

1.1 ..... moves to amend H.F. No. 4571 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 DEPARTMENT OF HUMAN SERVICES HEALTH CARE FINANCE

1.5 Section 1. [62V.12] STATE-FUNDED COST-SHARING REDUCTIONS.

1.6 Subdivision 1. Establishment. (a) The board must develop and administer a state-funded  
1.7 cost-sharing reduction program for eligible persons who enroll in a silver level qualified  
1.8 health plan through MNsure. The board must implement the cost-sharing reduction program  
1.9 for plan years beginning on or after January 1, 2027.

1.10 (b) For purposes of this section, an "eligible person" is an individual who meets the  
1.11 eligibility criteria to receive a cost-sharing reduction under Code of Federal Regulations,  
1.12 title 45, section 155.305(g).

1.13 Subd. 2. Reduction in cost-sharing. The cost-sharing reduction program must use state  
1.14 funds to reduce enrollee cost-sharing by increasing the actuarial value of silver level health  
1.15 plans for eligible persons beyond the 73 percent value established in Code of Federal  
1.16 Regulations, title 45, section 156.420(a)(3)(ii), to an actuarial value of 87 percent.

1.17 Subd. 3. Administration. The board, when administering the program, must:

1.18 (1) allow eligible persons to enroll in a silver level health plan with a state-funded  
1.19 cost-sharing reduction;

1.20 (2) modify the MNsure shopping tool to display the total cost-sharing reduction benefit  
1.21 available to individuals eligible under this section; and

1.22 (3) reimburse health carriers on a quarterly basis for the cost to the health plan providing  
1.23 the state-funded cost-sharing reductions.

2.1 Sec. 2. Minnesota Statutes 2023 Supplement, section 256.9631, subdivision 1, is amended  
2.2 to read:

2.3 Subdivision 1. **Direction to the commissioner.** (a) The commissioner shall develop an  
2.4 implementation plan for a direct payment system to deliver services to eligible individuals  
2.5 in order to achieve better health outcomes and reduce the cost of health care for the state.  
2.6 Under this system, eligible individuals must receive services through the medical assistance  
2.7 fee-for-service system, county-based purchasing plans, or county-owned health maintenance  
2.8 organizations. The commissioner shall present an implementation plan for the direct payment  
2.9 system to the chairs and ranking minority members of the legislative committees with  
2.10 jurisdiction over health care finance and policy by January 15, ~~2026~~ 2025. The commissioner  
2.11 may contract for technical assistance in developing the implementation plan and conducting  
2.12 related studies and analyses.

2.13 (b) For the purposes of the direct payment system, the commissioner shall make the  
2.14 following assumptions:

2.15 (1) health care providers are reimbursed directly for all medical assistance covered  
2.16 services provided to eligible individuals, using the fee-for-service payment methods specified  
2.17 in chapters 256, 256B, 256R, and 256S;

2.18 (2) payments to a qualified hospital provider are equivalent to the payments that would  
2.19 have been received based on managed care direct payment arrangements. If necessary, a  
2.20 qualified hospital provider may use a county-owned health maintenance organization to  
2.21 receive direct payments as described in section 256B.1973; and

2.22 (3) county-based purchasing plans and county-owned health maintenance organizations  
2.23 must be reimbursed at the capitation rate determined under sections 256B.69 and 256B.692.

2.24 Sec. 3. Minnesota Statutes 2022, section 256.9657, is amended by adding a subdivision  
2.25 to read:

2.26 Subd. 2a. **Teaching hospital surcharge.** (a) Each teaching hospital shall pay to the  
2.27 medical assistance account a surcharge equal to 0.01 percent of net non-Medicare patient  
2.28 care revenue. The initial surcharge must be paid 60 days after both this subdivision and  
2.29 section 256.969, subdivision 2g, have received federal approval, and subsequent surcharge  
2.30 payments must be made annually in the form and manner specified by the commissioner.

2.31 (b) Revenue from the surcharge shall be used by the commissioner only to pay the  
2.32 nonfederal share of the medical assistance supplemental payments described in section  
2.33 256.969, subdivision 2g, and shall be used to supplement, and not supplant, medical

3.1 assistance reimbursement to teaching hospitals. The surcharge must comply with Code of  
3.2 Federal Regulations, title 42, section 433.63.

3.3 (c) For purposes of this subdivision, "teaching hospital" means any Minnesota hospital,  
3.4 except facilities of the federal Indian Health Service and regional treatment centers, with a  
3.5 Centers for Medicare and Medicaid Services designation of "teaching hospital" as reported  
3.6 on form CMS-2552-10, worksheet S-2, line 56, that is eligible for reimbursement under  
3.7 section 256.969, subdivision 2g.

3.8 **EFFECTIVE DATE.** This section is effective January 1, 2025; or upon federal approval  
3.9 of this section, the amendment in this act to Minnesota Statutes, section 256.969, subdivision  
3.10 2b, and Minnesota Statutes, section 256.969, subdivision 2g; whichever is later. The  
3.11 commissioner of human services shall notify the revisor of statutes when federal approval  
3.12 is obtained.

3.13 Sec. 4. Minnesota Statutes 2023 Supplement, section 256.969, subdivision 2b, is amended  
3.14 to read:

3.15 Subd. 2b. **Hospital payment rates.** (a) For discharges occurring on or after November  
3.16 1, 2014, hospital inpatient services for hospitals located in Minnesota shall be paid according  
3.17 to the following:

3.18 (1) critical access hospitals as defined by Medicare shall be paid using a cost-based  
3.19 methodology;

3.20 (2) long-term hospitals as defined by Medicare shall be paid on a per diem methodology  
3.21 under subdivision 25;

3.22 (3) rehabilitation hospitals or units of hospitals that are recognized as rehabilitation  
3.23 distinct parts as defined by Medicare shall be paid according to the methodology under  
3.24 subdivision 12; and

3.25 (4) all other hospitals shall be paid on a diagnosis-related group (DRG) methodology.

3.26 (b) For the period beginning January 1, 2011, through October 31, 2014, rates shall not  
3.27 be rebased, except that a Minnesota long-term hospital shall be rebased effective January  
3.28 1, 2011, based on its most recent Medicare cost report ending on or before September 1,  
3.29 2008, with the provisions under subdivisions 9 and 23, based on the rates in effect on  
3.30 December 31, 2010. For rate setting periods after November 1, 2014, in which the base  
3.31 years are updated, a Minnesota long-term hospital's base year shall remain within the same  
3.32 period as other hospitals.

4.1 (c) Effective for discharges occurring on and after November 1, 2014, payment rates  
4.2 for hospital inpatient services provided by hospitals located in Minnesota or the local trade  
4.3 area, except for the hospitals paid under the methodologies described in paragraph (a),  
4.4 clauses (2) and (3), shall be rebased, incorporating cost and payment methodologies in a  
4.5 manner similar to Medicare. The base year or years for the rates effective November 1,  
4.6 2014, shall be calendar year 2012. The rebasing under this paragraph shall be budget neutral,  
4.7 ensuring that the total aggregate payments under the rebased system are equal to the total  
4.8 aggregate payments that were made for the same number and types of services in the base  
4.9 year. Separate budget neutrality calculations shall be determined for payments made to  
4.10 critical access hospitals and payments made to hospitals paid under the DRG system. Only  
4.11 the rate increases or decreases under subdivision 3a or 3c that applied to the hospitals being  
4.12 rebased during the entire base period shall be incorporated into the budget neutrality  
4.13 calculation.

4.14 (d) For discharges occurring on or after November 1, 2014, through the next rebasing  
4.15 that occurs, the rebased rates under paragraph (c) that apply to hospitals under paragraph  
4.16 (a), clause (4), shall include adjustments to the projected rates that result in no greater than  
4.17 a five percent increase or decrease from the base year payments for any hospital. Any  
4.18 adjustments to the rates made by the commissioner under this paragraph and paragraph (e)  
4.19 shall maintain budget neutrality as described in paragraph (c).

4.20 (e) For discharges occurring on or after November 1, 2014, the commissioner may make  
4.21 additional adjustments to the rebased rates, and when evaluating whether additional  
4.22 adjustments should be made, the commissioner shall consider the impact of the rates on the  
4.23 following:

4.24 (1) pediatric services;

4.25 (2) behavioral health services;

4.26 (3) trauma services as defined by the National Uniform Billing Committee;

4.27 (4) transplant services;

4.28 (5) obstetric services, newborn services, and behavioral health services provided by  
4.29 hospitals outside the seven-county metropolitan area;

4.30 (6) outlier admissions;

4.31 (7) low-volume providers; and

4.32 (8) services provided by small rural hospitals that are not critical access hospitals.

5.1 (f) Hospital payment rates established under paragraph (c) must incorporate the following:

5.2 (1) for hospitals paid under the DRG methodology, the base year payment rate per  
5.3 admission is standardized by the applicable Medicare wage index and adjusted by the  
5.4 hospital's disproportionate population adjustment;

5.5 (2) for critical access hospitals, payment rates for discharges between November 1, 2014,  
5.6 and June 30, 2015, shall be set to the same rate of payment that applied for discharges on  
5.7 October 31, 2014;

5.8 (3) the cost and charge data used to establish hospital payment rates must only reflect  
5.9 inpatient services covered by medical assistance; and

5.10 (4) in determining hospital payment rates for discharges occurring on or after the rate  
5.11 year beginning January 1, 2011, through December 31, 2012, the hospital payment rate per  
5.12 discharge shall be based on the cost-finding methods and allowable costs of the Medicare  
5.13 program in effect during the base year or years. In determining hospital payment rates for  
5.14 discharges in subsequent base years, the per discharge rates shall be based on the cost-finding  
5.15 methods and allowable costs of the Medicare program in effect during the base year or  
5.16 years.

5.17 (g) The commissioner shall validate the rates effective November 1, 2014, by applying  
5.18 the rates established under paragraph (c), and any adjustments made to the rates under  
5.19 paragraph (d) or (e), to hospital claims paid in calendar year 2013 to determine whether the  
5.20 total aggregate payments for the same number and types of services under the rebased rates  
5.21 are equal to the total aggregate payments made during calendar year 2013.

5.22 (h) Effective for discharges occurring on or after July 1, 2017, and every two years  
5.23 thereafter, payment rates under this section shall be rebased to reflect only those changes  
5.24 in hospital costs between the existing base year or years and the next base year or years. In  
5.25 any year that inpatient claims volume falls below the threshold required to ensure a  
5.26 statistically valid sample of claims, the commissioner may combine claims data from two  
5.27 consecutive years to serve as the base year. Years in which inpatient claims volume is  
5.28 reduced or altered due to a pandemic or other public health emergency shall not be used as  
5.29 a base year or part of a base year if the base year includes more than one year. Changes in  
5.30 costs between base years shall be measured using the lower of the hospital cost index defined  
5.31 in subdivision 1, paragraph (a), or the percentage change in the case mix adjusted cost per  
5.32 claim. The commissioner shall establish the base year for each rebasing period considering  
5.33 the most recent year or years for which filed Medicare cost reports are available, except  
5.34 that the base years for the rebasing effective July 1, 2023, are calendar years 2018 and 2019.

6.1 The estimated change in the average payment per hospital discharge resulting from a  
6.2 scheduled rebasing must be calculated and made available to the legislature by January 15  
6.3 of each year in which rebasing is scheduled to occur, and must include by hospital the  
6.4 differential in payment rates compared to the individual hospital's costs.

6.5 (i) Effective for discharges occurring on or after July 1, 2015, inpatient payment rates  
6.6 for critical access hospitals located in Minnesota or the local trade area shall be determined  
6.7 using a new cost-based methodology. The commissioner shall establish within the  
6.8 methodology tiers of payment designed to promote efficiency and cost-effectiveness.

6.9 Payment rates for hospitals under this paragraph shall be set at a level that does not exceed  
6.10 the total cost for critical access hospitals as reflected in base year cost reports. Until the  
6.11 next rebasing that occurs, the new methodology shall result in no greater than a five percent  
6.12 decrease from the base year payments for any hospital, except a hospital that had payments  
6.13 that were greater than 100 percent of the hospital's costs in the base year shall have their  
6.14 rate set equal to 100 percent of costs in the base year. The rates paid for discharges on and  
6.15 after July 1, 2016, covered under this paragraph shall be increased by the inflation factor  
6.16 in subdivision 1, paragraph (a). The new cost-based rate shall be the final rate and shall not  
6.17 be settled to actual incurred costs. Hospitals shall be assigned a payment tier based on the  
6.18 following criteria:

6.19 (1) hospitals that had payments at or below 80 percent of their costs in the base year  
6.20 shall have a rate set that equals 85 percent of their base year costs;

6.21 (2) hospitals that had payments that were above 80 percent, up to and including 90  
6.22 percent of their costs in the base year shall have a rate set that equals 95 percent of their  
6.23 base year costs; and

6.24 (3) hospitals that had payments that were above 90 percent of their costs in the base year  
6.25 shall have a rate set that equals 100 percent of their base year costs.

6.26 (j) The commissioner may refine the payment tiers and criteria for critical access hospitals  
6.27 to coincide with the next rebasing under paragraph (h). The factors used to develop the new  
6.28 methodology may include, but are not limited to:

6.29 (1) the ratio between the hospital's costs for treating medical assistance patients and the  
6.30 hospital's charges to the medical assistance program;

6.31 (2) the ratio between the hospital's costs for treating medical assistance patients and the  
6.32 hospital's payments received from the medical assistance program for the care of medical  
6.33 assistance patients;

7.1 (3) the ratio between the hospital's charges to the medical assistance program and the  
7.2 hospital's payments received from the medical assistance program for the care of medical  
7.3 assistance patients;

7.4 (4) the statewide average increases in the ratios identified in clauses (1), (2), and (3);

7.5 (5) the proportion of that hospital's costs that are administrative and trends in  
7.6 administrative costs; and

7.7 (6) geographic location.

7.8 (k) Subject to section 256.969, subdivision 2g, paragraph (i), effective for discharges  
7.9 occurring on or after January 1, 2024, the rates paid to hospitals described in paragraph (a),  
7.10 clauses (2) to (4), must include a rate factor specific to each hospital that qualifies for a  
7.11 medical education and research cost distribution under section 62J.692, subdivision 4,  
7.12 paragraph (a).

7.13 **EFFECTIVE DATE.** This section is effective January 1, 2025; or upon federal approval  
7.14 of this section, Minnesota Statutes, section 256.969, subdivision 2g, and the teaching hospital  
7.15 surcharge described in Minnesota Statutes, section 256.9657, subdivision 2a; whichever is  
7.16 later. The commissioner of human services shall notify the revisor of statutes when federal  
7.17 approval is obtained.

7.18 Sec. 5. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to  
7.19 read:

7.20 **Subd. 2g. Annual supplemental payments; direct and indirect physician graduate**  
7.21 **medical education.** (a) For discharges occurring on or after January 1, 2025, the  
7.22 commissioner shall determine and pay annual supplemental payments to all eligible hospitals  
7.23 as provided in this subdivision for direct and indirect physician graduate medical education  
7.24 cost reimbursement. A hospital must be an eligible hospital to receive an annual supplemental  
7.25 payment under this subdivision.

7.26 (b) The commissioner must use the following information to calculate the total cost of  
7.27 direct graduate medical education incurred by each eligible hospital:

7.28 (1) the total allowable direct graduate medical education cost, as calculated by adding  
7.29 form CMS-2552-10, worksheet B, part 1, columns 21 and 22, line 202; and

7.30 (2) the Medicaid share of total allowable direct graduate medical education cost  
7.31 percentage, representing the allocation of total graduate medical education costs to Medicaid  
7.32 based on the share of all Medicaid inpatient days, as reported on form CMS-2552-10,

8.1 worksheets S-2 and S-3, divided by the hospital's total inpatient days, as reported on  
8.2 worksheet S-3.

8.3 (c) The commissioner may obtain the information in paragraph (b) from an eligible  
8.4 hospital, upon request by the commissioner, or from the eligible hospital's most recently  
8.5 filed form CMS-2552-10.

8.6 (d) The commissioner must use the following information to calculate the total allowable  
8.7 indirect cost of graduate medical education incurred by each eligible hospital:

8.8 (1) for eligible hospitals that are not children's hospitals, the indirect graduate medical  
8.9 education amount attributable to Medicaid, calculated based on form CMS-2552-10,  
8.10 worksheet E, part A, including:

8.11 (i) the Medicare indirect medical education formula, using Medicaid variables;

8.12 (ii) Medicaid payments for inpatient services under fee-for-service and managed care,  
8.13 as determined by the commissioner in consultation with each eligible hospital;

8.14 (iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet E, part  
8.15 A, line 4; and

8.16 (iv) full-time employees, as determined by adding form CMS-2552-10, worksheet E,  
8.17 part A, lines 10 and 11; and

8.18 (2) for eligible hospitals that are children's hospitals:

8.19 (i) the Medicare indirect medical education formula, using Medicaid variables;

8.20 (ii) Medicaid payments for inpatient services under fee-for-service and managed care,  
8.21 as determined by the commissioner in consultation with each eligible hospital;

8.22 (iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet S-3,  
8.23 part 1; and

8.24 (iv) full-time equivalent interns and residents, as determined by adding form  
8.25 CMS-2552-10, worksheet E-4, lines 6, 10.01, and 15.01.

8.26 (e) The commissioner shall determine each eligible hospital's maximum allowable  
8.27 Medicaid direct graduate medical education supplemental payment amount by calculating  
8.28 the sum of:

8.29 (1) the total allowable direct graduate medical education costs determined under paragraph  
8.30 (b), clause (1), multiplied by the Medicaid share of total allowable direct graduate medical  
8.31 education cost percentage in paragraph (b), clause (2); and



9.1 (2) the total allowable direct graduate medical education costs determined under paragraph  
9.2 (b), clause (1), multiplied by the most recently updated Medicaid utilization percentage  
9.3 from form CMS-2552-10, as submitted to Medicare by each eligible hospital.

9.4 (f) The commissioner shall determine each eligible hospital's indirect graduate medical  
9.5 education supplemental payment amount by multiplying the total allowable indirect cost  
9.6 of graduate medical education amount calculated in paragraph (d) by:

9.7 (1) 0.95 for prospective payment system, for hospitals that are not children's hospitals  
9.8 and have fewer than 50 full-time equivalent trainees;

9.9 (2) 1.0 for prospective payment system, for hospitals that are not children's hospitals  
9.10 and have equal to or greater than 50 full-time equivalent trainees; and

9.11 (3) 1.05 for children's hospitals.

9.12 (g) An eligible hospital's annual supplemental payment under this subdivision equals  
9.13 the sum of the amount calculated for the eligible hospital under paragraph (e) and the amount  
9.14 calculated for the eligible hospital under paragraph (f).

9.15 (h) The annual supplemental payments under this subdivision are contingent upon federal  
9.16 approval and must conform with the requirements for permissible supplemental payments  
9.17 for direct and indirect graduate medical education under all applicable federal laws.

9.18 (i) An eligible hospital is only eligible for reimbursement under section 62J.692 for  
9.19 nonphysician graduate medical education training costs which are not accounted for in the  
9.20 calculation of an annual supplemental payment under this section. An eligible hospital must  
9.21 not accept reimbursement under section 62J.692 for physician graduate medical education  
9.22 training costs which are accounted for in the calculation of an annual supplemental payment  
9.23 under this section.

9.24 (j) For purposes of this subdivision, "children's hospital" means a Minnesota hospital  
9.25 designated as a children's hospital under Medicare.

9.26 (k) For purposes of this subdivision, "eligible hospital" means a hospital located in  
9.27 Minnesota:

9.28 (1) participating in Minnesota's medical assistance program;

9.29 (2) that has received fee-for-service medical assistance payments in the payment year;  
9.30 and

9.31 (3) that is either:

10.1 (i) eligible to receive graduate medical education payments from the Medicare program  
10.2 under Code of Federal Regulations, title 42, section 413.75; or  
10.3 (ii) a children's hospital.

10.4 **EFFECTIVE DATE.** This section is effective January 1, 2025; or upon federal approval  
10.5 of this section, the amendment in this act to Minnesota Statutes, section 256.969, subdivision  
10.6 2b, and the teaching hospital surcharge described in Minnesota Statutes, section 256.9657,  
10.7 subdivision 2a; whichever is later. The commissioner of human services shall notify the  
10.8 revisor of statutes when federal approval is obtained.

10.9 Sec. 6. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to  
10.10 read:

10.11 **Subd. 2h. Alternate inpatient payment rate for a discharge.** (a) Effective retroactively  
10.12 from January 1, 2024, in any rate year in which a children's hospital discharge is included  
10.13 in the federally required disproportionate share hospital payment audit, where the patient  
10.14 discharged had resided in a children's hospital for over 20 years, the commissioner shall  
10.15 compute an alternate inpatient rate for the children's hospital. The alternate payment rate  
10.16 must be the rate computed under this section excluding the disproportionate share hospital  
10.17 payment under subdivision 9, paragraph (d), clause (1), increased by an amount equal to  
10.18 99 percent of what the disproportionate share hospital payment would have been under  
10.19 subdivision 9, paragraph (d), clause (1), had the discharge been excluded.

10.20 (b) In any rate year in which payment to a children's hospital is made using this alternate  
10.21 payment rate, no payments shall be made to the hospital under subdivisions 2e, 2f, and 9.

10.22 **EFFECTIVE DATE.** This section is effective upon federal approval.

10.23 Sec. 7. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13e, is  
10.24 amended to read:

10.25 **Subd. 13e. Payment rates.** (a) The basis for determining the amount of payment shall  
10.26 be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the  
10.27 usual and customary price charged to the public. The usual and customary price means the  
10.28 lowest price charged by the provider to a patient who pays for the prescription by cash,  
10.29 check, or charge account and includes prices the pharmacy charges to a patient enrolled in  
10.30 a prescription savings club or prescription discount club administered by the pharmacy or  
10.31 pharmacy chain. The amount of payment basis must be reduced to reflect all discount  
10.32 amounts applied to the charge by any third-party provider/insurer agreement or contract for

11.1 submitted charges to medical assistance programs. The net submitted charge may not be  
11.2 greater than the patient liability for the service. The professional dispensing fee shall be  
11.3 ~~\$10.77~~ \$11.55 for prescriptions filled with legend drugs meeting the definition of "covered  
11.4 outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The  
11.5 dispensing fee for intravenous solutions that must be compounded by the pharmacist shall  
11.6 be ~~\$10.77~~ \$11.55 per claim. The professional dispensing fee for prescriptions filled with  
11.7 over-the-counter drugs meeting the definition of covered outpatient drugs shall be ~~\$10.77~~  
11.8 \$11.55 for dispensed quantities equal to or greater than the number of units contained in  
11.9 the manufacturer's original package. The professional dispensing fee shall be prorated based  
11.10 on the percentage of the package dispensed when the pharmacy dispenses a quantity less  
11.11 than the number of units contained in the manufacturer's original package. The pharmacy  
11.12 dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered  
11.13 outpatient drugs shall be \$3.65 for quantities equal to or greater than the number of units  
11.14 contained in the manufacturer's original package and shall be prorated based on the  
11.15 percentage of the package dispensed when the pharmacy dispenses a quantity less than the  
11.16 number of units contained in the manufacturer's original package. The National Average  
11.17 Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug.  
11.18 For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient  
11.19 cost at the wholesale acquisition cost minus two percent. The ingredient cost of a drug for  
11.20 a provider participating in the federal 340B Drug Pricing Program shall be either the 340B  
11.21 Drug Pricing Program ceiling price established by the Health Resources and Services  
11.22 Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as  
11.23 the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in  
11.24 the United States, not including prompt pay or other discounts, rebates, or reductions in  
11.25 price, for the most recent month for which information is available, as reported in wholesale  
11.26 price guides or other publications of drug or biological pricing data. The maximum allowable  
11.27 cost of a multisource drug may be set by the commissioner and it shall be comparable to  
11.28 the actual acquisition cost of the drug product and no higher than the NADAC of the generic  
11.29 product. Establishment of the amount of payment for drugs shall not be subject to the  
11.30 requirements of the Administrative Procedure Act.

11.31 (b) Pharmacies dispensing prescriptions to residents of long-term care facilities using  
11.32 an automated drug distribution system meeting the requirements of section 151.58, or a  
11.33 packaging system meeting the packaging standards set forth in Minnesota Rules, part  
11.34 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ  
11.35 retrospective billing for prescription drugs dispensed to long-term care facility residents. A  
11.36 retrospectively billing pharmacy must submit a claim only for the quantity of medication

12.1 used by the enrolled recipient during the defined billing period. A retrospectively billing  
12.2 pharmacy must use a billing period not less than one calendar month or 30 days.

12.3 (c) A pharmacy provider using packaging that meets the standards set forth in Minnesota  
12.4 Rules, part 6800.2700, is required to credit the department for the actual acquisition cost  
12.5 of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective  
12.6 billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that  
12.7 is less than a 30-day supply.

12.8 (d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC  
12.9 of the generic product or the maximum allowable cost established by the commissioner  
12.10 unless prior authorization for the brand name product has been granted according to the  
12.11 criteria established by the Drug Formulary Committee as required by subdivision 13f,  
12.12 paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in  
12.13 a manner consistent with section 151.21, subdivision 2.

12.14 (e) The basis for determining the amount of payment for drugs administered in an  
12.15 outpatient setting shall be the lower of the usual and customary cost submitted by the  
12.16 provider, 106 percent of the average sales price as determined by the United States  
12.17 Department of Health and Human Services pursuant to title XVIII, section 1847a of the  
12.18 federal Social Security Act, the specialty pharmacy rate, or the maximum allowable cost  
12.19 set by the commissioner. If average sales price is unavailable, the amount of payment must  
12.20 be lower of the usual and customary cost submitted by the provider, the wholesale acquisition  
12.21 cost, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner.  
12.22 The commissioner shall discount the payment rate for drugs obtained through the federal  
12.23 340B Drug Pricing Program by 28.6 percent. The payment for drugs administered in an  
12.24 outpatient setting shall be made to the administering facility or practitioner. A retail or  
12.25 specialty pharmacy dispensing a drug for administration in an outpatient setting is not  
12.26 eligible for direct reimbursement.

12.27 (f) The commissioner may establish maximum allowable cost rates for specialty pharmacy  
12.28 products that are lower than the ingredient cost formulas specified in paragraph (a). The  
12.29 commissioner may require individuals enrolled in the health care programs administered  
12.30 by the department to obtain specialty pharmacy products from providers with whom the  
12.31 commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are  
12.32 defined as those used by a small number of recipients or recipients with complex and chronic  
12.33 diseases that require expensive and challenging drug regimens. Examples of these conditions  
12.34 include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C,  
12.35 growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of

13.1 cancer. Specialty pharmaceutical products include injectable and infusion therapies,  
13.2 biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that  
13.3 require complex care. The commissioner shall consult with the Formulary Committee to  
13.4 develop a list of specialty pharmacy products subject to maximum allowable cost  
13.5 reimbursement. In consulting with the Formulary Committee in developing this list, the  
13.6 commissioner shall take into consideration the population served by specialty pharmacy  
13.7 products, the current delivery system and standard of care in the state, and access to care  
13.8 issues. The commissioner shall have the discretion to adjust the maximum allowable cost  
13.9 to prevent access to care issues.

13.10 (g) Home infusion therapy services provided by home infusion therapy pharmacies must  
13.11 be paid at rates according to subdivision 8d.

13.12 (h) The commissioner shall contract with a vendor to conduct a cost of dispensing survey  
13.13 for all pharmacies that are physically located in the state of Minnesota that dispense outpatient  
13.14 drugs under medical assistance. The commissioner shall ensure that the vendor has prior  
13.15 experience in conducting cost of dispensing surveys. Each pharmacy enrolled with the  
13.16 department to dispense outpatient prescription drugs to fee-for-service members must  
13.17 respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under  
13.18 section 256B.064 for failure to respond. The commissioner shall require the vendor to  
13.19 measure a single statewide cost of dispensing for specialty prescription drugs and a single  
13.20 statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies  
13.21 to measure the mean, mean weighted by total prescription volume, mean weighted by  
13.22 medical assistance prescription volume, median, median weighted by total prescription  
13.23 volume, and median weighted by total medical assistance prescription volume. The  
13.24 commissioner shall post a copy of the final cost of dispensing survey report on the  
13.25 department's website. The initial survey must be completed no later than January 1, 2021,  
13.26 and repeated every three years. The commissioner shall provide a summary of the results  
13.27 of each cost of dispensing survey and provide recommendations for any changes to the  
13.28 dispensing fee to the chairs and ranking members of the legislative committees with  
13.29 jurisdiction over medical assistance pharmacy reimbursement. Notwithstanding section  
13.30 256.01, subdivision 42, this paragraph does not expire.

13.31 (i) The commissioner shall increase the ingredient cost reimbursement calculated in  
13.32 paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to  
13.33 the wholesale drug distributor tax under section 295.52.

13.34 **EFFECTIVE DATE.** This section is effective July 1, 2024.

14.1 Sec. 8. Minnesota Statutes 2022, section 256B.69, is amended by adding a subdivision to  
14.2 read:

14.3 Subd. 38. Reimbursement of network providers. (a) A managed care plan that is a  
14.4 staff model health plan company, when reimbursing network providers for services provided  
14.5 to medical assistance and MinnesotaCare enrollees, must not reimburse network providers  
14.6 who are employees at a higher rate than network providers who provide services under  
14.7 contract, for each separate service or grouping of services. This requirement does not apply  
14.8 to reimbursement:

14.9 (1) of network providers when participating in value-based purchasing models that are  
14.10 intended to recognize value or outcomes over volume of services, including:

14.11 (i) total cost of care and risk/gain sharing arrangements under section 256B.0755; and

14.12 (ii) other pay-for-performance arrangements or service payments, as long as the terms  
14.13 and conditions of the value-based purchasing model are applied uniformly to all participating  
14.14 network providers; and

14.15 (2) for services furnished by providers who are out-of-network.

14.16 (b) For purposes of this subdivision, "network provider" has the meaning specified in  
14.17 subdivision 37.

14.18 Sec. 9. COUNTY-ADMINISTERED MEDICAL ASSISTANCE MODEL.

14.19 Subdivision 1. Model development. (a) The commissioner of human services, in  
14.20 collaboration with the Association of Minnesota Counties and county-based purchasing  
14.21 plans, shall develop a county-administered medical assistance (CAMA) model and a detailed  
14.22 plan for implementing the CAMA model.

14.23 (b) The CAMA model must be designed to achieve the following objectives:

14.24 (1) provide a distinct county-owned and administered alternative to the prepaid medical  
14.25 assistance program;

14.26 (2) facilitate greater integration of health care and social services to address social  
14.27 determinants of health in rural and nonrural communities, with the degree of integration of  
14.28 social services varying with each county's needs and resources;

14.29 (3) account for differences between counties in the number of medical assistance enrollees  
14.30 and locally available providers of behavioral health, oral health, specialty and tertiary care,  
14.31 nonemergency medical transportation, and other health care services in rural communities;  
14.32 and

15.1 (4) promote greater accountability for health outcomes, health equity, customer service,  
15.2 community outreach, and cost of care.

15.3 Subd. 2. **County participation.** (a) The CAMA model must give each rural and nonrural  
15.4 county the option of applying to participate in the CAMA model as an alternative to  
15.5 participation in the prepaid medical assistance program. The CAMA model must include a  
15.6 process for the commissioner to determine whether and how a county can participate.

15.7 (b) The CAMA model may allow a county-administered managed care organization to  
15.8 deliver care on a single-plan basis to all medical assistance enrollees residing in a county,  
15.9 as long as:

15.10 (1) the managed care organization contracts with all health care providers that agree to  
15.11 accept the contract terms for network participation; and

15.12 (2) the commissioner determines that the health care provider network of the managed  
15.13 care organization is adequate to ensure enrollee access to care and enrollee choice of  
15.14 providers.

15.15 Subd. 3. **Report to the legislature.** (a) The commissioner shall report recommendations  
15.16 and an implementation plan for the CAMA model to the chairs and ranking minority members  
15.17 of the legislative committees with jurisdiction over health care policy and finance by January  
15.18 15, 2025. The CAMA model and implementation plan must address the issues and consider  
15.19 the recommendations identified in the document titled "Recommendations Not Contingent  
15.20 on Outcome(s) of Current Litigation," attached to the September 13, 2022, e-filing to the  
15.21 Second Judicial District Court (Correspondence for Judicial Approval Index #102), that  
15.22 relates to the final contract decisions of the commissioner of human services regarding  
15.23 *South Country Health Alliance v. Minnesota Department of Human Services*, No.  
15.24 62-CV-22-907 (Ramsey Cnty. Dist. Ct. 2022).

15.25 (b) The report must also identify the clarifications, approvals, and waivers that are needed  
15.26 from the Centers for Medicare and Medicaid Services and include any draft legislation  
15.27 necessary to implement the CAMA model.

15.28 Sec. 10. **REVISOR INSTRUCTION.**

15.29 When the proposed rule published at Federal Register, volume 88, page 25313, becomes  
15.30 effective, the revisor of statutes must change: (1) the reference in Minnesota Statutes, section  
15.31 256B.06, subdivision 4, paragraph (d), from Code of Federal Regulations, title 8, section  
15.32 103.12, to Code of Federal Regulations, title 42, section 435.4; and (2) the reference in  
15.33 Minnesota Statutes, section 256L.04, subdivision 10, paragraph (a), from Code of Federal

16.1 Regulations, title 8, section 103.12, to Code of Federal Regulations, title 45, section 155.20.  
16.2 The commissioner of human services shall notify the revisor of statutes when the proposed  
16.3 rule published at Federal Register, volume 88, page 25313, becomes effective.

## 16.4 ARTICLE 2

### 16.5 DEPARTMENT OF HUMAN SERVICES HEALTH CARE POLICY

16.6 Section 1. Minnesota Statutes 2023 Supplement, section 256.0471, subdivision 1, is  
16.7 amended to read:

16.8 Subdivision 1. **Qualifying overpayment.** Any overpayment for assistance granted under  
16.9 the MFIP program formerly codified under sections 256.031 to 256.0361 and the AFDC  
16.10 program formerly codified under sections 256.72 to 256.871; for assistance granted under  
16.11 chapters 119B, 256D, 256I, 256J, and 256K; for state-funded medical assistance under  
16.12 chapter 256B and state-funded MinnesotaCare under chapter 256L granted pursuant to  
16.13 section 256.045, subdivision 10; ~~for state-funded medical assistance and state-funded~~  
16.14 ~~MinnesotaCare under chapters 256B and 256L~~; and for assistance granted under the  
16.15 Supplemental Nutrition Assistance Program (SNAP), except agency error claims, become  
16.16 a judgment by operation of law 90 days after the notice of overpayment is personally served  
16.17 upon the recipient in a manner that is sufficient under rule 4.03(a) of the Rules of Civil  
16.18 Procedure for district courts, or by certified mail, return receipt requested. This judgment  
16.19 shall be entitled to full faith and credit in this and any other state.

16.20 **EFFECTIVE DATE.** This section is effective July 1, 2024.

16.21 Sec. 2. Minnesota Statutes 2022, section 256.9657, subdivision 8, is amended to read:

16.22 Subd. 8. **Commissioner's duties.** ~~(a) Beginning October 1, 2023, the commissioner of~~  
16.23 ~~human services shall annually report to the chairs and ranking minority members of the~~  
16.24 ~~legislative committees with jurisdiction over health care policy and finance regarding the~~  
16.25 ~~provider surcharge program. The report shall include information on total billings, total~~  
16.26 ~~collections, and administrative expenditures for the previous fiscal year. This paragraph~~  
16.27 ~~expires January 1, 2032.~~

16.28 ~~(b)~~ (a) The surcharge shall be adjusted by inflationary and caseload changes in future  
16.29 bienniums to maintain reimbursement of health care providers in accordance with the  
16.30 requirements of the state and federal laws governing the medical assistance program,  
16.31 including the requirements of the Medicaid moratorium amendments of 1991 found in  
16.32 Public Law No. 102-234.



17.1        ~~(e)~~(b) The commissioner shall request the Minnesota congressional delegation to support  
17.2 a change in federal law that would prohibit federal disallowances for any state that makes  
17.3 a good faith effort to comply with Public Law 102-234 by enacting conforming legislation  
17.4 prior to the issuance of federal implementing regulations.

17.5        Sec. 3. Minnesota Statutes 2022, section 256B.056, subdivision 1a, is amended to read:

17.6        Subd. 1a. **Income and assets generally.** (a)(1) Unless specifically required by state law  
17.7 or rule or federal law or regulation, the methodologies used in counting income and assets  
17.8 to determine eligibility for medical assistance for persons whose eligibility category is based  
17.9 on blindness, disability, or age of 65 or more years, the methodologies for the Supplemental  
17.10 Security Income program shall be used, except as provided ~~under~~ in clause (2) and  
17.11 subdivision 3, paragraph (a), clause (6).

17.12        (2) State tax credits, rebates, and refunds must not be counted as income. State tax credits,  
17.13 rebates, and refunds must not be counted as assets for a period of 12 months after the month  
17.14 of receipt.

17.15        ~~(2)~~(3) Increases in benefits under title II of the Social Security Act shall not be counted  
17.16 as income for purposes of this subdivision until July 1 of each year. Effective upon federal  
17.17 approval, for children eligible under section 256B.055, subdivision 12, or for home and  
17.18 community-based waiver services whose eligibility for medical assistance is determined  
17.19 without regard to parental income, child support payments, including any payments made  
17.20 by an obligor in satisfaction of or in addition to a temporary or permanent order for child  
17.21 support, and Social Security payments are not counted as income.

17.22        (b)(1) The modified adjusted gross income methodology as defined in United States  
17.23 Code, title 42, section 1396a(e)(14), shall be used for eligibility categories based on:

17.24        (i) children under age 19 and their parents and relative caretakers as defined in section  
17.25 256B.055, subdivision 3a;

17.26        (ii) children ages 19 to 20 as defined in section 256B.055, subdivision 16;

17.27        (iii) pregnant women as defined in section 256B.055, subdivision 6;

17.28        (iv) infants as defined in sections 256B.055, subdivision 10, and 256B.057, subdivision  
17.29 1; and

17.30        (v) adults without children as defined in section 256B.055, subdivision 15.

17.31        For these purposes, a "methodology" does not include an asset or income standard, or  
17.32 accounting method, or method of determining effective dates.

18.1 (2) For individuals whose income eligibility is determined using the modified adjusted  
18.2 gross income methodology in clause (1):

18.3 (i) the commissioner shall subtract from the individual's modified adjusted gross income  
18.4 an amount equivalent to five percent of the federal poverty guidelines; and

18.5 (ii) the individual's current monthly income and household size is used to determine  
18.6 eligibility for the 12-month eligibility period. If an individual's income is expected to vary  
18.7 month to month, eligibility is determined based on the income predicted for the 12-month  
18.8 eligibility period.

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

18.10 Sec. 4. Minnesota Statutes 2022, section 256B.056, subdivision 10, is amended to read:

18.11 Subd. 10. **Eligibility verification.** (a) The commissioner shall require women who are  
18.12 applying for the continuation of medical assistance coverage following the end of the  
18.13 12-month postpartum period to update their income and asset information and to submit  
18.14 any required income or asset verification.

18.15 (b) The commissioner shall determine the eligibility of private-sector health care coverage  
18.16 for infants less than one year of age eligible under section 256B.055, subdivision 10, or  
18.17 256B.057, subdivision 1, paragraph (c), and shall pay for private-sector coverage if this is  
18.18 determined to be cost-effective.

18.19 (c) The commissioner shall verify assets and income for all applicants, and for all  
18.20 recipients upon renewal.

18.21 (d) The commissioner shall utilize information obtained through the electronic service  
18.22 established by the secretary of the United States Department of Health and Human Services  
18.23 and other available electronic data sources in Code of Federal Regulations, title 42, sections  
18.24 435.940 to 435.956, to verify eligibility requirements. The commissioner shall establish  
18.25 standards to define when information obtained electronically is reasonably compatible with  
18.26 information provided by applicants and enrollees, including use of self-attestation, to  
18.27 accomplish real-time eligibility determinations and maintain program integrity.

18.28 (e) Each person applying for or receiving medical assistance under section 256B.055,  
18.29 subdivision 7, and any other person whose resources are required by law to be disclosed to  
18.30 determine the applicant's or recipient's eligibility must authorize the commissioner to obtain  
18.31 information from financial institutions to ~~identify unreported accounts~~ verify assets as  
18.32 required in section 256.01, subdivision 18f. If a person refuses or revokes the authorization,  
18.33 the commissioner may determine that the applicant or recipient is ineligible for medical

19.1 assistance. For purposes of this paragraph, an authorization to ~~identify unreported accounts~~  
19.2 verify assets meets the requirements of the Right to Financial Privacy Act, United States  
19.3 Code, title 12, chapter 35, and need not be furnished to the financial institution.

19.4 (f) County and tribal agencies shall comply with the standards established by the  
19.5 commissioner for appropriate use of the asset verification system specified in section 256.01,  
19.6 subdivision 18f.

19.7 Sec. 5. Minnesota Statutes 2023 Supplement, section 256B.0701, subdivision 6, is amended  
19.8 to read:

19.9 Subd. 6. **Recuperative care facility rate.** (a) The recuperative care facility rate is for  
19.10 facility costs and must be paid from state money in an amount equal to the ~~medical assistance~~  
19.11 ~~room and board~~ MSA equivalent rate as defined in section 256I.03, subdivision 11a, at the  
19.12 time the recuperative care services were provided. The eligibility standards in chapter 256I  
19.13 do not apply to the recuperative care facility rate. The recuperative care facility rate is only  
19.14 paid when the recuperative care services rate is paid to a provider. Providers may opt to  
19.15 only receive the recuperative care services rate.

19.16 (b) Before a recipient is discharged from a recuperative care setting, the provider must  
19.17 ensure that the recipient's medical condition is stabilized or that the recipient is being  
19.18 discharged to a setting that is able to meet that recipient's needs.

19.19 Sec. 6. Minnesota Statutes 2022, section 256B.0757, subdivision 4a, is amended to read:

19.20 Subd. 4a. **Behavioral health home services provider requirements.** A behavioral  
19.21 health home services provider must:

19.22 (1) be an enrolled Minnesota Health Care Programs provider;

19.23 (2) provide a medical assistance covered primary care or behavioral health service;

19.24 (3) utilize an electronic health record;

19.25 (4) utilize an electronic patient registry that contains data elements required by the  
19.26 commissioner;

19.27 (5) demonstrate the organization's capacity to administer screenings approved by the  
19.28 commissioner for substance use disorder or alcohol and tobacco use;

19.29 (6) demonstrate the organization's capacity to refer an individual to resources appropriate  
19.30 to the individual's screening results;

20.1 (7) have policies and procedures to track referrals to ensure that the referral met the  
20.2 individual's needs;

20.3 (8) conduct a brief needs assessment when an individual begins receiving behavioral  
20.4 health home services. The brief needs assessment must be completed with input from the  
20.5 individual and the individual's identified supports. The brief needs assessment must address  
20.6 the individual's immediate safety and transportation needs and potential barriers to  
20.7 participating in behavioral health home services;

20.8 (9) conduct a health wellness assessment within 60 days after intake that contains all  
20.9 required elements identified by the commissioner;

20.10 (10) conduct a health action plan that contains all required elements identified by the  
20.11 commissioner. The plan must be completed within 90 days after intake and must be updated  
20.12 at least once every six months, or more frequently if significant changes to an individual's  
20.13 needs or goals occur;

20.14 (11) agree to cooperate with and participate in the state's monitoring and evaluation of  
20.15 behavioral health home services; and

20.16 (12) obtain the individual's ~~written~~ consent to begin receiving behavioral health home  
20.17 services using a form approved by the commissioner.

