person who meets the EIDBI provider
430.11 qualifications under subdivision 15, paragraph (b).

430.12 (o) "Level III treatment provider" means a person who meets the EIDBI provider
430.13 qualifications under subdivision 15, paragraph (c).

430.14 (g) (p) "Mental health professional" has the meaning given in section 245.4871,
430.15 subdivision 27, clauses (1) to (6).

430.16 (q) "Person-centered" means services that respond to the identified needs, interests,
 430.17 values, preferences, and desired outcomes of the child and the child's legal representative.
 430.18 Person-centered planning identifies what is important to the child and the child's legal
 430.19 representative, respects each child's history, dignity, and cultural background, and allows
 430.20 inclusion and participation in the child's community.

430.21 (r) "Qualified CMDE provider" means a person meeting the CMDE provider
 430.22 qualification requirements under subdivision 5a.

430.23 (s) "Qualified EIDBI professional" means a person who is a QSP or a level I, level
 430.24 II, or level III treatment provider.

430.25 (t) "Qualified supervising professional" or "QSP" means a person who meets the
 430.26 EIDBI provider qualifications under subdivision 15, paragraph (d).

430.27 Subd. 3. **Initial EIDBI eligibility.** This benefit is available to a child enrolled in
 430.28 medical assistance who:

430.29 (1) ~~has an autism spectrum disorder~~ a diagnosis of ASD or a related condition that
 430.30 meets the criteria of subdivision 4; and

430.31 (2) ~~has had a diagnostic assessment described in subdivision 5, which recommends~~
 430.32 ~~early intensive intervention services; and~~

430.33 ~~(3)~~ meets the criteria for medically necessary autism early intensive intervention
 430.34 services.

430.35 Subd. 3a. **Culturally and linguistically appropriate requirement.** The child's and
 430.36 family's primary spoken language, culture, preferences, goals, and values must be reflected
 431.1 throughout the process of diagnosis, CMDE, ITP development, ITP progress evaluation
 431.2 monitoring, family or caregiver training and counseling services, and coordination of care.
 431.3 The qualified CMDE provider and QSP must determine how to adapt the evaluation,
 431.4 treatment recommendations, and ITP to the culture, language, and values of the child and
 431.5 family. A language interpreter must be provided consistent with section 256B.0625,
 431.6 subdivision 18a. Providers must have a limited English proficiency (LEP) plan in
 431.7 compliance with title VI of the Civil Rights Act of 1964, United States Code, title 42,
 431.8 section 2000d et seq. Communication and language assistance must comply with national
 431.9 standards for culturally and linguistically appropriate services (CLAS), as published by
 431.10 the United States Department of Health and Human Services.

431.11 Subd. 4. **Diagnosis.** (a) A diagnosis of ASD or a related condition must:

431.12 (1) be based upon current DSM criteria including direct observations of the child and
 431.13 ~~reports information from parents~~ the child's legal representative or primary caregivers; and

431.14 (2) be completed by either (i) a licensed physician or advanced practice registered
 431.15 nurse or (ii) a mental health professional; and

431.16 (3) meet the requirements of Minnesota Rules, part 9505.0372, subpart 1, items
431.17 B and C.

431.18 (b) Additional ~~diagnostic~~ assessment information may be considered to complete
431.19 a diagnostic assessment including ~~from~~ specialized tests administered through special
431.20 education evaluations and licensed school personnel, and from professionals licensed
431.21 in the fields of medicine, speech and language, psychology, occupational therapy, and
431.22 physical therapy. A diagnostic assessment may include treatment recommendations.

431.23 Subd. 5. **Diagnostic assessment Comprehensive multidisciplinary evaluation**

431.24 (CMDE). (a) The following information and assessments must be performed, reviewed,
431.25 and relied upon for the eligibility determination, treatment and services recommendations,
431.26 and treatment plan development for the child:

431.27 (1) an assessment of the child's developmental skills, functional behavior, needs,
431.28 and capacities based on direct observation of the child, which must be administered by
431.29 a licensed mental health professional, must include medical or assessment information
431.30 from the child's physician or advanced practice registered nurse, and may also include
431.31 observations from family members, school personnel, child care providers, or other
431.32 caregivers, as well as any medical or assessment information from other licensed
431.33 professionals such as rehabilitation therapists, licensed school personnel, or mental health
431.34 professionals; and

431.35 (2) an assessment of parental or caregiver capacity to participate in therapy including
431.36 the type and level of parental or caregiver involvement and training recommended.

432.1 A CMDE must be completed to determine the medical necessity of EIDBI services.

432.2 (b) The CMDE must include and document the child's legal representative's or
432.3 caregiver's preferences for involvement in the child's treatment that is culturally and
432.4 linguistically appropriate as required under subdivision 3a.

432.5 Subd. 5a. **CMDE provider qualification requirements.** A qualified CMDE

432.6 provider must:

432.7 (1) be a licensed physician or advanced practice registered nurse or a mental health
432.8 professional or a mental health practitioner who meets the requirements of a clinical
432.9 trainee as defined in Minnesota Rules, part 9505.0371, subpart 5, item C;

432.10 (2) have at least 2,000 hours of clinical experience in the evaluation and treatment
432.11 of children with ASD or equivalent documented coursework at the graduate level by an
432.12 accredited university in the following content areas: ASD diagnosis, ASD treatment
432.13 strategies, and child development;

432.14 (3) be able to diagnose, evaluate, or provide treatment within the provider's scope
432.15 of practice and professional license; and

- 432.16 (4) have knowledge and provide information about the range of current EIDBI
432.17 treatment modalities recognized by the commissioner.
- 432.18 Subd. 6. **Individual treatment plan (ITP).** (a) The qualified EIDBI professional
432.19 who integrates and coordinates child and family information from the CMDE and ITP
432.20 progress evaluation monitoring process to develop the ITP must develop and monitor
432.21 the ITP.
- 432.22 (b) The ITP must be individualized, person-centered, and culturally and linguistically
432.23 appropriate, as required under subdivision 3a. The ITP must specify the medically
432.24 necessary treatment and services, including baseline data, primary goals and target
432.25 objectives, ITP progress evaluation results and goal mastery data, and any significant
432.26 changes in the child's condition or family circumstances. Each child's ~~treatment plan~~
432.27 ITP must be:
- 432.28 (1) based on the diagnostic assessment and CMDE summary information specified
432.29 in subdivisions 4 and 5;
- 432.30 (2) coordinated with medically necessary occupational, physical, and speech and
432.31 language therapies, special education, and other services the child and family are receiving;
- 432.32 (3) family-centered;
- 432.33 (4) culturally sensitive; and
- 432.34 (5) individualized based on the child's developmental status and the child's and
432.35 family's identified needs.
- 433.1 (b) (c) The ~~treatment plan~~ ITP must specify the primary treatment goals and target
433.2 objectives, including baseline measures and projected dates of accomplishment. The
433.3 ITP must include:
- 433.4 (1) child's goals which are developmentally appropriate, functional, and
433.5 generalizable;
- 433.6 (2) treatment modality;
- 433.7 (3) treatment intensity;
- 433.8 (4) setting; and
- 433.9 (5) level and type of parental or caregiver involvement.
- 433.10 (1) the treatment method that shall be used to meet the goals and objectives, including:
- 433.11 (i) the frequency, intensity, location, and duration of each service provided;
- 433.12 (ii) the level of parent or caregiver training and counseling;
- 433.13 (iii) any changes or modifications to the physical and social environments necessary
433.14 when the services are provided;

- 433.15 (iv) any specialized equipment and materials required;
- 433.16 (v) techniques that support and are consistent with the child's communication mode
433.17 and learning style; and
- 433.18 (vi) the name of the QSP; and
- 433.19 (2) the discharge criteria that shall be used and a defined transition plan to assist
433.20 the child and the child's legal representative to transition to other services. The transition
433.21 plan shall include:
- 433.22 (i) protocols for changing service when medically necessary;
- 433.23 (ii) how the transition will occur;
- 433.24 (iii) the time allowed to make the transition. Up to 30 days of continued service
433.25 is allowed while the transition plan is being developed. Services during this plan
433.26 development period shall be consistent with the ITP. The plan development period begins
433.27 when the child or the child's legal representative receives notice of termination of EIDBI
433.28 and ends when EIDBI is terminated; and
- 433.29 (iv) a description of how the parent or guardian will be informed of and involved in
433.30 the transition.
- 433.31 (e) (d) Implementation of the treatment ITP must be supervised by a QSP
433.32 professional with expertise and training in autism and child development who is a licensed
433.33 physician, advanced practice registered nurse, or mental health professional.
- 433.34 (d) (e) The treatment plan ITP must be submitted to the commissioner for approval
433.35 in a manner determined by the commissioner for this purpose.
- 433.36 (e) Services authorized must be consistent with the child's approved treatment plan.
- 434.1 (f) Services included in the treatment plan ITP must meet all applicable requirements
434.2 for medical necessity and coverage.
- 434.3 Subd. 6a. **Coordination with other benefits.** (a) Services provided under this
434.4 section are not intended to replace services provided in school or other settings. Each
434.5 child's CMDE must document that EIDBI services coordinate with, but do not include
434.6 or replace, special education and related services defined in the child's individualized
434.7 education plan (IEP), or individualized family service plan (IFSP), when the service is
434.8 available under the Individuals with Disabilities Education Improvement Act of 2004
434.9 (IDEA), United States Code, title 20, chapter 33, through a local education agency. This
434.10 provision does not preclude EIDBI treatment during school hours.

434.11 (b) The commissioner shall integrate medical authorization procedures for this
 434.12 benefit with authorization procedures for other health and mental health services and home
 434.13 and community-based services to ensure that the child receives services that are the most
 434.14 appropriate and effective in meeting the child's needs. Programs for birth to three years of
 434.15 age and additional resources shall also coordinate with EIDBI services. Resources for
 434.16 individuals over 18 years of age must also be coordinated with the services in this section.

434.17 Subd. 7. **Ongoing eligibility ITP progress evaluation monitoring.** (a) An
 434.18 independent ITP progress evaluation conducted by a licensed mental health professional
 434.19 with expertise and training in autism spectrum disorder and child development must
 434.20 be completed after each six months of treatment, or more frequently as determined by
 434.21 the commissioner-qualified CMDE provider, to determine if progress is being made
 434.22 toward achieving targeted functional and generalizable goals and meeting functional
 434.23 goals contained specified in the treatment plan ITP. Based on the results of ITP progress
 434.24 evaluation, the ITP must be adjusted as needed and must document that the child continues
 434.25 to meet medical necessity for EIDBI or is referred to other services.