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

20.19 Sec. 7. Minnesota Statutes 2022, section 256B.0757, subdivision 4d, is amended to read:

20.20 Subd. 4d. **Behavioral health home services delivery standards.** (a) A behavioral health  
20.21 home services provider must meet the following service delivery standards:

20.22 (1) establish and maintain processes to support the coordination of an individual's primary  
20.23 care, behavioral health, and dental care;

20.24 (2) maintain a team-based model of care, including regular coordination and  
20.25 communication between behavioral health home services team members;

20.26 (3) use evidence-based practices that recognize and are tailored to the medical, social,  
20.27 economic, behavioral health, functional impairment, cultural, and environmental factors  
20.28 affecting the individual's health and health care choices;

20.29 (4) use person-centered planning practices to ensure the individual's health action plan  
20.30 accurately reflects the individual's preferences, goals, resources, and optimal outcomes for  
20.31 the individual and the individual's identified supports;

21.1 (5) use the patient registry to identify individuals and population subgroups requiring  
21.2 specific levels or types of care and provide or refer the individual to needed treatment,  
21.3 intervention, or services;

21.4 (6) ~~utilize the Department of Human Services Partner Portal to~~ identify past and current  
21.5 treatment or services and identify potential gaps in care using a tool approved by the  
21.6 commissioner;

21.7 (7) deliver services consistent with the standards for frequency and face-to-face contact  
21.8 required by the commissioner;

21.9 (8) ensure that a diagnostic assessment is completed for each individual receiving  
21.10 behavioral health home services within six months of the start of behavioral health home  
21.11 services;

21.12 (9) deliver services in locations and settings that meet the needs of the individual;

21.13 (10) provide a central point of contact to ensure that individuals and the individual's  
21.14 identified supports can successfully navigate the array of services that impact the individual's  
21.15 health and well-being;

21.16 (11) have capacity to assess an individual's readiness for change and the individual's  
21.17 capacity to integrate new health care or community supports into the individual's life;

21.18 (12) offer or facilitate the provision of wellness and prevention education on  
21.19 evidenced-based curriculums specific to the prevention and management of common chronic  
21.20 conditions;

21.21 (13) help an individual set up and prepare for medical, behavioral health, social service,  
21.22 or community support appointments, including accompanying the individual to appointments  
21.23 as appropriate, and providing follow-up with the individual after these appointments;

21.24 (14) offer or facilitate the provision of health coaching related to chronic disease  
21.25 management and how to navigate complex systems of care to the individual, the individual's  
21.26 family, and identified supports;

21.27 (15) connect an individual, the individual's family, and identified supports to appropriate  
21.28 support services that help the individual overcome access or service barriers, increase  
21.29 self-sufficiency skills, and improve overall health;

21.30 (16) provide effective referrals and timely access to services; and

21.31 (17) establish a continuous quality improvement process for providing behavioral health  
21.32 home services.

22.1 (b) The behavioral health home services provider must also create a plan, in partnership  
22.2 with the individual and the individual's identified supports, to support the individual after  
22.3 discharge from a hospital, residential treatment program, or other setting. The plan must  
22.4 include protocols for:

22.5 (1) maintaining contact between the behavioral health home services team member, the  
22.6 individual, and the individual's identified supports during and after discharge;

22.7 (2) linking the individual to new resources as needed;

22.8 (3) reestablishing the individual's existing services and community and social supports;  
22.9 and

22.10 (4) following up with appropriate entities to transfer or obtain the individual's service  
22.11 records as necessary for continued care.

22.12 (c) If the individual is enrolled in a managed care plan, a behavioral health home services  
22.13 provider must:

22.14 (1) notify the behavioral health home services contact designated by the managed care  
22.15 plan within 30 days of when the individual begins behavioral health home services; and

22.16 (2) adhere to the managed care plan communication and coordination requirements  
22.17 described in the behavioral health home services manual.

22.18 (d) Before terminating behavioral health home services, the behavioral health home  
22.19 services provider must:

22.20 (1) provide a 60-day notice of termination of behavioral health home services to all  
22.21 individuals receiving behavioral health home services, the commissioner, and managed care  
22.22 plans, if applicable; and

22.23 (2) refer individuals receiving behavioral health home services to a new behavioral  
22.24 health home services provider.

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

22.26 Sec. 8. Minnesota Statutes 2023 Supplement, section 256B.764, is amended to read:

22.27 **256B.764 REIMBURSEMENT FOR FAMILY PLANNING SERVICES.**

22.28 (a) Effective for services rendered on or after July 1, 2007, payment rates for family  
22.29 planning services shall be increased by 25 percent over the rates in effect June 30, 2007,  
22.30 when these services are provided by a community clinic as defined in section 145.9268,  
22.31 subdivision 1.

23.1 (b) Effective for services rendered on or after July 1, 2013, payment rates for family  
23.2 planning services shall be increased by 20 percent over the rates in effect June 30, 2013,  
23.3 when these services are provided by a community clinic as defined in section 145.9268,  
23.4 subdivision 1. The commissioner shall adjust capitation rates to managed care and  
23.5 county-based purchasing plans to reflect this increase, and shall require plans to pass on the  
23.6 full amount of the rate increase to eligible community clinics, in the form of higher payment  
23.7 rates for family planning services.

23.8 (c) Effective for services provided on or after January 1, 2024, payment rates for family  
23.9 planning, when such services are provided by an eligible community clinic as defined in  
23.10 section 145.9268, subdivision 1, and abortion services shall be increased by 20 percent.  
23.11 This increase does not apply to federally qualified health centers, rural health centers, or  
23.12 Indian health services.

23.13 Sec. 9. Minnesota Statutes 2023 Supplement, section 256L.03, subdivision 1, is amended  
23.14 to read:

23.15 Subdivision 1. **Covered health services.** (a) "Covered health services" means the health  
23.16 services reimbursed under chapter 256B, with the exception of special education services,  
23.17 home care nursing services, ~~adult dental care services other than services covered under~~  
23.18 ~~section 256B.0625, subdivision 9, orthodontic services,~~ nonemergency medical transportation  
23.19 services, personal care assistance and case management services, community first services  
23.20 and supports under section 256B.85, behavioral health home services under section  
23.21 256B.0757, housing stabilization services under section 256B.051, and nursing home or  
23.22 intermediate care facilities services.

23.23 (b) Covered health services shall be expanded as provided in this section.

23.24 (c) For the purposes of covered health services under this section, "child" means an  
23.25 individual younger than 19 years of age.

23.26 Sec. 10. Minnesota Statutes 2022, section 524.3-801, is amended to read:

23.27 **524.3-801 NOTICE TO CREDITORS.**

23.28 (a) Unless notice has already been given under this section, upon appointment of a  
23.29 general personal representative in informal proceedings or upon the filing of a petition for  
23.30 formal appointment of a general personal representative, notice thereof, in the form prescribed  
23.31 by court rule, shall be given under the direction of the court administrator by publication  
23.32 once a week for two successive weeks in a legal newspaper in the county wherein the

24.1 proceedings are pending giving the name and address of the general personal representative  
24.2 and notifying creditors of the estate to present their claims within four months after the date  
24.3 of the court administrator's notice which is subsequently published or be forever barred,  
24.4 unless they are entitled to further service of notice under paragraph (b) or (c).

24.5 (b) The personal representative shall, within three months after the date of the first  
24.6 publication of the notice, serve a copy of the notice upon each then known and identified  
24.7 creditor in the manner provided in paragraph (c). If the decedent or a predeceased spouse  
24.8 of the decedent received assistance for which a claim could be filed under section 246.53,  
24.9 256B.15, 256D.16, or 261.04, notice to the commissioner of human services must be given  
24.10 under paragraph (d) instead of under this paragraph or paragraph (c). A creditor is "known"  
24.11 if: (i) the personal representative knows that the creditor has asserted a claim that arose  
24.12 during the decedent's life against either the decedent or the decedent's estate; (ii) the creditor  
24.13 has asserted a claim that arose during the decedent's life and the fact is clearly disclosed in  
24.14 accessible financial records known and available to the personal representative; or (iii) the  
24.15 claim of the creditor would be revealed by a reasonably diligent search for creditors of the  
24.16 decedent in accessible financial records known and available to the personal representative.  
24.17 Under this section, a creditor is "identified" if the personal representative's knowledge of  
24.18 the name and address of the creditor will permit service of notice to be made under paragraph  
24.19 (c).

24.20 (c) Unless the claim has already been presented to the personal representative or paid,  
24.21 the personal representative shall serve a copy of the notice required by paragraph (b) upon  
24.22 each creditor of the decedent who is then known to the personal representative and identified  
24.23 either by delivery of a copy of the required notice to the creditor, or by mailing a copy of  
24.24 the notice to the creditor by certified, registered, or ordinary first class mail addressed to  
24.25 the creditor at the creditor's office or place of residence.

24.26 (d)(1) Effective for decedents dying on or after July 1, 1997, if the decedent or a  
24.27 predeceased spouse of the decedent received assistance for which a claim could be filed  
24.28 under section 246.53, 256B.15, 256D.16, or 261.04, the personal representative or the  
24.29 attorney for the personal representative shall serve the commissioner of human services  
24.30 with notice in the manner prescribed in paragraph (c), or electronically in a manner prescribed  
24.31 by the commissioner, as soon as practicable after the appointment of the personal  
24.32 representative. The notice must state the decedent's full name, date of birth, and Social  
24.33 Security number and, to the extent then known after making a reasonably diligent inquiry,  
24.34 the full name, date of birth, and Social Security number for each of the decedent's predeceased  
24.35 spouses. The notice may also contain a statement that, after making a reasonably diligent



25.1 inquiry, the personal representative has determined that the decedent did not have any  
25.2 predeceased spouses or that the personal representative has been unable to determine one  
25.3 or more of the previous items of information for a predeceased spouse of the decedent. A  
25.4 copy of the notice to creditors must be attached to and be a part of the notice to the  
25.5 commissioner.

25.6 (2) Notwithstanding a will or other instrument or law to the contrary, except as allowed  
25.7 in this paragraph, no property subject to administration by the estate may be distributed by  
25.8 the estate or the personal representative until 70 days after the date the notice is served on  
25.9 the commissioner as provided in paragraph (c), unless the local agency consents as provided  
25.10 for in clause (6). This restriction on distribution does not apply to the personal representative's  
25.11 sale of real or personal property, but does apply to the net proceeds the estate receives from  
25.12 these sales. The personal representative, or any person with personal knowledge of the facts,  
25.13 may provide an affidavit containing the description of any real or personal property affected  
25.14 by this paragraph and stating facts showing compliance with this paragraph. If the affidavit  
25.15 describes real property, it may be filed or recorded in the office of the county recorder or  
25.16 registrar of titles for the county where the real property is located. This paragraph does not  
25.17 apply to proceedings under sections 524.3-1203 and 525.31, or when a duly authorized  
25.18 agent of a county is acting as the personal representative of the estate.

25.19 (3) At any time before an order or decree is entered under section 524.3-1001 or  
25.20 524.3-1002, or a closing statement is filed under section 524.3-1003, the personal  
25.21 representative or the attorney for the personal representative may serve an amended notice  
25.22 on the commissioner to add variations or other names of the decedent or a predeceased  
25.23 spouse named in the notice, the name of a predeceased spouse omitted from the notice, to  
25.24 add or correct the date of birth or Social Security number of a decedent or predeceased  
25.25 spouse named in the notice, or to correct any other deficiency in a prior notice. The amended  
25.26 notice must state the decedent's name, date of birth, and Social Security number, the case  
25.27 name, case number, and district court in which the estate is pending, and the date the notice  
25.28 being amended was served on the commissioner. If the amendment adds the name of a  
25.29 predeceased spouse omitted from the notice, it must also state that spouse's full name, date  
25.30 of birth, and Social Security number. The amended notice must be served on the  
25.31 commissioner in the same manner as the original notice. Upon service, the amended notice  
25.32 relates back to and is effective from the date the notice it amends was served, and the time  
25.33 for filing claims arising under section 246.53, 256B.15, 256D.16 or 261.04 is extended by  
25.34 60 days from the date of service of the amended notice. Claims filed during the 60-day  
25.35 period are undischarged and unbarred claims, may be prosecuted by the entities entitled to

26.1 file those claims in accordance with section 524.3-1004, and the limitations in section  
26.2 524.3-1006 do not apply. The personal representative or any person with personal knowledge  
26.3 of the facts may provide and file or record an affidavit in the same manner as provided for  
26.4 in clause (1).

26.5 (4) Within one year after the date an order or decree is entered under section 524.3-1001  
26.6 or 524.3-1002 or a closing statement is filed under section 524.3-1003, any person who has  
26.7 an interest in property that was subject to administration by the estate may serve an amended  
26.8 notice on the commissioner to add variations or other names of the decedent or a predeceased  
26.9 spouse named in the notice, the name of a predeceased spouse omitted from the notice, to  
26.10 add or correct the date of birth or Social Security number of a decedent or predeceased  
26.11 spouse named in the notice, or to correct any other deficiency in a prior notice. The amended  
26.12 notice must be served on the commissioner in the same manner as the original notice and  
26.13 must contain the information required for amendments under clause (3). If the amendment  
26.14 adds the name of a predeceased spouse omitted from the notice, it must also state that  
26.15 spouse's full name, date of birth, and Social Security number. Upon service, the amended  
26.16 notice relates back to and is effective from the date the notice it amends was served. If the  
26.17 amended notice adds the name of an omitted predeceased spouse or adds or corrects the  
26.18 Social Security number or date of birth of the decedent or a predeceased spouse already  
26.19 named in the notice, then, notwithstanding any other laws to the contrary, claims against  
26.20 the decedent's estate on account of those persons resulting from the amendment and arising  
26.21 under section 246.53, 256B.15, 256D.16, or 261.04 are undischarged and unbarred claims,  
26.22 may be prosecuted by the entities entitled to file those claims in accordance with section  
26.23 524.3-1004, and the limitations in section 524.3-1006 do not apply. The person filing the  
26.24 amendment or any other person with personal knowledge of the facts may provide and file  
26.25 or record an affidavit describing affected real or personal property in the same manner as  
26.26 clause (1).

26.27 (5) After one year from the date an order or decree is entered under section 524.3-1001  
26.28 or 524.3-1002, or a closing statement is filed under section 524.3-1003, no error, omission,  
26.29 or defect of any kind in the notice to the commissioner required under this paragraph or in  
26.30 the process of service of the notice on the commissioner, or the failure to serve the  
26.31 commissioner with notice as required by this paragraph, makes any distribution of property  
26.32 by a personal representative void or voidable. The distributee's title to the distributed property  
26.33 shall be free of any claims based upon a failure to comply with this paragraph.

26.34 (6) The local agency may consent to a personal representative's request to distribute  
26.35 property subject to administration by the estate to distributees during the 70-day period after

27.1 service of notice on the commissioner. The local agency may grant or deny the request in  
27.2 whole or in part and may attach conditions to its consent as it deems appropriate. When the  
27.3 local agency consents to a distribution, it shall give the estate a written certificate evidencing  
27.4 its consent to the early distribution of assets at no cost. The certificate must include the  
27.5 name, case number, and district court in which the estate is pending, the name of the local  
27.6 agency, describe the specific real or personal property to which the consent applies, state  
27.7 that the local agency consents to the distribution of the specific property described in the  
27.8 consent during the 70-day period following service of the notice on the commissioner, state  
27.9 that the consent is unconditional or list all of the terms and conditions of the consent, be  
27.10 dated, and may include other contents as may be appropriate. The certificate must be signed  
27.11 by the director of the local agency or the director's designees and is effective as of the date  
27.12 it is dated unless it provides otherwise. The signature of the director or the director's designee  
27.13 does not require any acknowledgment. The certificate shall be prima facie evidence of the  
27.14 facts it states, may be attached to or combined with a deed or any other instrument of  
27.15 conveyance and, when so attached or combined, shall constitute a single instrument. If the  
27.16 certificate describes real property, it shall be accepted for recording or filing by the county  
27.17 recorder or registrar of titles in the county in which the property is located. If the certificate  
27.18 describes real property and is not attached to or combined with a deed or other instrument  
27.19 of conveyance, it shall be accepted for recording or filing by the county recorder or registrar  
27.20 of titles in the county in which the property is located. The certificate constitutes a waiver  
27.21 of the 70-day period provided for in clause (2) with respect to the property it describes and  
27.22 is prima facie evidence of service of notice on the commissioner. The certificate is not a  
27.23 waiver or relinquishment of any claims arising under section 246.53, 256B.15, 256D.16,  
27.24 or 261.04, and does not otherwise constitute a waiver of any of the personal representative's  
27.25 duties under this paragraph. Distributees who receive property pursuant to a consent to an  
27.26 early distribution shall remain liable to creditors of the estate as provided for by law.

27.27 (7) All affidavits provided for under this paragraph:

27.28 (i) shall be provided by persons who have personal knowledge of the facts stated in the  
27.29 affidavit;

27.30 (ii) may be filed or recorded in the office of the county recorder or registrar of titles in  
27.31 the county in which the real property they describe is located for the purpose of establishing  
27.32 compliance with the requirements of this paragraph; and

27.33 (iii) are prima facie evidence of the facts stated in the affidavit.

28.1 (8) This paragraph applies to the estates of decedents dying on or after July 1, 1997.  
28.2 Clause (5) also applies with respect to all notices served on the commissioner of human  
28.3 services before July 1, 1997, under Laws 1996, chapter 451, article 2, section 55. All notices  
28.4 served on the commissioner before July 1, 1997, pursuant to Laws 1996, chapter 451, article  
28.5 2, section 55, shall be deemed to be legally sufficient for the purposes for which they were  
28.6 intended, notwithstanding any errors, omissions or other defects.

### 28.7 ARTICLE 3

### 28.8 HEALTH CARE

#### 28.9 Section 1. 62J.805 DEFINITIONS.

28.10 Subdivision 1. Application. For purposes of sections 62J.805 to 62J.808, the following  
28.11 terms have the meanings given.

28.12 Subd. 2. Group practice. "Group practice" has the meaning given to health care provider  
28.13 group practice in section 145D.01, subdivision 1.

28.14 Subd. 3. Health care provider. "Health care provider" means:

28.15 (1) a health professional who is licensed or registered by the state to provide health  
28.16 treatments and services within the professional's scope of practice and in accordance with  
28.17 state law;

28.18 (2) a group practice; or

28.19 (3) a hospital.

28.20 Subd. 4. Health plan. "Health plan" has the meaning given in section 62A.011,  
28.21 subdivision 3.

28.22 Subd. 5. Hospital. "Hospital" means a health care facility licensed as a hospital under  
28.23 sections 144.50 to 144.56.

28.24 Subd. 6. Medically necessary. "Medically necessary" means:

28.25 (1) safe and effective;

28.26 (2) not experimental or investigational, except as provided in Code of Federal Regulations,  
28.27 title 42, section 411.15(o);

28.28 (3) furnished in accordance with acceptable medical standards of medical practice for  
28.29 the diagnosis or treatment of the patient's condition or to improve the function of a malformed  
28.30 body member;

29.1 (4) furnished in a setting appropriate to the patient's medical need and condition;

29.2 (5) ordered and furnished by qualified personnel;

29.3 (6) meets, but does not exceed, the patient's medical need; and

29.4 (7) is at least as beneficial as an existing and available medically appropriate alternative.

29.5 Subd. 7. **Miscode.** "Miscode" means a health care provider or a health care provider's  
29.6 designee, using a coding system and for billing purposes, assigns a numeric or alphanumeric  
29.7 code to a health treatment or service provided to a patient and the code assigned does not  
29.8 accurately reflect the health treatment or service provided based on factors that include the  
29.9 patient's diagnosis and the complexity of the patient's condition.

29.10 Subd. 8. **Payment.** "Payment" includes co-payments and coinsurance and deductible  
29.11 payments made by a patient.

29.12 **Sec. 2. [62J.806] POLICY FOR COLLECTION OF MEDICAL DEBT.**

29.13 Subdivision 1. **Requirement.** Each health care provider must make available to the  
29.14 public the health care provider's policy for the collection of medical debt from patients. This  
29.15 policy must be made available by:

29.16 (1) clearly posting it on the health care provider's website or, for health professionals,  
29.17 on the website of the health clinic, group practice, or hospital at which the health professional  
29.18 is employed or under contract; and

29.19 (2) providing a copy of the policy to any individual who requests it.

29.20 Subd. 2. **Content.** A policy made available under this section must at least specify the  
29.21 procedures followed by the health care provider for:

29.22 (1) communicating with patients about the medical debt owed and collecting medical  
29.23 debt;

29.24 (2) referring medical debt to a collection agency or law firm for collection; and

29.25 (3) identifying medical debt as uncollectible or satisfied, and ending collection activities.

29.26 **Sec. 3. [62J.807] DENIAL OF HEALTH TREATMENTS OR SERVICES DUE TO**  
29.27 **OUTSTANDING MEDICAL DEBT.**

29.28 (a) A health care provider must not deny medically necessary health treatments or services  
29.29 to a patient or any member of the patient's family or household because of outstanding  
29.30 medical debt owed by the patient or any member of the patient's family or household to the

30.1 health care provider, regardless of whether the health treatment or service may be available  
30.2 from another health care provider.

30.3 (b) As a condition of providing medically necessary health treatments or services in the  
30.4 circumstances described in paragraph (a), a health care provider may require the patient to  
30.5 enroll in a payment plan for the outstanding medical debt owed to the health care provider.

30.6 **Sec. 4. [62J.808] BILLING AND PAYMENT FOR MISCODED HEALTH**  
30.7 **TREATMENTS AND SERVICES.**

30.8 Subdivision 1. **Participation and cooperation required.** Each health care provider  
30.9 must participate in, and cooperate with, all processes and investigations to identify, review,  
30.10 and correct the coding of health treatments and services that are miscoded by the health  
30.11 care provider or a designee.

30.12 Subd. 2. **Notice; billing and payment during review.** (a) When a health care provider  
30.13 receives notice, other than notice from a health plan company as provided in paragraph (b),  
30.14 or otherwise determines that a health treatment or service may have been miscoded, the  
30.15 health care provider must notify the health plan company administering the patient's health  
30.16 plan in a timely manner of the potentially miscoded health treatment or service.

30.17 (b) When a health plan company receives notice, other than notice from a health care  
30.18 provider as provided in paragraph (a), or otherwise determines that a health treatment or  
30.19 service may have been miscoded, the health plan company must notify the health care  
30.20 provider who provided the health treatment or service of the potentially miscoded health  
30.21 treatment or service.

30.22 (c) When a review of a potentially miscoded health treatment or service is commenced,  
30.23 the health care provider and health plan company must notify the patient that a miscoding  
30.24 review is being conducted and that the patient will not be billed for any health treatment or  
30.25 service subject to the review and is not required to submit payments for any health treatment  
30.26 or service subject to the review until the review is complete and any miscoded health  
30.27 treatments or services are correctly coded.

30.28 (d) While a review of a potentially miscoded health treatment or service is being  
30.29 conducted, the health care provider and health plan company must not bill the patient for,  
30.30 or accept payment from the patient for, any health treatment or service subject to the review.

30.31 Subd. 3. **Billing and payment after completion of review.** The health care provider  
30.32 and health plan company may bill the patient for, and accept payment from the patient for,

31.1 the health treatment or service that was subject to the miscoding review only after the review  
31.2 is complete and any miscoded health treatments or services have been correctly coded.

31.3 Sec. 5. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 1, is amended  
31.4 to read:

31.5 Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this section  
31.6 and sections 144.588 to 144.589.

31.7 (b) "Charity care" means the provision of free or discounted care to a patient according  
31.8 to a hospital's financial assistance policies.

31.9 (c) "Hospital" means a private, nonprofit, or municipal hospital licensed under sections  
31.10 144.50 to 144.56.

31.11 (d) "Insurance affordability program" has the meaning given in section 256B.02,  
31.12 subdivision 19.

31.13 (e) "Navigator" has the meaning given in section 62V.02, subdivision 9.

31.14 (f) "Presumptive eligibility" has the meaning given in section 256B.057, subdivision  
31.15 12.

31.16 ~~(g) "Revenue recapture" means the use of the procedures in chapter 270A to collect debt.~~

31.17 ~~(h)~~ (g) "Uninsured service or treatment" means any service or treatment that is not  
31.18 covered by:

31.19 (1) a health plan, contract, or policy that provides health coverage to a patient; or

31.20 (2) any other type of insurance coverage, including but not limited to no-fault automobile  
31.21 coverage, workers' compensation coverage, or liability coverage.

31.22 ~~(i)~~ (h) "Unreasonable burden" includes requiring a patient to apply for enrollment in a  
31.23 state or federal program for which the patient is obviously or categorically ineligible or has  
31.24 been found to be ineligible in the previous 12 months.

31.25 Sec. 6. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 4, is amended  
31.26 to read:

31.27 Subd. 4. **Prohibited actions.** (a) A hospital must not initiate one or more of the following  
31.28 actions until the hospital determines that the patient is ineligible for charity care or denies  
31.29 an application for charity care:

31.30 (1) offering to enroll or enrolling the patient in a payment plan;

32.1 (2) changing the terms of a patient's payment plan;

32.2 (3) offering the patient a loan or line of credit, application materials for a loan or line of  
32.3 credit, or assistance with applying for a loan or line of credit, for the payment of medical  
32.4 debt;

32.5 (4) referring a patient's debt for collections, including in-house collections, third-party  
32.6 collections, ~~revenue recapture~~, or any other process for the collection of debt; or

32.7 ~~(5) denying health care services to the patient or any member of the patient's household~~  
32.8 ~~because of outstanding medical debt, regardless of whether the services are deemed necessary~~  
32.9 ~~or may be available from another provider; or~~

32.10 ~~(6)~~ (5) accepting a credit card payment of over \$500 for the medical debt owed to the  
32.11 hospital.

32.12 (b) A hospital is subject to section 62J.807.

32.13 Sec. 7. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 1, is amended  
32.14 to read:

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

32.17 (b) "Central repository" means a wholesale distributor that meets the requirements under  
32.18 subdivision 3 and enters into a contract with the Board of Pharmacy in accordance with this  
32.19 section.

32.20 (c) "Distribute" means to deliver, other than by administering or dispensing.

32.21 (d) "Donor" means:

32.22 ~~(1) a health care facility as defined in this subdivision~~ an individual at least 18 years of  
32.23 age, provided that the drug or medical supply that is donated was obtained legally and meets  
32.24 the requirements of this section for donation; or

32.25 ~~(2) a skilled nursing facility licensed under chapter 144A;~~ any entity legally authorized  
32.26 to possess medicine with a license or permit in good standing in the state in which it is  
32.27 located, without further restrictions, including but not limited to a health care facility, skilled  
32.28 nursing facility, assisted living facility, pharmacy, wholesaler, and drug manufacturer.

32.29 ~~(3) an assisted living facility licensed under chapter 144G;~~

32.30 ~~(4) a pharmacy licensed under section 151.19, and located either in the state or outside~~  
32.31 ~~the state;~~



- 33.1 ~~(5) a drug wholesaler licensed under section 151.47;~~  
33.2 ~~(6) a drug manufacturer licensed under section 151.252; or~~  
33.3 ~~(7) an individual at least 18 years of age, provided that the drug or medical supply that~~  
33.4 ~~is donated was obtained legally and meets the requirements of this section for donation.~~

33.5 (e) "Drug" means any prescription drug that has been approved for medical use in the  
33.6 United States, is listed in the United States Pharmacopoeia or National Formulary, and  
33.7 meets the criteria established under this section for donation; or any over-the-counter  
33.8 medication that meets the criteria established under this section for donation. This definition  
33.9 includes cancer drugs and antirejection drugs, but does not include controlled substances,  
33.10 as defined in section 152.01, subdivision 4, or a prescription drug that can only be dispensed  
33.11 to a patient registered with the drug's manufacturer in accordance with federal Food and  
33.12 Drug Administration requirements.

33.13 (f) "Health care facility" means:

33.14 (1) a physician's office or health care clinic where licensed practitioners provide health  
33.15 care to patients;

33.16 (2) a hospital licensed under section 144.50;

33.17 (3) a pharmacy licensed under section 151.19 and located in Minnesota; or

33.18 (4) a nonprofit community clinic, including a federally qualified health center; a rural  
33.19 health clinic; public health clinic; or other community clinic that provides health care utilizing  
33.20 a sliding fee scale to patients who are low-income, uninsured, or underinsured.

33.21 (g) "Local repository" means a health care facility that elects to accept donated drugs  
33.22 and medical supplies and meets the requirements of subdivision 4.

33.23 (h) "Medical supplies" or "supplies" means any prescription or nonprescription medical  
33.24 supplies needed to administer a drug.

33.25 (i) "Original, sealed, unopened, tamper-evident packaging" means packaging that is  
33.26 sealed, unopened, and tamper-evident, including a manufacturer's original unit dose or  
33.27 unit-of-use container, a repackager's original unit dose or unit-of-use container, or unit-dose  
33.28 packaging prepared by a licensed pharmacy according to the standards of Minnesota Rules,  
33.29 part 6800.3750.

33.30 (j) "Practitioner" has the meaning given in section 151.01, subdivision 23, except that  
33.31 it does not include a veterinarian.

34.1 Sec. 8. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 4, is amended  
34.2 to read:

34.3 Subd. 4. **Local repository requirements.** (a) To be eligible for participation in the  
34.4 medication repository program, a health care facility must agree to comply with all applicable  
34.5 federal and state laws, rules, and regulations pertaining to the medication repository program,  
34.6 drug storage, and dispensing. The facility must also agree to maintain in good standing any  
34.7 required state license or registration that may apply to the facility.

34.8 (b) A local repository may elect to participate in the program by submitting the following  
34.9 information to the central repository on a form developed by the board and made available  
34.10 on the board's website:

34.11 (1) the name, street address, and telephone number of the health care facility and any  
34.12 state-issued license or registration number issued to the facility, including the issuing state  
34.13 agency;

34.14 (2) the name and telephone number of a responsible pharmacist or practitioner who is  
34.15 employed by or under contract with the health care facility; and

34.16 (3) a statement signed and dated by the responsible pharmacist or practitioner indicating  
34.17 that the health care facility meets the eligibility requirements under this section and agrees  
34.18 to comply with this section.

34.19 (c) Participation in the medication repository program is voluntary. A local repository  
34.20 may withdraw from participation in the medication repository program at any time by  
34.21 providing written notice to the central repository on a form developed by the board and  
34.22 made available on the board's website. ~~The central repository shall provide the board with  
34.23 a copy of the withdrawal notice within ten business days from the date of receipt of the  
34.24 withdrawal notice.~~

34.25 Sec. 9. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 5, is amended  
34.26 to read:

34.27 Subd. 5. **Individual eligibility and application requirements.** ~~(a) To be eligible for~~  
34.28 ~~the medication repository program~~ At the time of or before receiving donated drugs or  
34.29 supplies as a new eligible patient, an individual must submit to a local repository an electronic  
34.30 or physical intake application form that is signed by the individual and attests that the  
34.31 individual:

34.32 (1) is a resident of Minnesota;

35.1 (2) is uninsured ~~and is not enrolled in the medical assistance program under chapter~~  
35.2 ~~256B or the MinnesotaCare program under chapter 256L~~, has no prescription drug coverage,  
35.3 or is underinsured;

35.4 (3) acknowledges that the drugs or medical supplies to be received through the program  
35.5 may have been donated; and

35.6 (4) consents to a waiver of the child-resistant packaging requirements of the federal  
35.7 Poison Prevention Packaging Act.

35.8 ~~(b) Upon determining that an individual is eligible for the program, the local repository~~  
35.9 ~~shall furnish the individual with an identification card. The card shall be valid for one year~~  
35.10 ~~from the date of issuance and may be used at any local repository. A new identification card~~  
35.11 ~~may be issued upon expiration once the individual submits a new application form.~~

35.12 ~~(e)~~ (b) The local repository shall send a copy of the intake application form to the central  
35.13 repository by regular mail, facsimile, or secured email within ten days from the date the  
35.14 application is approved by the local repository.

35.15 ~~(d)~~ (c) The board shall develop and make available on the board's website an application  
35.16 form ~~and the format for the identification card.~~

35.17 Sec. 10. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 6, is amended  
35.18 to read:

35.19 Subd. 6. **Standards and procedures for accepting donations of drugs and supplies.** (a)  
35.20 Notwithstanding any other law or rule, a donor may donate drugs or medical supplies to  
35.21 the central repository or a local repository if the drug or supply meets the requirements of  
35.22 this section as determined by a pharmacist or practitioner who is employed by or under  
35.23 contract with the central repository or a local repository.

35.24 (b) A drug is eligible for donation under the medication repository program if the  
35.25 following requirements are met:

35.26 ~~(1) the donation is accompanied by a medication repository donor form described under~~  
35.27 ~~paragraph (d) that is signed by an individual who is authorized by the donor to attest to the~~  
35.28 ~~donor's knowledge in accordance with paragraph (d);~~

35.29 ~~(2)~~ (1) the drug's expiration date is at least six months after the date the drug was donated.  
35.30 If a donated drug bears an expiration date that is less than six months from the donation  
35.31 date, the drug may be accepted and distributed if the drug is in high demand and can be  
35.32 dispensed for use by a patient before the drug's expiration date;

36.1 ~~(3)~~ (2) the drug is in its original, sealed, unopened, tamper-evident packaging that includes  
36.2 the expiration date. Single-unit-dose drugs may be accepted if the single-unit-dose packaging  
36.3 is unopened;

36.4 ~~(4)~~ (3) the drug or the packaging does not have any physical signs of tampering,  
36.5 misbranding, deterioration, compromised integrity, or adulteration;

36.6 ~~(5)~~ (4) the drug does not require storage temperatures other than normal room temperature  
36.7 as specified by the manufacturer or United States Pharmacopoeia, unless the drug is being  
36.8 donated directly by its manufacturer, a wholesale drug distributor, or a pharmacy located  
36.9 in Minnesota; and

36.10 ~~(6)~~ (5) the drug is not a controlled substance.

36.11 (c) A medical supply is eligible for donation under the medication repository program  
36.12 if the following requirements are met:

36.13 (1) the supply has no physical signs of tampering, misbranding, or alteration and there  
36.14 is no reason to believe it has been adulterated, tampered with, or misbranded;

36.15 (2) the supply is in its original, unopened, sealed packaging; and

36.16 ~~(3) the donation is accompanied by a medication repository donor form described under~~  
36.17 ~~paragraph (d) that is signed by an individual who is authorized by the donor to attest to the~~  
36.18 ~~donor's knowledge in accordance with paragraph (d); and~~

36.19 ~~(4)~~ (3) if the supply bears an expiration date, the date is at least six months later than  
36.20 the date the supply was donated. If the donated supply bears an expiration date that is less  
36.21 than six months from the date the supply was donated, the supply may be accepted and  
36.22 distributed if the supply is in high demand and can be dispensed for use by a patient before  
36.23 the supply's expiration date.

36.24 (d) The board shall develop the medication repository donor form and make it available  
36.25 on the board's website. ~~The form must state that to the best of the donor's knowledge the~~  
36.26 ~~donated drug or supply has been properly stored under appropriate temperature and humidity~~  
36.27 ~~conditions and that the drug or supply has never been opened, used, tampered with,~~  
36.28 ~~adulterated, or misbranded.~~ Prior to the first donation from a new donor, a central repository  
36.29 or local repository shall verify and record the following information on the donor form:

36.30 (1) the donor's name, address, phone number, and license number, if applicable;

36.31 (2) that the donor will only make donations in accordance with the program;

37.1 (3) to the best of the donor's knowledge, only drugs or supplies that have been properly  
37.2 stored under appropriate temperature and humidity conditions will be donated; and

37.3 (4) to the best of the donor's knowledge, only drugs or supplies that have never been  
37.4 opened, used, tampered with, adulterated, or misbranded will be donated.

37.5 (e) Notwithstanding any other law or rule, a central repository or a local repository may  
37.6 receive donated drugs from donors. Donated drugs and supplies may be shipped or delivered  
37.7 to the premises of the central repository or a local repository, and shall be inspected by a  
37.8 pharmacist or an authorized practitioner who is employed by or under contract with the  
37.9 repository and who has been designated by the repository to accept donations prior to  
37.10 dispensing. A drop box must not be used to deliver or accept donations.

37.11 (f) The central repository and local repository shall maintain a written or electronic  
37.12 inventory of all drugs and supplies donated to the repository upon acceptance of each drug  
37.13 or supply. For each drug, the inventory must include the drug's name, strength, quantity,  
37.14 manufacturer, expiration date, and the date the drug was donated. For each medical supply,  
37.15 the inventory must include a description of the supply, its manufacturer, the date the supply  
37.16 was donated, and, if applicable, the supply's brand name and expiration date. The board  
37.17 may waive the requirement under this paragraph if an entity is under common ownership  
37.18 or control with a central repository or local repository and either the entity or the repository  
37.19 maintains an inventory containing all the information required under this paragraph.

37.20 Sec. 11. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 7, is amended  
37.21 to read:

37.22 **Subd. 7. Standards and procedures for inspecting and storing donated drugs and**  
37.23 **supplies.** (a) A pharmacist or authorized practitioner who is employed by or under contract  
37.24 with the central repository or a local repository shall inspect all donated drugs and supplies  
37.25 before the drug or supply is dispensed to determine, to the extent reasonably possible in the  
37.26 professional judgment of the pharmacist or practitioner, that the drug or supply is not  
37.27 adulterated or misbranded, has not been tampered with, is safe and suitable for dispensing,  
37.28 has not been subject to a recall, and meets the requirements for donation. ~~The pharmacist~~  
37.29 ~~or practitioner who inspects the drugs or supplies shall sign an inspection record stating that~~  
37.30 ~~the requirements for donation have been met.~~ If a local repository receives drugs and supplies  
37.31 from the central repository, the local repository does not need to reinspect the drugs and  
37.32 supplies.

38.1 (b) The central repository and local repositories shall store donated drugs and supplies  
38.2 in a secure storage area under environmental conditions appropriate for the drug or supply  
38.3 being stored. Donated drugs and supplies may not be stored with nondonated inventory.

38.4 (c) The central repository and local repositories shall dispose of all drugs and medical  
38.5 supplies that are not suitable for donation in compliance with applicable federal and state  
38.6 statutes, regulations, and rules concerning hazardous waste.

38.7 (d) In the event that controlled substances or drugs that can only be dispensed to a patient  
38.8 registered with the drug's manufacturer are shipped or delivered to a central or local repository  
38.9 for donation, the shipment delivery must be documented by the repository and returned  
38.10 immediately to the donor or the donor's representative that provided the drugs.

38.11 (e) Each repository must develop drug and medical supply recall policies and procedures.  
38.12 If a repository receives a recall notification, the repository shall destroy all of the drug or  
38.13 medical supply in its inventory that is the subject of the recall and complete a record of  
38.14 destruction form in accordance with paragraph (f). If a drug or medical supply that is the  
38.15 subject of a Class I or Class II recall has been dispensed, the repository shall immediately  
38.16 notify the recipient of the recalled drug or medical supply. A drug that potentially is subject  
38.17 to a recall need not be destroyed if its packaging bears a lot number and that lot of the drug  
38.18 is not subject to the recall. If no lot number is on the drug's packaging, it must be destroyed.

38.19 (f) A record of destruction of donated drugs and supplies that are not dispensed under  
38.20 subdivision 8, are subject to a recall under paragraph (e), or are not suitable for donation  
38.21 shall be maintained by the repository for at least two years. For each drug or supply destroyed,  
38.22 the record shall include the following information:

38.23 (1) the date of destruction;

38.24 (2) the name, strength, and quantity of the drug destroyed; and

38.25 (3) the name of the person or firm that destroyed the drug.

38.26 No other record of destruction is required.

38.27 Sec. 12. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 8, is amended  
38.28 to read:

38.29 Subd. 8. **Dispensing requirements.** (a) Donated prescription drugs and supplies may  
38.30 be dispensed if the drugs or supplies are prescribed by a practitioner for use by an eligible  
38.31 individual and are dispensed by a pharmacist or practitioner. A repository shall dispense  
38.32 drugs and supplies to eligible individuals in the following priority order: (1) individuals

39.1 who are uninsured; (2) individuals with no prescription drug coverage; and (3) individuals  
39.2 who are underinsured. A repository shall dispense donated drugs in compliance with  
39.3 applicable federal and state laws and regulations for dispensing drugs, including all  
39.4 requirements relating to packaging, labeling, record keeping, drug utilization review, and  
39.5 patient counseling.

39.6 (b) Before dispensing or administering a drug or supply, the pharmacist or practitioner  
39.7 shall visually inspect the drug or supply for adulteration, misbranding, tampering, and date  
39.8 of expiration. Drugs or supplies that have expired or appear upon visual inspection to be  
39.9 adulterated, misbranded, or tampered with in any way must not be dispensed or administered.

39.10 (c) Before a the first drug or supply is dispensed or administered to an individual, the  
39.11 individual must sign a an electronic or physical drug repository recipient form acknowledging  
39.12 that the individual understands ~~the information stated on the form. The board shall develop~~  
39.13 ~~the form and make it available on the board's website. The form must include the following~~  
39.14 ~~information:~~

39.15 (1) that the drug or supply being dispensed or administered has been donated and may  
39.16 have been previously dispensed;

39.17 (2) that a visual inspection has been conducted by the pharmacist or practitioner to ensure  
39.18 that the drug or supply has not expired, has not been adulterated or misbranded, and is in  
39.19 its original, unopened packaging; and

39.20 (3) that the dispensing pharmacist, the dispensing or administering practitioner, the  
39.21 central repository or local repository, the Board of Pharmacy, and any other participant of  
39.22 the medication repository program cannot guarantee the safety of the drug or medical supply  
39.23 being dispensed or administered and that the pharmacist or practitioner has determined that  
39.24 the drug or supply is safe to dispense or administer based on the accuracy of the donor's  
39.25 form submitted with the donated drug or medical supply and the visual inspection required  
39.26 to be performed by the pharmacist or practitioner before dispensing or administering.

39.27 Sec. 13. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 9, is amended  
39.28 to read:

39.29 Subd. 9. **Handling fees.** (a) The central or local repository may charge the individual  
39.30 receiving a drug or supply a handling fee of no more than 250 percent of the medical  
39.31 assistance program dispensing fee for each drug or medical supply dispensed or administered  
39.32 by that repository.

40.1 (b) A repository that dispenses or administers a drug or medical supply through the  
40.2 medication repository program shall not receive reimbursement under the medical assistance  
40.3 program or the MinnesotaCare program for that dispensed or administered drug or supply.

40.4 (c) A supply or handling fee must not be charged to an individual enrolled in the medical  
40.5 assistance or MinnesotaCare program.

40.6 Sec. 14. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 11, is amended  
40.7 to read:

40.8 Subd. 11. **Forms and record-keeping requirements.** (a) The following forms developed  
40.9 for the administration of this program ~~shall be utilized by the participants of the program~~  
40.10 ~~and~~ shall be available on the board's website:

40.11 (1) intake application form described under subdivision 5;

40.12 (2) local repository participation form described under subdivision 4;

40.13 (3) local repository withdrawal form described under subdivision 4;

40.14 (4) medication repository donor form described under subdivision 6;

40.15 (5) record of destruction form described under subdivision 7; and

40.16 (6) medication repository recipient form described under subdivision 8.

40.17 Participants may use substantively similar electronic or physical forms.

40.18 (b) All records, including drug inventory, ~~inspection,~~ and disposal of donated drugs and  
40.19 medical supplies, must be maintained by a repository for a minimum of two years. Records  
40.20 required as part of this program must be maintained pursuant to all applicable practice acts.

40.21 (c) Data collected by the medication repository program from all local repositories shall  
40.22 be submitted quarterly or upon request to the central repository. Data collected may consist  
40.23 of the information, records, and forms required to be collected under this section.