434.26 (b) The ITP progress evaluation must include:

434.27 (1) ~~the treating provider's report;~~

434.28 ~~(2) parental or caregiver input from the child's caregiver or the child's legal~~
 434.29 ~~representative;~~

434.30 ~~(3) (2) an independent observation of the child which can be that is performed by~~
 434.31 ~~the child's a QSP or a level I or level II treatment provider and may include observation~~
 434.32 ~~information from licensed special education staff or other licensed health care providers;~~

434.33 (3) documentation of current level of performance on primary treatment goal
 434.34 domains including when goals and objectives are achieved, changed, or discontinued;

434.35 (4) any significant changes in the child's condition or family circumstances;

435.1 ~~(4) (5) any treatment plan modifications and the rationale for any changes made~~
 435.2 including treatment modality, intensity, frequency, and duration; and

435.3 ~~(5) (6) recommendations for continued treatment services.~~

435.4 (c) ITP progress evaluations evaluation must be submitted to the commissioner and
 435.5 the child or legal representative in a manner determined by the commissioner for this
 435.6 purpose the reauthorization of EIDBI services.

435.7 (d) A child who continues to achieve generalizable goals and make reasonable
 435.8 progress toward treatment goals as specified in the treatment plan ITP is eligible to
 435.9 continue receiving this benefit EIDBI services.

435.10 (e) A child's treatment shall continue during the ITP progress evaluation using
435.11 the process determined under ~~subdivision 8, clause (8)~~ this subdivision. Treatment may
435.12 continue during an appeal pursuant to section 256.045.

435.13 Subd. 8. **Refining the benefit with stakeholders.** The commissioner must develop
435.14 ~~the implementation~~ refine the details of the benefit in consultation with stakeholders and
435.15 ~~consider recommendations from the Health Services Advisory Council, the Department~~
435.16 ~~of Human Services Autism Spectrum Disorder~~ Early Intensive Developmental and
435.17 Behavioral Intervention Benefit Advisory Council, the Legislative Autism Spectrum
435.18 ~~Disorder Task Force, the EIDBI learning collaborative, and the ASD Interagency Task~~
435.19 ~~Force of the Departments of Health, Education, Employment and Economic Development,~~
435.20 ~~and Human Services. The commissioner must release these details for a 30-day public~~
435.21 ~~comment period prior to submission to the federal government for approval. The~~
435.22 ~~implementation~~ details must include, but are not limited to, the following components:

435.23 (1) a definition of the qualifications, standards, and roles of the treatment team,
435.24 including recommendations after stakeholder consultation on whether board-certified
435.25 behavior analysts and other ~~types of~~ professionals certified in other treatment approaches
435.26 recognized by the Department of Human Services or trained in autism spectrum disorder
435.27 and child development should be added as mental health or other professionals for qualified
435.28 to provide EIDBI treatment supervision or other functions under medical assistance;

435.29 (2) ~~development of initial, refinement of uniform parameters for comprehensive~~
435.30 ~~multidisciplinary diagnostic assessment information evaluation and progress evaluation~~
435.31 ongoing ITP progress evaluation monitoring standards;

435.32 (3) the design of an effective and consistent process for assessing ~~parent~~ the child's
435.33 legal representative's and caregiver capacity caregiver's preferences and options to
435.34 participate in the child's early intervention treatment and efficacy of methods of involving
435.35 the parents to involve and educate the child's legal representative and caregivers in the
435.36 treatment of the child;

436.1 (4) formulation of a collaborative process in which professionals have
436.2 opportunities to collectively inform provider standards and qualifications; standards for a
436.3 comprehensive; multidisciplinary diagnostic assessment evaluation; medical necessity
436.4 determination; efficacy of treatment apparatus, including modality, intensity, frequency,
436.5 and duration; and progress evaluation progress-monitoring processes and standards to
436.6 support quality improvement of early intensive intervention EIDBI services;

436.7 (5) coordination of this benefit and its interaction with other services provided by
436.8 the Departments of Human Services, Health, Employment and Economic Development,
436.9 and Education;

436.10 (6) evaluation, on an ongoing basis, of ~~research regarding the program~~ EIDBI
436.11 outcomes and efficacy of treatment modalities methods provided to children under this
436.12 benefit; and

436.13 (7) as provided under subdivision 18, determination of the availability of licensed
436.14 ~~physicians, nurse practitioners, and mental health professionals~~ qualified EIDBI
436.15 professionals with necessary expertise and training in autism spectrum disorder and
436.16 related conditions throughout the state to assess whether there are sufficient professionals
436.17 ~~to require involvement of both a physician or nurse practitioner and a mental health~~
436.18 ~~professional~~ to provide timely access and prevent delay in the ~~diagnosis and CMDE and~~
436.19 ~~treatment of young children, so as to implement subdivision 4, and to ensure treatment is~~
436.20 ~~effective, timely, and accessible; and ASD and related conditions.~~

436.21 (8) ~~development of the process for the progress evaluation that will be used to~~
436.22 ~~determine the ongoing eligibility, including necessary documentation, timelines, and~~
436.23 ~~responsibilities of all parties.~~

436.24 Subd. 9. **Revision of treatment options.** (a) The commissioner may revise covered
436.25 treatment options as needed based on outcome data and other evidence. EIDBI treatment
436.26 methods approved by the Department of Human Services must:

436.27 (1) cause no harm to the individual child or family;

436.28 (2) be provided in an individualized manner to meet the varied needs of each child
436.29 and family;

436.30 (3) be developmentally appropriate and highly structured, with well-defined goals
436.31 and objectives that provide a strategic direction for treatment;

436.32 (4) be regularly evaluated and adjusted as needed;

436.33 (5) be based in recognized principles of developmental and behavioral science;

436.34 (6) utilize sound practices that are replicable across providers and maintain the
436.35 fidelity of the specific approach;

436.36 (7) demonstrate an evidentiary basis;

437.1 (8) have goals and objectives that are measurable, achievable, and regularly
437.2 evaluated to ensure that adequate progress is being made;

437.3 (9) be provided intensively with a high adult-to-child ratio; and

437.4 (10) include active child and legal representative participation in decision-making,
437.5 knowledge- and capacity-building, and developing and implementing the child's ITP.

437.6 (b) ~~Before the changes~~ revisions in Department of Human Services recognized
437.7 treatment modalities become effective, the commissioner must provide public notice of
437.8 the changes, the reasons for the change, and a 30-day public comment period to those
437.9 who request notice through an electronic list accessible to the public on the department's
437.10 Web site.

437.11 Subd. 10. **Coordination between agencies.** The commissioners of human services
437.12 and education must develop the capacity to coordinate services and information including
437.13 diagnostic, functional, developmental, medical, and educational assessments; service
437.14 delivery; and progress evaluations across health and education sectors.

437.15 Subd. 11. **Federal approval of the autism benefit.** (a) This section shall apply
437.16 to state plan services under title XIX of the Social Security Act when federal approval
437.17 is granted under a 1915(i) waiver or other authority which allows children eligible for
437.18 medical assistance through the TEFRA option under section 256B.055, subdivision 12, to
437.19 qualify and includes children eligible for medical assistance in families over 150 percent
437.20 of the federal poverty guidelines.

437.21 (b) The commissioner may use the federal authority for a Medicaid state plan
437.22 amendment under Early and Periodic Screening Diagnosis and Treatment (EPSDT),
437.23 United States Code, title 42, section 1396D(R)(5), or other Medicaid provision for any
437.24 aspect or type of treatment covered in this section if new federal guidance is helpful
437.25 in achieving one or more of the purposes of this section in a cost-effective manner.
437.26 Notwithstanding subdivisions 2 and 3, any treatment services submitted for federal
437.27 approval under EPSDT shall include appropriate medical criteria to qualify for the service
437.28 and shall cover children through age 20.

437.29 Subd. 12. **Autism benefit; training provided.** After approval of the autism early
437.30 intensive intervention benefit under this section by the Centers for Medicare and Medicaid
437.31 Services, the commissioner shall provide statewide training on the benefit for culturally
437.32 and linguistically diverse communities. Training for autism service providers on culturally
437.33 appropriate practices must be online, accessible, and available in multiple languages. The
437.34 training for families, lead agencies, advocates, and other interested parties must provide
437.35 information about the benefit and how to access it.

438.1 Subd. 13. **Covered services.** (a) The services described in paragraphs (b) to (i) are
438.2 eligible for reimbursement by medical assistance under this section.

438.3 (b) EIDBI interventions are a variety of individualized, intensive treatment methods
438.4 approved by the department that are based in behavioral and developmental science
438.5 consistent with best practices on effectiveness. Services must address the participant's
438.6 medically necessary treatment goals and be provided by a qualified supervising
438.7 professional or a level I, level II, or level III treatment provider. Services are targeted to
438.8 develop, enhance, or maintain the individual developmental skills of a child with ASD and
438.9 related conditions to improve functional communication, social or interpersonal interaction,
438.10 behavioral challenges and self-regulation, cognition, learning and play, self-care, safety,
438.11 and level of support needed. EIDBI interventions include, but are not limited to:

438.12 (1) applied behavioral analysis (ABA);

438.13 (2) developmental individual-difference relationship-based model (DIR/Floortime);

438.14 (3) early start Denver model (ESDM);

438.15 (4) PLAY project; or

438.16 (5) relationship development intervention (RDI).

438.17 A provider may use one or more of the treatment interventions in clauses (1) to (5) as the

438.18 primary modality for treatment as a covered service, or several treatment interventions

438.19 in combination as the primary modality of treatment, as approved by the commissioner.

438.20 Additional treatment interventions may be used upon approval by the commissioner.

438.21 A provider that identifies and provides assurance of qualifications for a single specific

438.22 treatment modality must document the required qualifications to meet fidelity to the

438.23 specific model.

438.24 (c) EIDBI intervention observation and direction is the clinical direction and oversight

438.25 by a QSP or a level I or level II treatment provider regarding provision of EIDBI services

438.26 to a child, including developmental and behavioral techniques, progress measurement, data

438.27 collection, function of behaviors, and generalization of acquired skills for the direct benefit

438.28 of a child. EIDBI intervention observation and direction informs any modifications of the

438.29 methods to support the accomplishment of outcomes in the ITP. Observation and direction

438.30 provides a real-time response to EIDBI interventions to maximize the benefit to the child.

438.31 (d) CMDE is a comprehensive evaluation of the child's developmental status to

438.32 determine medical necessity for EIDBI services and meets the requirements of subdivision

438.33 5. The services must be provided by a qualified CMDE provider.

438.34 (e) ITP development and monitoring is development of the initial, annual, and

438.35 progress monitoring of ITPs. This service documents, provides oversight and on-going

438.36 evaluation of child treatment and progress on targeted goals and objectives, and integrates

439.1 and coordinates child and family information from the CMDE and progress monitoring

439.2 evaluations. The ITP must meet the requirements of subdivision 6. ITP progress evaluation

439.3 monitoring must meet the requirements of subdivision 7. This service must be reviewed

439.4 and completed by a QSP, and may include input from a level I or level II treatment provider.

439.5 (f) Family caregiver training and counseling is specialized training and education a

439.6 family or primary caregiver receives to understand the child's developmental status and

439.7 help with the child's needs and development. This service must be provided by a QSP

439.8 or a level I or level II treatment provider.

439.9 (g) A coordinated care conference is a voluntary face-to-face meeting with the

439.10 child and family to review the CMDE or progress monitoring results and to coordinate

439.11 and integrate services across providers and service-delivery systems to develop the ITP.

439.12 This service must be provided by a QSP and may include the CMDE provider or the level

439.13 I or level II treatment provider.

- 439.14 (h) Travel time is allowable billing for traveling to and from the recipient's home,
439.15 school, a community setting, or place of service outside of an EIDBI center, clinic, or
439.16 office from a specified location to provide face-to-face EIDBI intervention, observation
439.17 and direction, or family caregiver training and counseling. EIDBI recipients must have an
439.18 ITP specifying the reasons the provider must travel to the recipient's home, a community
439.19 setting, or place of service outside of an EIDBI center, clinic, or office.
- 439.20 (i) Medical assistance covers medically necessary EIDBI services and consultations
439.21 delivered by a licensed health care provider via telemedicine in the same manner as if the
439.22 service or consultation was delivered in person. Coverage is limited to three telemedicine
439.23 services per enrollee per calendar week.
- 439.24 **Subd. 14. Service recipient rights.** A child or the child's legal representative
439.25 has the right to:
- 439.26 (1) protection as defined under the health care bill of rights under section 144.651;
- 439.27 (2) designate an advocate of the child's or the child's legal representative's choice to
439.28 be present in all aspects of the child's and family's services at the request of the child or
439.29 the child's legal representative;
- 439.30 (3) be informed of the agency policy on assigning staff to a child;
- 439.31 (4) receive the opportunity to observe the child while receiving services;
- 439.32 (5) receive services in a manner that respects and takes into consideration the child's
439.33 and the legal representative's culture, values, religion, and preferences in accordance
439.34 with subdivision 3a;
- 439.35 (6) be free from mechanical restraint or seclusion using locked doors except in
439.36 emergencies as defined in section 245D.02, subdivision 8a;
- 440.1 (7) be under the supervision of a responsible adult at all times;
- 440.2 (8) receive notification from the agency within 24 hours if the child is injured while
440.3 receiving services, including what occurred and how agency staff responded to the injury;
- 440.4 (9) request a voluntary coordinated care conference; and
- 440.5 (10) request an independent CMDE provider of the child's or legal representative's
440.6 choice.
- 440.7 **Subd. 15. EIDBI provider qualifications.** (a) A level I treatment provider must be
440.8 employed by an EIDBI agency and:

440.9 (1) have at least 2,000 hours of supervised clinical experience or training in
440.10 examining or treating children with ASD or equivalent documented coursework at the
440.11 graduate level by an accredited university in ASD diagnostics, ASD developmental
440.12 and behavioral treatment strategies, and typical child development or an equivalent
440.13 combination of documented coursework or hours of experience; and

440.14 (2) have or be at least one of the following:

440.15 (i) a master's degree in behavioral health or child development or allied fields,
440.16 including but not limited to mental health, special education, social work, psychology,
440.17 speech pathology, or occupational therapy from an accredited college or university;

440.18 (ii) a bachelor's degree in a behavioral health or child development field from
440.19 an accredited college or university and advanced certification in a treatment method
440.20 recognized by the Department of Human Services; or

440.21 (iii) a board-certified assistant behavior analyst with 4,000 hours of supervised
440.22 clinical experience including meeting all registration, supervision, and continuing
440.23 education requirements of the certification.

440.24 (b) A level II treatment provider must be employed by an EIDBI provider agency
440.25 and be either:

440.26 (1) a person who has a bachelor's degree from an accredited college or university
440.27 in a behavioral or child development science or allied field including but not limited
440.28 to mental health, special education, social work, psychology, speech pathology, or
440.29 occupational therapy; and

440.30 (i) has at least 1,000 hours of clinical experience or training in examining or
440.31 treating children with ASD or equivalent documented coursework at the graduate level
440.32 by an accredited university in ASD diagnostics, ASD developmental and behavioral
440.33 treatment strategies, and typical child development or a combination of coursework or
440.34 hours of experience;

440.35 (ii) certification as a board-certified assistant behavior analyst from the Behavior
440.36 Analyst Certification Board; or

441.1 (iii) is a registered behavior technician as defined by the Behavior Analyst
441.2 Certification Board or is certified in one of the other treatment modalities recognized by
441.3 the Department of Human Services;

441.4 (2) a person who:

441.5 (i) has an associate's degree in a behavioral or child development science or allied
441.6 field including but not limited to mental health, special education, social work, psychology,
441.7 speech pathology, or occupational therapy from an accredited college or university; and

- 441.8 (ii) has at least 2,000 hours of supervised clinical experience in delivering treatment
441.9 to children with ASD. Hours worked as a behavioral aide or level III treatment provider
441.10 may be included in the required hours of experience;
- 441.11 (3) a person who has at least 4,000 hours of supervised clinical experience in
441.12 delivering treatment to children with ASD. Hours worked as a mental health behavioral
441.13 aide or developmental or level III treatment provider may be included in the required
441.14 hours of experience;
- 441.15 (4) a person who is a graduate student in a behavioral science, child development
441.16 science, or allied field and is receiving clinical supervision by a qualified supervising
441.17 professional affiliated with an agency to meet the clinical training requirements for
441.18 experience and training with children with ASD; or
- 441.19 (5) a person who is at least 18 years old and who:
- 441.20 (i) is fluent in the non-English language spoken in the child's home or works with a
441.21 tribal entity that represents the child's culture;
- 441.22 (ii) meets level III EIDBI training requirements; and
- 441.23 (iii) receives observation and direction from a QSP or qualified level I treatment
441.24 provider at least once a week until 1,000 hours of supervised clinical experience are met.
- 441.25 (c) A level III treatment provider must be employed by an EIDBI provider agency,
441.26 have completed the level III training requirement, be at least 18 years old, and have at
441.27 least one of the following:
- 441.28 (1) a high school diploma or general equivalency diploma (GED);
- 441.29 (2) fluency in the non-English language spoken in the child's home or works with a
441.30 tribal entity that represents the child's culture; or
- 441.31 (3) one year of experience as a primary PCA, community health worker, waiver
441.32 service provider, or special education assistant to a child with ASD within the previous
441.33 five years.
- 441.34 (d) A qualified supervising professional must be employed by an EIDBI agency
441.35 and be:
- 442.1 (1) a licensed mental health professional who has at least 2,000 hours of supervised
442.2 clinical experience or training in examining or treating children with ASD or equivalent
442.3 documented coursework at the graduate level by an accredited university in ASD
442.4 diagnostics, ASD developmental and behavioral treatment strategies, and typical child
442.5 development; or

- 442.6 (2) a developmental or behavioral pediatrician who has at least 2,000 hours of
442.7 supervised clinical experience or training in the examining or treating of children with
442.8 ASD or related conditions or equivalent documented coursework at the graduate level
442.9 by an accredited university in the areas of ASD diagnostics, ASD developmental and
442.10 behavioral treatment strategies, and typical child development.
- 442.11 Subd. 16. **Agency responsibilities.** (a) The agency must:
- 442.12 (1) exercise and protect the service recipient's rights;
- 442.13 (2) offer services that are person-centered and culturally and linguistically
442.14 appropriate as required under subdivision 3a;
- 442.15 (3) allow people to make informed decisions concerning CMDE, treatment
442.16 recommendations, alternatives considered, and possible risks of services;
- 442.17 (4) have a written policy that identifies steps to resolve issues collaboratively when
442.18 possible;
- 442.19 (5) except for emergency situations, provide adequate notice of transition, subject
442.20 to staff availability, of transition from EIDBI services prior to implementing a transition
442.21 plan with the family;
- 442.22 (6) provide notice as soon as possible when issues arise about provision of EIDBI
442.23 services;
- 442.24 (7) provide the legal representative with prompt notification if the child is injured
442.25 while being served by the agency. An incident report must be completed by the agency
442.26 staff member in charge of the child. Copies of all incident and injury reports must remain
442.27 on file at the agency for at least one year. An incident is when any of the following occur:
- 442.28 (i) an illness, accident, or injury which requires first aid treatment;
- 442.29 (ii) a bump or blow to the head; or
- 442.30 (iii) an unusual or unexpected event that jeopardizes the safety of children or staff,
442.31 including a child leaving the agency unattended; and
- 442.32 (8) prior to starting services, provide the child or the child's legal representative a
442.33 plain-spoken description of the treatment method or methods that the child shall receive,
442.34 including the staffing certification levels and training of the staff who shall provide the
442.35 treatment or treatments.
- 443.1 (b) When delivering the ITP, and annually thereafter, agencies must provide the
443.2 child or the child's legal representative with:
- 443.3 (1) a written copy of the child's rights and agency responsibilities;
- 443.4 (2) a verbal explanation of rights and responsibilities;