40.24 (d) The central repository shall submit reports to the board as required by the contract  
40.25 or upon request of the board.

40.26 Sec. 15. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 12, is amended  
40.27 to read:

40.28 Subd. 12. **Liability.** (a) The manufacturer of a drug or supply is not subject to criminal  
40.29 or civil liability for injury, death, or loss to a person or to property for causes of action  
40.30 described in clauses (1) and (2). A manufacturer is not liable for:



41.1 (1) the intentional or unintentional alteration of the drug or supply by a party not under  
41.2 the control of the manufacturer; or

41.3 (2) the failure of a party not under the control of the manufacturer to transfer or  
41.4 communicate product or consumer information or the expiration date of the donated drug  
41.5 or supply.

41.6 (b) A health care facility participating in the program, a pharmacist dispensing a drug  
41.7 or supply pursuant to the program, a practitioner dispensing or administering a drug or  
41.8 supply pursuant to the program, ~~or a donor of a drug or medical supply, or a person or entity~~  
41.9 that facilitates any of the above is immune from civil liability for an act or omission that  
41.10 causes injury to or the death of an individual to whom the drug or supply is dispensed and  
41.11 no disciplinary action by a health-related licensing board shall be taken against a ~~pharmacist~~  
41.12 ~~or practitioner~~ person or entity so long as the drug or supply is donated, accepted, distributed,  
41.13 and dispensed according to the requirements of this section. This immunity does not apply  
41.14 if the act or omission involves reckless, wanton, or intentional misconduct, or malpractice  
41.15 unrelated to the quality of the drug or medical supply.

41.16 Sec. 16. Minnesota Statutes 2023 Supplement, section 151.74, subdivision 3, is amended  
41.17 to read:

41.18 Subd. 3. **Access to urgent-need insulin.** (a) MNsure shall develop an application form  
41.19 to be used by an individual who is in urgent need of insulin. The application must ask the  
41.20 individual to attest to the eligibility requirements described in subdivision 2. The form shall  
41.21 be accessible through MNsure's website. MNsure shall also make the form available to  
41.22 pharmacies and health care providers who prescribe or dispense insulin, hospital emergency  
41.23 departments, urgent care clinics, and community health clinics. By submitting a completed,  
41.24 signed, and dated application to a pharmacy, the individual attests that the information  
41.25 contained in the application is correct.

41.26 (b) If the individual is in urgent need of insulin, the individual may present a completed,  
41.27 signed, and dated application form to a pharmacy. The individual must also:

41.28 (1) have a valid insulin prescription; and

41.29 (2) present the pharmacist with identification indicating Minnesota residency in the form  
41.30 of a valid Minnesota identification card, driver's license or permit, individual taxpayer  
41.31 identification number, or Tribal identification card as defined in section 171.072, paragraph

41.32 (b). If the individual in urgent need of insulin is under the age of 18, the individual's parent  
41.33 or legal guardian must provide the pharmacist with proof of residency.

42.1 (c) Upon receipt of a completed and signed application, the pharmacist shall dispense  
42.2 the prescribed insulin in an amount that will provide the individual with a 30-day supply.  
42.3 The pharmacy must notify the health care practitioner who issued the prescription order no  
42.4 later than 72 hours after the insulin is dispensed.

42.5 (d) The pharmacy may submit to the manufacturer of the dispensed insulin product or  
42.6 to the manufacturer's vendor a claim for payment that is in accordance with the National  
42.7 Council for Prescription Drug Program standards for electronic claims processing, unless  
42.8 the manufacturer agrees to send to the pharmacy a replacement supply of the same insulin  
42.9 as dispensed in the amount dispensed. If the pharmacy submits an electronic claim to the  
42.10 manufacturer or the manufacturer's vendor, the manufacturer or vendor shall reimburse the  
42.11 pharmacy in an amount that covers the pharmacy's acquisition cost.

42.12 (e) The pharmacy may collect an insulin co-payment from the individual to cover the  
42.13 pharmacy's costs of processing and dispensing in an amount not to exceed \$35 for the 30-day  
42.14 supply of insulin dispensed.

42.15 (f) The pharmacy shall also provide each eligible individual with the information sheet  
42.16 described in subdivision 7 and a list of trained navigators provided by the Board of Pharmacy  
42.17 for the individual to contact if the individual ~~is in need of accessing~~ needs to access ongoing  
42.18 insulin coverage options, including assistance in:

42.19 (1) applying for medical assistance or MinnesotaCare;

42.20 (2) applying for a qualified health plan offered through MNsure, subject to open and  
42.21 special enrollment periods;

42.22 (3) accessing information on providers who participate in prescription drug discount  
42.23 programs, including providers who are authorized to participate in the 340B program under  
42.24 section 340b of the federal Public Health Services Act, United States Code, title 42, section  
42.25 256b; and

42.26 (4) accessing insulin manufacturers' patient assistance programs, co-payment assistance  
42.27 programs, and other foundation-based programs.

42.28 (g) The pharmacist shall retain a copy of the application form submitted by the individual  
42.29 to the pharmacy for reporting and auditing purposes.

42.30 (h) A manufacturer may submit to the commissioner of administration a request for  
42.31 reimbursement in an amount not to exceed \$35 for each 30-day supply of insulin the  
42.32 manufacturer provides under paragraph (d). The commissioner of administration shall  
42.33 determine the manner and format for submitting and processing requests for reimbursement.

43.1 After receiving a reimbursement request, the commissioner of administration shall reimburse  
43.2 the manufacturer in an amount not to exceed \$35 for each 30-day supply of insulin the  
43.3 manufacturer provided under paragraph (d).

43.4 **EFFECTIVE DATE.** This section is effective July 1, 2024.

43.5 Sec. 17. Minnesota Statutes 2022, section 151.74, subdivision 6, is amended to read:

43.6 Subd. 6. **Continuing safety net program; process.** (a) The individual shall submit to  
43.7 a pharmacy the statement of eligibility provided by the manufacturer under subdivision 5,  
43.8 paragraph (b). Upon receipt of an individual's eligibility status, the pharmacy shall submit  
43.9 an order containing the name of the insulin product and the daily dosage amount as contained  
43.10 in a valid prescription to the product's manufacturer.

43.11 (b) The pharmacy must include with the order to the manufacturer the following  
43.12 information:

43.13 (1) the pharmacy's name and shipping address;

43.14 (2) the pharmacy's office telephone number, fax number, email address, and contact  
43.15 name; and

43.16 (3) any specific days or times when deliveries are not accepted by the pharmacy.

43.17 (c) Upon receipt of an order from a pharmacy and the information described in paragraph  
43.18 (b), the manufacturer shall send to the pharmacy a 90-day supply of insulin as ordered,  
43.19 unless a lesser amount is requested in the order, at no charge to the individual or pharmacy.

43.20 (d) Except as authorized under paragraph (e), the pharmacy shall provide the insulin to  
43.21 the individual at no charge to the individual. The pharmacy shall not provide insulin received  
43.22 from the manufacturer to any individual other than the individual associated with the specific  
43.23 order. The pharmacy shall not seek reimbursement for the insulin received from the  
43.24 manufacturer or from any third-party payer.

43.25 (e) The pharmacy may collect a co-payment from the individual to cover the pharmacy's  
43.26 costs for processing and dispensing in an amount not to exceed \$50 for each 90-day supply  
43.27 if the insulin is sent to the pharmacy.

43.28 (f) The pharmacy may submit to a manufacturer a reorder for an individual if the  
43.29 individual's eligibility statement has not expired. Upon receipt of a reorder from a pharmacy,  
43.30 the manufacturer must send to the pharmacy an additional 90-day supply of the product,  
43.31 unless a lesser amount is requested, at no charge to the individual or pharmacy if the  
43.32 individual's eligibility statement has not expired.

44.1 (g) Notwithstanding paragraph (c), a manufacturer may send the insulin as ordered  
44.2 directly to the individual if the manufacturer provides a mail order service option.

44.3 (h) A manufacturer may submit to the commissioner of administration a request for  
44.4 reimbursement in an amount not to exceed \$105 for each 90-day supply of insulin the  
44.5 manufacturer provides under paragraphs (c) and (f). The commissioner of administration  
44.6 shall determine the manner and format for submitting and processing requests for  
44.7 reimbursement. After receiving a reimbursement request, the commissioner of administration  
44.8 shall reimburse the manufacturer in an amount not to exceed \$105 for each 90-day supply  
44.9 of insulin the manufacturer provided under paragraphs (c) and (f). If the manufacturer  
44.10 provides less than a 90-day supply of insulin under paragraphs (c) and (f), the manufacturer  
44.11 may submit a request for reimbursement not to exceed \$35 for each 30-day supply of insulin  
44.12 provided.

44.13 **EFFECTIVE DATE.** This section is effective July 1, 2024.

44.14 **Sec. 18. [151.741] INSULIN MANUFACTURER REGISTRATION FEE.**

44.15 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
44.16 the meanings given.

44.17 (b) "Board" means the Minnesota Board of Pharmacy under section 151.02.

44.18 (c) "Manufacturer" means a manufacturer licensed under section 151.252 and engaged  
44.19 in the manufacturing of prescription insulin.

44.20 Subd. 2. **Assessment of registration fee.** (a) The board shall assess each manufacturer  
44.21 an annual registration fee of \$100,000, except as provided in paragraph (b). The board shall  
44.22 notify each manufacturer of this requirement beginning November 1, 2024, and each  
44.23 November 1 thereafter.

44.24 (b) A manufacturer may request an exemption from the annual registration fee. The  
44.25 Board of Pharmacy shall exempt a manufacturer from the annual registration fee if the  
44.26 manufacturer can demonstrate to the board, in the form and manner specified by the board,  
44.27 that sales of prescription insulin produced by that manufacturer and sold or delivered within  
44.28 or into the state totalled \$2,000,000 or less in the previous calendar year.

44.29 Subd. 3. **Payment of the registration fee; deposit of fee.** (a) Each manufacturer must  
44.30 pay the registration fee by March 1, 2025, and by each March 1 thereafter. In the event of  
44.31 a change in ownership of the manufacturer, the new owner must pay the registration fee  
44.32 that the original owner would have been assessed had the original owner retained ownership.

45.1 The board may assess a late fee of ten percent per month or any portion of a month that the  
45.2 registration fee is paid after the due date.

45.3 (b) The registration fee, including any late fees, shall be deposited in the insulin safety  
45.4 net program account.

45.5 Subd. 4. **Insulin safety net program account.** The insulin safety net program account  
45.6 is established in the special revenue fund in the state treasury. Money in the account is  
45.7 appropriated each fiscal year to:

45.8 (1) the MNsure board in an amount sufficient to carry out assigned duties under section  
45.9 151.74, subdivision 7; and

45.10 (2) the Board of Pharmacy in an amount sufficient to cover costs incurred by the board  
45.11 in assessing and collecting the registration fee under this section, and in administering the  
45.12 insulin safety net program under section 151.74.

45.13 Subd. 5. **Insulin repayment account; annual transfer from health care access fund.** (a)  
45.14 The insulin repayment account is established in the special revenue fund in the state treasury.  
45.15 Money in the account is appropriated each fiscal year to the commissioner of administration  
45.16 in an amount sufficient for the commissioner to reimburse manufacturers for insulin dispensed  
45.17 under the insulin safety net program in section 151.74, in accordance with section 151.74,  
45.18 subdivisions 3, paragraph (h), and 6, paragraph (h), and to cover costs incurred by the  
45.19 commissioner in providing these reimbursement payments.

45.20 (b) The commissioner of management and budget shall transfer from the health care  
45.21 access fund to the insulin repayment account, beginning July 1, 2025, and each July 1  
45.22 thereafter, an amount sufficient for the commissioner of administration to implement  
45.23 paragraph (a).

45.24 Subd. 6. **Contingent transfer by commissioner.** If subdivisions 2 and 3, or their  
45.25 application to any person or circumstance, are held invalid for any reason in a court of  
45.26 competent jurisdiction, their invalidity does not affect other provisions of this act, and the  
45.27 commissioner of management and budget shall annually transfer from the health care access  
45.28 fund to the insulin safety net program account an amount sufficient to implement subdivision  
45.29 4.

45.30 **EFFECTIVE DATE.** This section is effective July 1, 2024.

46.1 Sec. 19. Minnesota Statutes 2023 Supplement, section 270A.03, subdivision 2, is amended  
46.2 to read:

46.3 Subd. 2. **Claimant agency.** "Claimant agency" means any state agency, as defined by  
46.4 section 14.02, subdivision 2, the regents of the University of Minnesota, any district court  
46.5 of the state, any county, any statutory or home rule charter city, including a city that is  
46.6 presenting a claim for ~~a municipal hospital or a public library or a municipal ambulance~~  
46.7 ~~service, a hospital district, any ambulance service licensed under chapter 144E,~~ any public  
46.8 agency responsible for child support enforcement, any public agency responsible for the  
46.9 collection of court-ordered restitution, and any public agency established by general or  
46.10 special law that is responsible for the administration of a low-income housing program.

46.11 Sec. 20. **[332.371] MEDICAL DEBT CREDIT REPORTING PROHIBITED.**

46.12 (a) A consumer reporting agency is prohibited from making a consumer report containing  
46.13 an item of information that the consumer reporting agency knows or should know concerns  
46.14 (1) medical information; or (2) debt arising from: (i) the provision of medical care, treatment,  
46.15 services, devices, or medicines; or (ii) procedures to maintain, diagnose, or treat a person's  
46.16 physical or mental health.

46.17 (b) For purposes of this section, "consumer report," "consumer reporting agency," and  
46.18 "medical information" have the meanings given them in the Fair Credit Reporting Act,  
46.19 United States Code, title 15, section 1681a.

46.20 Sec. 21. **[332C.01] DEFINITIONS.**

46.21 Subdivision 1. **Application.** For purposes of this chapter, the following terms have the  
46.22 meanings given.

46.23 Subd. 2. **Collecting party.** "Collecting party" means a party engaged in the collection  
46.24 of medical debt for any account, bill, or other indebtedness, except as hereinafter provided.

46.25 Subd. 3. **Debtor.** "Debtor" means a person obligated or alleged to be obligated to pay  
46.26 any debt.

46.27 Subd. 4. **Medical debt.** "Medical debt" means debt incurred primarily for necessary  
46.28 medical care and related services.

46.29 Subd. 5. **Person.** "Person" means any individual, partnership, association, or corporation.

46.30 Sec. 22. **[332C.02] PROHIBITED PRACTICES.**

46.31 No collecting party shall:

- 47.1 (1) in a collection letter, publication, invoice, or any oral or written communication,  
47.2 threaten wage garnishment or legal suit by a particular lawyer, unless the collecting party  
47.3 has actually retained the lawyer to do so;
- 47.4 (2) use or employ sheriffs or any other officer authorized to serve legal papers in  
47.5 connection with the collection of a claim, except when performing their legally authorized  
47.6 duties;
- 47.7 (3) use or threaten to use methods of collection which violate Minnesota law;
- 47.8 (4) furnish legal advice to debtors or represent that the collecting party is competent or  
47.9 able to furnish legal advice to debtors;
- 47.10 (5) communicate with debtors in a misleading or deceptive manner by falsely using the  
47.11 stationery of a lawyer, forms or instruments which only lawyers are authorized to prepare,  
47.12 or instruments which simulate the form and appearance of judicial process;
- 47.13 (6) publish or cause to be published any list of debtors, use shame cards or shame  
47.14 automobiles, advertise or threaten to advertise for sale any claim as a means of forcing  
47.15 payment thereof, or use similar devices or methods of intimidation;
- 47.16 (7) operate under a name or in a manner which falsely implies the collecting party is a  
47.17 branch of or associated with any department of federal, state, county, or local government  
47.18 or an agency thereof;
- 47.19 (8) transact business or hold itself out as a debt settlement company, debt management  
47.20 company, debt adjuster, or any person who settles, adjusts, prorates, pools, liquidates, or  
47.21 pays the indebtedness of a debtor, unless there is no charge to the debtor, or the pooling or  
47.22 liquidation is done pursuant to court order or under the supervision of a creditor's committee;
- 47.23 (9) unless an exemption in the law exists, violate Code of Federal Regulations, title 12,  
47.24 part 1006, while attempting to collect on any account, bill, or other indebtedness. For  
47.25 purposes of this section, Public Law 95-109 and Code of Federal Regulations, title 12, part  
47.26 1006, apply to collecting parties;
- 47.27 (10) communicate with a debtor by use of an automatic telephone dialing system or an  
47.28 artificial or prerecorded voice after the debtor expressly informs the collecting party to cease  
47.29 communication utilizing an automatic telephone dialing system or an artificial or prerecorded  
47.30 voice. For purposes of this clause, an automatic telephone dialing system or an artificial or  
47.31 prerecorded voice includes but is not limited to (i) artificial intelligence chat bots, and (ii)  
47.32 the usage of the term under the Telephone Consumer Protection Act, United States Code,  
47.33 title 47, section 227(b)(1)(A);

48.1 (11) in collection letters or publications, or in any oral or written communication, imply  
48.2 or suggest that medically necessary health treatment or services will be denied as a result  
48.3 of a medical debt;

48.4 (12) when a debtor has a listed telephone number, enlist the aid of a neighbor or third  
48.5 party to request that the debtor contact the collecting party, except a person who resides  
48.6 with the debtor or a third party with whom the debtor has authorized with the collecting  
48.7 party to place the request. This clause does not apply to a call back message left at the  
48.8 debtor's place of employment which is limited solely to the collecting party's telephone  
48.9 number and name;

48.10 (13) when attempting to collect a medical debt, fail to provide the debtor with the full  
48.11 name of the collecting party, as registered with the secretary of state;

48.12 (14) fail to return any amount of overpayment from a debtor to the debtor or to the state  
48.13 of Minnesota pursuant to the requirements of chapter 345;

48.14 (15) accept currency or coin as payment for a medical debt without issuing an original  
48.15 receipt to the debtor and maintain a duplicate receipt in the debtor's payment records;

48.16 (16) attempt to collect any amount, including any interest, fee, charge, or expense  
48.17 incidental to the charge-off obligation, from a debtor unless the amount is expressly  
48.18 authorized by the agreement creating the medical debt or is otherwise permitted by law;

48.19 (17) falsify any documents with the intent to deceive;

48.20 (18) when initially contacting a Minnesota debtor by mail to collect a medical debt, fail  
48.21 to include a disclosure on the contact notice, in a type size or font which is equal to or larger  
48.22 than the largest other type of type size or font used in the text of the notice, that includes  
48.23 and identifies the Office of the Minnesota Attorney General's general telephone number,  
48.24 and states: "You have the right to hire your own attorney to represent you in this matter.";

48.25 (19) commence legal action to collect a medical debt outside the limitations period set  
48.26 forth in section 541.053;

48.27 (20) report to a credit reporting agency any medical debt which the collecting party  
48.28 knows or should know is or was originally owed to a health care provider, as defined in  
48.29 section 62J.805, subdivision 2; or

48.30 (21) challenge a debtor's claim of exemption to garnishment or levy in a manner that is  
48.31 baseless, frivolous, or otherwise in bad faith.



49.1 Sec. 23. [332C.04] DEFENDING MEDICAL DEBT CASES.

49.2 A debtor who successfully defends against a claim for payment of medical debt that is  
49.3 alleged by a collecting party must be awarded the debtor's costs, including a reasonable  
49.4 attorney fee, incurred in defending against the collecting party's claim for debt payment.

49.5 Sec. 24. [332C.06] ENFORCEMENT.

49.6 (a) The attorney general may enforce this chapter under section 8.31.

49.7 (b) A collecting party that violates this chapter is strictly liable to the debtor in question  
49.8 for the sum of:

49.9 (1) actual damage sustained by the debtor as a result of the violation;

49.10 (2) additional damages as the court may allow, but not exceeding \$1,000 per violation;  
49.11 and

49.12 (3) in the case of any successful action to enforce the foregoing, the costs of the action,  
49.13 together with a reasonable attorney fee as determined by the court.

49.14 (c) A collecting party that willfully and maliciously violates this chapter is strictly liable  
49.15 to the debtor for three times the sums allowable under paragraph (b), clauses (1) and (2).

49.16 (d) The dollar amount limit under paragraph (b), clause (2), changes on July 1 of each  
49.17 even-numbered year in an amount equal to changes made in the Consumer Price Index,  
49.18 compiled by the United States Bureau of Labor Statistics. The Consumer Price Index for  
49.19 December 2024 is the reference base index. If the Consumer Price Index is revised, the  
49.20 percentage of change made under this section must be calculated on the basis of the revised  
49.21 Consumer Price Index. If a Consumer Price Index revision changes the reference base index,  
49.22 a revised reference base index must be determined by multiplying the reference base index  
49.23 that is effective at the time by the rebasing factor furnished by the Bureau of Labor Statistics.

49.24 (e) If the Consumer Price Index is superseded, the Consumer Price Index referred to in  
49.25 this section is the Consumer Price Index represented by the Bureau of Labor Statistics as  
49.26 most accurately reflecting changes in the prices paid by consumers for consumer goods and  
49.27 services.

49.28 (f) The attorney general must publish the base reference index under paragraph (c) in  
49.29 the State Register no later than September 1, 2024. The attorney general must calculate and  
49.30 then publish the revised Consumer Price Index under paragraph (c) in the State Register no  
49.31 later than September 1 each even-numbered year.

49.32 (g) An action brought under this section benefits the public.

50.1 Sec. 25. Minnesota Statutes 2022, section 334.01, is amended by adding a subdivision to  
50.2 read:

50.3 Subd. 4. **Contracts for medical care.** Interest for any debt owed to a health care provider  
50.4 incurred in exchange for care, treatment, services, devices, medicines, or procedures to  
50.5 maintain, diagnose, or treat a person's physical or mental health shall be at a rate of \$4 upon  
50.6 \$100 for a year.

50.7 Sec. 26. Minnesota Statutes 2022, section 519.05, is amended to read:

50.8 **519.05 LIABILITY OF ~~HUSBAND AND WIFE~~ SPOUSES.**

50.9 (a) A spouse is not liable to a creditor for any debts of the other spouse. ~~Where husband~~  
50.10 ~~and wife are living together, they shall be jointly and severally liable for necessary medical~~  
50.11 ~~services that have been furnished to either spouse, including any claims arising under section~~  
50.12 ~~246.53, 256B.15, 256D.16, or 261.04, and necessary household articles and supplies furnished~~  
50.13 ~~to and used by the family.~~ Notwithstanding this paragraph, in a proceeding under chapter  
50.14 518 the court may apportion such debt between the spouses.

50.15 (b) Either spouse may close a credit card account or other unsecured consumer line of  
50.16 credit on which both spouses are contractually liable, by giving written notice to the creditor.

50.17 Sec. 27. Laws 2020, chapter 73, section 8, is amended to read:

50.18 Sec. 8. **APPROPRIATIONS.**

50.19 (a) \$297,000 is appropriated in fiscal year 2020 from the health care access fund to the  
50.20 Board of Directors of MNsure ~~to train navigators to assist individuals and provide~~  
50.21 ~~compensation as required~~ for the insulin safety net program under Minnesota Statutes,  
50.22 section 151.74, ~~subdivision 7. Of this appropriation, \$108,000 is for implementing the~~  
50.23 ~~training requirements for navigators and \$189,000 is for application assistance bonus~~  
50.24 ~~payments.~~ This is a onetime appropriation and is available until ~~December 31, 2024~~ June  
50.25 30, 2027.

50.26 (b) \$250,000 is appropriated in fiscal year 2020 from the health care access fund to the  
50.27 Board of Directors of MNsure for a public awareness campaign for the insulin safety net  
50.28 program established under Minnesota Statutes, section 151.74. This is a onetime appropriation  
50.29 and is available until December 31, 2024.

50.30 (c) \$76,000 is appropriated in fiscal year 2021 from the health care access fund to the  
50.31 Board of Pharmacy to implement Minnesota Statutes, section 151.74. The base for this

51.1 appropriation is \$76,000 in fiscal year 2022; \$76,000 in fiscal year 2023; \$76,000 in fiscal  
51.2 year 2024; \$38,000 in fiscal year 2025; and \$0 in fiscal year 2026.

51.3 (d) \$136,000 in fiscal year 2021 is appropriated from the health care access fund to the  
51.4 commissioner of health to implement the survey to assess program satisfaction in Minnesota  
51.5 Statutes, section 151.74, subdivision 12. The base for this appropriation is \$80,000 in fiscal  
51.6 year 2022 and \$0 in fiscal year 2023. This is a onetime appropriation.

51.7 Sec. 28. **REPEALER; SUNSET FOR THE LONG-TERM SAFETY NET INSULIN**  
51.8 **PROGRAM.**

51.9 Minnesota Statutes 2022, section 151.74, subdivision 16, is repealed.

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

51.11 **ARTICLE 4**  
51.12 **HEALTH INSURANCE**

51.13 Section 1. Minnesota Statutes 2022, section 62A.28, subdivision 2, is amended to read:

51.14 Subd. 2. **Required coverage.** (a) Every policy, plan, certificate, or contract referred to  
51.15 in subdivision 1 ~~issued or renewed after August 1, 1987,~~ and county-based purchasing  
51.16 plans participating in the medical assistance program, must provide coverage for scalp hair  
51.17 prostheses, including all equipment and accessories necessary of regular use of scalp hair  
51.18 prostheses, worn for hair loss suffered as a result of a health condition, including, but not  
51.19 limited to, alopecia areata or the treatment for cancer, unless there is a clinical basis for  
51.20 limitation.

51.21 (b) The coverage required by this section is subject to the co-payment, coinsurance,  
51.22 deductible, and other enrollee cost-sharing requirements that apply to similar types of items  
51.23 under the policy, plan, certificate, or contract and may be limited to one prosthesis per  
51.24 benefit year.

51.25 (c) The coverage required by this section for scalp hair prostheses limited to \$1,000  
51.26 per benefit year.

51.27 (d) A scalp hair prostheses must be prescribed by a doctor to be covered under this  
51.28 section.

51.29 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all policies,  
51.30 plans, certificates, and contracts offered, issued, or renewed on or after that date.

52.1 Sec. 2. [62A.3098] RAPID WHOLE GENOME SEQUENCING; COVERAGE.

52.2 Subdivision 1. Definition. For purposes of this section, "rapid whole genome sequencing"  
52.3 or "rWGS" means an investigation of the entire human genome, including coding and  
52.4 noncoding regions and mitochondrial deoxyribonucleic acid, to identify disease-causing  
52.5 genetic changes that returns the final results in 14 days. Rapid whole genome sequencing  
52.6 includes patient-only whole genome sequencing and duo and trio whole genome sequencing  
52.7 of the patient and the patient's biological parent or parents.

52.8 Subd. 2. Required coverage. A health plan that provides coverage to Minnesota residents  
52.9 must cover rWGS testing if the enrollee:

52.10 (1) is 21 years of age or younger;

52.11 (2) has a complex or acute illness of unknown etiology that is not confirmed to have  
52.12 been caused by an environmental exposure, toxic ingestion, an infection with a normal  
52.13 response to therapy, or trauma; and

52.14 (3) is receiving inpatient hospital services in an intensive care unit or a neonatal or high  
52.15 acuity pediatric care unit.

52.16 Subd. 3. Coverage criteria. Coverage may be based on the following medical necessity  
52.17 criteria:

52.18 (1) the enrollee has symptoms that suggest a broad differential diagnosis that would  
52.19 require an evaluation by multiple genetic tests if rWGS testing is not performed;

52.20 (2) timely identification of a molecular diagnosis is necessary in order to guide clinical  
52.21 decision making, and the rWGS testing may aid in guiding the treatment or management  
52.22 of the enrollee's condition; and

52.23 (3) the enrollee's complex or acute illness of unknown etiology includes at least one of  
52.24 the following conditions:

52.25 (i) congenital anomalies involving at least two organ systems, or complex or multiple  
52.26 congenital anomalies in one organ system;

52.27 (ii) specific organ malformations that are highly suggestive of a genetic etiology;

52.28 (iii) abnormal laboratory tests or abnormal chemistry profiles suggesting the presence  
52.29 of a genetic disease, complex metabolic disorder, or inborn error of metabolism;

52.30 (iv) refractory or severe hypoglycemia or hyperglycemia;

- 53.1 (v) abnormal response to therapy related to an underlying medical condition affecting  
53.2 vital organs or bodily systems;
- 53.3 (vi) severe muscle weakness, rigidity, or spasticity;
- 53.4 (vii) refractory seizures;
- 53.5 (viii) a high-risk stratification on evaluation for a brief resolved unexplained event with  
53.6 any of the following features:
- 53.7 (A) a recurrent event without respiratory infection;
- 53.8 (B) a recurrent seizure-like event; or
- 53.9 (C) a recurrent cardiopulmonary resuscitation;
- 53.10 (ix) abnormal cardiac diagnostic testing results that are suggestive of possible  
53.11 channelopathies, arrhythmias, cardiomyopathies, myocarditis, or structural heart disease;
- 53.12 (x) abnormal diagnostic imaging studies that are suggestive of underlying genetic  
53.13 condition;
- 53.14 (xi) abnormal physiologic function studies that are suggestive of an underlying genetic  
53.15 etiology; or
- 53.16 (xii) family genetic history related to the patient's condition.
- 53.17 Subd. 4. **Cost sharing.** Coverage provided in this section is subject to the enrollee's  
53.18 health plan cost-sharing requirements, including any deductibles, co-payments, or coinsurance  
53.19 requirements that apply to diagnostic testing services.
- 53.20 Subd. 5. **Payment for services provided.** If the enrollee's health plan uses a capitated  
53.21 or bundled payment arrangement to reimburse a provider for services provided in an inpatient  
53.22 setting, reimbursement for services covered under this section must be paid separately and  
53.23 in addition to any reimbursement otherwise payable to the provider under the capitated or  
53.24 bundled payment arrangement, unless the health carrier and the provider have negotiated  
53.25 an increased capitated or bundled payment rate that includes the services covered under this  
53.26 section.
- 53.27 Subd. 6. **Genetic data.** Genetic data generated as a result of performing rWGS and  
53.28 covered under this section: (1) must be used for the primary purpose of assisting the ordering  
53.29 provider and treating care team to diagnose and treat the patient; (2) is protected health  
53.30 information as set forth under the Health Insurance Portability and Accountability Act  
53.31 (HIPAA), the Health Information Technology for Economic and Clinical Health Act, and  
53.32 any promulgated regulations, including but not limited to Code of Federal Regulations, title

54.1 45, parts 160 and 164, subparts A and E; and (3) is a protected health record under sections  
54.2 144.291 to 144.298.

54.3 Subd. 7. **Reimbursement.** The commissioner of commerce must reimburse health  
54.4 carriers for coverage under this section. Reimbursement is available only for coverage that  
54.5 would not have been provided by the health carrier without the requirements of this section.  
54.6 Each fiscal year, an amount necessary to make payments to health carriers to defray the  
54.7 cost of providing coverage under this section is appropriated to the commissioner of  
54.8 commerce. Health carriers must report to the commissioner quantified costs attributable to  
54.9 the additional benefit under this section in a format developed by the commissioner. The  
54.10 commissioner must evaluate submissions and make payments to health carriers as provided  
54.11 in Code of Federal Regulations, title 45, section 155.170.

54.12 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to a health  
54.13 plan offered, issued, or sold on or after that date.

54.14 **Sec. 3. [62A.59] COVERAGE OF SERVICE; PRIOR AUTHORIZATION.**

54.15 Subdivision 1. **Service for which prior authorization not required.** A health carrier  
54.16 must not retrospectively deny or limit coverage of a health care service for which prior  
54.17 authorization was not required by the health carrier, unless there is evidence that the health  
54.18 care service was provided based on fraud or misinformation.

54.19 Subd. 2. **Service for which prior authorization required but not obtained.** A health  
54.20 carrier must not deny or limit coverage of a health care service which the enrollee has already  
54.21 received solely on the basis of lack of prior authorization if the service would otherwise  
54.22 have been covered had the prior authorization been obtained.

54.23 **EFFECTIVE DATE.** This section is effective January 1, 2026, and applies to health  
54.24 plans offered, sold, issued, or renewed on or after that date.

54.25 **Sec. 4. [62C.045] APPLICATION OF OTHER LAW.**

54.26 Sections 145D.30 to 145D.37 apply to service plan corporations operating under this  
54.27 chapter.

54.28 **Sec. 5.** Minnesota Statutes 2022, section 62D.02, subdivision 4, is amended to read:

54.29 **Subd. 4. **Health maintenance organization.**** "Health maintenance organization" means  
54.30 **a ~~foreign or domestic~~ nonprofit corporation organized under chapter 317A, or a local**  
54.31 **governmental unit as defined in subdivision 11, controlled and operated as provided in**

55.1 sections 62D.01 to 62D.30, which provides, either directly or through arrangements with  
55.2 providers or other persons, comprehensive health maintenance services, or arranges for the  
55.3 provision of these services, to enrollees on the basis of a fixed prepaid sum without regard  
55.4 to the frequency or extent of services furnished to any particular enrollee.

55.5 Sec. 6. Minnesota Statutes 2022, section 62D.02, subdivision 7, is amended to read:

55.6 Subd. 7. **Comprehensive health maintenance services.** "Comprehensive health  
55.7 maintenance services" means a set of comprehensive health services which the enrollees  
55.8 might reasonably require to be maintained in good health including as a minimum, but not  
55.9 limited to, emergency care, emergency ground ambulance transportation services, inpatient  
55.10 hospital and physician care, outpatient health services and preventive health services.  
55.11 ~~Elective, induced abortion, except as medically necessary to prevent the death of the mother,~~  
55.12 ~~whether performed in a hospital, other abortion facility or the office of a physician, shall~~  
55.13 ~~not be mandatory for any health maintenance organization.~~

55.14 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
55.15 plans offered, sold, issued, or renewed on or after that date.

55.16 Sec. 7. Minnesota Statutes 2022, section 62D.03, subdivision 1, is amended to read:

55.17 Subdivision 1. **Certificate of authority required.** Notwithstanding any law of this state  
55.18 to the contrary, any ~~foreign or domestic~~ nonprofit corporation organized to do so or a local  
55.19 governmental unit may apply to the commissioner of health for a certificate of authority to  
55.20 establish and operate a health maintenance organization in compliance with sections 62D.01  
55.21 to 62D.30. No person shall establish or operate a health maintenance organization in this  
55.22 state, nor sell or offer to sell, or solicit offers to purchase or receive advance or periodic  
55.23 consideration in conjunction with a health maintenance organization or health maintenance  
55.24 contract unless the organization has a certificate of authority under sections 62D.01 to  
55.25 62D.30.

55.26 Sec. 8. Minnesota Statutes 2022, section 62D.05, subdivision 1, is amended to read:

55.27 Subdivision 1. **Authority granted.** Any nonprofit corporation or local governmental  
55.28 unit may, upon obtaining a certificate of authority as required in sections 62D.01 to 62D.30,  
55.29 operate as a health maintenance organization.

56.1 Sec. 9. Minnesota Statutes 2022, section 62D.06, subdivision 1, is amended to read:

56.2 Subdivision 1. **Governing body composition; enrollee advisory body.** The governing  
56.3 body of any health maintenance organization which is a nonprofit corporation may include  
56.4 enrollees, providers, or other individuals; provided, however, that after a health maintenance  
56.5 organization which is a nonprofit corporation has been authorized under sections 62D.01  
56.6 to 62D.30 for one year, at least 40 percent of the governing body shall be composed of  
56.7 enrollees and members elected by the enrollees and members from among the enrollees and  
56.8 members. For purposes of this section, "member" means a consumer who receives health  
56.9 care services through a self-insured contract that is administered by the health maintenance  
56.10 organization or its related third-party administrator. The number of members elected to the  
56.11 governing body shall not exceed the number of enrollees elected to the governing body. An  
56.12 enrollee or member elected to the governing board may not be a person:

56.13 (1) whose occupation involves, or before retirement involved, the administration of  
56.14 health activities or the provision of health services;

56.15 (2) who is or was employed by a health care facility as a licensed health professional;  
56.16 or

56.17 (3) who has or had a direct substantial financial or managerial interest in the rendering  
56.18 of a health service, other than the payment of a reasonable expense reimbursement or  
56.19 compensation as a member of the board of a health maintenance organization.

56.20 After a health maintenance organization which is a local governmental unit has been  
56.21 authorized under sections 62D.01 to 62D.30 for one year, an enrollee advisory body shall  
56.22 be established. The enrollees who make up this advisory body shall be elected by the enrollees  
56.23 from among the enrollees.

56.24 Sec. 10. Minnesota Statutes 2022, section 62D.12, subdivision 19, is amended to read:

56.25 Subd. 19. **Coverage of service.** A health maintenance organization may not deny or  
56.26 limit coverage of a service which the enrollee has already received solely on the basis of  
56.27 lack of prior authorization or second opinion, to the extent that the service would otherwise  
56.28 have been covered under the member's contract by the health maintenance organization had  
56.29 prior authorization or second opinion been obtained. This subdivision expires December  
56.30 31, 2025, for health plans offered, sold, issued, or renewed on or after that date.



57.1 Sec. 11. Minnesota Statutes 2022, section 62D.19, is amended to read:

57.2 **62D.19 UNREASONABLE EXPENSES.**

57.3 No health maintenance organization shall incur or pay for any expense of any nature  
57.4 which is unreasonably high in relation to the value of the service or goods provided. The  
57.5 commissioner of health shall implement and enforce this section by rules adopted under  
57.6 this section.

57.7 In an effort to achieve the stated purposes of sections 62D.01 to 62D.30, in order to  
57.8 safeguard the underlying nonprofit status of health maintenance organizations, and in order  
57.9 to ensure that the payment of health maintenance organization money to major participating  
57.10 entities results in a corresponding benefit to the health maintenance organization and its  
57.11 enrollees, when determining whether an organization has incurred an unreasonable expense  
57.12 in relation to a major participating entity, due consideration shall be given to, in addition  
57.13 to any other appropriate factors, whether the officers and trustees of the health maintenance  
57.14 organization have acted with good faith and in the best interests of the health maintenance  
57.15 organization in entering into, and performing under, a contract under which the health  
57.16 maintenance organization has incurred an expense. The commissioner has standing to sue,  
57.17 on behalf of a health maintenance organization, officers or trustees of the health maintenance  
57.18 organization who have breached their fiduciary duty in entering into and performing such  
57.19 contracts.

57.20 Sec. 12. Minnesota Statutes 2022, section 62D.20, subdivision 1, is amended to read:

57.21 Subdivision 1. **Rulemaking.** The commissioner of health may, pursuant to chapter 14,  
57.22 promulgate such reasonable rules as are necessary or proper to carry out the provisions of  
57.23 sections 62D.01 to 62D.30. Included among such rules shall be those which provide minimum  
57.24 requirements for the provision of comprehensive health maintenance services, as defined  
57.25 in section 62D.02, subdivision 7, and reasonable exclusions therefrom. ~~Nothing in such~~  
57.26 ~~rules shall force or require a health maintenance organization to provide elective, induced~~  
57.27 ~~abortions, except as medically necessary to prevent the death of the mother, whether~~  
57.28 ~~performed in a hospital, other abortion facility, or the office of a physician; the rules shall~~  
57.29 ~~provide every health maintenance organization the option of excluding or including elective,~~  
57.30 ~~induced abortions, except as medically necessary to prevent the death of the mother, as part~~  
57.31 ~~of its comprehensive health maintenance services.~~

57.32 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
57.33 plans offered, sold, issued, or renewed on or after that date.

58.1 Sec. 13. Minnesota Statutes 2022, section 62D.22, subdivision 5, is amended to read:

58.2 Subd. 5. **Other state law.** Except as otherwise provided in sections 62A.01 to 62A.42  
58.3 and 62D.01 to 62D.30, ~~and except as they eliminate elective, induced abortions, wherever~~  
58.4 ~~performed, from health or maternity benefits,~~ provisions of the insurance laws and provisions  
58.5 of nonprofit health service plan corporation laws shall not be applicable to any health  
58.6 maintenance organization granted a certificate of authority under sections 62D.01 to 62D.30.

58.7 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
58.8 plans offered, sold, issued, or renewed on or after that date.

58.9 Sec. 14. Minnesota Statutes 2022, section 62D.22, is amended by adding a subdivision to  
58.10 read:

58.11 Subd. 5a. **Application of other law.** Sections 145D.30 to 145D.37 apply to nonprofit  
58.12 health maintenance organizations operating under this chapter.

58.13 Sec. 15. **[62D.221] OVERSIGHT OF TRANSACTIONS.**

58.14 Subdivision 1. **Insurance provisions applicable to health maintenance**  
58.15 **organizations.** (a) Health maintenance organizations are subject to sections 60A.135,  
58.16 60A.136, 60A.137, 60A.16, 60A.161, 60D.17, 60D.18, and 60D.20 and must comply with  
58.17 the provisions of these sections applicable to insurers. In applying these sections to health  
58.18 maintenance organizations, "the commissioner" means the commissioner of health. Health  
58.19 maintenance organizations are subject to Minnesota Rules, chapter 2720, as applicable to  
58.20 sections 60D.17, 60D.18, and 60D.20, and must comply with those provisions of the chapter  
58.21 applicable to insurers unless the commissioner of health adopts rules to implement this  
58.22 subdivision.

58.23 (b) In addition to the conditions in section 60D.17, subdivision 1, subjecting a health  
58.24 maintenance organization to filing requirements, no person other than the issuer shall acquire  
58.25 all or substantially all of the assets of a domestic nonprofit health maintenance organization  
58.26 through any means unless at the time the offer, request, or invitation is made or the agreement  
58.27 is entered into the person has filed with the commissioner and has sent to the health  
58.28 maintenance organization a statement containing the information required in section 60D.17  
58.29 and the offer, request, invitation, agreement, or acquisition has been approved by the  
58.30 commissioner of health in the manner prescribed in section 60D.17.

58.31 Subd. 2. **Conversion transactions.** If a health maintenance organization must notify or  
58.32 report a transaction to the commissioner under subdivision 1, the health maintenance

59.1 organization must include information regarding the plan for a conversion benefit entity,  
 59.2 in the form and manner determined by the commissioner, if the reportable transaction  
 59.3 qualifies as a conversion transaction as defined in section 145D.30, subdivision 5. The  
 59.4 commissioner may consider information regarding the conversion transaction and the  
 59.5 conversion benefit entity plan in any actions taken under subdivision 1, including in decisions  
 59.6 to approve or disapprove transactions, and may extend time frames to a total of 90 days,  
 59.7 with notice to the parties to the transaction.

59.8 Sec. 16. Minnesota Statutes 2022, section 62E.02, subdivision 3, is amended to read:

59.9 Subd. 3. **Health maintenance organization.** "Health maintenance organization" means  
 59.10 a nonprofit corporation licensed and operated as provided in chapter 62D.

59.11 Sec. 17. Minnesota Statutes 2022, section 62M.01, subdivision 3, is amended to read:

59.12 Subd. 3. **Scope.** (a) Nothing in this chapter applies to review of claims after submission  
 59.13 to determine eligibility for benefits under a health benefit plan. The appeal procedure  
 59.14 described in section 62M.06 applies to any complaint as defined under section 62Q.68,  
 59.15 subdivision 2, that requires a medical determination in its resolution.

59.16 (b) Effective January 1, 2026, this chapter ~~does not apply~~ applies to managed care plans  
 59.17 or county-based purchasing plans when the plan is providing coverage to state public health  
 59.18 care program enrollees under chapter 256B or 256L.

59.19 (c) Effective January 1, 2026, the following sections of this chapter apply to services  
 59.20 delivered through fee-for-service under chapters 256B and 256L: 62M.02, subdivisions 1  
 59.21 to 5, 7 to 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions  
 59.22 1 to 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; and 62M.17, subdivision 2.