- 443.5 (3) reasonable accommodations to provide the information in other formats or
443.6 languages as needed to facilitate understanding of the rights and responsibilities; and
- 443.7 (4) documentation in the child's file of the date that the child or the child's
443.8 legal representative received a copy and explanation of the client's rights and agency
443.9 responsibilities.
- 443.10 **Subd. 17. EIDBI agency qualifications, general requirements, and duties. (a)**
443.11 EIDBI agencies delivering services under this section shall:
- 443.12 (1) enroll as a medical assistance Minnesota health care program provider according
443.13 to Minnesota Rules, part 9505.0195, and meet all applicable provider standards and
443.14 requirements;
- 443.15 (2) demonstrate compliance with federal and state laws for EIDBI;
- 443.16 (3) verify and maintain records of all services provided to the child or the child's
443.17 legal representative as required under Minnesota Rules, parts 9505.2175 and 9505.2197;
- 443.18 (4) not have had a lead agency contract or provider agreement discontinued due to
443.19 a conviction of fraud, or not have had an owner, board member, or manager fail a state
443.20 or FBI-based criminal background check or appear on the list of excluded individuals or
443.21 entities maintained by the federal Department of Human Services Office of Inspector
443.22 General while enrolled or seeking enrollment as a Minnesota health care program provider;
- 443.23 (5) have established business practices that include written policies and procedures,
443.24 internal controls, and a system that demonstrates the organization's ability to deliver
443.25 quality EIDBI services;
- 443.26 (6) have an office located in Minnesota; and
- 443.27 (7) conduct a criminal background check on an individual who has direct contact
443.28 with the child or the child's legal representative.
- 443.29 (b) an EIDBI agency shall:
- 443.30 (1) report maltreatment as required under sections 626.556 and 626.557;
- 443.31 (2) provide the child or the child's legal representative with a copy of the
443.32 service-related rights under subdivision 14 at the start of services;
- 443.33 (3) comply with any data requests from the department consistent with the Minnesota
443.34 Government Data Practices Act, sections 256B.064 and 256B.27; and
- 443.35 (4) provide training for all agency staff on the Maltreatment of Minors Act and the
443.36 Vulnerable Adult Protection Act requirements and responsibilities, including mandated
444.1 and voluntary reporting, nonretaliation, and the agency's policy for all staff on how to
444.2 report suspected abuse and neglect.

444.3 Subd. 18. **Provider shortage; authority for exceptions.** (a) In consultation with the
444.4 Early Intensive Developmental and Behavioral Intervention Advisory Council, including
444.5 agencies, professionals, parents of children with ASD, and advocacy organizations, the
444.6 commissioner shall determine if a shortage of qualified EIDBI providers exists. For the
444.7 purposes of this subdivision, "shortage of qualified EIDBI providers" means a lack of
444.8 availability of providers who meet the EIDBI provider qualification requirements under
444.9 subdivision 15 that results in the delay of access to timely services under this section, or
444.10 that significantly impairs the ability of a provider agency to have sufficient qualified
444.11 providers to meet the requirements of this section. The commissioner shall consider
444.12 geographic factors when determining the prevalence of a shortage. The commissioner
444.13 may determine that a shortage exists only in a specific region of the state, multiple regions
444.14 of the state, or statewide. The commissioner shall also consider the availability of various
444.15 types of treatment methods covered under this section.

444.16 (b) If the commissioner determines that a shortage of qualified providers exists
444.17 under paragraph (a), the commissioner, in consultation with the EIDBI Advisory Council
444.18 and stakeholders, must establish processes and criteria for granting an exception. The
444.19 commissioner may grant an exception to any of the following requirements, but only if an
444.20 exception would not compromise child safety nor diminish the quality and effectiveness
444.21 of the treatment provided:

444.22 (1) EIDBI provider qualifications under this section;

444.23 (2) medical assistance provider enrollment requirements under Minnesota Rules,
444.24 part 9505.0195; or

444.25 (3) applicable provider or agency standards or requirements.

444.26 (c) If the commissioner, in consultation with the EIDBI Advisory Council and
444.27 stakeholders, determines that a shortage no longer exists, the commissioner must submit a
444.28 notice that a shortage no longer exists to the chairs and ranking minority members of the
444.29 senate and the house of representatives committees with jurisdiction over health and human
444.30 services. The commissioner must post the notice for public comment for 30 days. The
444.31 commissioner shall consider all public comments before the commissioner makes a final
444.32 determination regarding the termination and timeline for termination of the commissioner's
444.33 authority to grant exceptions under this subdivision. Until the shortage ends, the
444.34 commissioner shall provide an update annually to the chairs and ranking minority members
444.35 of the committees in the house of representatives and the senate with jurisdiction over
444.36 health and human services on the status of the provider shortage and exception process.

445.1 **EFFECTIVE DATE.** Subdivisions 1, 5a, 13, and 18 are effective the day following
445.2 final enactment. Subdivisions 2 to 3a, 5, 6 to 9, and 14 to 17 are effective August 1, 2016.
445.3 Subdivision 4 is effective January 1, 2017.

15.19 Sec. 15. Minnesota Statutes 2015 Supplement, section 256B.431, subdivision 36,
15.20 is amended to read:

15.21 Subd. 36. **Employee scholarship costs and training in English as a second**

15.22 **language.** (a) For the period between July 1, 2001, and June 30, 2003, the commissioner
15.23 shall provide to each nursing facility reimbursed under this section, section 256B.434,
15.24 or any other section, a scholarship per diem of 25 cents to the total operating payment
15.25 rate. For the 27-month period beginning October 1, 2015, through December 31, 2017,
15.26 the commissioner shall allow a scholarship per diem of up to 25 cents for each nursing
15.27 facility with no scholarship per diem that is requesting a scholarship per diem to be added
15.28 to the external fixed payment rate to be used:

15.29 (1) for employee scholarships that satisfy the following requirements:

15.30 (i) scholarships are available to all employees who work an average of at least
15.31 ten hours per week at the facility except the administrator, and to reimburse student
15.32 loan expenses for newly hired and recently graduated registered nurses and licensed
15.33 practical nurses, and training expenses for nursing assistants as ~~defined~~ specified in section
15.34 144A.611, ~~subdivision subdivisions 2 and 4~~, who are newly hired and have graduated
15.35 within the last 12 months; and

16.1 (ii) the course of study is expected to lead to career advancement with the facility or
16.2 in long-term care, including medical care interpreter services and social work; and

16.3 (2) to provide job-related training in English as a second language.

16.4 (b) All facilities may annually request a rate adjustment under this subdivision by
16.5 submitting information to the commissioner on a schedule and in a form supplied by the
16.6 commissioner. The commissioner shall allow a scholarship payment rate equal to the
16.7 reported and allowable costs divided by resident days.

16.8 (c) In calculating the per diem under paragraph (b), the commissioner shall allow
16.9 costs related to tuition, direct educational expenses, and reasonable costs as defined by the
16.10 commissioner for child care costs and transportation expenses related to direct educational
16.11 expenses.

16.12 (d) The rate increase under this subdivision is an optional rate add-on that the facility
16.13 must request from the commissioner in a manner prescribed by the commissioner. The
16.14 rate increase must be used for scholarships as specified in this subdivision.

16.15 (e) For instances in which a rate adjustment will be 15 cents or greater, nursing
16.16 facilities that close beds during a rate year may request to have their scholarship
16.17 adjustment under paragraph (b) recalculated by the commissioner for the remainder of the
16.18 rate year to reflect the reduction in resident days compared to the cost report year.

16.19 Sec. 16. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 13, 16.20 is amended to read:

16.21 Subd. 13. **External fixed costs.** "External fixed costs" means costs related to the 16.22 nursing home surcharge under section 256.9657, subdivision 1; licensure fees under 16.23 section 144.122; family advisory council fee under section 144A.33; scholarships under 16.24 section 256B.431, subdivision 36; planned closure rate adjustments under section 16.25 256B.437; consolidation rate adjustments under section 144A.071, subdivisions 4c, 16.26 paragraph (a), clauses (5) and (6), and 4d; single bed room incentives under section 16.27 256B.431, subdivision 42; property taxes, assessments, and payments in lieu of taxes; 16.28 employer health insurance costs; quality improvement incentive payment rate adjustments 16.29 under subdivision 46c; performance-based incentive payments under subdivision 46d; 16.30 special dietary needs under subdivision 51b; and PERA.

445.4 Sec. 5. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 30, 445.5 is amended to read:

445.6 Subd. 30. **Median total care-related cost per diem and other operating per diem** 445.7 **determined.** (a) The commissioner shall determine the median total care-related per 445.8 diem to be used in subdivision 50 and the median other operating per diem to be used in 445.9 subdivision 51 using the cost reports from nursing facilities in Anoka, Carver, Dakota, 445.10 Hennepin, Ramsey, Scott, and Washington Counties.

445.11 (b) The median total care-related per diem shall be equal to the median ~~direct care~~ 445.12 ~~cost~~ total care-related per diem for a RUG's weight of 1.00 for facilities located in the 445.13 counties listed in paragraph (a).

445.14 (c) The median other operating per diem shall be equal to the median other 445.15 operating per diem for facilities located in the counties listed in paragraph (a). The other 445.16 operating per diem shall be the sum of each facility's administrative costs, dietary costs, 445.17 housekeeping costs, laundry costs, and maintenance and plant operations costs divided 445.18 by each facility's resident days.

445.19 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2016.

16.31 Sec. 17. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 53, 16.32 is amended to read:

16.33 Subd. 53. **Calculation of payment rate for external fixed costs.** The commissioner 16.34 shall calculate a payment rate for external fixed costs.

17.1 (a) For a facility licensed as a nursing home, the portion related to section 256.9657
 17.2 shall be equal to \$8.86. For a facility licensed as both a nursing home and a boarding care
 17.3 home, the portion related to section 256.9657 shall be equal to \$8.86 multiplied by the
 17.4 result of its number of nursing home beds divided by its total number of licensed beds.

17.5 (b) The portion related to the licensure fee under section 144.122, paragraph (d),
 17.6 shall be the amount of the fee divided by actual resident days.

17.7 (c) The portion related to development and education of resident and family advisory
 17.8 councils under section 144A.33 shall be \$5 divided by 365.

17.9 (d) The portion related to scholarships shall be determined under section 256B.431,
 17.10 subdivision 36.

17.11 (e) The portion related to planned closure rate adjustments shall be as determined
 17.12 under section 256B.437, subdivision 6, and Minnesota Statutes 2010, section 256B.436.

17.13 (f) The portion related to consolidation rate adjustments shall be as determined under
 17.14 section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d.

17.15 ~~(f)~~ (g) The single bed room incentives shall be as determined under section
 17.16 256B.431, subdivision 42.

17.17 ~~(g)~~ (h) The portions related to real estate taxes, special assessments, and payments
 17.18 made in lieu of real estate taxes directly identified or allocated to the nursing facility shall
 17.19 be the actual amounts divided by actual resident days.

17.20 ~~(h)~~ (i) The portion related to employer health insurance costs shall be the allowable
 17.21 costs divided by resident days.

17.22 ~~(i)~~ (j) The portion related to the Public Employees Retirement Association shall
 17.23 be actual costs divided by resident days.

17.24 ~~(j)~~ (k) The portion related to quality improvement incentive payment rate
 17.25 adjustments shall be as determined under subdivision 46c.

17.26 ~~(k)~~ (l) The portion related to performance-based incentive payments shall be as
 17.27 determined under subdivision 46d.

17.28 ~~(l)~~ (m) The portion related to special dietary needs shall be the per diem amount
 17.29 determined under subdivision 51b.

17.30 ~~(m)~~ (n) The payment rate for external fixed costs shall be the sum of the amounts in
 17.31 paragraphs (a) to ~~(l)~~ (m).

17.32 Sec. 18. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 66,
 17.33 is amended to read:

445.20 Sec. 6. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 66,
 445.21 is amended to read:

445.22 Subd. 66. **Nursing facilities in border cities.** (a) Rate increases under this section
 445.23 for a facility located in Breckenridge are effective for the rate year beginning January 1,
 445.24 2016, and annually thereafter. Rate increases under this section for a facility located in
 445.25 Moorhead are effective for the rate year beginning January 1, 2020, and annually thereafter.

445.26 (b) Operating payment rates of a nonprofit nursing facility that exists on January 1,
 445.27 2015, is located anywhere within the boundaries of the city of Breckenridge or Moorhead,
 445.28 and is reimbursed under this section, section 256B.431, or section 256B.434, shall be
 445.29 adjusted to be equal to the median RUG's rates, including comparable rate components as
 445.30 determined by the commissioner, for the equivalent RUG's weight of the nonprofit nursing
 445.31 facility or facilities located in an adjacent city in another state and in cities contiguous
 445.32 to the adjacent city. The commissioner must make the comparison required under this
 445.33 subdivision on October 1 of each year. The adjustment under this subdivision applies to
 445.34 the rates effective on the following January 1.

446.1 (c) The Minnesota facility's operating payment rate with a weight of 1.0 shall be
 446.2 computed by dividing the adjacent city's nursing facilities median operating payment rate
 446.3 with a weight of 1.02 by 1.02. ~~If the adjustments under this subdivision result in a rate that~~
 446.4 ~~exceeds the limits in subdivisions 50 and 51 in a given rate year, the facility's rate shall~~
 446.5 ~~not be subject to those limits for that rate year. If a facility's rate is increased under this~~
 446.6 ~~subdivision, the facility is not subject to the total care-related limit in subdivision 50 and is~~
 446.7 ~~not limited to the other operating price established in subdivision 51. This subdivision~~
 446.8 ~~shall apply only if it results in a higher operating payment rate than would otherwise be~~
 446.9 ~~determined under this section, section 256B.431, or section 256B.434.~~

446.10 Sec. 7. Minnesota Statutes 2014, section 256B.4912, is amended by adding a
 446.11 subdivision to read:

446.12 Subd. 11. **Annual data submission.** (a) In a manner determined by the
 446.13 commissioner, home and community-based services waiver providers enrolled under this
 446.14 section shall submit data to the commissioner on the following:

446.15 (1) wages of workers;

446.16 (2) benefits paid;

446.17 (3) staff retention rates;

446.18 (4) amount of overtime paid;

446.19 (5) amount of travel time paid;

446.20 (6) vacancy rates; and

446.21 (7) other data elements determined by the commissioner.

446.22 (b) The commissioner may adjust reporting requirements for an individual
 446.23 self-employed worker.

17.34 Subd. 66. **Nursing facilities in border cities.** (a) Rate increases under this section
 17.35 for a facility located in Breckenridge are effective for the rate year beginning January 1,
 18.1 2016, and annually thereafter. Rate increases under this section for a facility located in
 18.2 Moorhead are effective for the rate year beginning January 1, 2020, and annually thereafter.

18.3 (b) Operating payment rates of a nonprofit nursing facility that exists on January
 18.4 1, 2015, is located anywhere within the boundaries of the city cities of Breckenridge or
 18.5 Moorhead, and is reimbursed under this section, section 256B.431, or section 256B.434,
 18.6 shall be adjusted to be equal to the median RUG's rates, including comparable rate
 18.7 components as determined by the commissioner, for the equivalent RUG's weight of the
 18.8 nonprofit nursing facility or facilities located in an adjacent city in another state and in
 18.9 cities contiguous to the adjacent city. The commissioner must make the comparison
 18.10 required under this subdivision on October 1 of each year. The adjustment under this
 18.11 subdivision applies to the rates effective on the following January 1.

18.12 (c) The Minnesota facility's operating payment rate with a weight of 1.0 shall be
 18.13 computed by dividing the adjacent city's nursing facilities median operating payment rate
 18.14 with a weight of 1.02 by 1.02. ~~If the adjustments under this subdivision result in a rate that~~
 18.15 ~~exceeds the limits in subdivisions 50 and 51 in a given rate year, the facility's rate shall~~
 18.16 ~~not be subject to those limits for that rate year. If a facility's rate is increased under this~~
 18.17 ~~subdivision, the facility is not subject to the total care-related limit in subdivision 50 and is~~
 18.18 ~~not limited to the other operating price established in subdivision 51. This subdivision~~
 18.19 ~~shall apply only if it results in a higher operating payment rate than would otherwise be~~
 18.20 ~~determined under this section, section 256B.431, or section 256B.434.~~

446.24 (c) This subdivision also applies to a provider of personal care assistance services
446.25 under section 256B.0625, subdivision 19a; community first services and supports under
446.26 section 256B.85; consumer support grants under section 256.476; nursing services and
446.27 home health services under section 256B.0625, subdivision 6a; home care nursing
446.28 services under section 256B.0625, subdivision 7; intermediate care facilities for persons
446.29 with developmental disabilities under section 256B.501; and day training and habilitation
446.30 providers serving residents of intermediate care facilities for persons with developmental
446.31 disabilities under section 256B.501.

446.32 (d) This data shall be submitted annually each calendar year on a date specified by
446.33 the commissioner. The commissioner shall give a provider at least 30 calendar days to
446.34 submit the data. Failure to submit the data requested may result in delays to medical
446.35 assistance reimbursement.

447.1 (e) Individually identifiable data submitted to the commissioner in this section are
447.2 considered private data on an individual, as defined by section 13.02, subdivision 12.

447.3 (f) The commissioner shall analyze data annually for workforce assessments and its
447.4 impact on service access.

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

447.6 Sec. 8. Minnesota Statutes 2015 Supplement, section 256B.4913, subdivision 4a,
447.7 is amended to read:

447.8 Subd. 4a. **Rate stabilization adjustment.** (a) For purposes of this subdivision,
447.9 "implementation period" means the period beginning January 1, 2014, and ending on
447.10 the last day of the month in which the rate management system is populated with the
447.11 data necessary to calculate rates for substantially all individuals receiving home and
447.12 community-based waiver services under sections 256B.092 and 256B.49. "Banding
447.13 period" means the time period beginning on January 1, 2014, and ending upon the
447.14 expiration of the 12-month period defined in paragraph (c), clause (5).

447.15 (b) For purposes of this subdivision, the historical rate for all service recipients means
447.16 the individual reimbursement rate for a recipient in effect on December 1, 2013, except that:

447.17 (1) for a day service recipient who was not authorized to receive these waiver
447.18 services prior to January 1, 2014; added a new service or services on or after January 1,
447.19 2014; or changed providers on or after January 1, 2014, the historical rate must be the
447.20 weighted average authorized rate for the each provider number in the county of service,
447.21 effective December 1, 2013; or

447.22 (2) for a unit-based service with programming or a unit-based service without
447.23 programming recipient who was not authorized to receive these waiver services prior to
447.24 January 1, 2014; added a new service or services on or after January 1, 2014; or changed
447.25 providers on or after January 1, 2014, the historical rate must be the weighted average
447.26 authorized rate for each provider number in the county of service, effective December 1,
447.27 2013; or

447.28 (3) for residential service recipients who change providers on or after January 1,
447.29 2014, the historical rate must be set by each lead agency within their county aggregate
447.30 budget using their respective methodology for residential services effective December 1,
447.31 2013, for determining the provider rate for a similarly situated recipient being served by
447.32 that provider.

447.33 (c) The commissioner shall adjust individual reimbursement rates determined under
447.34 this section so that the unit rate is no higher or lower than:

447.35 (1) 0.5 percent from the historical rate for the implementation period;

448.1 (2) 0.5 percent from the rate in effect in clause (1), for the 12-month period

448.2 immediately following the time period of clause (1);

448.3 (3) 0.5 percent from the rate in effect in clause (2), for the 12-month period

448.4 immediately following the time period of clause (2);

448.5 (4) 1.0 percent from the rate in effect in clause (3), for the 12-month period

448.6 immediately following the time period of clause (3);

448.7 (5) 1.0 percent from the rate in effect in clause (4), for the 12-month period

448.8 immediately following the time period of clause (4); and

448.9 (6) no adjustment to the rate in effect in clause (5) for the 12-month period

448.10 immediately following the time period of clause (5). During this banding rate period, the

448.11 commissioner shall not enforce any rate decrease or increase that would otherwise result

448.12 from the end of the banding period. The commissioner shall, upon enactment, seek federal

448.13 approval for the addition of this banding period.

448.14 (d) The commissioner shall review all changes to rates that were in effect on

448.15 December 1, 2013, to verify that the rates in effect produce the equivalent level of spending

448.16 and service unit utilization on an annual basis as those in effect on October 31, 2013.

448.17 (e) By December 31, 2014, the commissioner shall complete the review in paragraph

448.18 (d), adjust rates to provide equivalent annual spending, and make appropriate adjustments.