59.23 Sec. 18. Minnesota Statutes 2022, section 62M.02, subdivision 1a, is amended to read:

59.24 Subd. 1a. **Adverse determination.** "Adverse determination" means a decision by a  
 59.25 utilization review organization relating to an admission, extension of stay, or health care  
 59.26 service that is partially or wholly adverse to the enrollee, including:

59.27 (1) a decision to deny an admission, extension of stay, or health care service on the basis  
 59.28 that it is not medically necessary; or

59.29 (2) an authorization for a health care service that is less intensive than the health care  
 59.30 service specified in the original request for authorization.

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

60.1 Sec. 19. Minnesota Statutes 2022, section 62M.02, subdivision 5, is amended to read:

60.2 Subd. 5. **Authorization.** "Authorization" means a determination by a utilization review  
60.3 organization that an admission, extension of stay, or other health care service has been  
60.4 reviewed and that, based on the information provided, it satisfies the utilization review  
60.5 requirements of the applicable health benefit plan and the health plan company or  
60.6 commissioner will then pay for the covered benefit, provided the preexisting limitation  
60.7 provisions, the general exclusion provisions, and any deductible, co-payment, coinsurance,  
60.8 or other policy requirements have been met.

60.9 Sec. 20. Minnesota Statutes 2022, section 62M.02, is amended by adding a subdivision  
60.10 to read:

60.11 Subd. 8a. **Commissioner.** "Commissioner" means, effective January 1, 2026, for the  
60.12 sections specified in section 62M.01, subdivision 3, paragraph (c), the commissioner of  
60.13 human services, unless otherwise specified.

60.14 Sec. 21. Minnesota Statutes 2022, section 62M.02, subdivision 11, is amended to read:

60.15 Subd. 11. **Enrollee.** "Enrollee" means:

60.16 (1) an individual covered by a health benefit plan and includes an insured policyholder,  
60.17 subscriber, contract holder, member, covered person, or certificate holder; or

60.18 (2) effective January 1, 2026, for the sections specified in section 62M.01, subdivision  
60.19 3, paragraph (c), a recipient receiving coverage through fee-for-service under chapters 256B  
60.20 and 256L.

60.21 Sec. 22. Minnesota Statutes 2022, section 62M.02, subdivision 12, is amended to read:

60.22 Subd. 12. **Health benefit plan.** (a) "Health benefit plan" means:

60.23 (1) a policy, contract, or certificate issued by a health plan company for the coverage of  
60.24 medical, dental, or hospital benefits; or

60.25 (2) effective January 1, 2026, for the sections specified in section 62M.01, subdivision  
60.26 3, paragraph (c), coverage of medical, dental, or hospital benefits through fee-for-service  
60.27 under chapters 256B and 256L, as specified by the commissioner on the agency's public  
60.28 website or through other forms of recipient and provider guidance.

60.29 (b) A health benefit plan does not include coverage that is:

60.30 (1) limited to disability or income protection coverage;

- 61.1 (2) automobile medical payment coverage;
- 61.2 (3) supplemental to liability insurance;
- 61.3 (4) designed solely to provide payments on a per diem, fixed indemnity, or nonexpense
- 61.4 incurred basis;
- 61.5 (5) credit accident and health insurance issued under chapter 62B;
- 61.6 (6) blanket accident and sickness insurance as defined in section 62A.11;
- 61.7 (7) accident only coverage issued by a licensed and tested insurance agent; or
- 61.8 (8) workers' compensation.

61.9 Sec. 23. Minnesota Statutes 2022, section 62M.02, subdivision 21, is amended to read:

61.10 Subd. 21. **Utilization review organization.** "Utilization review organization" means an

61.11 entity including but not limited to an insurance company licensed under chapter 60A to

61.12 offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01;

61.13 a prepaid limited health service organization issued a certificate of authority and operating

61.14 under sections 62A.451 to 62A.4528; a health service plan licensed under chapter 62C; a

61.15 health maintenance organization licensed under chapter 62D; a community integrated service

61.16 network licensed under chapter 62N; an accountable provider network operating under

61.17 chapter 62T; a fraternal benefit society operating under chapter 64B; a joint self-insurance

61.18 employee health plan operating under chapter 62H; a multiple employer welfare arrangement,

61.19 as defined in section 3 of the Employee Retirement Income Security Act of 1974 (ERISA),

61.20 United States Code, title 29, section 1103, as amended; a third-party administrator licensed

61.21 under section 60A.23, subdivision 8, which conducts utilization review and authorizes or

61.22 makes adverse determinations regarding an admission, extension of stay, or other health

61.23 care services for a Minnesota resident; effective January 1, 2026, for the sections specified

61.24 in section 62M.01, subdivision 3, paragraph (c), the commissioner of human services for

61.25 purposes of delivering services through fee-for-service under chapters 256B and 256L; any

61.26 other entity that provides, offers, or administers hospital, outpatient, medical, prescription

61.27 drug, or other health benefits to individuals treated by a health professional under a policy,

61.28 plan, or contract; or any entity performing utilization review that is affiliated with, under

61.29 contract with, or conducting utilization review on behalf of, a business entity in this state.

61.30 Utilization review organization does not include a clinic or health care system acting pursuant

61.31 to a written delegation agreement with an otherwise regulated utilization review organization

61.32 that contracts with the clinic or health care system. The regulated utilization review

62.1 organization is accountable for the delegated utilization review activities of the clinic or  
62.2 health care system.

62.3 Sec. 24. Minnesota Statutes 2022, section 62M.04, subdivision 1, is amended to read:

62.4 Subdivision 1. **Responsibility for obtaining authorization.** A health benefit plan that  
62.5 includes utilization review requirements must specify the process for notifying the utilization  
62.6 review organization in a timely manner and obtaining authorization for health care services.  
62.7 Each health plan company must provide a clear and concise description of this process to  
62.8 an enrollee as part of the policy, subscriber contract, or certificate of coverage. Effective  
62.9 January 1, 2026, the commissioner must provide a clear and concise description of this  
62.10 process to fee-for-service recipients receiving services under chapters 256B and 256L,  
62.11 through the agency's public website or through other forms of recipient guidance. In addition  
62.12 to the enrollee, the utilization review organization must allow any provider or provider's  
62.13 designee, or responsible patient representative, including a family member, to fulfill the  
62.14 obligations under the health benefit plan.

62.15 A claims administrator that contracts directly with providers for the provision of health  
62.16 care services to enrollees may, through contract, require the provider to notify the review  
62.17 organization in a timely manner and obtain authorization for health care services.

62.18 Sec. 25. Minnesota Statutes 2022, section 62M.05, subdivision 3a, is amended to read:

62.19 Subd. 3a. **Standard review determination.** ~~(a) Notwithstanding subdivision 3b, a~~  
62.20 ~~standard review determination on all requests for utilization review must be communicated~~  
62.21 ~~to the provider and enrollee in accordance with this subdivision within five business days~~  
62.22 ~~after receiving the request if the request is received electronically, or within six business~~  
62.23 ~~days if received through nonelectronic means, provided that all information reasonably~~  
62.24 ~~necessary to make a determination on the request has been made available to the utilization~~  
62.25 ~~review organization. Effective January 1, 2022,~~ A standard review determination on all  
62.26 requests for utilization review must be communicated to the provider and enrollee in  
62.27 accordance with this subdivision within five business days after receiving the request,  
62.28 regardless of how the request was received, provided that all information reasonably  
62.29 necessary to make a determination on the request has been made available to the utilization  
62.30 review organization.

62.31 (b) When a determination is made to authorize, notification must be provided promptly  
62.32 by telephone to the provider. The utilization review organization shall send written  
62.33 notification to the provider or shall maintain an audit trail of the determination and telephone

63.1 notification. For purposes of this subdivision, "audit trail" includes documentation of the  
63.2 telephone notification, including the date; the name of the person spoken to; the enrollee;  
63.3 the service, procedure, or admission authorized; and the date of the service, procedure, or  
63.4 admission. If the utilization review organization indicates authorization by use of a number,  
63.5 the number must be called the "authorization number." For purposes of this subdivision,  
63.6 notification may also be made by facsimile to a verified number or by electronic mail to a  
63.7 secure electronic mailbox. These electronic forms of notification satisfy the "audit trail"  
63.8 requirement of this paragraph.

63.9 (c) When an adverse determination is made, notification must be provided within the  
63.10 time periods specified in paragraph (a) by telephone, by facsimile to a verified number, or  
63.11 by electronic mail to a secure electronic mailbox to the attending health care professional  
63.12 and hospital or physician office as applicable. Written notification must also be sent to the  
63.13 hospital or physician office as applicable and attending health care professional if notification  
63.14 occurred by telephone. For purposes of this subdivision, notification may be made by  
63.15 facsimile to a verified number or by electronic mail to a secure electronic mailbox. Written  
63.16 notification must be sent to the enrollee and may be sent by United States mail, facsimile  
63.17 to a verified number, or by electronic mail to a secure mailbox. The written notification  
63.18 must include all reasons relied on by the utilization review organization for the determination  
63.19 and the process for initiating an appeal of the determination. Upon request, the utilization  
63.20 review organization shall provide the provider or enrollee with the criteria used to determine  
63.21 the necessity, appropriateness, and efficacy of the health care service and identify the  
63.22 database, professional treatment parameter, or other basis for the criteria. Reasons for an  
63.23 adverse determination may include, among other things, the lack of adequate information  
63.24 to authorize after a reasonable attempt has been made to contact the provider or enrollee.

63.25 (d) When an adverse determination is made, the written notification must inform the  
63.26 enrollee and the attending health care professional of the right to submit an appeal to the  
63.27 internal appeal process described in section 62M.06 and the procedure for initiating the  
63.28 internal appeal. The written notice shall be provided in a culturally and linguistically  
63.29 appropriate manner consistent with the provisions of the Affordable Care Act as defined  
63.30 under section 62A.011, subdivision 1a.

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

64.1 Sec. 26. Minnesota Statutes 2022, section 62M.07, subdivision 2, is amended to read:

64.2 Subd. 2. **Prior authorization of emergency certain services prohibited.** No utilization  
64.3 review organization, health plan company, or claims administrator may conduct or require  
64.4 prior authorization of:

64.5 (1) emergency confinement or an emergency service. The enrollee or the enrollee's  
64.6 authorized representative may be required to notify the health plan company, claims  
64.7 administrator, or utilization review organization as soon as reasonably possible after the  
64.8 beginning of the emergency confinement or emergency service;

64.9 (2) medication to treat a substance use disorder;

64.10 (3) a generic drug or multisource brand name drug rated as therapeutically equivalent  
64.11 according to the FDA Orange Book, a biologic drug rated as interchangeable according to  
64.12 the FDA Purple Book, or a biosimilar;

64.13 (4) outpatient mental health treatment or outpatient substance use disorder treatment;

64.14 (5) antineoplastic cancer treatment that is consistent with guidelines of the National  
64.15 Comprehensive Cancer Network;

64.16 (6) services that currently have a rating of A or B from the United States Preventive  
64.17 Services Task Force, immunizations recommended by the Advisory Committee on  
64.18 Immunization Practices of the Centers for Disease Control and Prevention, or preventive  
64.19 services and screenings provided to women as described in Code of Federal Regulations,  
64.20 title 45, section 147.130;

64.21 (7) pediatric hospice services provided by a hospice provider licensed under sections  
64.22 144A.75 to 144A.755; and

64.23 (8) treatment delivered through a neonatal abstinence program operated by pediatric  
64.24 pain or palliative care subspecialists.

64.25 Clauses (2) to (8) are effective January 1, 2026, and apply to health benefit plans offered,  
64.26 sold, issued, or renewed on or after that date.

64.27 Sec. 27. Minnesota Statutes 2022, section 62M.07, subdivision 4, is amended to read:

64.28 Subd. 4. **Submission of prior authorization requests.** (a) If prior authorization for a  
64.29 health care service is required, the utilization review organization, health plan company, or  
64.30 claim administrator must allow providers to submit requests for prior authorization of the  
64.31 health care services without unreasonable delay by telephone, facsimile, or voice mail or



65.1 through an electronic mechanism 24 hours a day, seven days a week. This subdivision does  
65.2 not apply to dental service covered under MinnesotaCare or medical assistance.

65.3 (b) Effective January 1, 2027, for health benefit plans offered, sold, issued, or renewed  
65.4 on or after that date, utilization review organizations, health plan companies, and claims  
65.5 administrators must have and maintain a prior authorization application programming  
65.6 interface (API) that automates the prior authorization process for health care services,  
65.7 excluding prescription drugs and medications. The API must allow providers to determine  
65.8 whether a prior authorization is required for health care services, identify prior authorization  
65.9 information and documentation requirements, and facilitate the exchange of prior  
65.10 authorization requests and determinations from provider electronic health records or practice  
65.11 management systems. The API must use the Health Level Seven (HL7) Fast Healthcare  
65.12 Interoperability Resources (FHIR) standard in accordance with Code of Federal Regulations,  
65.13 title 45, section 170.215(a)(1), and the most recent standards and guidance adopted by the  
65.14 United States Department of Health and Human Services to implement that section. Prior  
65.15 authorization submission requests for prescription drugs and medications must comply with  
65.16 the requirements of section 62J.497.

65.17 Sec. 28. Minnesota Statutes 2022, section 62M.07, is amended by adding a subdivision  
65.18 to read:

65.19 Subd. 5. **Treatment of a chronic condition.** This subdivision is effective January 1,  
65.20 2026, and applies to health benefit plans offered, sold, issued, or renewed on or after that  
65.21 date. An authorization for treatment of a chronic health condition does not expire unless  
65.22 the standard of treatment for that health condition changes. A chronic health condition is a  
65.23 condition that is expected to last one year or more and:

65.24 (1) requires ongoing medical attention to effectively manage the condition or prevent  
65.25 an adverse health event; or

65.26 (2) limits one or more activities of daily living.

65.27 Sec. 29. Minnesota Statutes 2022, section 62M.07, is amended by adding a subdivision  
65.28 to read:

65.29 Subd. 6. **Value-based contracts.** This subdivision is effective January 1, 2026, and  
65.30 applies to health benefit plans offered, sold, issued, or renewed on or after that date. No  
65.31 utilization review organization, health plan company, or claims administrator may conduct  
65.32 or require prior authorization for services that are reimbursed through a:

66.1 (1) value-based contract that:

66.2 (i) ties payment for the provision of health care services to the quality of health care  
66.3 provided;

66.4 (ii) rewards a provider for efficiency and effectiveness; and

66.5 (iii) imposes a risk-sharing arrangement on the provider for health care services that do  
66.6 not meet the health plan company's requirements for quality, effectiveness; and efficiency;  
66.7 or

66.8 (2) value-based purchasing arrangement under section 256B.0625, subdivision 13k.

66.9 Sec. 30. Minnesota Statutes 2022, section 62M.10, subdivision 7, is amended to read:

66.10 Subd. 7. **Availability of criteria.** (a) For utilization review determinations other than  
66.11 prior authorization, a utilization review organization shall, upon request, provide to an  
66.12 enrollee, a provider, and the commissioner of commerce the criteria used to determine the  
66.13 medical necessity, appropriateness, and efficacy of a procedure or service and identify the  
66.14 database, professional treatment guideline, or other basis for the criteria.

66.15 (b) For prior authorization determinations, a utilization review organization must submit  
66.16 the organization's current prior authorization requirements and restrictions, including written,  
66.17 evidence-based, clinical criteria used to make an authorization or adverse determination, to  
66.18 all health plan companies for which the organization performs utilization review. A health  
66.19 plan company must post on its public website the prior authorization requirements and  
66.20 restrictions of any utilization review organization that performs utilization review for the  
66.21 health plan company. These prior authorization requirements and restrictions must be detailed  
66.22 and written in language that is easily understandable to providers. This paragraph does not  
66.23 apply to the commissioner of human services when delivering services through fee-for-service  
66.24 under chapters 256B and 256L.

66.25 (c) Effective January 1, 2026, the commissioner of human services must post on the  
66.26 department's public website the prior authorization requirements and restrictions, including  
66.27 written, evidence-based, clinical criteria used to make an authorization or adverse  
66.28 determination, that apply to prior authorization determinations for fee-for-service under  
66.29 chapters 256B and 256L. These prior authorization requirements and restrictions must be  
66.30 detailed and written in language that is easily understandable to providers.

67.1 Sec. 31. Minnesota Statutes 2022, section 62M.10, subdivision 8, is amended to read:

67.2 Subd. 8. **Notice; new prior authorization requirements or restrictions; change to**  
67.3 **existing requirement or restriction.** (a) Before a utilization review organization may  
67.4 implement a new prior authorization requirement or restriction or amend an existing prior  
67.5 authorization requirement or restriction, the utilization review organization must submit the  
67.6 new or amended requirement or restriction to all health plan companies for which the  
67.7 organization performs utilization review. A health plan company must post on its website  
67.8 the new or amended requirement or restriction. This paragraph does not apply to the  
67.9 commissioner of human services when delivering services through fee-for-service under  
67.10 chapters 256B and 256L.

67.11 (b) At least 45 days before a new prior authorization requirement or restriction or an  
67.12 amended existing prior authorization requirement or restriction is implemented, the utilization  
67.13 review organization, health plan company, or claims administrator must provide written or  
67.14 electronic notice of the new or amended requirement or restriction to all Minnesota-based,  
67.15 in-network attending health care professionals who are subject to the prior authorization  
67.16 requirements and restrictions. This paragraph does not apply to the commissioner of human  
67.17 services when delivering services through fee-for-service under chapters 256B and 256L.

67.18 (c) Effective January 1, 2026, before the commissioner of human services may implement  
67.19 a new prior authorization requirement or restriction or amend an existing prior authorization  
67.20 requirement or restriction, the commissioner, at least 45 days before the new or amended  
67.21 requirement or restriction takes effect, must provide written or electronic notice of the new  
67.22 or amended requirement or restriction, to all health care professionals participating as  
67.23 fee-for-service providers under chapters 256B and 256L who are subject to the prior  
67.24 authorization requirements and restrictions.

67.25 Sec. 32. Minnesota Statutes 2022, section 62M.17, subdivision 2, is amended to read:

67.26 Subd. 2. **Effect of change in prior authorization clinical criteria.** (a) If, during a plan  
67.27 year, a utilization review organization changes coverage terms for a health care service or  
67.28 the clinical criteria used to conduct prior authorizations for a health care service, the change  
67.29 in coverage terms or change in clinical criteria shall not apply until the next plan year for  
67.30 any enrollee who received prior authorization for a health care service using the coverage  
67.31 terms or clinical criteria in effect before the effective date of the change.

67.32 (b) Paragraph (a) does not apply if a utilization review organization changes coverage  
67.33 terms for a drug or device that has been deemed unsafe by the United States Food and Drug  
67.34 Administration (FDA); that has been withdrawn by either the FDA or the product

68.1 manufacturer; or when an independent source of research, clinical guidelines, or  
68.2 evidence-based standards has issued drug- or device-specific warnings or recommended  
68.3 changes in drug or device usage.

68.4 (c) Paragraph (a) does not apply if a utilization review organization changes coverage  
68.5 terms for a service or the clinical criteria used to conduct prior authorizations for a service  
68.6 when an independent source of research, clinical guidelines, or evidence-based standards  
68.7 has recommended changes in usage of the service for reasons related to patient harm. This  
68.8 paragraph expires December 31, 2025, for health benefit plans offered, sold, issued, or  
68.9 renewed on or after that date.

68.10 (d) Effective January 1, 2026, and applicable to health benefit plans offered, sold, issued,  
68.11 or renewed on or after that date, paragraph (a) does not apply if a utilization review  
68.12 organization changes coverage terms for a service or the clinical criteria used to conduct  
68.13 prior authorizations for a service when an independent source of research, clinical guidelines,  
68.14 or evidence-based standards has recommended changes in usage of the service for reasons  
68.15 related to previously unknown and imminent patient harm.

68.16 ~~(d)~~ (e) Paragraph (a) does not apply if a utilization review organization removes a brand  
68.17 name drug from its formulary or places a brand name drug in a benefit category that increases  
68.18 the enrollee's cost, provided the utilization review organization (1) adds to its formulary a  
68.19 generic or multisource brand name drug rated as therapeutically equivalent according to  
68.20 the FDA Orange Book, or a biologic drug rated as interchangeable according to the FDA  
68.21 Purple Book, at a lower cost to the enrollee, and (2) provides at least a 60-day notice to  
68.22 prescribers, pharmacists, and affected enrollees.

68.23 Sec. 33. **[62M.19] ANNUAL REPORT TO COMMISSIONER OF HEALTH; PRIOR**  
68.24 **AUTHORIZATIONS.**

68.25 Subdivision 1. Annual report; contents. On or before September 1 each year, each  
68.26 utilization review organization must report to the commissioner of health, in a form and  
68.27 manner specified by the commissioner, information on prior authorization requests for the  
68.28 previous calendar year. The report submitted under this subdivision must include the  
68.29 following data, sorted by the categories of services listed in subdivision 2:

68.30 (1) the total number of prior authorization requests received;

68.31 (2) the number of prior authorization requests for which an authorization was issued;

68.32 (3) the number of prior authorization requests for which an adverse determination was  
68.33 issued;

- 69.1 (4) the number of adverse determinations reversed on appeal;
- 69.2 (5) the 25 codes with the highest number of prior authorization requests and the  
69.3 percentage of authorizations for each of these codes;
- 69.4 (6) the 25 codes with the highest percentage of prior authorization requests for which  
69.5 an authorization was issued and the total number of the requests;
- 69.6 (7) the 25 codes with the highest percentage of prior authorization requests for which  
69.7 an adverse determination was issued but which was reversed on appeal and the total number  
69.8 of the requests;
- 69.9 (8) the 25 codes with the highest percentage of prior authorization requests for which  
69.10 an adverse determination was issued and the total number of the requests; and
- 69.11 (9) the reasons an adverse determination to a prior authorization request was issued,  
69.12 expressed as a percentage of all adverse determinations for each category of services listed  
69.13 in subdivision 2. The reasons listed may include but are not limited to:
- 69.14 (i) the patient did not meet prior authorization criteria;
- 69.15 (ii) incomplete information was submitted by the provider to the utilization review  
69.16 organization;
- 69.17 (iii) the treatment program changed; and
- 69.18 (iv) the patient is no longer covered by the health benefit plan.
- 69.19 Subd. 2. **Categories of services.** The data submitted to the commissioner under  
69.20 subdivision 1 must be sorted by the following categories of services:
- 69.21 (1) inpatient medical and surgical services;
- 69.22 (2) outpatient medical and surgical services;
- 69.23 (3) inpatient mental health and substance use disorder services;
- 69.24 (4) outpatient mental health and substance use disorder services;
- 69.25 (5) diagnostic imaging services;
- 69.26 (6) diabetes supplies and equipment;
- 69.27 (7) durable medical equipment; and
- 69.28 (8) prescription drugs.

70.1 Sec. 34. Minnesota Statutes 2022, section 62Q.14, is amended to read:

70.2 **62Q.14 RESTRICTIONS ON ENROLLEE SERVICES.**

70.3 No health plan company may restrict the choice of an enrollee as to where the enrollee  
70.4 receives services related to:

70.5 (1) the voluntary planning of the conception and bearing of children, ~~provided that this~~  
70.6 ~~clause does not refer to abortion services;~~

70.7 (2) the diagnosis of infertility;

70.8 (3) the testing and treatment of a sexually transmitted disease; and

70.9 (4) the testing for AIDS or other HIV-related conditions.

70.10 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
70.11 plans offered, sold, issued, or renewed on or after that date.

70.12 Sec. 35. Minnesota Statutes 2022, section 62Q.19, subdivision 3, is amended to read:

70.13 Subd. 3. **Health plan company affiliation.** A health plan company must offer a provider  
70.14 contract to ~~any~~ all designated essential community ~~provider~~ providers located within the  
70.15 area served by the health plan company. A health plan company must include all essential  
70.16 community providers that have accepted a contract in each of the company's provider  
70.17 networks. A health plan company shall not restrict enrollee access to services designated  
70.18 to be provided by the essential community provider for the population that the essential  
70.19 community provider is certified to serve. A health plan company may also make other  
70.20 providers available for these services. A health plan company may require an essential  
70.21 community provider to meet all data requirements, utilization review, and quality assurance  
70.22 requirements on the same basis as other health plan providers.

70.23 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
70.24 plans offered, issued, or renewed on or after that date.

70.25 Sec. 36. Minnesota Statutes 2022, section 62Q.19, is amended by adding a subdivision to  
70.26 read:

70.27 Subd. 4a. **Contract payment rates; private.** An essential community provider and a  
70.28 health plan company may negotiate the payment rate for covered services provided by the  
70.29 essential community provider. This rate must be at least the same rate per unit of service  
70.30 as is paid by the health plan company to the essential community provider under the provider  
70.31 contract between the two with the highest number of enrollees receiving health care services

71.1 from the provider or, if there is no provider contract between the health plan company and  
 71.2 the essential community provider, the rate must be at least the same rate per unit of service  
 71.3 as is paid to other plan providers for the same or similar services. The provider contract  
 71.4 used to set the rate under this subdivision must be in relation to an individual, small group,  
 71.5 or large group health plan. This subdivision applies only to provider contracts in relation  
 71.6 to individual, small employer, and large group health plans.

71.7 Sec. 37. Minnesota Statutes 2022, section 62Q.19, subdivision 5, is amended to read:

71.8 Subd. 5. **Contract payment rates; public.** An essential community provider and a  
 71.9 health plan company may negotiate the payment rate for covered services provided by the  
 71.10 essential community provider. This rate must be at least the same rate per unit of service  
 71.11 as is paid to other health plan providers for the same or similar services. This subdivision  
 71.12 applies only to provider contracts in relation to health plans offered through the State  
 71.13 Employee Group Insurance Program, medical assistance, and MinnesotaCare.

71.14 Sec. 38. Minnesota Statutes 2023 Supplement, section 62Q.522, subdivision 1, is amended  
 71.15 to read:

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

71.17 ~~(b) "Closely held for-profit entity" means an entity that:~~

71.18 ~~(1) is not a nonprofit entity;~~

71.19 ~~(2) has more than 50 percent of the value of its ownership interest owned directly or~~  
 71.20 ~~indirectly by five or fewer owners; and~~

71.21 ~~(3) has no publicly traded ownership interest.~~

71.22 ~~For purposes of this paragraph:~~

71.23 ~~(i) ownership interests owned by a corporation, partnership, limited liability company,~~  
 71.24 ~~estate, trust, or similar entity are considered owned by that entity's shareholders, partners,~~  
 71.25 ~~members, or beneficiaries in proportion to their interest held in the corporation, partnership,~~  
 71.26 ~~limited liability company, estate, trust, or similar entity;~~

71.27 ~~(ii) ownership interests owned by a nonprofit entity are considered owned by a single~~  
 71.28 ~~owner;~~

71.29 ~~(iii) ownership interests owned by all individuals in a family are considered held by a~~  
 71.30 ~~single owner. For purposes of this item, "family" means brothers and sisters, including~~  
 71.31 ~~half brothers and half sisters, a spouse, ancestors, and lineal descendants; and~~

72.1 ~~(iv) if an individual or entity holds an option, warrant, or similar right to purchase an~~  
72.2 ~~ownership interest, the individual or entity is considered to be the owner of those ownership~~  
72.3 ~~interests.~~

72.4 ~~(e)~~ (b) "Contraceptive method" means a drug, device, or other product approved by the  
72.5 Food and Drug Administration to prevent unintended pregnancy.

72.6 ~~(d)~~ (c) "Contraceptive service" means consultation, examination, procedures, and medical  
72.7 services related to the prevention of unintended pregnancy, excluding vasectomies. This  
72.8 includes but is not limited to voluntary sterilization procedures, patient education, counseling  
72.9 on contraceptives, and follow-up services related to contraceptive methods or services,  
72.10 management of side effects, counseling for continued adherence, and device insertion or  
72.11 removal.

72.12 ~~(e) "Eligible organization" means an organization that opposes providing coverage for~~  
72.13 ~~some or all contraceptive methods or services on account of religious objections and that~~  
72.14 ~~is:~~

72.15 ~~(1) organized as a nonprofit entity and holds itself out to be religious; or~~

72.16 ~~(2) organized and operates as a closely held for-profit entity, and the organization's~~  
72.17 ~~owners or highest governing body has adopted, under the organization's applicable rules of~~  
72.18 ~~governance and consistent with state law, a resolution or similar action establishing that the~~  
72.19 ~~organization objects to covering some or all contraceptive methods or services on account~~  
72.20 ~~of the owners' sincerely held religious beliefs.~~

72.21 ~~(f) "Exempt organization" means an organization that is organized and operates as a~~  
72.22 ~~nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal~~  
72.23 ~~Revenue Code of 1986, as amended.~~

72.24 ~~(g)~~ (d) "Medical necessity" includes but is not limited to considerations such as severity  
72.25 of side effects, difference in permanence and reversibility of a contraceptive method or  
72.26 service, and ability to adhere to the appropriate use of the contraceptive method or service,  
72.27 as determined by the attending provider.

72.28 ~~(h)~~ (e) "Therapeutic equivalent version" means a drug, device, or product that can be  
72.29 expected to have the same clinical effect and safety profile when administered to a patient  
72.30 under the conditions specified in the labeling, and that:

72.31 (1) is approved as safe and effective;



73.1 (2) is a pharmaceutical equivalent: (i) containing identical amounts of the same active  
73.2 drug ingredient in the same dosage form and route of administration; and (ii) meeting  
73.3 compendial or other applicable standards of strength, quality, purity, and identity;

73.4 (3) is bioequivalent in that:

73.5 (i) the drug, device, or product does not present a known or potential bioequivalence  
73.6 problem and meets an acceptable in vitro standard; or

73.7 (ii) if the drug, device, or product does present a known or potential bioequivalence  
73.8 problem, it is shown to meet an appropriate bioequivalence standard;

73.9 (4) is adequately labeled; and

73.10 (5) is manufactured in compliance with current manufacturing practice regulations.

73.11 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
73.12 plans offered, sold, issued, or renewed on or after that date.

73.13 Sec. 39. Minnesota Statutes 2023 Supplement, section 62Q.523, subdivision 1, is amended  
73.14 to read:

73.15 Subdivision 1. **Scope of coverage.** Except as otherwise provided in section ~~62Q.522~~  
73.16 62Q.679, subdivisions 2 and 3 ~~and 4~~, all health plans that provide prescription coverage  
73.17 must comply with the requirements of this section.

73.18 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
73.19 plans offered, sold, issued, or renewed on or after that date.

73.20 Sec. 40. **[62Q.524] COVERAGE OF ABORTIONS AND ABORTION-RELATED**  
73.21 **SERVICES.**

73.22 Subdivision 1. **Definition.** For purposes of this section, "abortion" means any medical  
73.23 treatment intended to induce the termination of a pregnancy with a purpose other than  
73.24 producing a live birth.

73.25 Subd. 2. **Required coverage; cost-sharing.** (a) A health plan must provide coverage  
73.26 for abortions and abortion-related services, including preabortion services and follow-up  
73.27 services.

73.28 (b) A health plan must not impose on the coverage under this section any co-payment,  
73.29 coinsurance, deductible, or other enrollee cost-sharing that is greater than the cost-sharing  
73.30 that applies to similar services covered under the health plan.

74.1 (c) A health plan must not impose any limitation on the coverage under this section,  
74.2 including but not limited to any utilization review, prior authorization, referral requirements,  
74.3 restrictions, or delays, that is not generally applicable to other coverages under the plan.

74.4 Subd. 3. **Exclusion.** This section does not apply to managed care organizations or  
74.5 county-based purchasing plans when the plan provides coverage to public health care  
74.6 program enrollees under chapter 256B or 256L.

74.7 Subd. 4. **Reimbursement.** The commissioner of commerce must reimburse health plan  
74.8 companies for coverage under this section. Reimbursement is available only for coverage  
74.9 that would not have been provided by the health plan company without the requirements  
74.10 of this section. Each fiscal year, an amount necessary to make payments to health plan  
74.11 companies to defray the cost of providing coverage under this section is appropriated to the  
74.12 commissioner of commerce. Health plan companies must report to the commissioner  
74.13 quantified costs attributable to the additional benefit under this section in a format developed  
74.14 by the commissioner. The commissioner must evaluate submissions and make payments to  
74.15 health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

74.16 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
74.17 plans offered, sold, issued, or renewed on or after that date.

74.18 Sec. 41. **[62Q.525] AMINO ACID-BASED FORMULA COVERAGE.**

74.19 Subdivision 1. **Definition.** (a) For purposes of this section, the following term has the  
74.20 meaning given.

74.21 (b) "Formula" means an amino acid-based elemental formula.

74.22 Subd. 2. **Required coverage.** A health plan company must provide coverage for formula  
74.23 when formula is medically necessary.

74.24 Subd. 3. **Covered conditions.** Conditions for which formula is medically necessary  
74.25 include but are not limited to:

74.26 (1) cystic fibrosis;

74.27 (2) amino acid, organic acid, and fatty acid metabolic and malabsorption disorders;

74.28 (3) IgE mediated allergies to food proteins;

74.29 (4) food protein-induced enterocolitis syndrome;

74.30 (5) eosinophilic esophagitis;

74.31 (6) eosinophilic gastroenteritis;

75.1 (7) eosinophilic colitis; and

75.2 (8) mast cell activation syndrome.

75.3 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
75.4 plans offered, issued, or sold on or after that date.

75.5 Sec. 42. **[62Q.585] GENDER-AFFIRMING CARE COVERAGE; MEDICALLY**  
75.6 **NECESSARY CARE.**

75.7 Subdivision 1. **Requirement.** No health plan that covers physical or mental health  
75.8 services may be offered, sold, issued, or renewed in this state that:

75.9 (1) excludes coverage for medically necessary gender-affirming care; or

75.10 (2) requires gender-affirming treatments to satisfy a definition of "medically necessary  
75.11 care," "medical necessity," or any similar term that is more restrictive than the definition  
75.12 provided in subdivision 2.

75.13 Subd. 2. **Minimum definition.** "Medically necessary care" means health care services  
75.14 appropriate in terms of type, frequency, level, setting, and duration to the enrollee's diagnosis  
75.15 or condition and diagnostic testing and preventive services. Medically necessary care must  
75.16 be consistent with generally accepted practice parameters as determined by health care  
75.17 providers in the same or similar general specialty as typically manages the condition,  
75.18 procedure, or treatment at issue and must:

75.19 (1) help restore or maintain the enrollee's health; or

75.20 (2) prevent deterioration of the enrollee's condition.

75.21 Subd. 3. **Definitions.** (a) For purposes of this section, the following terms have the  
75.22 meanings given.

75.23 (b) "Gender-affirming care" means all medical, surgical, counseling, or referral services,  
75.24 including telehealth services, that an individual may receive to support and affirm the  
75.25 individual's gender identity or gender expression and that are legal under the laws of this  
75.26 state.

75.27 (c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes  
75.28 the coverages listed in section 62A.011, subdivision 3, clauses (7) and (10).

76.1 Sec. 43. [62Q.665] COVERAGE FOR ORTHOTIC AND PROSTHETIC DEVICES.

76.2 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have  
76.3 the meanings given.

76.4 (b) "Accredited facility" means any entity that is accredited to provide comprehensive  
76.5 orthotic or prosthetic devices or services by a Centers for Medicare and Medicaid Services  
76.6 approved accrediting agency.

76.7 (c) "Orthosis" means:

76.8 (1) an external medical device that is:

76.9 (i) custom-fabricated or custom-fitted to a specific patient based on the patient's unique  
76.10 physical condition;

76.11 (ii) applied to a part of the body to correct a deformity, provide support and protection,  
76.12 restrict motion, improve function, or relieve symptoms of a disease, syndrome, injury, or  
76.13 postoperative condition; and

76.14 (iii) deemed medically necessary by a prescribing physician or licensed health care  
76.15 provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies,  
76.16 and services; and

76.17 (2) any provision, repair, or replacement of a device that is furnished or performed by:

76.18 (i) an accredited facility in comprehensive orthotic services; or

76.19 (ii) a health care provider licensed in Minnesota and operating within the provider's  
76.20 scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies,  
76.21 or services.

76.22 (d) "Orthotics" means:

76.23 (1) the science and practice of evaluating, measuring, designing, fabricating, assembling,  
76.24 fitting, adjusting, or servicing and providing the initial training necessary to accomplish the  
76.25 fitting of an orthotic device for the support, correction, or alleviation of a neuromuscular  
76.26 or musculoskeletal dysfunction, disease, injury, or deformity;

76.27 (2) evaluation, treatment, and consultation related to an orthotic device;

76.28 (3) basic observation of gait and postural analysis;

76.29 (4) assessing and designing orthosis to maximize function and provide support and  
76.30 alignment necessary to prevent or correct a deformity or to improve the safety and efficiency  
76.31 of mobility and locomotion;

77.1 (5) continuing patient care to assess the effect of an orthotic device on the patient's  
77.2 tissues; and

77.3 (6) proper fit and function of the orthotic device by periodic evaluation.

77.4 (e) "Prosthesis" means:

77.5 (1) an external medical device that is:

77.6 (i) used to replace or restore a missing limb, appendage, or other external human body  
77.7 part; and

77.8 (ii) deemed medically necessary by a prescribing physician or licensed health care  
77.9 provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies,  
77.10 and services; and

77.11 (2) any provision, repair, or replacement of a device that is furnished or performed by:

77.12 (i) an accredited facility in comprehensive prosthetic services; or

77.13 (ii) a health care provider licensed in Minnesota and operating within the provider's  
77.14 scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies,  
77.15 or services.

77.16 (f) "Prosthetics" means:

77.17 (1) the science and practice of evaluating, measuring, designing, fabricating, assembling,  
77.18 fitting, aligning, adjusting, or servicing, as well as providing the initial training necessary  
77.19 to accomplish the fitting of, a prosthesis through the replacement of external parts of a  
77.20 human body lost due to amputation or congenital deformities or absences;

77.21 (2) the generation of an image, form, or mold that replicates the patient's body segment  
77.22 and that requires rectification of dimensions, contours, and volumes for use in the design  
77.23 and fabrication of a socket to accept a residual anatomic limb to, in turn, create an artificial  
77.24 appendage that is designed either to support body weight or to improve or restore function  
77.25 or anatomical appearance, or both;

77.26 (3) observational gait analysis and clinical assessment of the requirements necessary to  
77.27 refine and mechanically fix the relative position of various parts of the prosthesis to maximize  
77.28 function, stability, and safety of the patient;

77.29 (4) providing and continuing patient care in order to assess the prosthetic device's effect  
77.30 on the patient's tissues; and

77.31 (5) assuring proper fit and function of the prosthetic device by periodic evaluation.

78.1 Subd. 2. Coverage. (a) A health plan must provide coverage for orthotic and prosthetic  
78.2 devices, supplies, and services, including repair and replacement, at least equal to the  
78.3 coverage provided under federal law for health insurance for the aged and disabled under  
78.4 sections 1832, 1833, and 1834 of the Social Security Act, United States Code, title 42,  
78.5 sections 1395k, 1395l, and 1395m, but only to the extent consistent with this section.

78.6 (b) A health plan must not subject orthotic and prosthetic benefits to separate financial  
78.7 requirements that apply only with respect to those benefits. A health plan may impose  
78.8 co-payment and coinsurance amounts on those benefits, except that any financial  
78.9 requirements that apply to such benefits must not be more restrictive than the financial  
78.10 requirements that apply to the health plan's medical and surgical benefits, including those  
78.11 for internal restorative devices.

78.12 (c) A health plan may limit the benefits for, or alter the financial requirements for,  
78.13 out-of-network coverage of prosthetic and orthotic devices, except that the restrictions and  
78.14 requirements that apply to those benefits must not be more restrictive than the financial  
78.15 requirements that apply to the out-of-network coverage for the health plan's medical and  
78.16 surgical benefits.

78.17 (d) A health plan must cover orthoses and prostheses when furnished under an order by  
78.18 a prescribing physician or licensed health care prescriber who has authority in Minnesota  
78.19 to prescribe orthoses and prostheses, and that coverage for orthotic and prosthetic devices,  
78.20 supplies, accessories, and services must include those devices or device systems, supplies,  
78.21 accessories, and services that are customized to the covered individual's needs.

78.22 (e) A health plan must cover orthoses and prostheses determined by the enrollee's provider  
78.23 to be the most appropriate model that meets the medical needs of the enrollee for purposes  
78.24 of performing physical activities, as applicable, including but not limited to running, biking,  
78.25 and swimming, and maximizing the enrollee's limb function.

78.26 (f) A health plan must cover orthoses and prostheses for showering or bathing.

78.27 Subd. 3. Prior authorization. A health plan may require prior authorization for orthotic  
78.28 and prosthetic devices, supplies, and services in the same manner and to the same extent as  
78.29 prior authorization is required for any other covered benefit.

78.30 Subd. 4. Reimbursement. The commissioner of commerce must reimburse health plan  
78.31 companies for coverage under this section. Reimbursement is available only for coverage  
78.32 that would not have been provided by the health plan company without the requirements  
78.33 of this section. Each fiscal year, an amount necessary to make payments to health plan  
78.34 companies to defray the cost of providing coverage under this section is appropriated to the

79.1 commissioner of commerce. Health plan companies must report to the commissioner  
79.2 quantified costs attributable to the additional benefit under this section in a format developed  
79.3 by the commissioner. The commissioner must evaluate submissions and make payments to  
79.4 health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

79.5 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all health  
79.6 plans offered, issued, or renewed on or after that date.

79.7 Sec. 44. **[62Q.666] MEDICAL NECESSITY AND NONDISCRIMINATION**  
79.8 **STANDARDS FOR COVERAGE OF PROSTHETICS OR ORTHOTICS.**

79.9 (a) When performing a utilization review for a request for coverage of prosthetic or  
79.10 orthotic benefits, a health plan company shall apply the most recent version of evidence-based  
79.11 treatment and fit criteria as recognized by relevant clinical specialists.

79.12 (b) A health plan company shall render utilization review determinations in a  
79.13 nondiscriminatory manner and shall not deny coverage for habilitative or rehabilitative  
79.14 benefits, including prosthetics or orthotics, solely on the basis of an enrollee's actual or  
79.15 perceived disability.

79.16 (c) A health plan company shall not deny a prosthetic or orthotic benefit for an individual  
79.17 with limb loss or absence that would otherwise be covered for a nondisabled person seeking  
79.18 medical or surgical intervention to restore or maintain the ability to perform the same  
79.19 physical activity.

79.20 (d) A health plan offered, issued, or renewed in Minnesota that offers coverage for  
79.21 prosthetics and custom orthotic devices shall include language describing an enrollee's rights  
79.22 pursuant to paragraphs (b) and (c) in its evidence of coverage and any benefit denial letters.

79.23 (e) A health plan that provides coverage for prosthetic or orthotic services shall ensure  
79.24 access to medically necessary clinical care and to prosthetic and custom orthotic devices  
79.25 and technology from not less than two distinct prosthetic and custom orthotic providers in  
79.26 the plan's provider network located in Minnesota. In the event that medically necessary  
79.27 covered orthotics and prosthetics are not available from an in-network provider, the health  
79.28 plan company shall provide processes to refer a member to an out-of-network provider and  
79.29 shall fully reimburse the out-of-network provider at a mutually agreed upon rate less member  
79.30 cost sharing determined on an in-network basis.

79.31 (f) If coverage for prosthetic or custom orthotic devices is provided, payment shall be  
79.32 made for the replacement of a prosthetic or custom orthotic device or for the replacement  
79.33 of any part of the devices, without regard to continuous use or useful lifetime restrictions,

80.1 if an ordering health care provider determines that the provision of a replacement device,  
80.2 or a replacement part of a device, is necessary because:

80.3 (1) of a change in the physiological condition of the patient;

80.4 (2) of an irreparable change in the condition of the device or in a part of the device; or

80.5 (3) the condition of the device, or the part of the device, requires repairs and the cost of  
80.6 the repairs would be more than 60 percent of the cost of a replacement device or of the part  
80.7 being replaced.