448.19 (f) During the banding period, the Medicaid Management Information System

448.20 (MMIS) service agreement rate must be adjusted to account for change in an individual's

448.21 need. The commissioner shall adjust the Medicaid Management Information System

448.22 (MMIS) service agreement rate by:

448.23 (1) calculating a service rate under section 256B.4914, subdivision 6, 7, 8, or 9, for
448.24 the individual with variables reflecting the level of service in effect on December 1, 2013;

448.25 (2) calculating a service rate under section 256B.4914, subdivision 6, 7, 8, or
448.26 9, for the individual with variables reflecting the updated level of service at the time
448.27 of application; and

448.28 (3) adding to or subtracting from the Medicaid Management Information System
448.29 (MMIS) service agreement rate, the difference between the values in clauses (1) and (2).

448.30 (g) This subdivision must not apply to rates for recipients served by providers new
448.31 to a given county after January 1, 2014. Providers of personal supports services who also
448.32 acted as fiscal support entities must be treated as new providers as of January 1, 2014.

448.33 Sec. 9. Minnesota Statutes 2014, section 256B.4914, subdivision 5, is amended to read:

448.34 Subd. 5. **Base wage index and standard component values.** (a) The base wage
448.35 index is established to determine staffing costs associated with providing services to
449.1 individuals receiving home and community-based services. For purposes of developing
449.2 and calculating the proposed base wage, Minnesota-specific wages taken from job
449.3 descriptions and standard occupational classification (SOC) codes from the Bureau of
449.4 Labor Statistics as defined in the most recent edition of the Occupational Handbook must
449.5 be used. The base wage index must be calculated as follows:

449.6 (1) for residential direct care staff, the sum of:

449.7 (i) 15 percent of the subtotal of 50 percent of the median wage for personal and
449.8 home health aide (SOC code 39-9021); 30 percent of the median wage for nursing aide
449.9 (SOC code 31-1012); and 20 percent of the median wage for social and human services
449.10 aide (SOC code 21-1093); and

449.11 (ii) 85 percent of the subtotal of 20 percent of the median wage for home health aide
449.12 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
449.13 (SOC code 39-9021); 20 percent of the median wage for nursing aide (SOC code 31-1012);
449.14 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20
449.15 percent of the median wage for social and human services aide (SOC code 21-1093);

449.16 (2) for day services, 20 percent of the median wage for nursing aide (SOC code
449.17 31-1012); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
449.18 and 60 percent of the median wage for social and human services aide (SOC code 21-1093);

449.19 (3) for residential asleep-overnight staff, the wage will be \$7.66 per hour, except in
449.20 a family foster care setting, the wage is \$2.80 per hour;

449.21 (4) for behavior program analyst staff, 100 percent of the median wage for mental
449.22 health counselors (SOC code 21-1014);

449.23 (5) for behavior program professional staff, 100 percent of the median wage for
449.24 clinical counseling and school psychologist (SOC code 19-3031);

449.25 (6) for behavior program specialist staff, 100 percent of the median wage for
449.26 psychiatric technicians (SOC code 29-2053);

449.27 (7) for supportive living services staff, 20 percent of the median wage for nursing
449.28 aide (SOC code 31-1012); 20 percent of the median wage for psychiatric technician (SOC
449.29 code 29-2053); and 60 percent of the median wage for social and human services aide
449.30 (SOC code 21-1093);

449.31 (8) for housing access coordination staff, 50 percent of the median wage for
449.32 community and social services specialist (SOC code 21-1099); and 50 percent of the
449.33 median wage for social and human services aide (SOC code 21-1093);

449.34 (9) for in-home family support staff, 20 percent of the median wage for nursing
449.35 aide (SOC code 31-1012); 30 percent of the median wage for community social service
449.36 specialist (SOC code 21-1099); 40 percent of the median wage for social and human
450.1 services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric
450.2 technician (SOC code 29-2053);

450.3 (10) for independent living skills staff, 40 percent of the median wage for community
450.4 social service specialist (SOC code 21-1099); 50 percent of the median wage for social
450.5 and human services aide (SOC code 21-1093); and ten percent of the median wage for
450.6 psychiatric technician (SOC code 29-2053);

450.7 (11) for supported employment staff, 20 percent of the median wage for nursing aide
450.8 (SOC code 31-1012); 20 percent of the median wage for psychiatric technician (SOC
450.9 code 29-2053); and 60 percent of the median wage for social and human services aide
450.10 (SOC code 21-1093);

450.11 (12) for adult companion staff, 50 percent of the median wage for personal and home
450.12 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing aides,
450.13 orderlies, and attendants (SOC code 31-1012);

450.14 (13) for night supervision staff, 20 percent of the median wage for home health aide
450.15 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
450.16 (SOC code 39-9021); 20 percent of the median wage for nursing aide (SOC code 31-1012);
450.17 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20
450.18 percent of the median wage for social and human services aide (SOC code 21-1093);

450.19 (14) for respite staff, 50 percent of the median wage for personal and home care aide
450.20 (SOC code 39-9021); and 50 percent of the median wage for nursing aides, orderlies, and
450.21 attendants (SOC code 31-1012);

450.22 (15) for personal support staff, 50 percent of the median wage for personal and home
450.23 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing aides,
450.24 orderlies, and attendants (SOC code 31-1012);

450.25 (16) for supervisory staff, the basic wage is \$17.43 per hour with exception of the
450.26 supervisor of behavior analyst and behavior specialists, which must be \$30.75 per hour;

450.27 (17) for registered nurse, the basic wage is \$30.82 per hour; and
450.28 (18) for licensed practical nurse, the basic wage is \$18.64 per hour.
450.29 (b) Component values for residential support services are:
450.30 (1) supervisory span of control ratio: 11 percent;
450.31 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
450.32 (3) employee-related cost ratio: 23.6 percent;
450.33 (4) general administrative support ratio: 13.25 percent;
450.34 (5) program-related expense ratio: 1.3 percent; and
450.35 (6) absence and utilization factor ratio: 3.9 percent.
450.36 (c) Component values for family foster care are:
451.1 (1) supervisory span of control ratio: 11 percent;
451.2 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
451.3 (3) employee-related cost ratio: 23.6 percent;
451.4 (4) general administrative support ratio: 3.3 percent;
451.5 (5) program-related expense ratio: 1.3 percent; and
451.6 (6) absence factor: 1.7 percent.
451.7 (d) Component values for day services for all services are:
451.8 (1) supervisory span of control ratio: 11 percent;
451.9 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
451.10 (3) employee-related cost ratio: 23.6 percent;
451.11 (4) program plan support ratio: 5.6 percent;
451.12 (5) client programming and support ratio: ten percent;
451.13 (6) general administrative support ratio: 13.25 percent;
451.14 (7) program-related expense ratio: 1.8 percent; and
451.15 (8) absence and utilization factor ratio: 3.9 percent.
451.16 (e) Component values for unit-based services with programming are:
451.17 (1) supervisory span of control ratio: 11 percent;
451.18 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;

451.19 (3) employee-related cost ratio: 23.6 percent;

451.20 (4) program plan supports ratio: 3.1 percent;

451.21 (5) client programming and supports ratio: 8.6 percent;

451.22 (6) general administrative support ratio: 13.25 percent;

451.23 (7) program-related expense ratio: 6.1 percent; and

451.24 (8) absence and utilization factor ratio: 3.9 percent.

451.25 (f) Component values for unit-based services without programming except respite

451.26 are:

451.27 (1) supervisory span of control ratio: 11 percent;

451.28 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;

451.29 (3) employee-related cost ratio: 23.6 percent;

451.30 (4) program plan support ratio: 3.1 percent;

451.31 (5) client programming and support ratio: 8.6 percent;

451.32 (6) general administrative support ratio: 13.25 percent;

451.33 (7) program-related expense ratio: 6.1 percent; and

451.34 (8) absence and utilization factor ratio: 3.9 percent.

451.35 (g) Component values for unit-based services without programming for respite are:

451.36 (1) supervisory span of control ratio: 11 percent;

452.1 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;

452.2 (3) employee-related cost ratio: 23.6 percent;

452.3 (4) general administrative support ratio: 13.25 percent;

452.4 (5) program-related expense ratio: 6.1 percent; and

452.5 (6) absence and utilization factor ratio: 3.9 percent.

452.6 (h) On July 1, 2017, the commissioner shall update the base wage index in paragraph

452.7 (a) based on the wage data by standard occupational code (SOC) from the Bureau of

452.8 Labor Statistics available on December 31, 2016. The commissioner shall publish these

452.9 updated values and load them into the rate management system. This adjustment occurs

452.10 every five years. For adjustments in 2021 and beyond, the commissioner shall use the data

452.11 available on December 31 of the calendar year five years prior.

452.12 (i) On July 1, 2017, the commissioner shall update the framework components in
452.13 paragraphs (b) to (g); subdivision 6, clauses (8) and (9); and subdivision 7, clauses (16) and
452.14 (17), for changes in the Consumer Price Index. The commissioner will adjust these values
452.15 higher or lower by the percentage change in the Consumer Price Index-All Items, United
452.16 States city average (CPI-U) from January 1, 2014, to January 1, 2017. The commissioner
452.17 shall publish these updated values and load them into the rate management system. This
452.18 adjustment occurs every five years. For adjustments in 2021 and beyond, the commissioner
452.19 shall use the data available on January 1 of the calendar year four years prior and January
452.20 1 of the current calendar year. No later than January 15, 2017, the commissioner shall
452.21 make recommendations for the incorporation of the cost of licensing fees as specified
452.22 under section 245A.10, subdivision 4, paragraph (m), into the rate framework.

452.23 Sec. 10. Minnesota Statutes 2015 Supplement, section 256B.4914, subdivision 10,
452.24 is amended to read:

452.25 Subd. 10. **Updating payment values and additional information.** (a) From
452.26 January 1, 2014, through December 31, 2017, the commissioner shall develop and
452.27 implement uniform procedures to refine terms and adjust values used to calculate payment
452.28 rates in this section.

452.29 (b) No later than July 1, 2014, the commissioner shall, within available resources,
452.30 begin to conduct research and gather data and information from existing state systems or
452.31 other outside sources on the following items:

452.32 (1) differences in the underlying cost to provide services and care across the state; and

452.33 (2) mileage, vehicle type, lift requirements, incidents of individual and shared rides,
452.34 and units of transportation for all day services, which must be collected from providers
452.35 using the rate management worksheet and entered into the rates management system; and

453.1 (3) the distinct underlying costs for services provided by a license holder under
453.2 sections 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services
453.3 provided by a license holder certified under section 245D.33.

453.4 (c) Using a statistically valid set of rates management system data, the commissioner,
453.5 in consultation with stakeholders, shall analyze for each service the average difference
453.6 in the rate on December 31, 2013, and the framework rate at the individual, provider,
453.7 lead agency, and state levels. The commissioner shall issue semiannual reports to the
453.8 stakeholders on the difference in rates by service and by ~~county~~ lead agency during the
453.9 banding period under section 256B.4913, subdivision 4a. The commissioner shall issue
453.10 the first report by October 1, 2014.

453.11 (d) No later than July 1, 2014, the commissioner, in consultation with stakeholders,
453.12 shall begin the review and evaluation of the following values already in subdivisions 6 to
453.13 9, or issues that impact all services, including, but not limited to:

453.14 (1) values for transportation rates for day services;

- 453.15 (2) values for transportation rates in residential services;
- 453.16 (3) values for services where monitoring technology replaces staff time;
- 453.17 (4) values for indirect services;
- 453.18 (5) values for nursing;
- 453.19 (6) component values for independent living skills;
- 453.20 (7) component values for family foster care that reflect licensing requirements;
- 453.21 (8) adjustments to other components to replace the budget neutrality factor;
- 453.22 (9) remote monitoring technology for nonresidential services;
- 453.23 (10) values for basic and intensive services in residential services;
- 453.24 (11) values for the facility use rate in day services, and the weightings used in the
- 453.25 day service ratios and adjustments to those weightings;
- 453.26 (12) values for workers' compensation as part of employee-related expenses;
- 453.27 (13) values for unemployment insurance as part of employee-related expenses;
- 453.28 (14) a component value to reflect costs for individuals with rates previously adjusted
- 453.29 for the inclusion of group residential housing rate 3 costs, only for any individual enrolled
- 453.30 as of December 31, 2013; and
- 453.31 (15) any changes in state or federal law with an impact on the underlying cost of
- 453.32 providing home and community-based services.
- 453.33 (e) The commissioner shall report to the chairs and the ranking minority members of
- 453.34 the legislative committees and divisions with jurisdiction over health and human services
- 453.35 policy and finance with the information and data gathered under paragraphs (b) to (d)
- 453.36 on the following dates:
- 454.1 (1) January 15, 2015, with preliminary results and data;
- 454.2 (2) January 15, 2016, with a status implementation update, and additional data
- 454.3 and summary information;
- 454.4 (3) January 15, 2017, with the full report; and
- 454.5 (4) January 15, 2019, with another full report, and a full report once every four
- 454.6 years thereafter.
- 454.7 (f) Based on the commissioner's evaluation of the information and data collected in
- 454.8 paragraphs (b) to (d), the commissioner shall make recommendations to the legislature by
- 454.9 January 15, 2015, to address any issues identified during the first year of implementation.
- 454.10 After January 15, 2015, the commissioner may make recommendations to the legislature
- 454.11 to address potential issues.

454.12 (g) The commissioner shall implement a regional adjustment factor to all rate
454.13 calculations in subdivisions 6 to 9, effective no later than January 1, 2015. Prior to
454.14 implementation, the commissioner shall consult with stakeholders on the methodology to
454.15 calculate the adjustment.

454.16 (h) The commissioner shall provide a public notice via LISTSERV in October of
454.17 each year beginning October 1, 2014, containing information detailing legislatively
454.18 approved changes in:

454.19 (1) calculation values including derived wage rates and related employee and
454.20 administrative factors;

454.21 (2) service utilization;

454.22 (3) ~~county and tribal~~ lead agency allocation changes; and

454.23 (4) information on adjustments made to calculation values and the timing of those
454.24 adjustments.

454.25 The information in this notice must be effective January 1 of the following year.

454.26 (i) No later than July 1, 2016, the commissioner shall develop and implement, in
454.27 consultation with stakeholders, a methodology sufficient to determine the shared staffing
454.28 levels necessary to meet, at a minimum, health and welfare needs of individuals who
454.29 will be living together in shared residential settings, and the required shared staffing
454.30 activities described in subdivision 2, paragraph (l). This determination methodology must
454.31 ensure staffing levels are adaptable to meet the needs and desired outcomes for current and
454.32 prospective residents in shared residential settings.

454.33 (j) When the available shared staffing hours in a residential setting are insufficient to
454.34 meet the needs of an individual who enrolled in residential services after January 1, 2014,
454.35 or insufficient to meet the needs of an individual with a service agreement adjustment
455.1 described in section 256B.4913, subdivision 4a, paragraph (f), then individual staffing
455.2 hours shall be used.

455.3 Sec. 11. Minnesota Statutes 2014, section 256B.4914, subdivision 11, is amended to
455.4 read:

455.5 Subd. 11. **Payment implementation.** Upon implementation of the payment
455.6 methodologies under this section, those payment rates supersede rates established in
455.7 ~~county lead agency~~ contracts for recipients receiving waiver services under section
455.8 256B.092 or 256B.49.

455.9 Sec. 12. Minnesota Statutes 2015 Supplement, section 256B.4914, subdivision 14,
455.10 is amended to read:

455.11 Subd. 14. **Exceptions.** (a) In a format prescribed by the commissioner, lead
455.12 agencies must identify individuals with exceptional needs that cannot be met under the
455.13 disability waiver rate system. The commissioner shall use that information to evaluate
455.14 and, if necessary, approve an alternative payment rate for those individuals. Whether
455.15 granted, denied, or modified, the commissioner shall respond to all exception requests in
455.16 writing. The commissioner shall include in the written response the basis for the action
455.17 and provide notification of the right to appeal under paragraph (h).

455.18 (b) Lead agencies must act on an exception request within 30 days and notify the
455.19 initiator of the request of their recommendation in writing. A lead agency shall submit all
455.20 exception requests along with its recommendation to the commissioner.

455.21 (c) An application for a rate exception may be submitted for the following criteria:

455.22 (1) an individual has service needs that cannot be met through additional units
455.23 of service;

455.24 (2) an individual's rate determined under subdivisions 6, 7, 8, and 9 is so insufficient
455.25 that it has resulted in an individual receiving a notice of discharge from the individual's
455.26 provider; ~~or~~

455.27 (3) an individual's service needs, including behavioral changes, require a level of
455.28 service which necessitates a change in provider or which requires the current provider to
455.29 propose service changes beyond those currently authorized; or

455.30 (4) an individual's service needs cannot be met through a weighted county average
455.31 rate as defined in section 256B.4913, subdivision 4a.

455.32 (d) Exception requests must include the following information:

455.33 (1) the service needs required by each individual that are not accounted for in
455.34 subdivisions 6, 7, 8, and 9;

456.1 (2) the service rate requested and the difference from the rate determined in
456.2 subdivisions 6, 7, 8, and 9;

456.3 (3) a basis for the underlying costs used for the rate exception and any accompanying
456.4 documentation; and

456.5 (4) any contingencies for approval.

456.6 (e) Approved rate exceptions shall be managed within lead agency allocations under
456.7 sections 256B.092 and 256B.49.

456.8 (f) Individual disability waiver recipients, an interested party, or the license holder
456.9 that would receive the rate exception increase may request that a lead agency submit an
456.10 exception request. A lead agency that denies such a request shall notify the individual
456.11 waiver recipient, interested party, or license holder of its decision and the reasons for
456.12 denying the request in writing no later than 30 days after the request has been made and
456.13 shall submit its denial to the commissioner in accordance with paragraph (b). The reasons
456.14 for the denial must be based on the failure to meet the criteria in paragraph (c).

456.15 (g) The commissioner shall determine whether to approve or deny an exception
456.16 request no more than 30 days after receiving the request. If the commissioner denies the
456.17 request, the commissioner shall notify the lead agency and the individual disability waiver
456.18 recipient, the interested party, and the license holder in writing of the reasons for the denial.

456.19 (h) The individual disability waiver recipient may appeal any denial of an exception
456.20 request by either the lead agency or the commissioner, pursuant to sections 256.045 and
456.21 256.0451. When the denial of an exception request results in the proposed demission of a
456.22 waiver recipient from a residential or day habilitation program, the commissioner shall
456.23 issue a temporary stay of demission, when requested by the disability waiver recipient,
456.24 consistent with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c).
456.25 The temporary stay shall remain in effect until the lead agency can provide an informed
456.26 choice of appropriate, alternative services to the disability waiver.

456.27 (i) Providers may petition lead agencies to update values that were entered
456.28 incorrectly or erroneously into the rate management system, based on past service level
456.29 discussions and determination in subdivision 4, without applying for a rate exception.

456.30 (j) The starting date for the rate exception will be the later of the date of the
456.31 recipient's change in support or the date of the request to the lead agency for an exception.

456.32 (k) The commissioner shall track all exception requests received and their
456.33 dispositions. The commissioner shall issue quarterly public exceptions statistical reports,
456.34 including the number of exception requests received and the numbers granted, denied,
456.35 withdrawn, and pending. The report shall include the average amount of time required to
456.36 process exceptions.

457.1 (l) No later than January 15, 2016, the commissioner shall provide research
457.2 findings on the estimated fiscal impact, the primary cost drivers, and common population
457.3 characteristics of recipients with needs that cannot be met by the framework rates.

457.4 (m) No later than July 1, 2016, the commissioner shall develop and implement,
457.5 in consultation with stakeholders, a process to determine eligibility for rate exceptions
457.6 for individuals with rates determined under the methodology in section 256B.4913,
457.7 subdivision 4a. Determination of eligibility for an exception will occur as annual service
457.8 renewals are completed.

457.9 (n) Approved rate exceptions will be implemented at such time that the individual's
 457.10 rate is no longer banded and remain in effect in all cases until an individual's needs change
 457.11 as defined in paragraph (c).

457.12 Sec. 13. Minnesota Statutes 2015 Supplement, section 256B.4914, subdivision 15,
 457.13 is amended to read:

457.14 Subd. 15. ~~County or tribal~~ **Lead agency allocations.** (a) Upon implementation of
 457.15 the disability waiver rates management system on January 1, 2014, the commissioner shall
 457.16 establish a method of tracking and reporting the fiscal impact of the disability waiver rates
 457.17 management system on individual lead agencies.