80.8 (g) Confirmation from a prescribing health care provider may be required if the prosthetic  
80.9 or custom orthotic device or part being replaced is less than three years old.

80.10 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all health  
80.11 plans offered, issued, or renewed on or after that date.

80.12 **Sec. 45. [62Q.679] RELIGIOUS OBJECTIONS.**

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

80.14 (b) "Closely held for-profit entity" means an entity that is not a nonprofit entity, has  
80.15 more than 50 percent of the value of its ownership interest owned directly or indirectly by  
80.16 five or fewer owners, and has no publicly traded ownership interest. For purposes of this  
80.17 paragraph:

80.18 (1) ownership interests owned by a corporation, partnership, limited liability company,  
80.19 estate, trust, or similar entity are considered owned by that entity's shareholders, partners,  
80.20 members, or beneficiaries in proportion to their interest held in the corporation, partnership,  
80.21 limited liability company, estate, trust, or similar entity;

80.22 (2) ownership interests owned by a nonprofit entity are considered owned by a single  
80.23 owner;

80.24 (3) ownership interests owned by all individuals in a family are considered held by a  
80.25 single owner. For purposes of this clause, "family" means brothers and sisters, including  
80.26 half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and

80.27 (4) if an individual or entity holds an option, warrant, or similar right to purchase an  
80.28 ownership interest, the individual or entity is considered to be the owner of those ownership  
80.29 interests.



81.1 (c) "Eligible organization" means an organization that opposes covering some or all  
81.2 health benefits under section 62Q.522, 62Q.524, or 62Q.585 on account of religious  
81.3 objections and that is:

81.4 (1) organized as a nonprofit entity and holds itself out to be religious; or

81.5 (2) organized and operates as a closely held for-profit entity, and the organization's  
81.6 owners or highest governing body has adopted, under the organization's applicable rules of  
81.7 governance and consistent with state law, a resolution or similar action establishing that the  
81.8 organization objects to covering some or all health benefits under section 62Q.522, 62Q.524,  
81.9 or 62Q.585 on account of the owners' sincerely held religious beliefs.

81.10 (d) "Exempt organization" means an organization that is organized and operates as a  
81.11 nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal  
81.12 Revenue Code of 1986, as amended.

81.13 Subd. 2. **Exemption.** (a) An exempt organization is not required to provide coverage  
81.14 under section 62Q.522, 62Q.524, or 62Q.585 if the exempt organization has religious  
81.15 objections to the coverage. An exempt organization that chooses to not provide coverage  
81.16 pursuant to this paragraph must notify employees as part of the hiring process and must  
81.17 notify all employees at least 30 days before:

81.18 (1) an employee enrolls in the health plan; or

81.19 (2) the effective date of the health plan, whichever occurs first.

81.20 (b) If the exempt organization provides partial coverage under section 62Q.522, 62Q.524,  
81.21 or 62Q.585, the notice required under paragraph (a) must provide a list of the portions of  
81.22 such coverage which the organization refuses to cover.

81.23 Subd. 3. **Accommodation for eligible organizations.** (a) A health plan established or  
81.24 maintained by an eligible organization complies with the coverage requirements of section  
81.25 62Q.522, 62Q.524, or 62Q.585, with respect to the health benefits identified in the notice  
81.26 under this paragraph, if the eligible organization provides notice to any health plan company  
81.27 with which the eligible organization contracts that it is an eligible organization and that the  
81.28 eligible organization has a religious objection to coverage for all or a subset of the health  
81.29 benefits under section 62Q.522, 62Q.524, or 62Q.585.

81.30 (b) The notice from an eligible organization to a health plan company under paragraph  
81.31 (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to  
81.32 coverage for some or all of the health benefits under section 62Q.522, 62Q.524, or 62Q.585,  
81.33 including a list of the health benefits to which the eligible organization objects, if applicable;

82.1 and (3) the health plan name. The notice must be executed by a person authorized to provide  
82.2 notice on behalf of the eligible organization.

82.3 (c) An eligible organization must provide a copy of the notice under paragraph (a) to  
82.4 prospective employees as part of the hiring process and to all employees at least 30 days  
82.5 before:

82.6 (1) an employee enrolls in the health plan; or

82.7 (2) the effective date of the health plan, whichever occurs first.

82.8 (d) A health plan company that receives a copy of the notice under paragraph (a) with  
82.9 respect to a health plan established or maintained by an eligible organization must, for all  
82.10 future enrollments in the health plan:

82.11 (1) expressly exclude coverage for those health benefits identified in the notice under  
82.12 paragraph (a) from the health plan; and

82.13 (2) provide separate payments for any health benefits required to be covered under  
82.14 section 62Q.522, 62Q.524, or 62Q.585 for enrollees as long as the enrollee remains enrolled  
82.15 in the health plan.

82.16 (e) The health plan company must not impose any cost-sharing requirements, including  
82.17 co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or  
82.18 other charge for the health benefits under section 62Q.522 on the enrollee. The health plan  
82.19 company must not directly or indirectly impose any premium, fee, or other charge for the  
82.20 health benefits under section 62Q.522, 62Q.524, or 62Q.585 on the eligible organization  
82.21 or health plan.

82.22 (f) On January 1, 2024, and every year thereafter a health plan company must notify the  
82.23 commissioner, in a manner determined by the commissioner, of the number of eligible  
82.24 organizations granted an accommodation under this subdivision.

82.25 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
82.26 plans offered, sold, issued, or renewed on or after that date.

82.27 Sec. 46. Minnesota Statutes 2022, section 62Q.73, subdivision 2, is amended to read:

82.28 Subd. 2. **Exception.** (a) This section does not apply to governmental programs except  
82.29 as permitted under paragraph (b). For purposes of this subdivision, "governmental programs"  
82.30 means the prepaid medical assistance program; effective January 1, 2026, the medical  
82.31 assistance fee-for-service program; the MinnesotaCare program; the demonstration project  
82.32 for people with disabilities; and the federal Medicare program.

83.1 (b) In the course of a recipient's appeal of a medical determination to the commissioner  
83.2 of human services under section 256.045, the recipient may request an expert medical  
83.3 opinion be arranged by the external review entity under contract to provide independent  
83.4 external reviews under this section. If such a request is made, the cost of the review shall  
83.5 be paid by the commissioner of human services. Any medical opinion obtained under this  
83.6 paragraph shall only be used by a state human services judge as evidence in the recipient's  
83.7 appeal to the commissioner of human services under section 256.045.

83.8 (c) Nothing in this subdivision shall be construed to limit or restrict the appeal rights  
83.9 provided in section 256.045 for governmental program recipients.

83.10 Sec. 47. Minnesota Statutes 2022, section 62V.05, subdivision 12, is amended to read:

83.11 Subd. 12. **Reports on interagency agreements and intra-agency transfers.** The  
83.12 MNsure Board shall provide ~~quarterly reports to the chairs and ranking minority members~~  
83.13 ~~of the legislative committees with jurisdiction over health and human services policy and~~  
83.14 ~~finance on:~~ legislative reports on interagency agreements and intra-agency transfers according  
83.15 to section 15.0395.

83.16 ~~(1) interagency agreements or service-level agreements and any renewals or extensions~~  
83.17 ~~of existing interagency or service-level agreements with a state department under section~~  
83.18 ~~15.01, state agency under section 15.012, or the Department of Information Technology~~  
83.19 ~~Services, with a value of more than \$100,000, or related agreements with the same department~~  
83.20 ~~or agency with a cumulative value of more than \$100,000; and~~

83.21 ~~(2) transfers of appropriations of more than \$100,000 between accounts within or between~~  
83.22 ~~agencies.~~

83.23 ~~The report must include the statutory citation authorizing the agreement, transfer or dollar~~  
83.24 ~~amount, purpose, and effective date of the agreement, the duration of the agreement, and a~~  
83.25 ~~copy of the agreement.~~

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

83.27 Sec. 48. Minnesota Statutes 2022, section 62V.08, is amended to read:

83.28 **62V.08 REPORTS.**

83.29 (a) MNsure shall submit a report to the legislature by ~~January 15, 2015~~ March 31, 2025,  
83.30 and each ~~January 15~~ March 31 thereafter, on: (1) the performance of MNsure operations;  
83.31 (2) meeting MNsure responsibilities; (3) an accounting of MNsure budget activities; (4)  
83.32 practices and procedures that have been implemented to ensure compliance with data

84.1 practices laws, and a description of any violations of data practices laws or procedures; and  
84.2 (5) the effectiveness of the outreach and implementation activities of MNsure in reducing  
84.3 the rate of uninsurance.

84.4 (b) MNsure must publish its administrative and operational costs on a website to educate  
84.5 consumers on those costs. The information published must include: (1) the amount of  
84.6 premiums and federal premium subsidies collected; (2) the amount and source of revenue  
84.7 received under section 62V.05, subdivision 1, paragraph (b), clause (3); (3) the amount and  
84.8 source of any other fees collected for purposes of supporting operations; and (4) any misuse  
84.9 of funds as identified in accordance with section 3.975. The website must be updated at  
84.10 least annually.

84.11 Sec. 49. Minnesota Statutes 2022, section 62V.11, subdivision 4, is amended to read:

84.12 Subd. 4. **Review of costs.** The board shall submit for review the annual budget of MNsure  
84.13 for the next fiscal year by March ~~15~~ 31 of each year, beginning March ~~15, 2014~~ 31, 2025.

84.14 Sec. 50. Minnesota Statutes 2023 Supplement, section 145D.01, subdivision 1, is amended  
84.15 to read:

84.16 Subdivision 1. **Definitions.** (a) For purposes of this ~~chapter~~ section and section 145D.02,  
84.17 the following terms have the meanings given.

84.18 (b) "Captive professional entity" means a professional corporation, limited liability  
84.19 company, or other entity formed to render professional services in which a beneficial owner  
84.20 is a health care provider employed by, controlled by, or subject to the direction of a hospital  
84.21 or hospital system.

84.22 (c) "Commissioner" means the commissioner of health.

84.23 (d) "Control," including the terms "controlling," "controlled by," and "under common  
84.24 control with," means the possession, direct or indirect, of the power to direct or cause the  
84.25 direction of the management and policies of a health care entity, whether through the  
84.26 ownership of voting securities, membership in an entity formed under chapter 317A, by  
84.27 contract other than a commercial contract for goods or nonmanagement services, or otherwise,  
84.28 unless the power is the result of an official position with, corporate office held by, or court  
84.29 appointment of, the person. Control is presumed to exist if any person, directly or indirectly,  
84.30 owns, controls, holds with the power to vote, or holds proxies representing 40 percent or  
84.31 more of the voting securities of any other person, or if any person, directly or indirectly,  
84.32 constitutes 40 percent or more of the membership of an entity formed under chapter 317A.

85.1 The attorney general may determine that control exists in fact, notwithstanding the absence  
85.2 of a presumption to that effect.

85.3 (e) "Health care entity" means:

85.4 (1) a hospital;

85.5 (2) a hospital system;

85.6 (3) a captive professional entity;

85.7 (4) a medical foundation;

85.8 (5) a health care provider group practice;

85.9 (6) an entity organized or controlled by an entity listed in clauses (1) to (5); or

85.10 (7) an entity that owns or exercises control over an entity listed in clauses (1) to (5).

85.11 (f) "Health care provider" means a physician licensed under chapter 147, a physician  
85.12 assistant licensed under chapter 147A, or an advanced practice registered nurse as defined  
85.13 in section 148.171, subdivision 3, who provides health care services, including but not  
85.14 limited to medical care, consultation, diagnosis, or treatment.

85.15 (g) "Health care provider group practice" means two or more health care providers legally  
85.16 organized in a partnership, professional corporation, limited liability company, medical  
85.17 foundation, nonprofit corporation, faculty practice plan, or other similar entity:

85.18 (1) in which each health care provider who is a member of the group provides services  
85.19 that a health care provider routinely provides, including but not limited to medical care,  
85.20 consultation, diagnosis, and treatment, through the joint use of shared office space, facilities,  
85.21 equipment, or personnel;

85.22 (2) for which substantially all services of the health care providers who are group  
85.23 members are provided through the group and are billed in the name of the group practice  
85.24 and amounts so received are treated as receipts of the group; or

85.25 (3) in which the overhead expenses of, and the income from, the group are distributed  
85.26 in accordance with methods previously determined by members of the group.

85.27 An entity that otherwise meets the definition of health care provider group practice in this  
85.28 paragraph shall be considered a health care provider group practice even if its shareholders,  
85.29 partners, members, or owners include a professional corporation, limited liability company,  
85.30 or other entity in which any beneficial owner is a health care provider and that is formed to  
85.31 render professional services.

86.1 (h) "Hospital" means a health care facility licensed as a hospital under sections 144.50  
86.2 to 144.56.

86.3 (i) "Medical foundation" means a nonprofit legal entity through which health care  
86.4 providers perform research or provide medical services.

86.5 (j) "Transaction" means a single action, or a series of actions within a five-year period,  
86.6 which occurs in part within the state of Minnesota or involves a health care entity formed  
86.7 or licensed in Minnesota, that constitutes:

86.8 (1) a merger or exchange of a health care entity with another entity;

86.9 (2) the sale, lease, or transfer of 40 percent or more of the assets of a health care entity  
86.10 to another entity;

86.11 (3) the granting of a security interest of 40 percent or more of the property and assets  
86.12 of a health care entity to another entity;

86.13 (4) the transfer of 40 percent or more of the shares or other ownership of a health care  
86.14 entity to another entity;

86.15 (5) an addition, removal, withdrawal, substitution, or other modification of one or more  
86.16 members of the health care entity's governing body that transfers control, responsibility for,  
86.17 or governance of the health care entity to another entity;

86.18 (6) the creation of a new health care entity;

86.19 (7) an agreement or series of agreements that results in the sharing of 40 percent or more  
86.20 of the health care entity's revenues with another entity, including affiliates of such other  
86.21 entity;

86.22 (8) an addition, removal, withdrawal, substitution, or other modification of the members  
86.23 of a health care entity formed under chapter 317A that results in a change of 40 percent or  
86.24 more of the membership of the health care entity; or

86.25 (9) any other transfer of control of a health care entity to, or acquisition of control of a  
86.26 health care entity by, another entity.

86.27 (k) A transaction as defined in paragraph (j) does not include:

86.28 (1) an action or series of actions that meets one or more of the criteria set forth in  
86.29 paragraph (j), clauses (1) to (9), if, immediately prior to all such actions, the health care  
86.30 entity directly, or indirectly through one or more intermediaries, controls, is controlled by,  
86.31 or is under common control with, all other parties to the action or series of actions;

87.1 (2) a mortgage or other secured loan for business improvement purposes entered into  
87.2 by a health care entity that does not directly affect delivery of health care or governance of  
87.3 the health care entity;

87.4 (3) a clinical affiliation of health care entities formed solely for the purpose of  
87.5 collaborating on clinical trials or providing graduate medical education;

87.6 (4) the mere offer of employment to, or hiring of, a health care provider by a health care  
87.7 entity;

87.8 (5) contracts between a health care entity and a health care provider primarily for clinical  
87.9 services; or

87.10 (6) a single action or series of actions within a five-year period involving only entities  
87.11 that operate solely as a nursing home licensed under chapter 144A; a boarding care home  
87.12 licensed under sections 144.50 to 144.56; a supervised living facility licensed under sections  
87.13 144.50 to 144.56; an assisted living facility licensed under chapter 144G; a foster care setting  
87.14 licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, for a physical location that  
87.15 is not the primary residence of the license holder; a community residential setting as defined  
87.16 in section 245D.02, subdivision 4a; or a home care provider licensed under sections 144A.471  
87.17 to 144A.483.

87.18 Sec. 51. **[145D.30] DEFINITIONS.**

87.19 Subdivision 1. **Application.** For purposes of sections 145D.30 to 145D.37, the following  
87.20 terms have the meanings given unless the context clearly indicates otherwise.

87.21 Subd. 2. **Commissioner** "Commissioner" means the commissioner of commerce for a  
87.22 nonprofit health coverage entity that is a nonprofit health service plan corporation operating  
87.23 under chapter 62C or the commissioner of health for a nonprofit health coverage entity that  
87.24 is a nonprofit health maintenance organization operating under chapter 62D.

87.25 Subd. 3. **Control.** "Control," including the terms "controlling," "controlled by," and  
87.26 "under common control with," means the possession, direct or indirect, of the power to  
87.27 direct or cause the direction of the management and policies of a nonprofit health coverage  
87.28 entity, whether through the ownership of voting securities, through membership in an entity  
87.29 formed under chapter 317A, by contract other than a commercial contract for goods or  
87.30 nonmanagement services, or otherwise, unless the power is the result of an official position  
87.31 with, corporate office held by, or court appointment of the person. Control is presumed to  
87.32 exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or  
87.33 holds proxies representing 40 percent or more of the voting securities of any other person

88.1 or if any person, directly or indirectly, constitutes 40 percent or more of the membership  
88.2 of an entity formed under chapter 317A. The attorney general may determine that control  
88.3 exists in fact, notwithstanding the absence of a presumption to that effect.

88.4 Subd. 4. **Conversion benefit entity.** "Conversion benefit entity" means a foundation,  
88.5 corporation, limited liability company, trust, partnership, or other entity that receives, in  
88.6 connection with a conversion transaction, the value of any public benefit asset in accordance  
88.7 with section 145D.32, subdivision 5.

88.8 Subd. 5. **Conversion transaction.** "Conversion transaction" means a transaction otherwise  
88.9 permitted under applicable law in which a nonprofit health coverage entity:

88.10 (1) merges, consolidates, converts, or transfers all or substantially all of its assets to any  
88.11 entity except a corporation that is exempt under United States Code, title 26, section  
88.12 501(c)(3);

88.13 (2) makes a series of separate transfers within a 60-month period that in the aggregate  
88.14 constitute a transfer of all or substantially all of the nonprofit health coverage entity's assets  
88.15 to any entity except a corporation that is exempt under United States Code, title 26, section  
88.16 501(c)(3); or

88.17 (3) adds or substitutes one or more directors or officers that effectively transfer the  
88.18 control of, responsibility for, or governance of the nonprofit health coverage entity to any  
88.19 entity except a corporation that is exempt under United States Code, title 26, section  
88.20 501(c)(3).

88.21 Subd. 6. **Corporation.** "Corporation" has the meaning given in section 317A.011,  
88.22 subdivision 6, and also includes a nonprofit limited liability company organized under  
88.23 section 322C.1101.

88.24 Subd. 7. **Director.** "Director" has the meaning given in section 317A.011, subdivision  
88.25 7.

88.26 Subd. 8. **Family member.** "Family member" means a spouse, parent, child, spouse of  
88.27 a child, brother, sister, or spouse of a brother or sister.

88.28 Subd. 9. **Full and fair value.** "Full and fair value" means at least the amount that the  
88.29 public benefit assets of the nonprofit health coverage entity would be worth if the assets  
88.30 were equal to stock in the nonprofit health coverage entity, if the nonprofit health coverage  
88.31 entity was a for-profit corporation and if the nonprofit health coverage entity had 100 percent  
88.32 of its stock authorized by the corporation and available for purchase without transfer



89.1 restrictions. The valuation shall consider market value, investment or earning value, net  
89.2 asset value, goodwill, amount of donations received, and control premium, if any.

89.3 Subd. 10. **Key employee.** "Key employee" means an individual, regardless of title, who:

89.4 (1) has responsibilities, power, or influence over an organization similar to those of an  
89.5 officer or director;

89.6 (2) manages a discrete segment or activity of the organization that represents ten percent  
89.7 or more of the activities, assets, income, or expenses of the organization, as compared to  
89.8 the organization as a whole; or

89.9 (3) has or shares authority to control or determine ten percent or more of the organization's  
89.10 capital expenditures, operating budget, or compensation for employees.

89.11 Subd. 11. **Nonprofit health coverage entity.** "Nonprofit health coverage entity" means  
89.12 a nonprofit health service plan corporation operating under chapter 62C or a nonprofit health  
89.13 maintenance organization operating under chapter 62D.

89.14 Subd. 12. **Officer.** "Officer" has the meaning given in section 317A.011, subdivision  
89.15 15.

89.16 Subd. 13. **Public benefit assets.** "Public benefit assets" means the entirety of a nonprofit  
89.17 health coverage entity's assets, whether tangible or intangible, including but not limited to  
89.18 its goodwill and anticipated future revenue.

89.19 Subd. 14. **Related organization.** "Related organization" has the meaning given in section  
89.20 317A.011, subdivision 18.

89.21 Sec. 52. **[145D.31] CERTAIN CONVERSION TRANSACTIONS PROHIBITED.**

89.22 A nonprofit health coverage entity must not enter into a conversion transaction if:

89.23 (1) doing so would result in less than the full and fair market value of all public benefit  
89.24 assets remaining dedicated to the public benefit; or

89.25 (2) an individual who has been an officer, director, or other executive of the nonprofit  
89.26 health coverage entity or of a related organization, or a family member of such an individual:

89.27 (i) has held or will hold, whether guaranteed or contingent, an ownership stake, stock,  
89.28 securities, investment, or other financial interest in an entity to which the nonprofit health  
89.29 coverage entity transfers public benefit assets in connection with the conversion transaction;

90.1 (ii) has received or will receive any type of compensation or other financial benefit from  
90.2 an entity to which the nonprofit health coverage entity transfers public benefit assets in  
90.3 connection with the conversion transaction;

90.4 (iii) has held or will hold, whether guaranteed or contingent, an ownership stake, stock,  
90.5 securities, investment, or other financial interest in an entity that has or will have a business  
90.6 relationship with an entity to which the nonprofit health coverage entity transfers public  
90.7 benefit assets in connection with the conversion transaction; or

90.8 (iv) has received or will receive any type of compensation or other financial benefit from  
90.9 an entity that has or will have a business relationship with an entity to which the nonprofit  
90.10 health coverage entity transfers public benefit assets in connection with the conversion  
90.11 transaction.

90.12 **Sec. 53. [145D.32] REQUIREMENTS FOR NONPROFIT HEALTH COVERAGE**  
90.13 **ENTITY CONVERSION TRANSACTIONS.**

90.14 **Subdivision 1. Notice.** (a) Before entering into a conversion transaction, a nonprofit  
90.15 health coverage entity must notify the attorney general according to section 317A.811. In  
90.16 addition to the elements listed in section 317A.811, subdivision 1, the notice required by  
90.17 this subdivision must also include: (1) an itemization of the nonprofit health coverage entity's  
90.18 public benefit assets and an independent third-party valuation of the nonprofit health coverage  
90.19 entity's public benefit assets; (2) a proposed plan to distribute the value of those public  
90.20 benefit assets to a conversion benefit entity that meets the requirements of section 145D.33;  
90.21 and (3) other information contained in forms provided by the attorney general.

90.22 (b) When the nonprofit health coverage entity provides the attorney general with the  
90.23 notice and other information required under paragraph (a), the nonprofit health coverage  
90.24 entity must also provide a copy of this notice and other information to the applicable  
90.25 commissioner.

90.26 **Subd. 2. Nonprofit health coverage entity requirements.** Before entering into a  
90.27 conversion transaction, a nonprofit health coverage entity must ensure that:

90.28 (1) the proposed conversion transaction complies with chapters 317A and 501B and  
90.29 other applicable laws;

90.30 (2) the proposed conversion transaction does not involve or constitute a breach of  
90.31 charitable trust;

90.32 (3) the nonprofit health coverage entity shall receive full and fair value for its public  
90.33 benefit assets;

91.1 (4) the value of the public benefit assets to be transferred has not been manipulated in  
91.2 a manner that causes or caused the value of the assets to decrease;

91.3 (5) the proceeds of the proposed conversion transaction shall be used in a manner  
91.4 consistent with the public benefit for which the assets are held by the nonprofit health  
91.5 coverage entity;

91.6 (6) the proposed conversion transaction shall not result in a breach of fiduciary duty;  
91.7 and

91.8 (7) the conversion benefit entity that receives the value of the nonprofit health coverage  
91.9 entity's public benefit assets meets the requirements in section 145D.33.

91.10 Subd. 3. **Listening sessions and public comment.** The attorney general or the  
91.11 commissioner may hold public listening sessions or forums and may solicit public comments  
91.12 regarding the proposed conversion transaction, including on the formation of a conversion  
91.13 benefit entity under section 145D.33.

91.14 Subd. 4. **Waiting period.** (a) Subject to paragraphs (b) and (c), a nonprofit health  
91.15 coverage entity must not enter into a conversion transaction until 90 days after the nonprofit  
91.16 health coverage entity has given written notice as required in subdivision 1.

91.17 (b) The attorney general may waive all or part of the waiting period or may extend the  
91.18 waiting period for an additional 90 days by notifying the nonprofit health coverage entity  
91.19 of the extension in writing.

91.20 (c) The time periods specified in this subdivision shall be suspended while an  
91.21 investigation into the conversion transaction is pending or while a request from the attorney  
91.22 general for additional information is outstanding.

91.23 Subd. 5. **Transfer of value of assets required.** As part of a conversion transaction for  
91.24 which notice is provided under subdivision 1, the nonprofit health coverage entity must  
91.25 transfer the entirety of the full and fair value of its public benefit assets to one or more  
91.26 conversion benefit entities that meet the requirements in section 145D.33.

91.27 Subd. 6. **Funds restricted for a particular purpose.** Nothing in this section relieves a  
91.28 nonprofit health coverage entity from complying with requirements for funds that are  
91.29 restricted for a particular purpose. Funds restricted for a particular purpose must continue  
91.30 to be used in accordance with the purpose for which they were restricted under sections  
91.31 317A.671 and 501B.31. A nonprofit health coverage entity may not convert assets that  
91.32 would conflict with their restricted purpose.

92.1 **Sec. 54. [145D.33] CONVERSION BENEFIT ENTITY REQUIREMENTS.**

92.2 Subdivision 1. Requirements. In order to receive the value of a nonprofit health coverage  
92.3 entity's public benefit assets as part of a conversion transaction, a conversion benefit entity  
92.4 must:

92.5 (1) be: (i) an existing or new domestic, nonprofit corporation operating under chapter  
92.6 317A, a nonprofit limited liability company operating under chapter 322C, or a wholly  
92.7 owned subsidiary thereof; and (ii) exempt under United States Code, title 26, section  
92.8 501(c)(3);

92.9 (2) have in place procedures and policies to prohibit conflicts of interest, including but  
92.10 not limited to conflicts of interest relating to any grant-making activities that may benefit:

92.11 (i) the officers, directors, or key employees of the conversion benefit entity;

92.12 (ii) any entity to which the nonprofit health coverage entity transfers public benefit assets  
92.13 in connection with a conversion transaction; or

92.14 (iii) any officers, directors, or key employees of an entity to which the nonprofit health  
92.15 coverage entity transfers public benefit assets in connection with a conversion transaction;

92.16 (3) operate to benefit the health of the people in this state;

92.17 (4) have in place procedures and policies that prohibit:

92.18 (i) an officer, director, or key employee of the nonprofit health coverage entity from  
92.19 serving as an officer, director, or key employee of the conversion benefit entity for the  
92.20 five-year period following the conversion transaction;

92.21 (ii) an officer, director, or key employee of the nonprofit health coverage entity or of  
92.22 the conversion benefit entity from directly or indirectly benefitting from the conversion  
92.23 transaction; and

92.24 (iii) elected or appointed public officials from serving as an officer, director, or key  
92.25 employee of the conversion benefit entity;

92.26 (5) not make grants or payments or otherwise provide financial benefit to an entity to  
92.27 which a nonprofit health coverage entity transfers public benefit assets as part of a conversion  
92.28 transaction or to a related organization of the entity to which the nonprofit health coverage  
92.29 entity transfers public benefit assets as part of a conversion transaction; and

92.30 (6) not have as an officer director, or key employee any individual who has been an  
92.31 officer, director, or key employee of an entity that receives public benefit assets as part of  
92.32 a conversion transaction.

93.1 Subd. 2. **Review and approval.** The commissioner must review and approve a conversion  
93.2 benefit entity before the conversion benefit entity receives the value of public benefit assets  
93.3 from a nonprofit health coverage entity. In order to be approved under this subdivision, the  
93.4 conversion benefit entity's governance must be broadly based in the community served by  
93.5 the nonprofit health coverage entity and must be independent of the entity to which the  
93.6 nonprofit health coverage entity transfers public benefit assets as part of the conversion  
93.7 transaction. As part of the review of the conversion benefit entity's governance, the  
93.8 commissioner may hold a public hearing. The public hearing, if held by the commissioner  
93.9 of health, may be held concurrently with the hearing authorized under section 62D.31. If  
93.10 the commissioner finds it necessary, a portion of the value of the public benefit assets must  
93.11 be used to develop a community-based plan for use by the conversion benefit entity.

93.12 Subd. 3. **Community advisory committee.** The commissioner must establish a  
93.13 community advisory committee for a conversion benefit entity receiving the value of public  
93.14 benefit assets. The members of the community advisory committee must be selected to  
93.15 represent the diversity of the community previously served by the nonprofit health coverage  
93.16 entity. The community advisory committee must:

93.17 (1) provide a slate of three nominees for each vacancy on the governing board of the  
93.18 conversion benefit entity, from which the remaining board members must select new  
93.19 members to the board;

93.20 (2) provide the conversion benefit entity's governing board with guidance on the health  
93.21 needs of the community previously served by the nonprofit health coverage entity; and

93.22 (3) promote dialogue and information sharing between the conversion benefit entity and  
93.23 the community previously served by the nonprofit health coverage entity.

93.24 **Sec. 55. [145D.34] ENFORCEMENT AND REMEDIES.**

93.25 Subdivision 1. **Investigation.** The attorney general has the powers in section 8.31.  
93.26 Nothing in this subdivision limits the powers, remedies, or responsibilities of the attorney  
93.27 general under this chapter; chapter 8, 309, 317A, or 501B; or any other chapter. For purposes  
93.28 of this section, an approval by the commissioner for regulatory purposes does not impair  
93.29 or inform the attorney general's authority.

93.30 Subd. 2. **Enforcement and penalties.** (a) The attorney general may bring an action in  
93.31 district court to enjoin or unwind a conversion transaction or seek other equitable relief  
93.32 necessary to protect the public interest if:

94.1 (1) a nonprofit health coverage entity or conversion transaction violates sections 145D.30  
94.2 to 145D.33; or

94.3 (2) the conversion transaction is contrary to the public interest.

94.4 In seeking injunctive relief, the attorney general must not be required to establish irreparable  
94.5 harm but must instead establish that a violation of sections 145D.30 to 145D.33 occurred  
94.6 or that the requested order promotes the public interest.

94.7 (b) Factors informing whether a conversion transaction is contrary to the public interest  
94.8 include but are not limited to whether:

94.9 (1) the conversion transaction shall result in increased health care costs for patients; and

94.10 (2) the conversion transaction shall adversely impact provider cost trends and containment  
94.11 of total health care spending.

94.12 (c) The attorney general may enforce sections 145D.30 to 145D.33 under section 8.31.

94.13 (d) Failure of the entities involved in a conversion transaction to provide timely  
94.14 information as required by the attorney general or the commissioner shall be an independent  
94.15 and sufficient ground for a court to enjoin or unwind the transaction or provide other equitable  
94.16 relief, provided the attorney general notifies the entities of the inadequacy of the information  
94.17 provided and provides the entities with a reasonable opportunity to remedy the inadequacy.

94.18 (e) An officer, director, or other executive found to have violated sections 145D.30 to  
94.19 145D.33 shall be subject to a civil penalty of up to \$100,000 for each violation. A corporation  
94.20 or other entity which is a party to or materially participated in a conversion transaction  
94.21 found to have violated sections 145D.30 to 145D.33 shall be subject to a civil penalty of  
94.22 up to \$1,000,000. A court may also award reasonable attorney fees and costs of investigation  
94.23 and litigation.

94.24 Subd. 3. **Commissioner of health; data and research.** The commissioner of health  
94.25 must provide the attorney general, upon request, with data and research on broader market  
94.26 trends, impacts on prices and outcomes, public health and population health considerations,  
94.27 and health care access, for the attorney general to use when evaluating whether a conversion  
94.28 transaction is contrary to public interest. The commissioner may share with the attorney  
94.29 general, according to section 13.05, subdivision 9, any not public data, as defined in section  
94.30 13.02, subdivision 8a, held by the commissioner to aid in the investigation and review of  
94.31 the conversion transaction, and the attorney general must maintain this data with the same  
94.32 classification according to section 13.03, subdivision 4, paragraph (c).

95.1 Subd. 4. **Failure to take action.** Failure by the attorney general to take action with  
95.2 respect to a conversion transaction under this section does not constitute approval of the  
95.3 conversion transaction or waiver, nor shall failure prevent the attorney general from taking  
95.4 action in the same, similar, or subsequent circumstances.

95.5 **Sec. 56. [145D.35] DATA PRACTICES.**

95.6 Section 13.65 applies to data provided by a nonprofit health coverage entity or the  
95.7 commissioner to the attorney general under sections 145D.30 to 145D.33. Section 13.39  
95.8 applies to data provided by a nonprofit health coverage entity to the commissioner under  
95.9 sections 145D.30 to 145D.33. The attorney general or the commissioner may make any  
95.10 data classified as confidential or protected nonpublic under this section accessible to any  
95.11 civil or criminal law enforcement agency if the attorney general or commissioner determines  
95.12 that the access aids the law enforcement process.

95.13 **Sec. 57. [145D.36] COMMISSIONER OF HEALTH; REPORTS AND ANALYSIS.**

95.14 Notwithstanding any law to the contrary, the commissioner of health may use data or  
95.15 information submitted under sections 60A.135 to 60A.137, 60A.17, 60D.18, 60D.20,  
95.16 62D.221, and 145D.32 to conduct analyses of the aggregate impact of transactions within  
95.17 nonprofit health coverage entities and organizations which include nonprofit health coverage  
95.18 entities or their affiliates on access to or the cost of health care services, health care market  
95.19 consolidation, and health care quality. The commissioner of health must issue periodic  
95.20 public reports on the number and types of conversion transactions subject to sections 145D.30  
95.21 to 145D.35 and on the aggregate impact of conversion transactions on health care costs,  
95.22 quality, and competition in Minnesota.

95.23 **Sec. 58. [145D.37] RELATION TO OTHER LAW.**

95.24 (a) Sections 145D.30 to 145D.36 are in addition to and do not affect or limit any power,  
95.25 remedy, or responsibility of a health maintenance organization, a service plan corporation,  
95.26 a conversion benefit entity, the attorney general, the commissioner of health, or the  
95.27 commissioner of commerce under this chapter; chapter 8, 62C, 62D, 309, 317A, or 501B;  
95.28 or other law.

95.29 (b) Nothing in sections 145D.03 to 145D.36 authorizes a nonprofit health coverage entity  
95.30 to enter into a conversion transaction not otherwise permitted under chapter 317A or 501B  
95.31 or other law.

96.1 Sec. 59. Minnesota Statutes 2022, section 256B.0625, subdivision 12, is amended to read:

96.2 Subd. 12. **Eyeglasses, and dentures, and prosthetic and orthotic devices.** (a) Medical  
96.3 assistance covers eyeglasses, and dentures, and prosthetic and orthotic devices if prescribed  
96.4 by a licensed practitioner.

96.5 (b) ~~For purposes of prescribing prosthetic and orthotic devices, "licensed practitioner"~~  
96.6 ~~includes a physician, an advanced practice registered nurse, a physician assistant, or a~~  
96.7 ~~podiatrist.~~

96.8 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
96.9 whichever is later. The commissioner of human services shall notify the revisor of statutes  
96.10 when federal approval is obtained.

96.11 Sec. 60. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 16, is  
96.12 amended to read:

96.13 Subd. 16. **Abortion services.** Medical assistance covers ~~abortion services determined~~  
96.14 ~~to be medically necessary by the treating provider and delivered in accordance with all~~  
96.15 ~~applicable Minnesota laws~~ abortions and abortion-related services, including preabortion  
96.16 services and follow-up services.

96.17 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
96.18 whichever is later. The commissioner of human services shall notify the revisor of statutes  
96.19 when federal approval is obtained.

96.20 Sec. 61. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
96.21 to read:

96.22 Subd. 25c. **Applicability of utilization review provisions.** Effective January 1, 2026,  
96.23 the following provisions of chapter 62M apply to the commissioner when delivering services  
96.24 through fee-for-service under chapters 256B and 256L: 62M.02, subdivisions 1 to 5, 7 to  
96.25 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions 1 to  
96.26 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; and 62M.17, subdivision 2.

96.27 Sec. 62. Minnesota Statutes 2022, section 256B.0625, subdivision 32, is amended to read:

96.28 Subd. 32. **Nutritional products.** Medical assistance covers nutritional products needed  
96.29 for nutritional supplementation because solid food or nutrients thereof cannot be properly  
96.30 absorbed by the body or needed for treatment of phenylketonuria, hyperlysinemia, maple  
96.31 syrup urine disease, a combined allergy to human milk, cow's milk, and soy formula, or



97.1 any other childhood or adult diseases, conditions, or disorders identified by the commissioner  
97.2 as requiring a similarly necessary nutritional product. Medical assistance covers amino  
97.3 acid-based elemental formulas in the same manner as is required under section 62Q.525.  
97.4 Nutritional products needed for the treatment of a combined allergy to human milk, cow's  
97.5 milk, and soy formula require prior authorization. Separate payment shall not be made for  
97.6 nutritional products for residents of long-term care facilities. Payment for dietary  
97.7 requirements is a component of the per diem rate paid to these facilities.

97.8 **EFFECTIVE DATE.** This section is effective January 1, 2025.

97.9 Sec. 63. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
97.10 to read:

97.11 Subd. 72. **Orthotic and prosthetic devices.** Medical assistance covers orthotic and  
97.12 prosthetic devices, supplies, and services according to section 256B.066.

97.13 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
97.14 whichever is later. The commissioner of human services shall notify the revisor of statutes  
97.15 when federal approval is obtained.

97.16 Sec. 64. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
97.17 to read:

97.18 Subd. 73. **Rapid whole genome sequencing.** Medical assistance covers rapid whole  
97.19 genome sequencing (rWGS) testing. Coverage and eligibility for rWGS testing, and the use  
97.20 of genetic data, must meet the requirements specified in section 62A.3098, subdivisions 1  
97.21 to 3 and 6.

97.22 **EFFECTIVE DATE.** This section is effective January 1, 2025.

97.23 Sec. 65. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
97.24 to read:

97.25 Subd. 74. **Scalp hair prosthetics.** Medical assistance covers scalp hair prosthesis  
97.26 prescribed for hair loss suffered as a result of treatment for cancer. Medical assistance must  
97.27 meet the requirements that would otherwise apply to a health plan under section 62A.28.

97.28 **EFFECTIVE DATE.** This section is effective January 1, 2025.

98.1 Sec. 66. **[256B.066] ORTHOTIC AND PROSTHETIC DEVICES, SUPPLIES, AND**  
98.2 **SERVICES.**

98.3 Subdivision 1. Definitions. All terms used in this section have the meanings given them  
98.4 in section 62Q.665, subdivision 1.

98.5 Subd. 2. Coverage requirements. (a) Medical assistance covers orthotic and prosthetic  
98.6 devices, supplies, and services:

98.7 (1) furnished under an order by a prescribing physician or licensed health care prescriber  
98.8 who has authority in Minnesota to prescribe orthoses and prostheses. Coverage for orthotic  
98.9 and prosthetic devices, supplies, accessories, and services under this clause includes those  
98.10 devices or device systems, supplies, accessories, and services that are customized to the  
98.11 enrollee's needs;

98.12 (2) determined by the enrollee's provider to be the most appropriate model that meets  
98.13 the medical needs of the enrollee for purposes of performing physical activities, as applicable,  
98.14 including but not limited to running, biking, and swimming, and maximizing the enrollee's  
98.15 limb function; or

98.16 (3) for showering or bathing.

98.17 (b) The coverage set forth in paragraph (a) includes the repair and replacement of those  
98.18 orthotic and prosthetic devices, supplies, and services described therein.

98.19 (c) Coverage of a prosthetic or orthotic benefit must not be denied for an individual with  
98.20 limb loss or absence that would otherwise be covered for a nondisabled person seeking  
98.21 medical or surgical intervention to restore or maintain the ability to perform the same  
98.22 physical activity.

98.23 (d) If coverage for prosthetic or custom orthotic devices is provided, payment shall be  
98.24 made for the replacement of a prosthetic or custom orthotic device or for the replacement  
98.25 of any part of the devices, without regard to useful lifetime restrictions, if an ordering health  
98.26 care provider determines that the provision of a replacement device, or a replacement part  
98.27 of a device, is necessary because:

98.28 (1) of a change in the physiological condition of the patient;

98.29 (2) of an irreparable change in the condition of the device or in a part of the device; or

98.30 (3) the condition of the device, or the part of the device, requires repairs and the cost of  
98.31 the repairs would be more than 60 percent of the cost of a replacement device or of the part  
98.32 being replaced.

99.1 Subd. 3. **Restrictions on coverage.** (a) Prior authorization may be required for orthotic  
99.2 and prosthetic devices, supplies, and services.

99.3 (b) A utilization review for a request for coverage of prosthetic or orthotic benefits must  
99.4 apply the most recent version of evidence-based treatment and fit criteria as recognized by  
99.5 relevant clinical specialists.

99.6 (c) Utilization review determinations must be rendered in a nondiscriminatory manner  
99.7 and shall not deny coverage for habilitative or rehabilitative benefits, including prosthetics  
99.8 or orthotics, solely on the basis of an enrollee's actual or perceived disability.

99.9 (d) Evidence of coverage and any benefit denial letters must include language describing  
99.10 an enrollee's rights pursuant to paragraphs (b) and (c).

99.11 (e) Confirmation from a prescribing health care provider may be required if the prosthetic  
99.12 or custom orthotic device or part being replaced is less than three years old.

99.13 Subd. 4. **Managed care plan access to care.** (a) Managed care plans and county-based  
99.14 purchasing plans subject to this section must ensure access to medically necessary clinical  
99.15 care and to prosthetic and custom orthotic devices and technology from at least two distinct  
99.16 prosthetic and custom orthotic providers in the plan's provider network located in Minnesota.

99.17 (b) In the event that medically necessary covered orthotics and prosthetics are not  
99.18 available from an in-network provider, the plan must provide processes to refer an enrollee  
99.19 to an out-of-network provider and must fully reimburse the out-of-network provider at a  
99.20 mutually agreed upon rate less enrollee cost sharing determined on an in-network basis.

99.21 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
99.22 whichever is later. The commissioner of human services shall notify the revisor of statutes  
99.23 when federal approval is obtained.

99.24 Sec. 67. Minnesota Statutes 2022, section 317A.811, subdivision 1, is amended to read:

99.25 Subdivision 1. **When required.** (a) Except as provided in subdivision 6, the following  
99.26 corporations shall notify the attorney general of their intent to dissolve, merge, consolidate,  
99.27 or convert, or to transfer all or substantially all of their assets:

99.28 (1) a corporation that holds assets for a charitable purpose as defined in section 501B.35,  
99.29 subdivision 2; ~~or~~

99.30 (2) a corporation that is exempt under section 501(c)(3) of the Internal Revenue Code  
99.31 of 1986, or any successor section; or

99.32 (3) a nonprofit health coverage entity defined in section 145D.30.

- 100.1 (b) The notice must include:
- 100.2 (1) the purpose of the corporation that is giving the notice;
- 100.3 (2) a list of assets owned or held by the corporation for charitable purposes;
- 100.4 (3) a description of restricted assets and purposes for which the assets were received;
- 100.5 (4) a description of debts, obligations, and liabilities of the corporation;
- 100.6 (5) a description of tangible assets being converted to cash and the manner in which
- 100.7 they will be sold;
- 100.8 (6) anticipated expenses of the transaction, including attorney fees;
- 100.9 (7) a list of persons to whom assets will be transferred, if known, or the name of the
- 100.10 converted organization;
- 100.11 (8) the purposes of persons receiving the assets or of the converted organization; and
- 100.12 (9) the terms, conditions, or restrictions, if any, to be imposed on the transferred or
- 100.13 converted assets.
- 100.14 The notice must be signed on behalf of the corporation by an authorized person.

100.15 **Sec. 68. COMMISSIONER OF HEALTH; ANALYSIS AND REPORT TO THE**

100.16 **LEGISLATURE.**

100.17 (a) The commissioner of health must use the data submitted by utilization review

100.18 organizations under Minnesota Statutes, section 62M.19, and other data available to the

100.19 commissioner to analyze the use of utilization management tools, including prior

100.20 authorization, in health care. The analysis must evaluate the effect utilization management

100.21 tools have on patient access to care, the administrative burden the use of utilization

100.22 management tools places on health care providers, and system costs. The commissioner

100.23 must also develop recommendations on how to simplify health insurance prior authorization

100.24 standards and processes to improve health care access, reduce delays in care, reduce the

100.25 administrative burden on health care providers, and maximize quality of care, including

100.26 recommendations for a prior authorization exemption process for providers and group

100.27 practices that have an authorization rate for all submitted requests for authorization at or

100.28 above a level determined by the commissioner as qualifying for the exemption. When

100.29 conducting the analysis and developing recommendations, the commissioner must consult,

100.30 as appropriate, with physicians, other providers, health plan companies, consumers, and

100.31 other health care experts.

101.1 (b) The commissioner must issue a report to the legislature by December 15, 2026,  
101.2 containing the commissioner's analysis and recommendations under paragraph (a).

101.3 **Sec. 69. INITIAL REPORTS TO COMMISSIONER OF HEALTH; UTILIZATION**  
101.4 **MANAGEMENT TOOLS.**

101.5 Utilization review organizations must submit initial reports to the commissioner of health  
101.6 under Minnesota Statutes, section 62M.19, by September 1, 2025.

101.7 **Sec. 70. TRANSITION.**

101.8 (a) A health maintenance organization that has a certificate of authority under Minnesota  
101.9 Statutes, chapter 62D, but that is not a nonprofit corporation organized under Minnesota  
101.10 Statutes, chapter 317A, or a local governmental unit, as defined in Minnesota Statutes,  
101.11 section 62D.02, subdivision 11:

101.12 (1) must not offer, sell, issue, or renew any health maintenance contracts on or after  
101.13 August 1, 2024;

101.14 (2) may otherwise continue to operate as a health maintenance organization until  
101.15 December 31, 2025; and

101.16 (3) must provide notice to the health maintenance organization's enrollees as of August  
101.17 1, 2024, of the date the health maintenance organization will cease to operate in this state  
101.18 and any plans to transition enrollee coverage to another insurer. This notice must be provided  
101.19 by October 1, 2024.

101.20 (b) The commissioner of health must not issue or renew a certificate of authority to  
101.21 operate as a health maintenance organization on or after August 1, 2024, unless the entity  
101.22 seeking the certificate of authority meets the requirements for a health maintenance  
101.23 organization under Minnesota Statutes, chapter 62D, in effect on or after August 1, 2024.

101.24 **Sec. 71. REPEALER.**

101.25 (a) Minnesota Statutes 2022, section 62A.041, subdivision 3, is repealed.

101.26 (b) Minnesota Statutes 2023 Supplement, section 62Q.522, subdivisions 3 and 4, are  
101.27 repealed.

101.28 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
101.29 plans offered, sold, issued, or renewed on or after that date.

102.1

**ARTICLE 5**

102.2

**DEPARTMENT OF HEALTH FINANCE**

102.3 Section 1. Minnesota Statutes 2022, section 62D.14, subdivision 1, is amended to read:

102.4 Subdivision 1. **Examination authority.** The commissioner of health may make an  
102.5 examination of the affairs of any health maintenance organization and its contracts,  
102.6 agreements, or other arrangements with any participating entity as often as the commissioner  
102.7 of health deems necessary for the protection of the interests of the people of this state, but  
102.8 not less frequently than once every ~~three~~ five years. Examinations of participating entities  
102.9 pursuant to this subdivision shall be limited to their dealings with the health maintenance  
102.10 organization and its enrollees, except that examinations of major participating entities may  
102.11 include inspection of the entity's financial statements kept in the ordinary course of business.  
102.12 The commissioner may require major participating entities to submit the financial statements  
102.13 directly to the commissioner. Financial statements of major participating entities are subject  
102.14 to the provisions of section 13.37, subdivision 1, clause (b), upon request of the major  
102.15 participating entity or the health maintenance organization with which it contracts.

102.16 Sec. 2. Minnesota Statutes 2022, section 103I.621, subdivision 1, is amended to read:

102.17 Subdivision 1. **Permit.** (a) Notwithstanding any department or agency rule to the contrary,  
102.18 the commissioner shall issue, on request by the owner of the property and payment of the  
102.19 permit fee, permits for the reinjection of water by a properly constructed well into the same  
102.20 aquifer from which the water was drawn for the operation of a groundwater thermal exchange  
102.21 device.

102.22 (b) As a condition of the permit, an applicant must agree to allow inspection by the  
102.23 commissioner during regular working hours for department inspectors.

102.24 (c) Not more than 200 permits may be issued for small systems having maximum  
102.25 capacities of 20 gallons per minute or less and that are compliant with the natural resource  
102.26 water-use requirements under subdivision 2. ~~The small systems are subject to inspection~~  
102.27 ~~twice a year.~~

102.28 (d) Not more than ~~ten~~ 100 permits may be issued for larger systems having maximum  
102.29 capacities ~~from over 20 to 50~~ and are compliant with the natural resource  
102.30 water-use requirements under subdivision 2. ~~The larger systems are subject to inspection~~  
102.31 ~~four times a year.~~

103.1 (e) A person issued a permit must comply with this section and any permit conditions  
 103.2 deemed necessary to protect public health and safety of groundwater for the permit to be  
 103.3 valid.

103.4 (f) The property owner or the property owner's agent must submit to the commissioner  
 103.5 a permit application on a form provided by the commissioner, or in a format approved by  
 103.6 the commissioner, that provides any information necessary to protect public health and  
 103.7 safety of groundwater.

103.8 (g) A permit granted under this section is not valid if a water-use permit is required for  
 103.9 the project and is not approved by the commissioner of natural resources.

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

103.11 Sec. 3. Minnesota Statutes 2022, section 103I.621, subdivision 2, is amended to read:

103.12 Subd. 2. **Water-use requirements apply.** Water-use permit requirements and penalties  
 103.13 under chapter ~~103F~~ 103G and related rules adopted and enforced by the commissioner of  
 103.14 natural resources apply to groundwater thermal exchange permit recipients. A person who  
 103.15 violates a provision of this section is subject to enforcement or penalties for the noncomplying  
 103.16 activity that are available to the commissioner and the Pollution Control Agency.

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

103.18 Sec. 4. Minnesota Statutes 2022, section 144.05, subdivision 6, is amended to read:

103.19 Subd. 6. **Reports on interagency agreements and intra-agency transfers.** The  
 103.20 commissioner of health shall provide ~~quarterly reports to the chairs and ranking minority~~  
 103.21 ~~members of the legislative committees with jurisdiction over health and human services~~  
 103.22 ~~policy and finance on:~~ the interagency agreements and intra-agency transfers report per  
 103.23 section 15.0395.

103.24 ~~(1) interagency agreements or service-level agreements and any renewals or extensions~~  
 103.25 ~~of existing interagency or service-level agreements with a state department under section~~  
 103.26 ~~15.01, state agency under section 15.012, or the Department of Information Technology~~  
 103.27 ~~Services, with a value of more than \$100,000, or related agreements with the same department~~  
 103.28 ~~or agency with a cumulative value of more than \$100,000; and~~

103.29 ~~(2) transfers of appropriations of more than \$100,000 between accounts within or between~~  
 103.30 ~~agencies.~~

104.1 ~~The report must include the statutory citation authorizing the agreement, transfer or dollar~~  
104.2 ~~amount, purpose, and effective date of the agreement, duration of the agreement, and a copy~~  
104.3 ~~of the agreement.~~

104.4 Sec. 5. Minnesota Statutes 2023 Supplement, section 144.1501, subdivision 2, is amended  
104.5 to read:

104.6 Subd. 2. ~~Creation of account~~ Availability. (a) ~~A health professional education loan~~  
104.7 ~~forgiveness program account is established.~~ The commissioner of health shall use money  
104.8 ~~from the account to establish a~~ appropriated for health professional education loan forgiveness  
104.9 program in this section:

104.10 (1) for medical residents, mental health professionals, and alcohol and drug counselors  
104.11 agreeing to practice in designated rural areas or underserved urban communities or  
104.12 specializing in the area of pediatric psychiatry;

104.13 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach  
104.14 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program  
104.15 at the undergraduate level or the equivalent at the graduate level;

104.16 (3) for nurses who agree to practice in a Minnesota nursing home; in an intermediate  
104.17 care facility for persons with developmental disability; in a hospital if the hospital owns  
104.18 and operates a Minnesota nursing home and a minimum of 50 percent of the hours worked  
104.19 by the nurse is in the nursing home; in an assisted living facility as defined in section  
104.20 144G.08, subdivision 7; or for a home care provider as defined in section 144A.43,  
104.21 subdivision 4; or agree to teach at least 12 credit hours, or 720 hours per year in the nursing  
104.22 field in a postsecondary program at the undergraduate level or the equivalent at the graduate  
104.23 level;

104.24 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720  
104.25 hours per year in their designated field in a postsecondary program at the undergraduate  
104.26 level or the equivalent at the graduate level. The commissioner, in consultation with the  
104.27 Healthcare Education-Industry Partnership, shall determine the health care fields where the  
104.28 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory  
104.29 technology, radiologic technology, and surgical technology;

104.30 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses  
104.31 who agree to practice in designated rural areas;

104.32 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient  
104.33 encounters to state public program enrollees or patients receiving sliding fee schedule



105.1 discounts through a formal sliding fee schedule meeting the standards established by the  
105.2 United States Department of Health and Human Services under Code of Federal Regulations,  
105.3 title 42, section ~~51, chapter 303~~ 51c.303; and

105.4 (7) for nurses employed as a hospital nurse by a nonprofit hospital and providing direct  
105.5 care to patients at the nonprofit hospital.

105.6 (b) Appropriations made ~~to the account~~ for health professional education loan forgiveness  
105.7 in this section do not cancel and are available until expended, except that at the end of each  
105.8 biennium, any remaining balance in the account that is not committed by contract and not  
105.9 needed to fulfill existing commitments shall cancel to the fund.

105.10 Sec. 6. Minnesota Statutes 2022, section 144.1501, subdivision 5, is amended to read:

105.11 Subd. 5. **Penalty for nonfulfillment.** If a participant does not fulfill the required  
105.12 minimum commitment of service according to subdivision 3, the commissioner of health  
105.13 shall collect from the participant the total amount paid to the participant under the loan  
105.14 forgiveness program plus interest at a rate established according to section 270C.40. The  
105.15 commissioner shall deposit the money collected in ~~the health care access fund to be credited~~  
105.16 ~~to a dedicated account in the special revenue fund.~~ The balance of the account is appropriated  
105.17 annually to the commissioner for the health professional education loan forgiveness program  
105.18 ~~account~~ established in subdivision 2. The commissioner shall allow waivers of all or part  
105.19 of the money owed the commissioner as a result of a nonfulfillment penalty if emergency  
105.20 circumstances prevented fulfillment of the minimum service commitment.

105.21 Sec. 7. Minnesota Statutes 2023 Supplement, section 144.1505, subdivision 2, is amended  
105.22 to read:

105.23 Subd. 2. **Programs.** (a) For advanced practice provider clinical training expansion grants,  
105.24 the commissioner of health shall award health professional training site grants to eligible  
105.25 physician assistant, advanced practice registered nurse, pharmacy, dental therapy, and mental  
105.26 health professional programs to plan and implement expanded clinical training. A planning  
105.27 grant shall not exceed \$75,000, and a three-year training grant shall not exceed ~~\$150,000~~  
105.28 ~~for the first year, \$100,000 for the second year, and \$50,000 for the third year~~ \$300,000 per  
105.29 ~~program~~ project. The commissioner may provide a one-year, no-cost extension for grants.

105.30 (b) For health professional rural and underserved clinical rotations grants, the  
105.31 commissioner of health shall award health professional training site grants to eligible  
105.32 physician, physician assistant, advanced practice registered nurse, pharmacy, dentistry,  
105.33 dental therapy, and mental health professional programs to augment existing clinical training

106.1 programs to add rural and underserved rotations or clinical training experiences, such as  
106.2 credential or certificate rural tracks or other specialized training. For physician and dentist  
106.3 training, the expanded training must include rotations in primary care settings such as  
106.4 community clinics, hospitals, health maintenance organizations, or practices in rural  
106.5 communities.

106.6 (c) Funds may be used for:

106.7 (1) establishing or expanding rotations and clinical training;

106.8 (2) recruitment, training, and retention of students and faculty;

106.9 (3) connecting students with appropriate clinical training sites, internships, practicums,  
106.10 or externship activities;

106.11 (4) travel and lodging for students;

106.12 (5) faculty, student, and preceptor salaries, incentives, or other financial support;

106.13 (6) development and implementation of cultural competency training;

106.14 (7) evaluations;

106.15 (8) training site improvements, fees, equipment, and supplies required to establish,  
106.16 maintain, or expand a training program; and

106.17 (9) supporting clinical education in which trainees are part of a primary care team model.

106.18 Sec. 8. Minnesota Statutes 2022, section 144.555, subdivision 1a, is amended to read:

106.19 Subd. 1a. **Notice of closing, curtailing operations, relocating services, or ceasing to**  
106.20 **offer certain services; hospitals.** (a) The controlling persons of a hospital licensed under  
106.21 sections 144.50 to 144.56 or a hospital campus must notify the commissioner of health ~~and~~<sub>2</sub>  
106.22 the public, and others at least ~~120~~ 182 days before the hospital or hospital campus voluntarily  
106.23 plans to implement one of the following scheduled actions:

106.24 (1) cease operations;

106.25 (2) curtail operations to the extent that patients must be relocated;

106.26 (3) relocate the provision of health services to another hospital or another hospital  
106.27 campus; or

106.28 (4) cease offering maternity care and newborn care services, intensive care unit services,  
106.29 inpatient mental health services, or inpatient substance use disorder treatment services.

107.1 (b) A notice required under this subdivision must comply with the requirements in  
107.2 subdivision 1d.

107.3 ~~(b)~~ (c) The commissioner shall cooperate with the controlling persons and advise them  
107.4 about relocating the patients.

107.5 Sec. 9. Minnesota Statutes 2022, section 144.555, subdivision 1b, is amended to read:

107.6 Subd. 1b. **Public hearing.** Within ~~45~~ 30 days after receiving notice under subdivision  
107.7 1a, the commissioner shall conduct a public hearing on the scheduled cessation of operations,  
107.8 curtailment of operations, relocation of health services, or cessation in offering health  
107.9 services. The commissioner must provide adequate public notice of the hearing in a time  
107.10 and manner determined by the commissioner. The controlling persons of the hospital or  
107.11 hospital campus must participate in the public hearing. The public hearing must be held at  
107.12 a location that is within 30 miles of the hospital or hospital campus and that is provided or  
107.13 arranged by the hospital or hospital campus. A hospital or hospital campus is encouraged  
107.14 to hold the public hearing at a location that is within ten miles of the hospital or hospital  
107.15 campus. Video conferencing technology must be used to allow members of the public to  
107.16 view and participate in the hearing. The public hearing must include:

107.17 (1) an explanation by the controlling persons of the reasons for ceasing or curtailing  
107.18 operations, relocating health services, or ceasing to offer any of the listed health services;

107.19 (2) a description of the actions that controlling persons will take to ensure that residents  
107.20 in the hospital's or campus's service area have continued access to the health services being  
107.21 eliminated, curtailed, or relocated;

107.22 (3) an opportunity for public testimony on the scheduled cessation or curtailment of  
107.23 operations, relocation of health services, or cessation in offering any of the listed health  
107.24 services, and on the hospital's or campus's plan to ensure continued access to those health  
107.25 services being eliminated, curtailed, or relocated; and

107.26 (4) an opportunity for the controlling persons to respond to questions from interested  
107.27 persons.

107.28 Sec. 10. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision  
107.29 to read:

107.30 Subd. 1d. **Methods of providing notice; content of notice.** (a) A notice required under  
107.31 subdivision 1a must be provided to patients, hospital personnel, the public, local units of  
107.32 government, and the commissioner of health using at least the following methods:

108.1 (1) posting a notice of the proposed cessation of operations, curtailment, relocation of  
108.2 health services, or cessation in offering health services at the main public entrance of the  
108.3 hospital or hospital campus;

108.4 (2) providing written notice to the commissioner of health, to the city council in the city  
108.5 where the hospital or hospital campus is located, and to the county board in the county  
108.6 where the hospital or hospital campus is located;

108.7 (3) providing written notice to the local health department as defined in section 145A.02,  
108.8 subdivision 8b, for the community where the hospital or hospital campus is located;

108.9 (4) providing notice to the public through a written public announcement which must  
108.10 be distributed to local media outlets;

108.11 (5) providing written notice to existing patients of the hospital or hospital campus; and

108.12 (6) notifying all personnel currently employed in the unit, hospital, or hospital campus  
108.13 impacted by the proposed cessation, curtailment, or relocation.

108.14 (b) A notice required under subdivision 1a must include:

108.15 (1) a description of the proposed cessation of operations, curtailment, relocation of health  
108.16 services, or cessation in offering health services. The description must include:

108.17 (i) the number of beds, if any, that will be eliminated, repurposed, reassigned, or otherwise  
108.18 reconfigured to serve populations or patients other than those currently served;

108.19 (ii) the current number of beds in the impacted unit, hospital, or hospital campus, and  
108.20 the number of beds in the impacted unit, hospital, or hospital campus after the proposed  
108.21 cessation, curtailment, or relocation takes place;

108.22 (iii) the number of existing patients who will be impacted by the proposed cessation,  
108.23 curtailment, or relocation;

108.24 (iv) any decrease in personnel, or relocation of personnel to a different unit, hospital, or  
108.25 hospital campus, caused by the proposed cessation, curtailment, or relocation;

108.26 (v) a description of the health services provided by the unit, hospital, or hospital campus  
108.27 impacted by the proposed cessation, curtailment, or relocation; and

108.28 (vi) identification of the three nearest available health care facilities where patients may  
108.29 obtain the health services provided by the unit, hospital, or hospital campus impacted by  
108.30 the proposed cessation, curtailment, or relocation, and any potential barriers to seamlessly  
108.31 transition patients to receive services at one of these facilities. If the unit, hospital, or hospital  
108.32 campus impacted by the proposed cessation, curtailment, or relocation serves medical

109.1 assistance or Medicare enrollees, the information required under this item must specify  
109.2 whether any of the three nearest available facilities serves medical assistance or Medicare  
109.3 enrollees; and

109.4 (2) a telephone number, email address, and address for each of the following, to which  
109.5 interested parties may offer comments on the proposed cessation, curtailment, or relocation:

109.6 (i) the hospital or hospital campus; and

109.7 (ii) the parent entity, if any, or the entity under contract, if any, that acts as the corporate  
109.8 administrator of the hospital or hospital campus.

109.9 Sec. 11. Minnesota Statutes 2022, section 144.555, subdivision 2, is amended to read:

109.10 Subd. 2. **Penalty; facilities other than hospitals.** Failure to notify the commissioner  
109.11 under subdivision 1, ~~1a, or 1c or failure to participate in a public hearing under subdivision~~  
109.12 ~~1b~~ may result in issuance of a correction order under section 144.653, subdivision 5.

109.13 Sec. 12. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision  
109.14 to read:

109.15 Subd. 3. **Penalties; hospitals.** (a) Failure to participate in a public hearing under  
109.16 subdivision 1b or failure to notify the commissioner under subdivision 1c may result in  
109.17 issuance of a correction order under section 144.653, subdivision 5.

109.18 (b) Notwithstanding any law to the contrary, the commissioner must impose on the  
109.19 controlling persons of a hospital or hospital campus a fine of \$20,000 for each failure to  
109.20 provide notice to an individual or entity or at a location required under subdivision 1d,  
109.21 paragraph (a), with the total fine amount imposed not to exceed \$60,000 for failures to  
109.22 comply with the notice requirements for a single scheduled action. The commissioner is  
109.23 not required to issue a correction order before imposing a fine under this paragraph. Section  
109.24 144.653, subdivision 8, applies to fines imposed under this paragraph.

109.25 Sec. 13. **[144.556] RIGHT OF FIRST REFUSAL; SALE OF HOSPITAL OR**  
109.26 **HOSPITAL CAMPUS.**

109.27 (a) The controlling persons of a hospital licensed under sections 144.50 to 144.56 or a  
109.28 hospital campus must not sell or convey the hospital or hospital campus, offer to sell or  
109.29 convey the hospital or hospital campus to a person other than a local unit of government  
109.30 listed in this paragraph, or voluntarily cease operations of the hospital or hospital campus  
109.31 unless the controlling persons have first made a good faith offer to sell or convey the hospital

110.1 or hospital campus to the home rule charter or statutory city, county, town, or hospital  
110.2 district in which the hospital or hospital campus is located.

110.3 (b) The offer to sell or convey the hospital or hospital campus to a local unit of  
110.4 government under paragraph (a) must be at a price that does not exceed the current fair  
110.5 market value of the hospital or hospital campus. A party to whom an offer is made under  
110.6 paragraph (a) must accept or decline the offer within 60 days of receipt. If the party to whom  
110.7 the offer is made fails to respond within 60 days of receipt, the offer is deemed declined.

110.8 Sec. 14. Minnesota Statutes 2022, section 144A.70, subdivision 3, is amended to read:

110.9 Subd. 3. **Controlling person.** "Controlling person" means a business entity or entities,  
110.10 officer, program administrator, or director, whose responsibilities include ~~the direction of~~  
110.11 ~~the management or policies of a supplemental nursing services agency~~ the management and  
110.12 decision-making authority to establish or control business policy and all other policies of a  
110.13 supplemental nursing services agency. Controlling person also means an individual who,  
110.14 directly or indirectly, beneficially owns an interest in a corporation, partnership, or other  
110.15 business association that is a controlling person.

110.16 Sec. 15. Minnesota Statutes 2022, section 144A.70, subdivision 5, is amended to read:

110.17 Subd. 5. **Person.** "Person" includes an individual, ~~firm,~~ corporation, partnership, limited  
110.18 liability company, or association.

110.19 Sec. 16. Minnesota Statutes 2022, section 144A.70, subdivision 6, is amended to read:

110.20 Subd. 6. **Supplemental nursing services agency.** "Supplemental nursing services  
110.21 agency" means a person, firm, corporation, partnership, limited liability company, or  
110.22 association engaged for hire in the business of providing or procuring temporary employment  
110.23 in health care facilities for nurses, ~~nursing assistants,~~ nurse aides, and orderlies. Supplemental  
110.24 nursing services agency does not include an individual who only engages in providing the  
110.25 individual's services on a temporary basis to health care facilities. Supplemental nursing  
110.26 services agency does not include a professional home care agency licensed under section  
110.27 144A.471 that only provides staff to other home care providers.

110.28 Sec. 17. Minnesota Statutes 2022, section 144A.70, subdivision 7, is amended to read:

110.29 Subd. 7. **Oversight.** The commissioner is responsible for the oversight of supplemental  
110.30 nursing services agencies through ~~annual~~ semiannual unannounced surveys and follow-up

111.1 surveys, complaint investigations under sections 144A.51 to 144A.53, and other actions  
111.2 necessary to ensure compliance with sections 144A.70 to 144A.74.

111.3 Sec. 18. Minnesota Statutes 2022, section 144A.71, subdivision 2, is amended to read:

111.4 Subd. 2. **Application information and fee.** The commissioner shall establish forms and  
111.5 procedures for processing each supplemental nursing services agency registration application.  
111.6 An application for a supplemental nursing services agency registration must include at least  
111.7 the following:

111.8 (1) the names and addresses of ~~the owner or owners~~ all owners and controlling persons  
111.9 of the supplemental nursing services agency;

111.10 (2) if the owner is a corporation, copies of its articles of incorporation and current bylaws,  
111.11 together with the names and addresses of its officers and directors;

111.12 (3) ~~satisfactory proof of compliance with section 144A.72, subdivision 1, clauses (5) to~~  
111.13 ~~(7)~~ if the owner is a limited liability company, copies of its articles of organization and  
111.14 operating agreement, together with the names and addresses of its officers and directors;

111.15 (4) documentation that the supplemental nursing services agency has medical malpractice  
111.16 insurance to insure against the loss, damage, or expense of a claim arising out of the death  
111.17 or injury of any person as the result of negligence or malpractice in the provision of health  
111.18 care services by the supplemental nursing services agency or by any employee of the agency;

111.19 (5) documentation that the supplemental nursing services agency has an employee  
111.20 dishonesty bond in the amount of \$10,000;

111.21 (6) documentation that the supplemental nursing services agency has insurance coverage  
111.22 for workers' compensation for all nurses, nurse aids, and orderlies provided or procured by  
111.23 the agency;

111.24 (7) documentation that the supplemental nursing services agency filed with the  
111.25 commissioner of revenue: (i) the name and address of the bank, savings bank, or savings  
111.26 association in which the supplemental nursing services agency deposits all employee income  
111.27 tax withholdings; and (ii) the name and address of any nurse, nurse aid, or orderly whose  
111.28 income is derived from placement by the agency, if the agency purports the income is not  
111.29 subject to withholding;

111.30 ~~(4)~~ (8) any other relevant information that the commissioner determines is necessary to  
111.31 properly evaluate an application for registration;

112.1 ~~(5)~~ (9) a policy and procedure that describes how the supplemental nursing services  
112.2 agency's records will be immediately available at all times to the commissioner and facility;  
112.3 and

112.4 ~~(6)~~ (10) a nonrefundable registration fee of \$2,035.

112.5 If a supplemental nursing services agency fails to provide the items in this subdivision  
112.6 to the department, the commissioner shall immediately suspend or refuse to issue the  
112.7 supplemental nursing services agency registration. The supplemental nursing services agency  
112.8 may appeal the commissioner's findings according to section 144A.475, subdivisions 3a  
112.9 and 7, except that the hearing must be conducted by an administrative law judge within 60  
112.10 calendar days of the request for hearing assignment.

112.11 Sec. 19. Minnesota Statutes 2022, section 144A.71, is amended by adding a subdivision  
112.12 to read:

112.13 Subd. 2a. **Renewal applications.** An applicant for registration renewal must complete  
112.14 the registration application form supplied by the department. An application must be  
112.15 submitted at least 60 days before the expiration of the current registration.

112.16 Sec. 20. [144A.715] PENALTIES.

112.17 Subdivision 1. **Authority.** The fines imposed under this section are in accordance with  
112.18 section 144.653, subdivision 6.

112.19 Subd. 2. **Fines.** Each violation of sections 144A.70 to 144A.74, not corrected at the time  
112.20 of a follow-up survey, is subject to a fine. A fine must be assessed according to the schedules  
112.21 established in the sections violated.

112.22 Subd. 3. **Failure to correct.** If, upon a subsequent follow-up survey after a fine has been  
112.23 imposed under subdivision 2, a violation is still not corrected, another fine shall be assessed.  
112.24 The fine shall be double the amount of the previous fine.

112.25 Subd. 4. **Payment of fines.** Payment of fines is due 15 business days from the registrant's  
112.26 receipt of notice of the fine from the department.

112.27 Sec. 21. Minnesota Statutes 2022, section 144A.72, subdivision 1, is amended to read:

112.28 Subdivision 1. **Minimum criteria.** (a) The commissioner shall require that, as a condition  
112.29 of registration:

112.30 (1) all owners and controlling persons must complete a background study under section  
112.31 144.057 and receive a clearance or set aside of any disqualification;



113.1 ~~(1)~~ (2) the supplemental nursing services agency shall document that each temporary  
113.2 employee provided to health care facilities currently meets the minimum licensing, training,  
113.3 and continuing education standards for the position in which the employee will be working  
113.4 and verifies competency for the position. A violation of this provision may be subject to a  
113.5 fine of \$3,000;

113.6 ~~(2)~~ (3) the supplemental nursing services agency shall comply with all pertinent  
113.7 requirements relating to the health and other qualifications of personnel employed in health  
113.8 care facilities;

113.9 ~~(3)~~ (4) the supplemental nursing services agency must not restrict in any manner the  
113.10 employment opportunities of its employees; A violation of this provision may be subject  
113.11 to a fine of \$3,000;

113.12 ~~(4)~~ the supplemental nursing services agency shall carry medical malpractice insurance  
113.13 to insure against the loss, damage, or expense incident to a claim arising out of the death  
113.14 or injury of any person as the result of negligence or malpractice in the provision of health  
113.15 care services by the supplemental nursing services agency or by any employee of the agency;

113.16 ~~(5)~~ the supplemental nursing services agency shall carry an employee dishonesty bond  
113.17 in the amount of \$10,000;

113.18 ~~(6)~~ the supplemental nursing services agency shall maintain insurance coverage for  
113.19 workers' compensation for all nurses, nursing assistants, nurse aides, and orderlies provided  
113.20 or procured by the agency;

113.21 ~~(7)~~ the supplemental nursing services agency shall file with the commissioner of revenue:  
113.22 (i) the name and address of the bank, savings bank, or savings association in which the  
113.23 supplemental nursing services agency deposits all employee income tax withholdings; and  
113.24 (ii) the name and address of any nurse, nursing assistant, nurse aide, or orderly whose income  
113.25 is derived from placement by the agency, if the agency purports the income is not subject  
113.26 to withholding;

113.27 ~~(8)~~ (5) the supplemental nursing services agency must not, in any contract with any  
113.28 employee or health care facility, require the payment of liquidated damages, employment  
113.29 fees, or other compensation should the employee be hired as a permanent employee of a  
113.30 health care facility; A violation of this provision may be subject to a fine of \$3,000;

113.31 ~~(9)~~ (6) the supplemental nursing services agency shall document that each temporary  
113.32 employee provided to health care facilities is an employee of the agency and is not an  
113.33 independent contractor; and

114.1 ~~(10)~~ (7) the supplemental nursing services agency shall retain all records for five calendar  
114.2 years. All records of the supplemental nursing services agency must be immediately available  
114.3 to the department.

114.4 (b) In order to retain registration, the supplemental nursing services agency must provide  
114.5 services to a health care facility ~~during the year~~ in Minnesota within the past 12 months  
114.6 preceding the supplemental nursing services agency's registration renewal date.

114.7 Sec. 22. Minnesota Statutes 2022, section 144A.73, is amended to read:

114.8 **144A.73 COMPLAINT SYSTEM.**

114.9 The commissioner shall establish a system for reporting complaints against a supplemental  
114.10 nursing services agency or its employees. Complaints may be made by any member of the  
114.11 public. Complaints against a supplemental nursing services agency shall be investigated by  
114.12 ~~the Office of Health Facility Complaints~~ commissioner of health under sections 144A.51  
114.13 to 144A.53.

114.14 Sec. 23. Minnesota Statutes 2023 Supplement, section 145.561, subdivision 4, is amended  
114.15 to read:

114.16 Subd. 4. **988 telecommunications fee.** (a) In compliance with the National Suicide  
114.17 Hotline Designation Act of 2020, ~~the commissioner shall impose a monthly statewide fee~~  
114.18 ~~on~~ each subscriber of a wireline, wireless, or IP-enabled voice service ~~at a rate that provides~~  
114.19 must pay a monthly fee to provide for the robust creation, operation, and maintenance of a  
114.20 statewide 988 suicide prevention and crisis system.

114.21 ~~(b) The commissioner shall annually recommend to the Public Utilities Commission an~~  
114.22 ~~adequate and appropriate fee to implement this section. The amount of the fee must comply~~  
114.23 ~~with the limits in paragraph (c). The commissioner shall provide telecommunication service~~  
114.24 ~~providers and carriers a minimum of 45 days' notice of each fee change.~~

114.25 ~~(e)~~ (b) The amount of the 988 telecommunications fee ~~must not be more than 25~~ is 12  
114.26 cents per month ~~on or after January 1, 2024,~~ for each consumer access line, including trunk  
114.27 equivalents as designated by the ~~commission~~ Public Utilities Commission pursuant to section  
114.28 403.11, subdivision 1. The 988 telecommunications fee must be the same for all subscribers.

114.29 ~~(d)~~ (c) Each wireline, wireless, and IP-enabled voice telecommunication service provider  
114.30 shall collect the 988 telecommunications fee and transfer the amounts collected to the  
114.31 commissioner of public safety in the same manner as provided in section 403.11, subdivision  
114.32 1, paragraph (d).

115.1 ~~(e)~~ (d) The commissioner of public safety shall deposit the money collected from the  
115.2 988 telecommunications fee to the 988 special revenue account established in subdivision  
115.3 3.

115.4 ~~(f)~~ (e) All 988 telecommunications fee revenue must be used to supplement, and not  
115.5 supplant, federal, state, and local funding for suicide prevention.

115.6 ~~(g)~~ (f) The 988 telecommunications fee amount shall be adjusted as needed to provide  
115.7 for continuous operation of the lifeline centers and 988 hotline, volume increases, and  
115.8 maintenance.

115.9 ~~(h)~~ (g) The commissioner shall annually report to the Federal Communications  
115.10 Commission on revenue generated by the 988 telecommunications fee.

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

115.12 Sec. 24. Minnesota Statutes 2022, section 149A.02, subdivision 3, is amended to read:

115.13 Subd. 3. **Arrangements for disposition.** "Arrangements for disposition" means any  
115.14 action normally taken by a funeral provider in anticipation of or preparation for the  
115.15 entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1,  
115.16 2025, natural organic reduction of a dead human body.

115.17 Sec. 25. Minnesota Statutes 2022, section 149A.02, subdivision 16, is amended to read:

115.18 Subd. 16. **Final disposition.** "Final disposition" means the acts leading to and the  
115.19 entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1,  
115.20 2025, natural organic reduction of a dead human body.

115.21 Sec. 26. Minnesota Statutes 2022, section 149A.02, subdivision 26a, is amended to read:

115.22 Subd. 26a. **Inurnment.** "Inurnment" means placing hydrolyzed or cremated remains in  
115.23 a hydrolyzed or cremated remains container suitable for placement, burial, or shipment.  
115.24 Effective July 1, 2025, inurnment also includes placing naturally reduced remains in a  
115.25 naturally reduced remains container suitable for placement, burial, or shipment.

115.26 Sec. 27. Minnesota Statutes 2022, section 149A.02, subdivision 27, is amended to read:

115.27 Subd. 27. **Licensee.** "Licensee" means any person or entity that has been issued a license  
115.28 to practice mortuary science, to operate a funeral establishment, to operate an alkaline  
115.29 hydrolysis facility, ~~or~~ to operate a crematory, or, effective July 1, 2025, to operate a natural  
115.30 organic reduction facility by the Minnesota commissioner of health.

116.1 Sec. 28. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
116.2 to read:

116.3 Subd. 30b. **Natural organic reduction or naturally reduce.** "Natural organic reduction"  
116.4 or "naturally reduce" means the contained, accelerated conversion of a dead human body  
116.5 to soil. This subdivision is effective July 1, 2025.

116.6 Sec. 29. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
116.7 to read:

116.8 Subd. 30c. **Natural organic reduction facility.** "Natural organic reduction facility"  
116.9 means a structure, room, or other space in a building or real property where natural organic  
116.10 reduction of a dead human body occurs. This subdivision is effective July 1, 2025.

116.11 Sec. 30. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
116.12 to read:

116.13 Subd. 30d. **Natural organic reduction vessel.** "Natural organic reduction vessel" means  
116.14 the enclosed container in which natural organic reduction takes place. This subdivision is  
116.15 effective July 1, 2025.

116.16 Sec. 31. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
116.17 to read:

116.18 Subd. 30e. **Naturally reduced remains.** "Naturally reduced remains" means the soil  
116.19 remains following the natural organic reduction of a dead human body and the accompanying  
116.20 plant material. This subdivision is effective July 1, 2025.

116.21 Sec. 32. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision  
116.22 to read:

116.23 Subd. 30f. **Naturally reduced remains container.** "Naturally reduced remains container"  
116.24 means a receptacle in which naturally reduced remains are placed. This subdivision is  
116.25 effective July 1, 2025.

116.26 Sec. 33. Minnesota Statutes 2022, section 149A.02, subdivision 35, is amended to read:

116.27 Subd. 35. **Processing.** "Processing" means the removal of foreign objects, drying or  
116.28 cooling, and the reduction of the hydrolyzed ~~or~~ remains, cremated remains, or, effective  
116.29 July 1, 2025, naturally reduced remains by mechanical means including, but not limited to,

117.1 grinding, crushing, or pulverizing, to a granulated appearance appropriate for final  
117.2 disposition.

117.3 Sec. 34. Minnesota Statutes 2022, section 149A.02, subdivision 37c, is amended to read:

117.4 Subd. 37c. **Scattering.** "Scattering" means the authorized dispersal of hydrolyzed ~~or~~  
117.5 remains, cremated remains, or, effective July 1, 2025, naturally reduced remains in a defined  
117.6 area of a dedicated cemetery or in areas where no local prohibition exists provided that the  
117.7 hydrolyzed ~~or~~, cremated, or naturally reduced remains are not distinguishable to the public,  
117.8 are not in a container, and that the person who has control over disposition of the hydrolyzed  
117.9 ~~or~~, cremated, or naturally reduced remains has obtained written permission of the property  
117.10 owner or governing agency to scatter on the property.

117.11 Sec. 35. Minnesota Statutes 2022, section 149A.03, is amended to read:

117.12 **149A.03 DUTIES OF COMMISSIONER.**

117.13 The commissioner shall:

117.14 (1) enforce all laws and adopt and enforce rules relating to the:

117.15 (i) removal, preparation, transportation, arrangements for disposition, and final disposition  
117.16 of dead human bodies;

117.17 (ii) licensure and professional conduct of funeral directors, morticians, interns, practicum  
117.18 students, and clinical students;

117.19 (iii) licensing and operation of a funeral establishment;

117.20 (iv) licensing and operation of an alkaline hydrolysis facility; ~~and~~

117.21 (v) licensing and operation of a crematory; and

117.22 (vi) effective July 1, 2025, licensing and operation of a natural organic reduction facility;

117.23 (2) provide copies of the requirements for licensure and permits to all applicants;

117.24 (3) administer examinations and issue licenses and permits to qualified persons and other  
117.25 legal entities;

117.26 (4) maintain a record of the name and location of all current licensees and interns;

117.27 (5) perform periodic compliance reviews and premise inspections of licensees;

117.28 (6) accept and investigate complaints relating to conduct governed by this chapter;

117.29 (7) maintain a record of all current preneed arrangement trust accounts;

118.1 (8) maintain a schedule of application, examination, permit, and licensure fees, initial  
118.2 and renewal, sufficient to cover all necessary operating expenses;

118.3 (9) educate the public about the existence and content of the laws and rules for mortuary  
118.4 science licensing and the removal, preparation, transportation, arrangements for disposition,  
118.5 and final disposition of dead human bodies to enable consumers to file complaints against  
118.6 licensees and others who may have violated those laws or rules;

118.7 (10) evaluate the laws, rules, and procedures regulating the practice of mortuary science  
118.8 in order to refine the standards for licensing and to improve the regulatory and enforcement  
118.9 methods used; and

118.10 (11) initiate proceedings to address and remedy deficiencies and inconsistencies in the  
118.11 laws, rules, or procedures governing the practice of mortuary science and the removal,  
118.12 preparation, transportation, arrangements for disposition, and final disposition of dead  
118.13 human bodies.

118.14 Sec. 36. **[149A.56] LICENSE TO OPERATE A NATURAL ORGANIC REDUCTION**  
118.15 **FACILITY.**

118.16 Subdivision 1. License requirement. This section is effective July 1, 2025. Except as  
118.17 provided in section 149A.01, subdivision 3, no person shall maintain, manage, or operate  
118.18 a place or premises devoted to or used in the holding and natural organic reduction of a  
118.19 dead human body without possessing a valid license to operate a natural organic reduction  
118.20 facility issued by the commissioner of health.

118.21 Subd. 2. Requirements for natural organic reduction facility. (a) A natural organic  
118.22 reduction facility licensed under this section must consist of:

118.23 (1) a building or structure that complies with applicable local and state building codes,  
118.24 zoning laws and ordinances, and environmental standards, and that contains one or more  
118.25 natural organic reduction vessels for the natural organic reduction of dead human bodies;

118.26 (2) a motorized mechanical device for processing naturally reduced remains; and

118.27 (3) an appropriate refrigerated holding facility for dead human bodies awaiting natural  
118.28 organic reduction.

118.29 (b) A natural organic reduction facility licensed under this section may also contain a  
118.30 display room for funeral goods.

119.1 Subd. 3. **Application procedure; documentation; initial inspection.** (a) An applicant  
119.2 for a license to operate a natural organic reduction facility shall submit a completed  
119.3 application to the commissioner. A completed application includes:

119.4 (1) a completed application form, as provided by the commissioner;

119.5 (2) proof of business form and ownership; and

119.6 (3) proof of liability insurance coverage or other financial documentation, as determined  
119.7 by the commissioner, that demonstrates the applicant's ability to respond in damages for  
119.8 liability arising from the ownership, maintenance, management, or operation of a natural  
119.9 organic reduction facility.

119.10 (b) Upon receipt of the application and appropriate fee, the commissioner shall review  
119.11 and verify all information. Upon completion of the verification process and resolution of  
119.12 any deficiencies in the application information, the commissioner shall conduct an initial  
119.13 inspection of the premises to be licensed. After the inspection and resolution of any  
119.14 deficiencies found and any reinspections as may be necessary, the commissioner shall make  
119.15 a determination, based on all the information available, to grant or deny licensure. If the  
119.16 commissioner's determination is to grant the license, the applicant shall be notified and the  
119.17 license shall issue and remain valid for a period prescribed on the license, but not to exceed  
119.18 one calendar year from the date of issuance of the license. If the commissioner's determination  
119.19 is to deny the license, the commissioner must notify the applicant, in writing, of the denial  
119.20 and provide the specific reason for denial.

119.21 Subd. 4. **Nontransferability of license.** A license to operate a natural organic reduction  
119.22 facility is not assignable or transferable and shall not be valid for any entity other than the  
119.23 one named. Each license issued to operate a natural organic reduction facility is valid only  
119.24 for the location identified on the license. A 50 percent or more change in ownership or  
119.25 location of the natural organic reduction facility automatically terminates the license. Separate  
119.26 licenses shall be required of two or more persons or other legal entities operating from the  
119.27 same location.

119.28 Subd. 5. **Display of license.** Each license to operate a natural organic reduction facility  
119.29 must be conspicuously displayed in the natural organic reduction facility at all times.  
119.30 Conspicuous display means in a location where a member of the general public within the  
119.31 natural organic reduction facility is able to observe and read the license.

119.32 Subd. 6. **Period of licensure.** All licenses to operate a natural organic reduction facility  
119.33 issued by the commissioner are valid for a period of one calendar year beginning on July 1  
119.34 and ending on June 30, regardless of the date of issuance.