457.18 (b) Beginning January 1, 2014, the commissioner shall make annual adjustments to
 457.19 lead agencies' home and community-based waived service budget allocations to adjust
 457.20 for rate differences and the resulting impact on ~~county~~ lead agency allocations upon
 457.21 implementation of the disability waiver rates system.

457.22 (c) Lead agencies exceeding their allocations shall be subject to the provisions under
 457.23 sections 256B.0916, subdivision 11, and 256B.49, subdivision 26.

457.24 Sec. 14. **PROVIDER RATE AND GRANT INCREASES EFFECTIVE JULY**
 457.25 **1, 2016.**

457.26 (a) The commissioner of human services shall increase reimbursement rates, grants,
 457.27 allocations, individual limits, and rate limits, as applicable, by 2.72 percent for the rate
 457.28 period beginning July 1, 2016, for services rendered on or after that date. County or tribal
 457.29 contracts for services specified in this section must be amended to pass through with these
 457.30 rate increases within 60 days of the effective date.

457.31 (b) The rate changes described in this section must be provided to:

457.32 (1) the following services within the home and community-based waiver for persons
 457.33 with developmental disabilities under Minnesota Statutes, section 256B.092: extended
 457.34 personal care, personal support, chore, respite care services except for crisis respite
 458.1 services, homemaker cleaning services, and consumer-directed community supports
 458.2 budgets;

458.3 (2) the following services within the community access for disability inclusion
 458.4 waiver under Minnesota Statutes, section 256B.49: extended personal care, chore, respite
 458.5 care services, homemaker cleaning services, and consumer-directed community supports
 458.6 budgets;

458.7 (3) the following services within the community alternative care waiver under
 458.8 Minnesota Statutes, section 256B.49: extended personal care, chore, respite care services,
 458.9 homemaker cleaning services, and consumer-directed community supports budgets;

- 458.10 (4) the following services within the brain injury waiver under Minnesota Statutes,
458.11 section 256B.49: extended personal care, chore, respite care services, homemaker
458.12 cleaning services, and consumer-directed community supports budgets;
- 458.13 (5) the following services within the elderly waiver under Minnesota Statutes,
458.14 section 256B.0915: extended personal care, companion, chore, respite care services,
458.15 homemaker cleaning services, and consumer-directed community supports budgets;
- 458.16 (6) the following services within the alternative care program under Minnesota
458.17 Statutes, section 256B.0913: personal care, companion, chore, respite care services,
458.18 homemaker cleaning services, and consumer-directed community supports budgets;
- 458.19 (7) personal care services and qualified professional supervision of personal care
458.20 services under Minnesota Statutes, section 256B.0625, subdivision 6a or 19a; and
- 458.21 (8) consumer support grants under Minnesota Statutes, section 256.476.
- 458.22 (c) A managed care plan or county-based purchasing plan receiving state payments
458.23 for the services in paragraph (b) must include the increases in paragraph (a) in payments
458.24 to providers. To implement the rate increase in this section, capitation rates paid by the
458.25 commissioner to managed care organizations under Minnesota Statutes, section 256B.69,
458.26 shall reflect a 2.72 percent increase for the specified services provided on or after July
458.27 1, 2016.
- 458.28 (d) Counties and tribes shall increase the budget for each recipient of
458.29 consumer-directed community supports by the amounts in paragraph (a) on the effective
458.30 dates in paragraph (a).
- 458.31 (e) To implement the provisions of this section, the commissioner shall increase
458.32 applicable service rates in the disability waiver payment system authorized in Minnesota
458.33 Statutes, sections 256B.4913 and 256B.4914.
- 458.34 (f) A provider that receives a rate adjustment under paragraph (a) shall use 90
458.35 percent of the additional revenue to increase compensation-related costs for employees
458.36 directly employed by the program on or after July 1, 2016, except:
- 459.1 (1) persons employed in the central office of a corporation or entity that has an
459.2 ownership interest in the provider or exercises control over the provider; and
- 459.3 (2) persons paid by the provider under a management contract.
- 459.4 (g) Compensation-related costs include:
- 459.5 (1) wages and salaries, including overtime and travel time;
- 459.6 (2) the employer's share of FICA taxes, Medicare taxes, state and federal
459.7 unemployment taxes, workers' compensation, and mileage reimbursement;

459.8 (3) the employer's share of health and dental insurance, life insurance, disability
459.9 insurance, long-term care insurance, uniform allowance, pensions, and contributions to
459.10 employee retirement accounts; and

459.11 (4) other employee benefits provided, such as training of employees, as specified in
459.12 the distribution plan and required under paragraph (i) and approved by the commissioner.

459.13 (h) Nothing in this subdivision prevents a provider as an employer from allocating the
459.14 increase in revenues across the eligible compensation-related costs listed in paragraph (g).

459.15 (i) For a provider that has employees who are represented by an exclusive bargaining
459.16 representative, the provider shall obtain a letter of acceptance of the distribution plan
459.17 required under paragraph (j) for the members of the bargaining unit, signed by the
459.18 exclusive bargaining agent. Upon receipt of the letter of acceptance, the provider shall be
459.19 deemed to have met all the requirements of this section for the members of the bargaining
459.20 unit. Upon request, the provider shall produce a letter of acceptance for the commissioner.

459.21 (j) A provider that receives a rate adjustment under paragraph (a) that is subject to
459.22 paragraph (f) shall prepare and, upon request, submit to the commissioner a distribution
459.23 plan that specifies the amount of money that is subject to the requirements of paragraph (f)
459.24 the provider expects to receive, including the amount of money that will be distributed
459.25 to increase compensation for employees. The distribution plan must also include the
459.26 provider's policy for scheduling overtime. The provider's policy must not limit the
459.27 scheduling of overtime hours where an individual's service needs are unmet without a
459.28 worker exceeding 40 hours per week of work, consistent with the monthly work-hour limit
459.29 under Minnesota Statutes, section 256B.0659, subdivision 11, paragraph (a), clause (10),
459.30 and the service recipient's authorized hours. The provider's overtime scheduling policy
459.31 must provide for a process that reliably and expeditiously provides services to recipients.

459.32 (k) Within six months of the effective date of the rate adjustment, the provider shall
459.33 post the distribution plan required under paragraph (j) for a period of at least six weeks in
459.34 an area of the provider's operation to which all eligible employees have access and shall
459.35 provide instructions for employees who do not believe they received the wage and other
459.36 compensation-related increases specified in the distribution plan. The instructions must
460.1 include a mailing address, e-mail address, and telephone number that the employees may
460.2 use to contact the commissioner or the commissioner's representative.

460.3 **EFFECTIVE DATE.** This section is effective July 1, 2016.

460.4 Sec. 15. **INSTRUCTION TO THE COMMISSIONER.**

460.5 The commissioner shall amend the medical assistance state plan for the EIDBI
460.6 benefit, authorized under Minnesota Statutes, section 256B.0949, to reference relevant
460.7 statutory sections. When duplicative of statutory language, the commissioner shall remove
460.8 the language from the state plan.

18.21 Sec. 19. **EMPLOYMENT SERVICES PILOT PROJECT; DAKOTA COUNTY.**

18.22 (a) Within available appropriations, the commissioner of human services shall
18.23 request, by October 1, 2016, necessary federal authority from the Centers for Medicare
18.24 and Medicaid Services to implement a community-based employment services pilot
18.25 project in Dakota County. The pilot project must be available to people who are receiving
18.26 services through home and community-based waivers authorized under Minnesota
18.27 Statutes, sections 256B.092 and 256B.49, using a rate methodology consistent with the
18.28 principles under Minnesota Statutes, section 256B.4914.

18.29 (b) Dakota County shall be:

18.30 (1) responsible for any portion of the state match of waiver expenses above the
18.31 established disability waiver rates under Minnesota Statutes, section 256B.4914; and

18.32 (2) allocated resources for supportive employment services incurred by the use of
18.33 employment exploration services, employment development services, and employment
18.34 support services in Dakota County for Dakota County residents.

19.1 (c) The pilot project must provide the following employment services to people
19.2 receiving services through the home and community-based services waivers authorized
19.3 under Minnesota Statutes, sections 256B.092 and 256B.49:

19.4 (1) "employment exploration services" defined as community-based orientation
19.5 services that introduce a person to competitive employment opportunities in their
19.6 community through individualized educational activities, learning opportunities, work
19.7 experiences, and support services that result in the person making an informed decision
19.8 about working in competitively paying jobs in community businesses;

19.9 (2) "employment development services" defined as individualized services that
19.10 actively support a person to achieve paid employment in his or her community by assisting
19.11 the person with finding paid employment, becoming self-employed, or establishing
19.12 microenterprise businesses in the community; and

19.13 (3) "employment support services" defined as individualized services and supports
19.14 that assist people with maintaining competitive, integrated employment by providing a
19.15 broad range of training, coaching, and support strategies that not only assist individuals
19.16 and work groups employed in paid job positions, but also support people working in
19.17 self-employment opportunities and microenterprise businesses with all aspects of effective
19.18 business operations. Employment support services must be provided in integrated
19.19 community settings.

19.20 (d) The commissioner of human services shall consult with Dakota County on
19.21 this pilot project and report the results of the project to the chairs and ranking minority
19.22 members of the legislative committees with jurisdiction over human services policy and
19.23 finance by January 15, 2019.

19.24 **EFFECTIVE DATE.** This section is effective July 1, 2016, or upon federal
19.25 approval, whichever is later, and expires on January 15, 2019. The commissioner of
19.26 human services shall notify the revisor of statutes when federal approval is obtained.

460.9 Sec. 16. **REVISOR'S INSTRUCTION.**

460.10 The revisor of statutes shall codify Laws 2015, chapter 71, article 7, section 55, as

460.11 Minnesota Statutes, section 256B.0921.

19.27 Sec. 20. **REVISOR'S INSTRUCTION.**

19.28 The revisor of statutes, in consultation with the Department of Human Services,
19.29 shall change the cross-references in Minnesota Rules, chapters 2960, 9503, and 9525,
19.30 resulting from the repealer adopted in rules found at 40 State Register 179. The revisor
19.31 may make technical and other necessary changes to sentence structure to preserve the
19.32 meaning of the text.

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