120.1 Subd. 7. **Reporting changes in license information.** Any change of license information  
120.2 must be reported to the commissioner, on forms provided by the commissioner, no later  
120.3 than 30 calendar days after the change occurs. Failure to report changes is grounds for  
120.4 disciplinary action.

120.5 Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained  
120.6 by the commissioner pursuant to this section.

120.7 Sec. 37. **[149A.57] RENEWAL OF LICENSE TO OPERATE A NATURAL**  
120.8 **ORGANIC REDUCTION FACILITY.**

120.9 Subdivision 1. **Renewal required.** This section is effective July 1, 2025. All licenses  
120.10 to operate a natural organic reduction facility issued by the commissioner expire on June  
120.11 30 following the date of issuance of the license and must be renewed to remain valid.

120.12 Subd. 2. **Renewal procedure and documentation.** (a) Licensees who wish to renew  
120.13 their licenses must submit to the commissioner a completed renewal application no later  
120.14 than June 30 following the date the license was issued. A completed renewal application  
120.15 includes:

120.16 (1) a completed renewal application form, as provided by the commissioner; and

120.17 (2) proof of liability insurance coverage or other financial documentation, as determined  
120.18 by the commissioner, that demonstrates the applicant's ability to respond in damages for  
120.19 liability arising from the ownership, maintenance, management, or operation of a natural  
120.20 organic reduction facility.

120.21 (b) Upon receipt of the completed renewal application, the commissioner shall review  
120.22 and verify the information. Upon completion of the verification process and resolution of  
120.23 any deficiencies in the renewal application information, the commissioner shall make a  
120.24 determination, based on all the information available, to reissue or refuse to reissue the  
120.25 license. If the commissioner's determination is to reissue the license, the applicant shall be  
120.26 notified and the license shall issue and remain valid for a period prescribed on the license,  
120.27 but not to exceed one calendar year from the date of issuance of the license. If the  
120.28 commissioner's determination is to refuse to reissue the license, section 149A.09, subdivision  
120.29 2, applies.

120.30 Subd. 3. **Penalty for late filing.** Renewal applications received after the expiration date  
120.31 of a license will result in the assessment of a late filing penalty. The late filing penalty must  
120.32 be paid before the reissuance of the license and received by the commissioner no later than  
120.33 31 calendar days after the expiration date of the license.



121.1 Subd. 4. **Lapse of license.** A license to operate a natural organic reduction facility shall  
121.2 automatically lapse when a completed renewal application is not received by the  
121.3 commissioner within 31 calendar days after the expiration date of a license, or a late filing  
121.4 penalty assessed under subdivision 3 is not received by the commissioner within 31 calendar  
121.5 days after the expiration of a license.

121.6 Subd. 5. **Effect of lapse of license.** Upon the lapse of a license, the person to whom the  
121.7 license was issued is no longer licensed to operate a natural organic reduction facility in  
121.8 Minnesota. The commissioner shall issue a cease and desist order to prevent the lapsed  
121.9 license holder from operating a natural organic reduction facility in Minnesota and may  
121.10 pursue any additional lawful remedies as justified by the case.

121.11 Subd. 6. **Restoration of lapsed license.** The commissioner may restore a lapsed license  
121.12 upon receipt and review of a completed renewal application, receipt of the late filing penalty,  
121.13 and reinspection of the premises, provided that the receipt is made within one calendar year  
121.14 from the expiration date of the lapsed license and the cease and desist order issued by the  
121.15 commissioner has not been violated. If a lapsed license is not restored within one calendar  
121.16 year from the expiration date of the lapsed license, the holder of the lapsed license cannot  
121.17 be relicensed until the requirements in section 149A.56 are met.

121.18 Subd. 7. **Reporting changes in license information.** Any change of license information  
121.19 must be reported to the commissioner, on forms provided by the commissioner, no later  
121.20 than 30 calendar days after the change occurs. Failure to report changes is grounds for  
121.21 disciplinary action.

121.22 Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained  
121.23 by the commissioner pursuant to this section.

121.24 Sec. 38. Minnesota Statutes 2022, section 149A.65, is amended by adding a subdivision  
121.25 to read:

121.26 Subd. 6a. **Natural organic reduction facilities.** This subdivision is effective July 1,  
121.27 2025. The initial and renewal fee for a natural organic reduction facility is \$425. The late  
121.28 fee charge for a license renewal is \$100.

121.29 Sec. 39. Minnesota Statutes 2022, section 149A.70, subdivision 1, is amended to read:

121.30 Subdivision 1. **Use of titles.** Only a person holding a valid license to practice mortuary  
121.31 science issued by the commissioner may use the title of mortician, funeral director, or any  
121.32 other title implying that the licensee is engaged in the business or practice of mortuary

122.1 science. Only the holder of a valid license to operate an alkaline hydrolysis facility issued  
122.2 by the commissioner may use the title of alkaline hydrolysis facility, water cremation,  
122.3 water-reduction, biocremation, green-cremation, resomation, dissolution, or any other title,  
122.4 word, or term implying that the licensee operates an alkaline hydrolysis facility. Only the  
122.5 holder of a valid license to operate a funeral establishment issued by the commissioner may  
122.6 use the title of funeral home, funeral chapel, funeral service, or any other title, word, or  
122.7 term implying that the licensee is engaged in the business or practice of mortuary science.  
122.8 Only the holder of a valid license to operate a crematory issued by the commissioner may  
122.9 use the title of crematory, crematorium, green-cremation, or any other title, word, or term  
122.10 implying that the licensee operates a crematory or crematorium. Effective July 1, 2025,  
122.11 only the holder of a valid license to operate a natural organic reduction facility issued by  
122.12 the commissioner may use the title of natural organic reduction facility, human composting,  
122.13 or any other title, word, or term implying that the licensee operates a natural organic reduction  
122.14 facility.

122.15 Sec. 40. Minnesota Statutes 2022, section 149A.70, subdivision 2, is amended to read:

122.16 Subd. 2. **Business location.** A funeral establishment, alkaline hydrolysis facility, ~~or~~  
122.17 crematory, or, effective July 1, 2025, natural organic reduction facility shall not do business  
122.18 in a location that is not licensed as a funeral establishment, alkaline hydrolysis facility, ~~or~~  
122.19 crematory, or natural organic reduction facility and shall not advertise a service that is  
122.20 available from an unlicensed location.

122.21 Sec. 41. Minnesota Statutes 2022, section 149A.70, subdivision 3, is amended to read:

122.22 Subd. 3. **Advertising.** No licensee, clinical student, practicum student, or intern shall  
122.23 publish or disseminate false, misleading, or deceptive advertising. False, misleading, or  
122.24 deceptive advertising includes, but is not limited to:

122.25 (1) identifying, by using the names or pictures of, persons who are not licensed to practice  
122.26 mortuary science in a way that leads the public to believe that those persons will provide  
122.27 mortuary science services;

122.28 (2) using any name other than the names under which the funeral establishment, alkaline  
122.29 hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility  
122.30 is known to or licensed by the commissioner;

122.31 (3) using a surname not directly, actively, or presently associated with a licensed funeral  
122.32 establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural  
122.33 organic reduction facility, unless the surname had been previously and continuously used

123.1 by the licensed funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or natural  
123.2 organic reduction facility; and

123.3 (4) using a founding or establishing date or total years of service not directly or  
123.4 continuously related to a name under which the funeral establishment, alkaline hydrolysis  
123.5 facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility is currently  
123.6 or was previously licensed.

123.7 Any advertising or other printed material that contains the names or pictures of persons  
123.8 affiliated with a funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective  
123.9 July 1, 2025, natural organic reduction facility shall state the position held by the persons  
123.10 and shall identify each person who is licensed or unlicensed under this chapter.

123.11 Sec. 42. Minnesota Statutes 2022, section 149A.70, subdivision 5, is amended to read:

123.12 Subd. 5. **Reimbursement prohibited.** No licensee, clinical student, practicum student,  
123.13 or intern shall offer, solicit, or accept a commission, fee, bonus, rebate, or other  
123.14 reimbursement in consideration for recommending or causing a dead human body to be  
123.15 disposed of by a specific body donation program, funeral establishment, alkaline hydrolysis  
123.16 facility, crematory, mausoleum, ~~or~~ cemetery, or, effective July 1, 2025, natural organic  
123.17 reduction facility.

123.18 Sec. 43. Minnesota Statutes 2022, section 149A.71, subdivision 2, is amended to read:

123.19 Subd. 2. **Preventive requirements.** (a) To prevent unfair or deceptive acts or practices,  
123.20 the requirements of this subdivision must be met. This subdivision applies to natural organic  
123.21 reduction and naturally reduced remains goods and services effective July 1, 2025.

123.22 (b) Funeral providers must tell persons who ask by telephone about the funeral provider's  
123.23 offerings or prices any accurate information from the price lists described in paragraphs (c)  
123.24 to (e) and any other readily available information that reasonably answers the questions  
123.25 asked.

123.26 (c) Funeral providers must make available for viewing to people who inquire in person  
123.27 about the offerings or prices of funeral goods or burial site goods, separate printed or  
123.28 typewritten price lists using a ten-point font or larger. Each funeral provider must have a  
123.29 separate price list for each of the following types of goods that are sold or offered for sale:

123.30 (1) caskets;

123.31 (2) alternative containers;

- 124.1 (3) outer burial containers;
- 124.2 (4) alkaline hydrolysis containers;
- 124.3 (5) cremation containers;
- 124.4 (6) hydrolyzed remains containers;
- 124.5 (7) cremated remains containers;
- 124.6 (8) markers; ~~and~~
- 124.7 (9) headstones; and
- 124.8 (10) naturally reduced remains containers.

124.9 (d) Each separate price list must contain the name of the funeral provider's place of  
124.10 business, address, and telephone number and a caption describing the list as a price list for  
124.11 one of the types of funeral goods or burial site goods described in paragraph (c), clauses  
124.12 (1) to ~~(9)~~ (10). The funeral provider must offer the list upon beginning discussion of, but  
124.13 in any event before showing, the specific funeral goods or burial site goods and must provide  
124.14 a photocopy of the price list, for retention, if so asked by the consumer. The list must contain,  
124.15 at least, the retail prices of all the specific funeral goods and burial site goods offered which  
124.16 do not require special ordering, enough information to identify each, and the effective date  
124.17 for the price list. However, funeral providers are not required to make a specific price list  
124.18 available if the funeral providers place the information required by this paragraph on the  
124.19 general price list described in paragraph (e).

124.20 (e) Funeral providers must give a printed price list, for retention, to persons who inquire  
124.21 in person about the funeral goods, funeral services, burial site goods, or burial site services  
124.22 or prices offered by the funeral provider. The funeral provider must give the list upon  
124.23 beginning discussion of either the prices of or the overall type of funeral service or disposition  
124.24 or specific funeral goods, funeral services, burial site goods, or burial site services offered  
124.25 by the provider. This requirement applies whether the discussion takes place in the funeral  
124.26 establishment or elsewhere. However, when the deceased is removed for transportation to  
124.27 the funeral establishment, an in-person request for authorization to embalm does not, by  
124.28 itself, trigger the requirement to offer the general price list. If the provider, in making an  
124.29 in-person request for authorization to embalm, discloses that embalming is not required by  
124.30 law except in certain special cases, the provider is not required to offer the general price  
124.31 list. Any other discussion during that time about prices or the selection of funeral goods,  
124.32 funeral services, burial site goods, or burial site services triggers the requirement to give

125.1 the consumer a general price list. The general price list must contain the following  
125.2 information:

125.3 (1) the name, address, and telephone number of the funeral provider's place of business;

125.4 (2) a caption describing the list as a "general price list";

125.5 (3) the effective date for the price list;

125.6 (4) the retail prices, in any order, expressed either as a flat fee or as the prices per hour,  
125.7 mile, or other unit of computation, and other information described as follows:

125.8 (i) forwarding of remains to another funeral establishment, together with a list of the  
125.9 services provided for any quoted price;

125.10 (ii) receiving remains from another funeral establishment, together with a list of the  
125.11 services provided for any quoted price;

125.12 (iii) separate prices for each alkaline hydrolysis, natural organic reduction, or cremation  
125.13 offered by the funeral provider, with the price including an alternative container or shroud  
125.14 or alkaline hydrolysis facility or cremation container; any alkaline hydrolysis, natural  
125.15 organic reduction facility, or crematory charges; and a description of the services and  
125.16 container included in the price, where applicable, and the price of alkaline hydrolysis or  
125.17 cremation where the purchaser provides the container;

125.18 (iv) separate prices for each immediate burial offered by the funeral provider, including  
125.19 a casket or alternative container, and a description of the services and container included  
125.20 in that price, and the price of immediate burial where the purchaser provides the casket or  
125.21 alternative container;

125.22 (v) transfer of remains to the funeral establishment or other location;

125.23 (vi) embalming;

125.24 (vii) other preparation of the body;

125.25 (viii) use of facilities, equipment, or staff for viewing;

125.26 (ix) use of facilities, equipment, or staff for funeral ceremony;

125.27 (x) use of facilities, equipment, or staff for memorial service;

125.28 (xi) use of equipment or staff for graveside service;

125.29 (xii) hearse or funeral coach;

125.30 (xiii) limousine; and

126.1 (xiv) separate prices for all cemetery-specific goods and services, including all goods  
126.2 and services associated with interment and burial site goods and services and excluding  
126.3 markers and headstones;

126.4 (5) the price range for the caskets offered by the funeral provider, together with the  
126.5 statement "A complete price list will be provided at the funeral establishment or casket sale  
126.6 location." or the prices of individual caskets, as disclosed in the manner described in  
126.7 paragraphs (c) and (d);

126.8 (6) the price range for the alternative containers or shrouds offered by the funeral provider,  
126.9 together with the statement "A complete price list will be provided at the funeral  
126.10 establishment or alternative container sale location." or the prices of individual alternative  
126.11 containers, as disclosed in the manner described in paragraphs (c) and (d);

126.12 (7) the price range for the outer burial containers offered by the funeral provider, together  
126.13 with the statement "A complete price list will be provided at the funeral establishment or  
126.14 outer burial container sale location." or the prices of individual outer burial containers, as  
126.15 disclosed in the manner described in paragraphs (c) and (d);

126.16 (8) the price range for the alkaline hydrolysis container offered by the funeral provider,  
126.17 together with the statement "A complete price list will be provided at the funeral  
126.18 establishment or alkaline hydrolysis container sale location." or the prices of individual  
126.19 alkaline hydrolysis containers, as disclosed in the manner described in paragraphs (c) and  
126.20 (d);

126.21 (9) the price range for the hydrolyzed remains container offered by the funeral provider,  
126.22 together with the statement "A complete price list will be provided at the funeral  
126.23 establishment or hydrolyzed remains container sale location." or the prices of individual  
126.24 hydrolyzed remains container, as disclosed in the manner described in paragraphs (c) and  
126.25 (d);

126.26 (10) the price range for the cremation containers offered by the funeral provider, together  
126.27 with the statement "A complete price list will be provided at the funeral establishment or  
126.28 cremation container sale location." or the prices of individual cremation containers, as  
126.29 disclosed in the manner described in paragraphs (c) and (d);

126.30 (11) the price range for the cremated remains containers offered by the funeral provider,  
126.31 together with the statement, "A complete price list will be provided at the funeral  
126.32 establishment or cremated remains container sale location," or the prices of individual  
126.33 cremation containers as disclosed in the manner described in paragraphs (c) and (d);

127.1 (12) the price range for the naturally reduced remains containers offered by the funeral  
127.2 provider, together with the statement, "A complete price list will be provided at the funeral  
127.3 establishment or naturally reduced remains container sale location," or the prices of individual  
127.4 naturally reduced remains containers as disclosed in the manner described in paragraphs  
127.5 (c) and (d);

127.6 ~~(12)~~ (13) the price for the basic services of funeral provider and staff, together with a  
127.7 list of the principal basic services provided for any quoted price and, if the charge cannot  
127.8 be declined by the purchaser, the statement "This fee for our basic services will be added  
127.9 to the total cost of the funeral arrangements you select. (This fee is already included in our  
127.10 charges for alkaline hydrolysis, natural organic reduction, direct cremations, immediate  
127.11 burials, and forwarding or receiving remains.)" If the charge cannot be declined by the  
127.12 purchaser, the quoted price shall include all charges for the recovery of unallocated funeral  
127.13 provider overhead, and funeral providers may include in the required disclosure the phrase  
127.14 "and overhead" after the word "services." This services fee is the only funeral provider fee  
127.15 for services, facilities, or unallocated overhead permitted by this subdivision to be  
127.16 nondeclinable, unless otherwise required by law;

127.17 ~~(13)~~ (14) the price range for the markers and headstones offered by the funeral provider,  
127.18 together with the statement "A complete price list will be provided at the funeral  
127.19 establishment or marker or headstone sale location." or the prices of individual markers and  
127.20 headstones, as disclosed in the manner described in paragraphs (c) and (d); and

127.21 ~~(14)~~ (15) any package priced funerals offered must be listed in addition to and following  
127.22 the information required in paragraph (e) and must clearly state the funeral goods and  
127.23 services being offered, the price being charged for those goods and services, and the  
127.24 discounted savings.

127.25 (f) Funeral providers must give an itemized written statement, for retention, to each  
127.26 consumer who arranges an at-need funeral or other disposition of human remains at the  
127.27 conclusion of the discussion of the arrangements. The itemized written statement must be  
127.28 signed by the consumer selecting the goods and services as required in section 149A.80. If  
127.29 the statement is provided by a funeral establishment, the statement must be signed by the  
127.30 licensed funeral director or mortician planning the arrangements. If the statement is provided  
127.31 by any other funeral provider, the statement must be signed by an authorized agent of the  
127.32 funeral provider. The statement must list the funeral goods, funeral services, burial site  
127.33 goods, or burial site services selected by that consumer and the prices to be paid for each  
127.34 item, specifically itemized cash advance items (these prices must be given to the extent then  
127.35 known or reasonably ascertainable if the prices are not known or reasonably ascertainable,

128.1 a good faith estimate shall be given and a written statement of the actual charges shall be  
128.2 provided before the final bill is paid), and the total cost of goods and services selected. At  
128.3 the conclusion of an at-need arrangement, the funeral provider is required to give the  
128.4 consumer a copy of the signed itemized written contract that must contain the information  
128.5 required in this paragraph.

128.6 (g) Upon receiving actual notice of the death of an individual with whom a funeral  
128.7 provider has entered a preneed funeral agreement, the funeral provider must provide a copy  
128.8 of all preneed funeral agreement documents to the person who controls final disposition of  
128.9 the human remains or to the designee of the person controlling disposition. The person  
128.10 controlling final disposition shall be provided with these documents at the time of the  
128.11 person's first in-person contact with the funeral provider, if the first contact occurs in person  
128.12 at a funeral establishment, alkaline hydrolysis facility, crematory, natural organic reduction  
128.13 facility, or other place of business of the funeral provider. If the contact occurs by other  
128.14 means or at another location, the documents must be provided within 24 hours of the first  
128.15 contact.

128.16 Sec. 44. Minnesota Statutes 2022, section 149A.71, subdivision 4, is amended to read:

128.17 Subd. 4. **Casket, alternate container, alkaline hydrolysis container, naturally reduced**  
128.18 **remains container, and cremation container sales; records; required disclosures.** Any  
128.19 funeral provider who sells or offers to sell a casket, alternate container, alkaline hydrolysis  
128.20 container, hydrolyzed remains container, cremation container, ~~or~~ cremated remains container,  
128.21 or, effective July 1, 2025, naturally reduced remains container to the public must maintain  
128.22 a record of each sale that includes the name of the purchaser, the purchaser's mailing address,  
128.23 the name of the decedent, the date of the decedent's death, and the place of death. These  
128.24 records shall be open to inspection by the regulatory agency. Any funeral provider selling  
128.25 a casket, alternate container, or cremation container to the public, and not having charge of  
128.26 the final disposition of the dead human body, shall provide a copy of the statutes and rules  
128.27 controlling the removal, preparation, transportation, arrangements for disposition, and final  
128.28 disposition of a dead human body. This subdivision does not apply to morticians, funeral  
128.29 directors, funeral establishments, crematories, or wholesale distributors of caskets, alternate  
128.30 containers, alkaline hydrolysis containers, or cremation containers.

128.31 Sec. 45. Minnesota Statutes 2022, section 149A.72, subdivision 3, is amended to read:

128.32 Subd. 3. **Casket for alkaline hydrolysis, natural organic reduction, or cremation**  
128.33 **provisions; deceptive acts or practices.** In selling or offering to sell funeral goods or



129.1 funeral services to the public, it is a deceptive act or practice for a funeral provider to  
129.2 represent that a casket is required for alkaline hydrolysis ~~or~~, cremations, or, effective July  
129.3 1, 2025, natural organic reduction by state or local law or otherwise.

129.4 Sec. 46. Minnesota Statutes 2022, section 149A.72, subdivision 9, is amended to read:

129.5 Subd. 9. **Deceptive acts or practices.** In selling or offering to sell funeral goods, funeral  
129.6 services, burial site goods, or burial site services to the public, it is a deceptive act or practice  
129.7 for a funeral provider to represent that federal, state, or local laws, or particular cemeteries,  
129.8 alkaline hydrolysis facilities, ~~or~~ crematories, or, effective July 1, 2025, natural organic  
129.9 reduction facilities require the purchase of any funeral goods, funeral services, burial site  
129.10 goods, or burial site services when that is not the case.

129.11 Sec. 47. Minnesota Statutes 2022, section 149A.73, subdivision 1, is amended to read:

129.12 Subdivision 1. **Casket for alkaline hydrolysis, natural organic reduction, or cremation**  
129.13 **provisions; deceptive acts or practices.** In selling or offering to sell funeral goods, funeral  
129.14 services, burial site goods, or burial site services to the public, it is a deceptive act or practice  
129.15 for a funeral provider to require that a casket be purchased for alkaline hydrolysis ~~or~~,  
129.16 cremation, or, effective July 1, 2025, natural organic reduction.

129.17 Sec. 48. Minnesota Statutes 2022, section 149A.74, subdivision 1, is amended to read:

129.18 Subdivision 1. **Services provided without prior approval; deceptive acts or**  
129.19 **practices.** In selling or offering to sell funeral goods or funeral services to the public, it is  
129.20 a deceptive act or practice for any funeral provider to embalm a dead human body unless  
129.21 state or local law or regulation requires embalming in the particular circumstances regardless  
129.22 of any funeral choice which might be made, or prior approval for embalming has been  
129.23 obtained from an individual legally authorized to make such a decision. In seeking approval  
129.24 to embalm, the funeral provider must disclose that embalming is not required by law except  
129.25 in certain circumstances; that a fee will be charged if a funeral is selected which requires  
129.26 embalming, such as a funeral with viewing; and that no embalming fee will be charged if  
129.27 the family selects a service which does not require embalming, such as direct alkaline  
129.28 hydrolysis, direct cremation, ~~or~~ immediate burial, or, effective July 1, 2025, natural organic  
129.29 reduction.

130.1 Sec. 49. Minnesota Statutes 2022, section 149A.93, subdivision 3, is amended to read:

130.2 Subd. 3. **Disposition permit.** A disposition permit is required before a body can be  
130.3 buried, entombed, alkaline hydrolyzed, ~~or cremated,~~ or, effective July 1, 2025, naturally  
130.4 reduced. No disposition permit shall be issued until a fact of death record has been completed  
130.5 and filed with the state registrar of vital records.

130.6 Sec. 50. Minnesota Statutes 2022, section 149A.94, subdivision 1, is amended to read:

130.7 Subdivision 1. **Generally.** Every dead human body lying within the state, except  
130.8 unclaimed bodies delivered for dissection by the medical examiner, those delivered for  
130.9 anatomical study pursuant to section 149A.81, subdivision 2, or lawfully carried through  
130.10 the state for the purpose of disposition elsewhere; and the remains of any dead human body  
130.11 after dissection or anatomical study, shall be decently buried or entombed in a public or  
130.12 private cemetery, alkaline hydrolyzed, ~~or cremated,~~ or, effective July 1, 2025, naturally  
130.13 reduced within a reasonable time after death. Where final disposition of a body will not be  
130.14 accomplished, or, effective July 1, 2025, when natural organic reduction will not be initiated,  
130.15 within 72 hours following death or release of the body by a competent authority with  
130.16 jurisdiction over the body, the body must be properly embalmed, refrigerated, or packed  
130.17 with dry ice. A body may not be kept in refrigeration for a period exceeding six calendar  
130.18 days, or packed in dry ice for a period that exceeds four calendar days, from the time of  
130.19 death or release of the body from the coroner or medical examiner.

130.20 Sec. 51. Minnesota Statutes 2022, section 149A.94, subdivision 3, is amended to read:

130.21 Subd. 3. **Permit required.** No dead human body shall be buried, entombed, ~~or cremated,~~  
130.22 alkaline hydrolyzed, or, effective July 1, 2025, naturally reduced without a disposition  
130.23 permit. The disposition permit must be filed with the person in charge of the place of final  
130.24 disposition. Where a dead human body will be transported out of this state for final  
130.25 disposition, the body must be accompanied by a certificate of removal.

130.26 Sec. 52. Minnesota Statutes 2022, section 149A.94, subdivision 4, is amended to read:

130.27 Subd. 4. **Alkaline hydrolysis ~~or~~, cremation, or natural organic reduction.** Inurnment  
130.28 of alkaline hydrolyzed ~~or remains,~~ cremated remains, or, effective July 1, 2025, naturally  
130.29 reduced remains and release to an appropriate party is considered final disposition and no  
130.30 further permits or authorizations are required for transportation, interment, entombment, or  
130.31 placement of the ~~cremated~~ remains, except as provided in section 149A.95, subdivision 16.

131.1 Sec. 53. [149A.955] NATURAL ORGANIC REDUCTION FACILITIES AND  
131.2 NATURAL ORGANIC REDUCTION.

131.3 Subdivision 1. License required. This section is effective July 1, 2025. A dead human  
131.4 body may only undergo natural organic reduction in this state at a natural organic reduction  
131.5 facility licensed by the commissioner of health.

131.6 Subd. 2. General requirements. Any building to be used as a natural organic reduction  
131.7 facility must comply with all applicable local and state building codes, zoning laws and  
131.8 ordinances, and environmental standards. A natural organic reduction facility must have,  
131.9 on site, a natural organic reduction system approved by the commissioner and a motorized  
131.10 mechanical device for processing naturally reduced remains and must have, in the building,  
131.11 a refrigerated holding facility for the retention of dead human bodies awaiting natural organic  
131.12 reduction. The holding facility must be secure from access by anyone except the authorized  
131.13 personnel of the natural organic reduction facility, preserve the dignity of the remains, and  
131.14 protect the health and safety of the natural organic reduction facility personnel.

131.15 Subd. 3. Aerobic reduction vessel. A natural organic reduction facility must use as a  
131.16 natural organic reduction vessel, a contained reduction vessel that is designed to promote  
131.17 aerobic reduction and that minimizes odors.

131.18 Subd. 4. Unlicensed personnel. A licensed natural organic reduction facility may employ  
131.19 unlicensed personnel, provided that all applicable provisions of this chapter are followed.  
131.20 It is the duty of the licensed natural organic reduction facility to provide proper training for  
131.21 all unlicensed personnel, and the licensed natural organic reduction facility shall be strictly  
131.22 accountable for compliance with this chapter and other applicable state and federal regulations  
131.23 regarding occupational and workplace health and safety.

131.24 Subd. 5. Authorization to naturally reduce. No natural organic reduction facility shall  
131.25 naturally reduce or cause to be naturally reduced any dead human body or identifiable body  
131.26 part without receiving written authorization to do so from the person or persons who have  
131.27 the legal right to control disposition as described in section 149A.80 or the person's legal  
131.28 designee. The written authorization must include:

131.29 (1) the name of the deceased and the date of death of the deceased;

131.30 (2) a statement authorizing the natural organic reduction facility to naturally reduce the  
131.31 body;

131.32 (3) the name, address, phone number, relationship to the deceased, and signature of the  
131.33 person or persons with the legal right to control final disposition or a legal designee;

132.1 (4) directions for the disposition of any non-naturally reduced materials or items recovered  
132.2 from the natural organic reduction vessel;

132.3 (5) acknowledgment that some of the naturally reduced remains will be mechanically  
132.4 reduced to a granulated appearance and included in the appropriate containers with the  
132.5 naturally reduced remains; and

132.6 (6) directions for the ultimate disposition of the naturally reduced remains.

132.7 Subd. 6. **Limitation of liability.** The limitations in section 149A.95, subdivision 5, apply  
132.8 to natural organic reduction facilities.

132.9 Subd. 7. **Acceptance of delivery of body.** (a) No dead human body shall be accepted  
132.10 for final disposition by natural organic reduction unless the body is:

132.11 (1) wrapped in a container, such as a pouch or shroud, that is impermeable or  
132.12 leak-resistant;

132.13 (2) accompanied by a disposition permit issued pursuant to section 149A.93, subdivision  
132.14 3, including a photocopy of the complete death record or a signed release authorizing natural  
132.15 organic reduction received from a coroner or medical examiner; and

132.16 (3) accompanied by a natural organic reduction authorization that complies with  
132.17 subdivision 5.

132.18 (b) A natural organic reduction facility shall refuse to accept delivery of the dead human  
132.19 body:

132.20 (1) where there is a known dispute concerning natural organic reduction of the body  
132.21 delivered;

132.22 (2) where there is a reasonable basis for questioning any of the representations made on  
132.23 the written authorization to naturally reduce; or

132.24 (3) for any other lawful reason.

132.25 (c) When a container, pouch, or shroud containing a dead human body shows evidence  
132.26 of leaking bodily fluid, the container, pouch, or shroud and the body must be returned to  
132.27 the contracting funeral establishment, or the body must be transferred to a new container,  
132.28 pouch, or shroud by a properly licensed individual.

132.29 (d) If a dead human body is delivered to a natural organic reduction facility in a container,  
132.30 pouch, or shroud that is not suitable for placement in a natural organic reduction vessel, the  
132.31 transfer of the body to the vessel must be performed by a properly licensed individual.

133.1 Subd. 8. **Bodies awaiting natural organic reduction.** A dead human body must be  
133.2 placed in the natural organic reduction vessel to initiate the natural reduction process within  
133.3 a reasonable time after death, pursuant to section 149A.94, subdivision 1.

133.4 Subd. 9. **Handling of dead human bodies.** All natural organic reduction facility  
133.5 employees handling the containers, pouches, or shrouds for dead human bodies shall use  
133.6 universal precautions and otherwise exercise all reasonable precautions to minimize the  
133.7 risk of transmitting any communicable disease from the body. No dead human body shall  
133.8 be removed from the container, pouch, or shroud in which it is delivered to the natural  
133.9 organic reduction facility without express written authorization of the person or persons  
133.10 with legal right to control the disposition and only by a properly licensed individual. The  
133.11 person or persons with the legal right to control the body or that person's noncompensated  
133.12 designee may be involved with preparation of the body pursuant to section 149A.01,  
133.13 subdivision 3, paragraph (c).

133.14 Subd. 10. **Identification of the body.** All licensed natural organic reduction facilities  
133.15 shall develop, implement, and maintain an identification procedure whereby dead human  
133.16 bodies can be identified from the time the natural organic reduction facility accepts delivery  
133.17 of the body until the naturally reduced remains are released to an authorized party. After  
133.18 natural organic reduction, an identifying disk, tab, or other permanent label shall be placed  
133.19 within the naturally reduced remains container or containers before the remains are released  
133.20 from the natural organic reduction facility. Each identification disk, tab, or label shall have  
133.21 a number that shall be recorded on all paperwork regarding the decedent. This procedure  
133.22 shall be designed to reasonably ensure that the proper body is naturally reduced and that  
133.23 the remains are returned to the appropriate party. Loss of all or part of the remains or the  
133.24 inability to individually identify the remains is a violation of this subdivision.

133.25 Subd. 11. **Natural organic reduction vessel for human remains.** A licensed natural  
133.26 organic reduction facility shall knowingly naturally reduce only dead human bodies or  
133.27 human remains in a natural organic reduction vessel.

133.28 Subd. 12. **Natural organic reduction procedures; privacy.** The final disposition of  
133.29 dead human bodies by natural organic reduction shall be done in privacy. Unless there is  
133.30 written authorization from the person with the legal right to control the final disposition,  
133.31 only authorized natural organic reduction facility personnel shall be permitted in the natural  
133.32 organic reduction area while any human body is awaiting placement in a natural organic  
133.33 reduction vessel, being removed from the vessel, or being processed for placement in a  
133.34 naturally reduced remains container. This does not prohibit an in-person laying-in ceremony  
133.35 to honor the deceased and the transition prior to the placement.

134.1 Subd. 13. **Natural organic reduction procedures; commingling of bodies**  
134.2 **prohibited.** Except with the express written permission of the person with the legal right  
134.3 to control the final disposition, no natural organic reduction facility shall naturally reduce  
134.4 more than one dead human body at the same time and in the same natural organic reduction  
134.5 vessel or introduce a second dead human body into same natural organic reduction vessel  
134.6 until reasonable efforts have been employed to remove all fragments of remains from the  
134.7 preceding natural organic reduction. This subdivision does not apply where commingling  
134.8 of human remains during natural organic reduction is otherwise provided by law. The fact  
134.9 that there is incidental and unavoidable residue in the natural organic reduction vessel used  
134.10 in a prior natural organic reduction is not a violation of this subdivision.

134.11 Subd. 14. **Natural organic reduction procedures; removal from natural organic**  
134.12 **reduction vessel.** Upon completion of the natural organic reduction process, reasonable  
134.13 efforts shall be made to remove from the natural organic reduction vessel all the recoverable  
134.14 naturally reduced remains. The naturally reduced remains shall be transported to the  
134.15 processing area, and any non-naturally reducible materials or items shall be separated from  
134.16 the naturally reduced remains and disposed of, in any lawful manner, by the natural organic  
134.17 reduction facility.

134.18 Subd. 15. **Natural organic reduction procedures; processing naturally reduced**  
134.19 **remains.** The remaining intact naturally reduced remains shall be reduced by a motorized  
134.20 mechanical processor to a granulated appearance. The granulated remains and the rest of  
134.21 the naturally reduced remains shall be returned to a natural organic reduction vessel for  
134.22 final reduction.

134.23 Subd. 16. **Natural organic reduction procedures; commingling of naturally reduced**  
134.24 **remains prohibited.** Except with the express written permission of the person with the  
134.25 legal right to control the final deposition or as otherwise provided by law, no natural organic  
134.26 reduction facility shall mechanically process the naturally reduced remains of more than  
134.27 one body at a time in the same mechanical processor, or introduce the naturally reduced  
134.28 remains of a second body into a mechanical processor until reasonable efforts have been  
134.29 employed to remove all fragments of naturally reduced remains already in the processor.  
134.30 The presence of incidental and unavoidable residue in the mechanical processor does not  
134.31 violate this subdivision.

134.32 Subd. 17. **Natural organic reduction procedures; testing naturally reduced**  
134.33 **remains.** A natural organic reduction facility must:

135.1 (1) ensure that the material in the natural organic reduction vessel naturally reaches and  
 135.2 maintains a minimum temperature of 131 degrees Fahrenheit for a minimum of 72  
 135.3 consecutive hours during the process of natural organic reduction;

135.4 (2) analyze each instance of the naturally reduced remains for physical contaminants,  
 135.5 including but are not limited to intact bone, dental fillings, and medical implants, and ensure  
 135.6 naturally reduced remains have less than 0.01 mg/kg dry weight of any physical contaminants;

135.7 (3) collect material samples for analysis that are representative of each instance of natural  
 135.8 organic reduction, using a sampling method such as that described in the U.S. Composting  
 135.9 Council 2002 Test Methods for the Examination of Composting and Compost, method  
 135.10 02.01-A through E;

135.11 (4) develop and use a natural organic reduction process in which the naturally reduced  
 135.12 remains from the process do not exceed the following limits:

	<u>Metals and other testing parameters</u>	<u>Limit (mg/kg dry weight), unless otherwise specified</u>
135.15 135.16	<u>Fecal coliform</u>	<u>Less than 1,000 most probable number per gram of total solids (dry weight)</u>
135.17 135.18	<u>Salmonella</u>	<u>Less than 3 most probable number per 4 grams of total solids (dry weight)</u>
135.19	<u>Arsenic</u>	<u>Less than or equal to 11 ppm</u>
135.20	<u>Cadmium</u>	<u>Less than or equal to 7.1 ppm</u>
135.21	<u>Lead</u>	<u>Less than or equal to 150 ppm</u>
135.22	<u>Mercury</u>	<u>Less than or equal to 8 ppm</u>
135.23	<u>Selenium</u>	<u>Less than or equal to 18 ppm;</u>

135.24 (5) analyze, using a third-party laboratory, the natural organic reduction facility's material  
 135.25 samples of naturally reduced remains according to the following schedule:

135.26 (i) the natural organic reduction facility must analyze each of the first 20 instances of  
 135.27 naturally reduced remains for the parameters in clause (4);

135.28 (ii) if any of the first 20 instances of naturally reduced remains yield results exceeding  
 135.29 the limits in clause (4), the natural organic reduction facility must conduct appropriate  
 135.30 processes to correct the levels of the substances in clause (4) and have the resultant remains  
 135.31 tested to ensure they fall within the identified limits;

135.32 (iii) if any of the first 20 instances of naturally reduced remains yield results exceeding  
 135.33 the limits in clause (4), the natural organic reduction facility must analyze each additional  
 135.34 instance of naturally reduced remains for the parameters in clause (4) until a total of 20

136.1 samples, not including those from remains that were reprocessed as required in item (ii),  
136.2 have yielded results within the limits in clause (4) on initial testing;

136.3 (iv) after 20 material samples of naturally reduced remains have met the limits in clause  
136.4 (4), the natural organic reduction facility must analyze at least 25 percent of the natural  
136.5 organic reduction facility's monthly instances of naturally reduced remains for the parameters  
136.6 in clause (4) until 80 total material samples of naturally reduced remains are found to meet  
136.7 the limits in clause (4), not including any samples that required reprocessing to meet those  
136.8 limits; and

136.9 (v) after 80 material samples of naturally reduced remains are found to meet the limits  
136.10 in clause (4), the natural organic reduction facility must analyze at least one instance of  
136.11 naturally reduced remains each month for the parameters in clause (4);

136.12 (6) comply with any testing requirements established by the commissioner for content  
136.13 parameters in addition to those specified in clause (4);

136.14 (7) not release any naturally reduced remains that exceed the limits in clause (4); and

136.15 (8) prepare, maintain, and provide to the commissioner upon request, a report for each  
136.16 calendar year detailing the natural organic reduction facility's activities during the previous  
136.17 calendar year. The report must include the following information:

136.18 (i) the name and address of the natural organic reduction facility;

136.19 (ii) the calendar year covered by the report;

136.20 (iii) the annual quantity of naturally reduced remains;

136.21 (iv) the results of any laboratory analyses of naturally reduced remains; and

136.22 (v) any additional information required by the commissioner.

136.23 **Subd. 18. Natural organic reduction procedures; use of more than one naturally**  
136.24 **reduced remains container.** If the naturally reduced remains are to be separated into two  
136.25 or more naturally reduced remains containers according to the directives provided in the  
136.26 written authorization for natural organic reduction, all of the containers shall contain duplicate  
136.27 identification disks, tabs, or permanent labels and all paperwork regarding the given body  
136.28 shall include a notation of the number of and disposition of each container, as provided in  
136.29 the written authorization.

136.30 **Subd. 19. Natural organic reduction procedures; disposition of accumulated**  
136.31 **residue.** Every natural organic reduction facility shall provide for the removal and disposition  
136.32 of any accumulated residue from any natural organic reduction vessel, mechanical processor,



137.1 or other equipment used in natural organic reduction. Disposition of accumulated residue  
137.2 shall be by any lawful manner deemed appropriate.

137.3 **Subd. 20. Natural organic reduction procedures; release of naturally reduced**  
137.4 **remains.** Following completion of the natural organic reduction process, the inurned naturally  
137.5 reduced remains shall be released according to the instructions given on the written  
137.6 authorization for natural organic reduction. If the remains are to be shipped, they must be  
137.7 securely packaged and transported by a method which has an internal tracing system available  
137.8 and which provides a receipt signed by the person accepting delivery. Where there is a  
137.9 dispute over release or disposition of the naturally reduced remains, a natural organic  
137.10 reduction facility may deposit the naturally reduced remains in accordance with the directives  
137.11 of a court of competent jurisdiction pending resolution of the dispute or retain the naturally  
137.12 reduced remains until the person with the legal right to control disposition presents  
137.13 satisfactory indication that the dispute is resolved. A natural organic reduction facility must  
137.14 not sell naturally reduced remains and must make every effort to not release naturally reduced  
137.15 remains for sale or for use for commercial purposes.

137.16 **Subd. 21. Unclaimed naturally reduced remains.** If, after 30 calendar days following  
137.17 the inurnment, the naturally reduced remains are not claimed or disposed of according to  
137.18 the written authorization for natural organic reduction, the natural organic reduction facility  
137.19 shall give written notice, by certified mail, to the person with the legal right to control the  
137.20 final disposition or a legal designee, that the naturally reduced remains are unclaimed and  
137.21 requesting further release directions. Should the naturally reduced remains be unclaimed  
137.22 120 calendar days following the mailing of the written notification, the natural organic  
137.23 reduction facility may return the remains to the earth respectfully in any lawful manner  
137.24 deemed appropriate.

137.25 **Subd. 22. Required records.** Every natural organic reduction facility shall create and  
137.26 maintain on its premises or other business location in Minnesota an accurate record of every  
137.27 natural organic reduction provided. The record shall include all of the following information  
137.28 for each natural organic reduction:

137.29 (1) the name of the person or funeral establishment delivering the body for natural  
137.30 organic reduction;

137.31 (2) the name of the deceased and the identification number assigned to the body;

137.32 (3) the date of acceptance of delivery;

137.33 (4) the names of the operator of the natural organic reduction process and mechanical  
137.34 processor operator;

138.1 (5) the times and dates that the body was placed in and removed from the natural organic  
138.2 reduction vessel;

138.3 (6) the time and date that processing and inurnment of the naturally reduced remains  
138.4 was completed;

138.5 (7) the time, date, and manner of release of the naturally reduced remains;

138.6 (8) the name and address of the person who signed the authorization for natural organic  
138.7 reduction;

138.8 (9) all supporting documentation, including any transit or disposition permits, a photocopy  
138.9 of the death record, and the authorization for natural organic reduction; and

138.10 (10) the type of natural organic reduction vessel.

138.11 Subd. 23. **Retention of records.** Records required under subdivision 22 shall be  
138.12 maintained for a period of three calendar years after the release of the naturally reduced  
138.13 remains. Following this period and subject to any other laws requiring retention of records,  
138.14 the natural organic reduction facility may then place the records in storage or reduce them  
138.15 to microfilm, a digital format, or any other method that can produce an accurate reproduction  
138.16 of the original record, for retention for a period of ten calendar years from the date of release  
138.17 of the naturally reduced remains. At the end of this period and subject to any other laws  
138.18 requiring retention of records, the natural organic reduction facility may destroy the records  
138.19 by shredding, incineration, or any other manner that protects the privacy of the individuals  
138.20 identified.

138.21 Sec. 54. **REQUEST FOR INFORMATION; EVALUATION OF STATEWIDE**  
138.22 **HEALTH CARE NEEDS AND CAPACITY AND PROJECTIONS OF FUTURE**  
138.23 **HEALTH CARE NEEDS.**

138.24 (a) By November 1, 2024, the commissioner of health must publish a request for  
138.25 information to assist the commissioner in a future comprehensive evaluation of current  
138.26 health care needs and capacity in the state and projections of future health care needs in the  
138.27 state based on population and provider characteristics. The request for information:

138.28 (1) must provide guidance on defining the scope of the study and assist in answering  
138.29 methodological questions that will inform the development of a request for proposals to  
138.30 contract for performance of the study; and

138.31 (2) may address topics that include but are not limited to how to define health care  
138.32 capacity, expectations for capacity by geography or service type, how to consider health

139.1 centers that have areas of particular expertise or services that generally have a higher margin,  
139.2 how hospital-based services should be considered as compared with evolving  
139.3 nonhospital-based services, the role of technology in service delivery, health care workforce  
139.4 supply issues, and other issues related to data or methods.

139.5 (b) By February 1, 2025, the commissioner must submit a report to the chairs and ranking  
139.6 minority members of the legislative committees with jurisdiction over health care, with the  
139.7 results of the request for information and recommendations regarding conducting a  
139.8 comprehensive evaluation of current health care needs and capacity in the state and  
139.9 projections of future health care needs in the state.

139.10 **Sec. 55. REPEALER.**

139.11 Minnesota Statutes 2023 Supplement, section 144.0528, subdivision 5, is repealed.

139.12 **ARTICLE 6**  
139.13 **DEPARTMENT OF HEALTH POLICY**

139.14 **Section 1. [62J.461] 340B COVERED ENTITY REPORT.**

139.15 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions  
139.16 apply.

139.17 (b) "340B covered entity" or "covered entity" means a covered entity as defined in United  
139.18 States Code, title 42, section 256b(a)(4), with a service address in Minnesota as of January  
139.19 1 of the reporting year. 340B covered entity includes all entity types and grantees. All  
139.20 facilities that are identified as child sites or grantee associated sites under the federal 340B  
139.21 Drug Pricing Program are considered part of the 340B covered entity.

139.22 (c) "340B Drug Pricing Program" or "340B program" means the drug discount program  
139.23 established under United States Code, title 42, section 256b.

139.24 (d) "340B entity type" is the designation of the 340B covered entity according to the  
139.25 entity types specified in United States Code, title 42, section 256b(a)(4).

139.26 (e) "340B ID" is the unique identification number provided by the Health Resources  
139.27 and Services Administration to identify a 340B-eligible entity in the 340B Office of Pharmacy  
139.28 Affairs Information System.

139.29 (f) "Contract pharmacy" means a pharmacy with which a 340B covered entity has an  
139.30 arrangement to dispense drugs purchased under the 340B Drug Pricing Program.

140.1 (g) "Pricing unit" means the smallest dispensable amount of a prescription drug product  
140.2 that can be dispensed or administered.

140.3 Subd. 2. **Current registration.** Beginning April 1, 2024, each 340B covered entity must  
140.4 maintain a current registration with the commissioner in a form and manner prescribed by  
140.5 the commissioner. The registration must include the following information:

140.6 (1) the name of the 340B covered entity;

140.7 (2) the 340B ID of the 340B covered entity;

140.8 (3) the servicing address of the 340B covered entity; and

140.9 (4) the 340B entity type of the 340B covered entity.

140.10 Subd. 3. **Reporting by covered entities to the commissioner.** (a) Each 340B covered  
140.11 entity shall report to the commissioner by April 1, 2024, and by April 1 of each year  
140.12 thereafter, the following information for transactions conducted by the 340B covered entity  
140.13 or on its behalf, and related to its participation in the federal 340B program for the previous  
140.14 calendar year:

140.15 (1) the aggregated acquisition cost for prescription drugs obtained under the 340B  
140.16 program;

140.17 (2) the aggregated payment amount received for drugs obtained under the 340B program  
140.18 and dispensed or administered to patients;

140.19 (3) the number of pricing units dispensed or administered for prescription drugs described  
140.20 in clause (2); and

140.21 (4) the aggregated payments made:

140.22 (i) to contract pharmacies to dispense drugs obtained under the 340B program;

140.23 (ii) to any other entity that is not the covered entity and is not a contract pharmacy for  
140.24 managing any aspect of the covered entity's 340B program; and

140.25 (iii) for all other expenses related to administering the 340B program.

140.26 The information under clauses (2) and (3) must be reported by payer type, including but  
140.27 not limited to commercial insurance, medical assistance, MinnesotaCare, and Medicare, in  
140.28 the form and manner prescribed by the commissioner.

140.29 (b) For covered entities that are hospitals, the information required under paragraph (a),  
140.30 clauses (1) to (3), must also be reported at the national drug code level for the 50 most  
140.31 frequently dispensed or administered drugs by the facility under the 340B program.

141.1 (c) Data submitted to the commissioner under paragraphs (a) and (b) are classified as  
141.2 nonpublic data, as defined in section 13.02, subdivision 9.

141.3 Subd. 4. **Enforcement and exceptions.** (a) Any health care entity subject to reporting  
141.4 under this section that fails to provide data in the form and manner prescribed by the  
141.5 commissioner is subject to a fine paid to the commissioner of up to \$500 for each day the  
141.6 data are past due. Any fine levied against the entity under this subdivision is subject to the  
141.7 contested case and judicial review provisions of sections 14.57 and 14.69.

141.8 (b) The commissioner may grant an entity an extension of or exemption from the reporting  
141.9 obligations under this subdivision, upon a showing of good cause by the entity.

141.10 Subd. 5. **Reports to the legislature.** By November 15, 2024, and by November 15 of  
141.11 each year thereafter, the commissioner shall submit to the chairs and ranking minority  
141.12 members of the legislative committees with jurisdiction over health care finance and policy,  
141.13 a report that aggregates the data submitted under subdivision 3, paragraphs (a) and (b). The  
141.14 following information must be included in the report for all 340B entities whose net 340B  
141.15 revenue constitutes a significant share, as determined by the commissioner, of all net 340B  
141.16 revenue across all 340B covered entities in Minnesota:

141.17 (1) the information submitted under subdivision 2; and

141.18 (2) for each 340B entity identified in subdivision 2, that entity's 340B net revenue as  
141.19 calculated using the data submitted under subdivision 3, paragraph (a), with net revenue  
141.20 being subdivision 3, paragraph (a), clause (2), less the sum of subdivision 3, paragraph (a),  
141.21 clauses (1) and (4).

141.22 For all other entities, the data in the report must be aggregated to the entity type or groupings  
141.23 of entity types in a manner that prevents the identification of an individual entity and any  
141.24 entity's specific data value reported for an individual data element.

141.25 Sec. 2. Minnesota Statutes 2022, section 62J.61, subdivision 5, is amended to read:

141.26 Subd. 5. ~~Biennial review of rulemaking procedures and rules~~ **Opportunity for**  
141.27 **comment.** The commissioner shall ~~biennially seek comments from affected parties~~ maintain  
141.28 an email address for submission of comments from interested parties to provide input about  
141.29 the effectiveness of and continued need for the rulemaking procedures set out in subdivision  
141.30 2 and about the quality and effectiveness of rules adopted using these procedures. The  
141.31 commissioner shall seek comments by holding a meeting and by publishing a notice in the  
141.32 State Register that contains the date, time, and location of the meeting and a statement that  
141.33 invites oral or written comments. The notice must be published at least 30 days before the

142.1 ~~meeting date. The commissioner shall write a report summarizing the comments and shall~~  
142.2 ~~submit the report to the Minnesota Health Data Institute and to the Minnesota Administrative~~  
142.3 ~~Uniformity Committee by January 15 of every even-numbered year~~ may seek additional  
142.4 input and provide additional opportunities for input as needed.

142.5 Sec. 3. Minnesota Statutes 2022, section 144.05, subdivision 7, is amended to read:

142.6 Subd. 7. **Expiration of report mandates.** (a) If the submission of a report by the  
142.7 commissioner of health to the legislature is mandated by statute and the enabling legislation  
142.8 does not include a date for the submission of a final report, the mandate to submit the report  
142.9 shall expire in accordance with this section.

142.10 (b) If the mandate requires the submission of an annual report and the mandate was  
142.11 enacted before January 1, 2021, the mandate shall expire on January 1, 2023. If the mandate  
142.12 requires the submission of a biennial or less frequent report and the mandate was enacted  
142.13 before January 1, 2021, the mandate shall expire on January 1, 2024.

142.14 (c) Any reporting mandate enacted on or after January 1, 2021, shall expire three years  
142.15 after the date of enactment if the mandate requires the submission of an annual report and  
142.16 shall expire five years after the date of enactment if the mandate requires the submission  
142.17 of a biennial or less frequent report, unless the enacting legislation provides for a different  
142.18 expiration date.

142.19 (d) The commissioner shall submit a list to the chairs and ranking minority members of  
142.20 the legislative committees with jurisdiction over health by February 15 of each year,  
142.21 beginning February 15, 2022, of all reports set to expire during the following calendar year  
142.22 in accordance with this section. The mandate to submit a report to the legislature under this  
142.23 paragraph does not expire.

142.24 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2024.

142.25 Sec. 4. Minnesota Statutes 2023 Supplement, section 144.0526, subdivision 1, is amended  
142.26 to read:

142.27 Subdivision 1. **Establishment.** The commissioner of health shall establish the Minnesota  
142.28 One Health Antimicrobial Stewardship Collaborative. The commissioner shall ~~appoint~~ hire  
142.29 a director to execute operations, conduct health education, and provide technical assistance.

143.1 Sec. 5. Minnesota Statutes 2022, section 144.058, is amended to read:

143.2 **144.058 INTERPRETER SERVICES QUALITY INITIATIVE.**

143.3 (a) The commissioner of health shall establish a voluntary statewide roster; and develop  
143.4 a plan for a registry and certification process for interpreters who provide high quality,  
143.5 spoken language health care interpreter services. The roster, registry, and certification  
143.6 process shall be based on the findings and recommendations set forth by the Interpreter  
143.7 Services Work Group required under Laws 2007, chapter 147, article 12, section 13.

143.8 (b) By January 1, 2009, the commissioner shall establish a roster of all available  
143.9 interpreters to address access concerns, particularly in rural areas.

143.10 (c) By January 15, 2010, the commissioner shall:

143.11 (1) develop a plan for a registry of spoken language health care interpreters, including:

143.12 (i) development of standards for registration that set forth educational requirements,  
143.13 training requirements, demonstration of language proficiency and interpreting skills,  
143.14 agreement to abide by a code of ethics, and a criminal background check;

143.15 (ii) recommendations for appropriate alternate requirements in languages for which  
143.16 testing and training programs do not exist;

143.17 (iii) recommendations for appropriate fees; and

143.18 (iv) recommendations for establishing and maintaining the standards for inclusion in  
143.19 the registry; and

143.20 (2) develop a plan for implementing a certification process based on national testing and  
143.21 certification processes for spoken language interpreters 12 months after the establishment  
143.22 of a national certification process.

143.23 (d) The commissioner shall consult with the Interpreter Stakeholder Group of the Upper  
143.24 Midwest Translators and Interpreters Association for advice on the standards required to  
143.25 plan for the development of a registry and certification process.

143.26 (e) The commissioner shall charge an annual fee of \$50 to include an interpreter in the  
143.27 roster. Fee revenue shall be deposited in the state government special revenue fund. All fees  
143.28 are nonrefundable.

143.29 Sec. 6. Minnesota Statutes 2022, section 144.0724, subdivision 2, is amended to read:

143.30 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings  
143.31 given.

144.1 (a) "Assessment reference date" or "ARD" means the specific end point for look-back  
144.2 periods in the MDS assessment process. This look-back period is also called the observation  
144.3 or assessment period.

144.4 (b) "Case mix index" means the weighting factors assigned to the ~~RUG-IV~~ case mix  
144.5 reimbursement classifications determined by an assessment.

144.6 (c) "Index maximization" means classifying a resident who could be assigned to more  
144.7 than one category, to the category with the highest case mix index.

144.8 (d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment,  
144.9 and functional status elements, that include common definitions and coding categories  
144.10 specified by the Centers for Medicare and Medicaid Services and designated by the  
144.11 Department of Health.

144.12 (e) "Representative" means a person who is the resident's guardian or conservator, the  
144.13 person authorized to pay the nursing home expenses of the resident, a representative of the  
144.14 Office of Ombudsman for Long-Term Care whose assistance has been requested, or any  
144.15 other individual designated by the resident.

144.16 ~~(f) "Resource utilization groups" or "RUG" means the system for grouping a nursing~~  
144.17 ~~facility's residents according to their clinical and functional status identified in data supplied~~  
144.18 ~~by the facility's Minimum Data Set.~~

144.19 ~~(g)~~ (f) "Activities of daily living" includes personal hygiene, dressing, bathing,  
144.20 transferring, bed mobility, locomotion, eating, and toileting.

144.21 ~~(h)~~ (g) "Nursing facility level of care determination" means the assessment process that  
144.22 results in a determination of a resident's or prospective resident's need for nursing facility  
144.23 level of care as established in subdivision 11 for purposes of medical assistance payment  
144.24 of long-term care services for:

144.25 (1) nursing facility services under ~~section 256B.434~~ or chapter 256R;

144.26 (2) elderly waiver services under chapter 256S;

144.27 (3) CADI and BI waiver services under section 256B.49; and

144.28 (4) state payment of alternative care services under section 256B.0913.

144.29 Sec. 7. Minnesota Statutes 2022, section 144.0724, subdivision 3a, is amended to read:

144.30 Subd. 3a. **Resident reimbursement case mix reimbursement classifications beginning**  
144.31 **January 1, 2012.** (a) Beginning January 1, 2012, Resident reimbursement case mix



145.1 reimbursement classifications shall be based on the Minimum Data Set, version 3.0  
145.2 assessment instrument, or its successor version mandated by the Centers for Medicare and  
145.3 Medicaid Services that nursing facilities are required to complete for all residents. ~~The~~  
145.4 ~~commissioner of health shall establish resident classifications according to the RUG-IV,~~  
145.5 ~~48 group, resource utilization groups. Resident classification must be established based on~~  
145.6 ~~the individual items on the Minimum Data Set, which must be completed according to the~~  
145.7 ~~Long Term Care Facility Resident Assessment Instrument User's Manual Version 3.0 or its~~  
145.8 ~~successor issued by the Centers for Medicare and Medicaid Services. Case mix~~  
145.9 reimbursement classifications shall also be based on assessments required under subdivision  
145.10 4. Assessments must be completed according to the Long Term Care Facility Resident  
145.11 Assessment Instrument User's Manual Version 3.0 or a successor manual issued by the  
145.12 Centers for Medicare and Medicaid Services. The optional state assessment must be  
145.13 completed according to the OSA Manual Version 1.0 v.2.

145.14 (b) Each resident must be classified based on the information from the Minimum Data  
145.15 Set according to the general categories issued by the Minnesota Department of Health,  
145.16 utilized for reimbursement purposes.

145.17 Sec. 8. Minnesota Statutes 2022, section 144.0724, subdivision 4, is amended to read:

145.18 Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically  
145.19 submit to the federal database MDS assessments that conform with the assessment schedule  
145.20 defined by the Long Term Care Facility Resident Assessment Instrument User's Manual,  
145.21 version 3.0, or its successor issued by the Centers for Medicare and Medicaid Services. The  
145.22 commissioner of health may substitute successor manuals or question and answer documents  
145.23 published by the United States Department of Health and Human Services, Centers for  
145.24 Medicare and Medicaid Services, to replace or supplement the current version of the manual  
145.25 or document.

145.26 (b) The assessments required under the Omnibus Budget Reconciliation Act of 1987  
145.27 (OBRA) used to determine a case mix reimbursement classification ~~for reimbursement~~  
145.28 include:

145.29 (1) a new admission comprehensive assessment, which must have an assessment reference  
145.30 date (ARD) within 14 calendar days after admission, excluding readmissions;

145.31 (2) an annual comprehensive assessment, which must have an ARD within 92 days of  
145.32 a previous quarterly review assessment or a previous comprehensive assessment, which  
145.33 must occur at least once every 366 days;

146.1 (3) a significant change in status comprehensive assessment, which must have an ARD  
146.2 within 14 days after the facility determines, or should have determined, that there has been  
146.3 a significant change in the resident's physical or mental condition, whether an improvement  
146.4 or a decline, and regardless of the amount of time since the last comprehensive assessment  
146.5 or quarterly review assessment;

146.6 (4) a quarterly review assessment must have an ARD within 92 days of the ARD of the  
146.7 previous quarterly review assessment or a previous comprehensive assessment;

146.8 (5) any significant correction to a prior comprehensive assessment, if the assessment  
146.9 being corrected is the current one being used for RUG reimbursement classification;

146.10 (6) any significant correction to a prior quarterly review assessment, if the assessment  
146.11 being corrected is the current one being used for RUG reimbursement classification; and

146.12 ~~(7) a required significant change in status assessment when:~~

146.13 ~~(i) all speech, occupational, and physical therapies have ended. If the most recent OBRA~~  
146.14 ~~comprehensive or quarterly assessment completed does not result in a rehabilitation case~~  
146.15 ~~mix classification, then the significant change in status assessment is not required. The ARD~~  
146.16 ~~of this assessment must be set on day eight after all therapy services have ended; and~~

146.17 ~~(ii) isolation for an infectious disease has ended. If isolation was not coded on the most~~  
146.18 ~~recent OBRA comprehensive or quarterly assessment completed, then the significant change~~  
146.19 ~~in status assessment is not required. The ARD of this assessment must be set on day 15 after~~  
146.20 ~~isolation has ended; and~~

146.21 (8) (7) any modifications to the most recent assessments under clauses (1) to ~~(7)~~ (6).

146.22 (c) The optional state assessment must accompany all OBRA assessments. The optional  
146.23 state assessment is also required to determine reimbursement when:

146.24 (i) all speech, occupational, and physical therapies have ended. If the most recent optional  
146.25 state assessment completed does not result in a rehabilitation case mix reimbursement  
146.26 classification, then the optional state assessment is not required. The ARD of this assessment  
146.27 must be set on day eight after all therapy services have ended; and

146.28 (ii) isolation for an infectious disease has ended. If isolation was not coded on the most  
146.29 recent optional state assessment completed, then the optional state assessment is not required.  
146.30 The ARD of this assessment must be set on day 15 after isolation has ended.

146.31 ~~(e)~~ (d) In addition to the assessments listed in ~~paragraph~~ paragraphs (b) and (c), the  
146.32 assessments used to determine nursing facility level of care include the following:

147.1 (1) preadmission screening completed under section 256.975, subdivisions 7a to 7c, by  
147.2 the Senior LinkAge Line or other organization under contract with the Minnesota Board on  
147.3 Aging; and

147.4 (2) a nursing facility level of care determination as provided for under section 256B.0911,  
147.5 subdivision 26, as part of a face-to-face long-term care consultation assessment completed  
147.6 under section 256B.0911, by a county, tribe, or managed care organization under contract  
147.7 with the Department of Human Services.

147.8 Sec. 9. Minnesota Statutes 2022, section 144.0724, subdivision 6, is amended to read:

147.9 Subd. 6. **Penalties for late or nonsubmission.** (a) A facility that fails to complete or  
147.10 submit an assessment according to subdivisions 4 and 5 for a ~~RUG-IV~~ case mix  
147.11 reimbursement classification ~~within seven days of the time requirements listed in the~~  
147.12 ~~Long-Term Care Facility Resident Assessment Instrument User's Manual~~ when the  
147.13 assessment is due is subject to a reduced rate for that resident. The reduced rate shall be the  
147.14 lowest rate for that facility. The reduced rate is effective on the day of admission for new  
147.15 admission assessments, on the ARD for significant change in status assessments, or on the  
147.16 day that the assessment was due for all other assessments and continues in effect until the  
147.17 first day of the month following the date of submission and acceptance of the resident's  
147.18 assessment.

147.19 (b) If loss of revenue due to penalties incurred by a facility for any period of 92 days  
147.20 are equal to or greater than 0.1 percent of the total operating costs on the facility's most  
147.21 recent annual statistical and cost report, a facility may apply to the commissioner of human  
147.22 services for a reduction in the total penalty amount. The commissioner of human services,  
147.23 in consultation with the commissioner of health, may, at the sole discretion of the  
147.24 commissioner of human services, limit the penalty for residents covered by medical assistance  
147.25 to ten days.

147.26 Sec. 10. Minnesota Statutes 2022, section 144.0724, subdivision 7, is amended to read:

147.27 Subd. 7. **Notice of resident ~~reimbursement~~ case mix reimbursement classification.** (a)  
147.28 The commissioner of health shall provide to a nursing facility a notice for each resident of  
147.29 the classification established under subdivision 1. The notice must inform the resident of  
147.30 the case mix reimbursement classification assigned, the opportunity to review the  
147.31 documentation supporting the classification, the opportunity to obtain clarification from the  
147.32 commissioner, ~~and~~ the opportunity to request a reconsideration of the classification, <sup>2</sup> and  
147.33 the address and telephone number of the Office of Ombudsman for Long-Term Care. The

148.1 commissioner must transmit the notice of resident classification by electronic means to the  
148.2 nursing facility. The nursing facility is responsible for the distribution of the notice to each  
148.3 resident or the resident's representative. This notice must be distributed within three business  
148.4 days after the facility's receipt.

148.5 (b) If a facility submits a ~~modifying~~ modified assessment resulting in a change in the  
148.6 case mix reimbursement classification, the facility must provide a written notice to the  
148.7 resident or the resident's representative regarding the item or items that were modified and  
148.8 the reason for the modifications. The written notice must be provided within three business  
148.9 days after distribution of the resident case mix reimbursement classification notice.

148.10 Sec. 11. Minnesota Statutes 2022, section 144.0724, subdivision 8, is amended to read:

148.11 Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, ~~or~~  
148.12 the resident's representative, ~~or~~ the nursing facility, or the boarding care home may request  
148.13 that the commissioner of health reconsider the assigned ~~reimbursement~~ case mix  
148.14 reimbursement classification and any item or items changed during the audit process. The  
148.15 request for reconsideration must be submitted in writing to the commissioner of health.

148.16 (b) For reconsideration requests initiated by the resident or the resident's representative:

148.17 (1) The resident or the resident's representative must submit in writing a reconsideration  
148.18 request to the facility administrator within 30 days of receipt of the resident classification  
148.19 notice. The written request must include the reasons for the reconsideration request.

148.20 (2) Within three business days of receiving the reconsideration request, the nursing  
148.21 facility must submit to the commissioner of health a completed reconsideration request  
148.22 form, a copy of the resident's or resident's representative's written request, and all supporting  
148.23 documentation used to complete the assessment being ~~considered~~ reconsidered. If the facility  
148.24 fails to provide the required information, the reconsideration will be completed with the  
148.25 information submitted and the facility cannot make further reconsideration requests on this  
148.26 classification.

148.27 (3) Upon written request and within three business days, the nursing facility must give  
148.28 the resident or the resident's representative a copy of the assessment being reconsidered and  
148.29 all supporting documentation used to complete the assessment. Notwithstanding any law  
148.30 to the contrary, the facility may not charge a fee for providing copies of the requested  
148.31 documentation. If a facility fails to provide the required documents within this time, it is  
148.32 subject to the issuance of a correction order and penalty assessment under sections 144.653  
148.33 and 144A.10. Notwithstanding those sections, any correction order issued under this

149.1 subdivision must require that the nursing facility immediately comply with the request for  
149.2 information, and as of the date of the issuance of the correction order, the facility shall  
149.3 forfeit to the state a \$100 fine for the first day of noncompliance, and an increase in the  
149.4 \$100 fine by \$50 increments for each day the noncompliance continues.

149.5 (c) For reconsideration requests initiated by the facility:

149.6 (1) The facility is required to inform the resident or the resident's representative in writing  
149.7 that a reconsideration of the resident's case mix reimbursement classification is being  
149.8 requested. The notice must inform the resident or the resident's representative:

149.9 (i) of the date and reason for the reconsideration request;

149.10 (ii) of the potential for a case mix reimbursement classification change and subsequent  
149.11 rate change;

149.12 (iii) of the extent of the potential rate change;

149.13 (iv) that copies of the request and supporting documentation are available for review;  
149.14 and

149.15 (v) that the resident or the resident's representative has the right to request a  
149.16 reconsideration also.

149.17 (2) Within 30 days of receipt of the audit exit report or resident classification notice, the  
149.18 facility must submit to the commissioner of health a completed reconsideration request  
149.19 form, all supporting documentation used to complete the assessment being reconsidered,  
149.20 and a copy of the notice informing the resident or the resident's representative that a  
149.21 reconsideration of the resident's classification is being requested.

149.22 (3) If the facility fails to provide the required information, the reconsideration request  
149.23 may be denied and the facility may not make further reconsideration requests on this  
149.24 classification.

149.25 (d) Reconsideration by the commissioner must be made by individuals not involved in  
149.26 reviewing the assessment, audit, or reconsideration that established the disputed classification.  
149.27 The reconsideration must be based upon the assessment that determined the classification  
149.28 and upon the information provided to the commissioner of health under paragraphs (a) to  
149.29 (c). If necessary for evaluating the reconsideration request, the commissioner may conduct  
149.30 on-site reviews. Within 15 business days of receiving the request for reconsideration, the  
149.31 commissioner shall affirm or modify the original resident classification. The original  
149.32 classification must be modified if the commissioner determines that the assessment resulting  
149.33 in the classification did not accurately reflect characteristics of the resident at the time of

150.1 the assessment. The commissioner must transmit the reconsideration classification notice  
150.2 by electronic means to the nursing facility. The nursing facility is responsible for the  
150.3 distribution of the notice to the resident or the resident's representative. The notice must be  
150.4 distributed by the nursing facility within three business days after receipt. A decision by  
150.5 the commissioner under this subdivision is the final administrative decision of the agency  
150.6 for the party requesting reconsideration.

150.7 (e) The case mix reimbursement classification established by the commissioner shall be  
150.8 the classification which applies to the resident while the request for reconsideration is  
150.9 pending. If a request for reconsideration applies to an assessment used to determine nursing  
150.10 facility level of care under subdivision 4, paragraph ~~(e)~~ (d), the resident shall continue to  
150.11 be eligible for nursing facility level of care while the request for reconsideration is pending.

150.12 (f) The commissioner may request additional documentation regarding a reconsideration  
150.13 necessary to make an accurate reconsideration determination.

150.14 (g) Data collected as part of the reconsideration process under this section is classified  
150.15 as private data on individuals and nonpublic data pursuant to section 13.02. Notwithstanding  
150.16 the classification of these data as private or nonpublic, the commissioner is authorized to  
150.17 share these data with the U.S. Centers for Medicare and Medicaid Services and the  
150.18 commissioner of human services as necessary for reimbursement purposes.

150.19 Sec. 12. Minnesota Statutes 2022, section 144.0724, subdivision 9, is amended to read:

150.20 Subd. 9. **Audit authority.** (a) The commissioner shall audit the accuracy of resident  
150.21 assessments performed under section 256R.17 through any of the following: desk audits;  
150.22 on-site review of residents and their records; and interviews with staff, residents, or residents'  
150.23 families. The commissioner shall reclassify a resident if the commissioner determines that  
150.24 the resident was incorrectly classified.

150.25 (b) The commissioner is authorized to conduct on-site audits on an unannounced basis.

150.26 (c) A facility must grant the commissioner access to examine the medical records relating  
150.27 to the resident assessments selected for audit under this subdivision. The commissioner may  
150.28 also observe and speak to facility staff and residents.

150.29 (d) The commissioner shall consider documentation under the time frames for coding  
150.30 items on the minimum data set as set out in the Long-Term Care Facility Resident Assessment  
150.31 Instrument User's Manual or OSA Manual version 1.0 v.2 published by the Centers for  
150.32 Medicare and Medicaid Services.

151.1 (e) The commissioner shall develop an audit selection procedure that includes the  
151.2 following factors:

151.3 (1) Each facility shall be audited annually. If a facility has two successive audits in which  
151.4 the percentage of change is five percent or less and the facility has not been the subject of  
151.5 a special audit in the past 36 months, the facility may be audited biannually. A stratified  
151.6 sample of 15 percent, with a minimum of ten assessments, of the most current assessments  
151.7 shall be selected for audit. If more than 20 percent of the ~~RUG-IV~~ case mix reimbursement  
151.8 classifications are changed as a result of the audit, the audit shall be expanded to a second  
151.9 15 percent sample, with a minimum of ten assessments. If the total change between the first  
151.10 and second samples is 35 percent or greater, the commissioner may expand the audit to all  
151.11 of the remaining assessments.

151.12 (2) If a facility qualifies for an expanded audit, the commissioner may audit the facility  
151.13 again within six months. If a facility has two expanded audits within a 24-month period,  
151.14 that facility will be audited at least every six months for the next 18 months.

151.15 (3) The commissioner may conduct special audits if the commissioner determines that  
151.16 circumstances exist that could alter or affect the validity of case mix reimbursement  
151.17 classifications of residents. These circumstances include, but are not limited to, the following:

151.18 (i) frequent changes in the administration or management of the facility;

151.19 (ii) an unusually high percentage of residents in a specific case mix reimbursement  
151.20 classification;

151.21 (iii) a high frequency in the number of reconsideration requests received from a facility;

151.22 (iv) frequent adjustments of case mix reimbursement classifications as the result of  
151.23 reconsiderations or audits;

151.24 (v) a criminal indictment alleging provider fraud;

151.25 (vi) other similar factors that relate to a facility's ability to conduct accurate assessments;

151.26 (vii) an atypical pattern of scoring minimum data set items;

151.27 (viii) nonsubmission of assessments;

151.28 (ix) late submission of assessments; or

151.29 (x) a previous history of audit changes of 35 percent or greater.

151.30 (f) If the audit results in a case mix reimbursement classification change, the  
151.31 commissioner must transmit the audit classification notice by electronic means to the nursing

152.1 facility within 15 business days of completing an audit. The nursing facility is responsible  
152.2 for distribution of the notice to each resident or the resident's representative. This notice  
152.3 must be distributed by the nursing facility within three business days after receipt. The  
152.4 notice must inform the resident of the case mix reimbursement classification assigned, the  
152.5 opportunity to review the documentation supporting the classification, the opportunity to  
152.6 obtain clarification from the commissioner, the opportunity to request a reconsideration of  
152.7 the classification, and the address and telephone number of the Office of Ombudsman for  
152.8 Long-Term Care.

152.9 Sec. 13. Minnesota Statutes 2022, section 144.0724, subdivision 11, is amended to read:

152.10 Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment  
152.11 of long-term care services, a recipient must be determined, using assessments defined in  
152.12 subdivision 4, to meet one of the following nursing facility level of care criteria:

152.13 (1) the person requires formal clinical monitoring at least once per day;

152.14 (2) the person needs the assistance of another person or constant supervision to begin  
152.15 and complete at least four of the following activities of living: bathing, bed mobility, dressing,  
152.16 eating, grooming, toileting, transferring, and walking;

152.17 (3) the person needs the assistance of another person or constant supervision to begin  
152.18 and complete toileting, transferring, or positioning and the assistance cannot be scheduled;

152.19 (4) the person has significant difficulty with memory, using information, daily decision  
152.20 making, or behavioral needs that require intervention;

152.21 (5) the person has had a qualifying nursing facility stay of at least 90 days;

152.22 (6) the person meets the nursing facility level of care criteria determined 90 days after  
152.23 admission or on the first quarterly assessment after admission, whichever is later; or

152.24 (7) the person is determined to be at risk for nursing facility admission or readmission  
152.25 through a face-to-face long-term care consultation assessment as specified in section  
152.26 256B.0911, subdivision 17 to 21, 23, 24, 27, or 28, by a county, tribe, or managed care  
152.27 organization under contract with the Department of Human Services. The person is  
152.28 considered at risk under this clause if the person currently lives alone or will live alone or  
152.29 be homeless without the person's current housing and also meets one of the following criteria:

152.30 (i) the person has experienced a fall resulting in a fracture;

152.31 (ii) the person has been determined to be at risk of maltreatment or neglect, including  
152.32 self-neglect; or



153.1 (iii) the person has a sensory impairment that substantially impacts functional ability  
153.2 and maintenance of a community residence.

153.3 (b) The assessment used to establish medical assistance payment for nursing facility  
153.4 services must be the most recent assessment performed under subdivision 4, ~~paragraph~~  
153.5 paragraphs (b) and (c), that occurred no more than 90 calendar days before the effective  
153.6 date of medical assistance eligibility for payment of long-term care services. In no case  
153.7 shall medical assistance payment for long-term care services occur prior to the date of the  
153.8 determination of nursing facility level of care.

153.9 (c) The assessment used to establish medical assistance payment for long-term care  
153.10 services provided under chapter 256S and section 256B.49 and alternative care payment  
153.11 for services provided under section 256B.0913 must be the most recent face-to-face  
153.12 assessment performed under section 256B.0911, subdivisions 17 to 21, 23, 24, 27, or 28,  
153.13 that occurred no more than 60 calendar days before the effective date of medical assistance  
153.14 eligibility for payment of long-term care services.

153.15 Sec. 14. Minnesota Statutes 2022, section 144.1911, subdivision 2, is amended to read:

153.16 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the  
153.17 meanings given.

153.18 (b) "Commissioner" means the commissioner of health.

153.19 (c) "Immigrant international medical graduate" means an international medical graduate  
153.20 who was born outside the United States, now resides permanently in the United States or  
153.21 who has entered the United States on a temporary status based on urgent humanitarian or  
153.22 significant public benefit reasons, and who did not enter the United States on a J1 or similar  
153.23 nonimmigrant visa following acceptance into a United States medical residency or fellowship  
153.24 program.

153.25 (d) "International medical graduate" means a physician who received a basic medical  
153.26 degree or qualification from a medical school located outside the United States and Canada.

153.27 (e) "Minnesota immigrant international medical graduate" means an immigrant  
153.28 international medical graduate who has lived in Minnesota for at least two years.

153.29 (f) "Rural community" means a statutory and home rule charter city or township that is  
153.30 outside the seven-county metropolitan area as defined in section 473.121, subdivision 2,  
153.31 excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

154.1 (g) "Underserved community" means a Minnesota area or population included in the  
154.2 list of designated primary medical care health professional shortage areas, medically  
154.3 underserved areas, or medically underserved populations (MUPs) maintained and updated  
154.4 by the United States Department of Health and Human Services.

154.5 Sec. 15. Minnesota Statutes 2022, section 144.292, subdivision 6, is amended to read:

154.6 Subd. 6. **Cost.** (a) When a patient requests a copy of the patient's record for purposes of  
154.7 reviewing current medical care, the provider must not charge a fee.

154.8 (b) When a provider or its representative makes copies of patient records upon a patient's  
154.9 request under this section, the provider or its representative may charge the patient or the  
154.10 patient's representative no more than 75 cents per page, plus \$10 for time spent retrieving  
154.11 and copying the records, unless other law or a rule or contract provide for a lower maximum  
154.12 charge. This limitation does not apply to x-rays. The provider may charge a patient no more  
154.13 than the actual cost of reproducing x-rays, plus no more than \$10 for the time spent retrieving  
154.14 and copying the x-rays.

154.15 (c) The respective maximum charges of 75 cents per page and \$10 for time provided in  
154.16 this subdivision are in effect for calendar year 1992 and may be adjusted annually each  
154.17 calendar year as provided in this subdivision. The permissible maximum charges shall  
154.18 change each year by an amount that reflects the change, as compared to the previous year,  
154.19 in the Consumer Price Index for all Urban Consumers, Minneapolis-St. Paul (CPI-U),  
154.20 published by the Department of Labor.

154.21 (d) A provider or its representative may charge the \$10 retrieval fee, but must not charge  
154.22 a per page fee, a retrieval fee, or any other fee to provide copies of records requested by a  
154.23 patient or the patient's authorized representative if the request for copies of records is for  
154.24 purposes of appealing a denial of Social Security disability income or Social Security  
154.25 disability benefits under title II or title XVI of the Social Security Act; ~~except that no fee~~  
154.26 ~~shall be charged to a patient who is receiving public assistance, or to a patient who is~~  
154.27 ~~represented by an attorney on behalf of a civil legal services program or a volunteer attorney~~  
154.28 ~~program based on indigency.~~ when the patient is:

154.29 (1) receiving public assistance;

154.30 (2) represented by an attorney on behalf of a civil legal services program; or

154.31 (3) represented by a volunteer attorney program based on indigency.

154.32 The patient or the patient's representative must submit one of the following to show that  
154.33 they are entitled to receive records without charge under this paragraph: (1) a public

155.1 assistance statement from the county or state administering assistance; (2) a request for  
155.2 records on the letterhead of the civil legal services program or volunteer attorney program  
155.3 based on indigency; or (3) a benefits statement from the Social Security Administration.

155.4 For the purpose of further appeals, a patient may receive no more than two medical  
155.5 record updates without charge, but only for medical record information previously not  
155.6 provided.

155.7 For purposes of this paragraph, a patient's authorized representative does not include  
155.8 units of state government engaged in the adjudication of Social Security disability claims.

155.9 **Sec. 16. [144.2925] CONSTRUCTION.**

155.10 Sections 144.291 to 144.298 shall be construed to protect the privacy of a patient's health  
155.11 records in a more stringent manner than provided in Code of Federal Regulations, title 45,  
155.12 part 164. For purposes of this section, "more stringent" has the meaning given to that term  
155.13 in Code of Federal Regulations, title 45, section 160.202, with respect to a use or disclosure  
155.14 or the need for express legal permission from an individual to disclose individually  
155.15 identifiable health information.

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

155.17 Sec. 17. Minnesota Statutes 2022, section 144.293, subdivision 2, is amended to read:

155.18 Subd. 2. **Patient consent to release of records.** A provider, or a person who receives  
155.19 health records from a provider, may not release a patient's health records to a person without:

155.20 (1) a signed and dated consent from the patient or the patient's legally authorized  
155.21 representative authorizing the release;

155.22 (2) specific authorization in Minnesota law; or

155.23 (3) a representation from a provider that holds a signed and dated consent from the  
155.24 patient authorizing the release.

155.25 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
155.26 applies to health records released on or after that date.

155.27 Sec. 18. Minnesota Statutes 2022, section 144.293, subdivision 4, is amended to read:

155.28 Subd. 4. **Duration of consent.** Except as provided in this section, a consent is valid for  
155.29 one year or for a period specified in the consent or for a different period provided by  
155.30 Minnesota law.

156.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
156.2 applies to health records released on or after that date.

156.3 Sec. 19. Minnesota Statutes 2022, section 144.293, subdivision 9, is amended to read:

156.4 Subd. 9. **Documentation of release.** (a) In cases where a provider releases health records  
156.5 without patient consent as authorized by Minnesota law, the release must be documented  
156.6 in the patient's health record. In the case of a release under section 144.294, subdivision 2,  
156.7 the documentation must include the date and circumstances under which the release was  
156.8 made, the person or agency to whom the release was made, and the records that were released.

156.9 (b) When a health record is released using a representation from a provider that holds a  
156.10 consent from the patient, the releasing provider shall document:

156.11 (1) the provider requesting the health records;

156.12 (2) the identity of the patient;

156.13 (3) the health records requested; and

156.14 (4) the date the health records were requested.

156.15 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
156.16 applies to health records released on or after that date.

156.17 Sec. 20. Minnesota Statutes 2022, section 144.293, subdivision 10, is amended to read:

156.18 Subd. 10. **Warranties regarding consents, requests, and disclosures.** (a) When  
156.19 requesting health records using consent, a person warrants that the consent:

156.20 (1) contains no information known to the person to be false; and

156.21 (2) accurately states the patient's desire to have health records disclosed or that there is  
156.22 specific authorization in Minnesota law.

156.23 (b) When requesting health records using consent, or a representation of holding a  
156.24 consent, a provider warrants that the request:

156.25 (1) contains no information known to the provider to be false;

156.26 (2) accurately states the patient's desire to have health records disclosed or that there is  
156.27 specific authorization in Minnesota law; and

156.28 (3) does not exceed any limits imposed by the patient in the consent.

157.1 (c) When disclosing health records, a person releasing health records warrants that the  
157.2 person:

157.3 (1) has complied with the requirements of this section regarding disclosure of health  
157.4 records;

157.5 (2) knows of no information related to the request that is false; and

157.6 (3) has complied with the limits set by the patient in the consent.

157.7 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
157.8 applies to health records released on or after that date.

157.9 Sec. 21. Minnesota Statutes 2022, section 144.493, is amended by adding a subdivision  
157.10 to read:

157.11 Subd. 2a. **Thrombectomy-capable stroke center.** A hospital meets the criteria for a  
157.12 thrombectomy-capable stroke center if the hospital has been certified as a  
157.13 thrombectomy-capable stroke center by the joint commission or another nationally recognized  
157.14 accreditation entity, or is a primary stroke center that is not certified as a thrombectomy-based  
157.15 capable stroke center but the hospital has attained a level of stroke care distinction by offering  
157.16 mechanical endovascular therapies and has been certified by a department approved certifying  
157.17 body that is a nationally recognized guidelines-based organization.

157.18 Sec. 22. Minnesota Statutes 2022, section 144.494, subdivision 2, is amended to read:

157.19 Subd. 2. **Designation.** A hospital that voluntarily meets the criteria for a comprehensive  
157.20 stroke center, thrombectomy-capable stroke center, primary stroke center, or acute stroke  
157.21 ready hospital may apply to the commissioner for designation, and upon the commissioner's  
157.22 review and approval of the application, shall be designated as a comprehensive stroke center,  
157.23 a thrombectomy-capable stroke center, a primary stroke center, or an acute stroke ready  
157.24 hospital for a three-year period. If a hospital loses its certification as a comprehensive stroke  
157.25 center or primary stroke center from the joint commission or other nationally recognized  
157.26 accreditation entity, or no longer participates in the Minnesota stroke registry program, its  
157.27 Minnesota designation shall be immediately withdrawn. Prior to the expiration of the  
157.28 ~~three-year~~ designation period, a hospital seeking to remain part of the voluntary acute stroke  
157.29 system may reapply to the commissioner for designation.

158.1 Sec. 23. Minnesota Statutes 2022, section 144.551, subdivision 1, is amended to read:

158.2 Subdivision 1. **Restricted construction or modification.** (a) The following construction  
158.3 or modification may not be commenced:

158.4 (1) any erection, building, alteration, reconstruction, modernization, improvement,  
158.5 extension, lease, or other acquisition by or on behalf of a hospital that increases the bed  
158.6 capacity of a hospital, relocates hospital beds from one physical facility, complex, or site  
158.7 to another, or otherwise results in an increase or redistribution of hospital beds within the  
158.8 state; and

158.9 (2) the establishment of a new hospital.

158.10 (b) This section does not apply to:

158.11 (1) construction or relocation within a county by a hospital, clinic, or other health care  
158.12 facility that is a national referral center engaged in substantial programs of patient care,  
158.13 medical research, and medical education meeting state and national needs that receives more  
158.14 than 40 percent of its patients from outside the state of Minnesota;

158.15 (2) a project for construction or modification for which a health care facility held an  
158.16 approved certificate of need on May 1, 1984, regardless of the date of expiration of the  
158.17 certificate;

158.18 (3) a project for which a certificate of need was denied before July 1, 1990, if a timely  
158.19 appeal results in an order reversing the denial;

158.20 (4) a project exempted from certificate of need requirements by Laws 1981, chapter 200,  
158.21 section 2;

158.22 (5) a project involving consolidation of pediatric specialty hospital services within the  
158.23 Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number  
158.24 of pediatric specialty hospital beds among the hospitals being consolidated;

158.25 (6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to  
158.26 an existing licensed hospital that will allow for the reconstruction of a new philanthropic,  
158.27 pediatric-orthopedic hospital on an existing site and that will not result in a net increase in  
158.28 the number of hospital beds. Upon completion of the reconstruction, the licenses of both  
158.29 hospitals must be reinstated at the capacity that existed on each site before the relocation;

158.30 (7) the relocation or redistribution of hospital beds within a hospital building or  
158.31 identifiable complex of buildings provided the relocation or redistribution does not result  
158.32 in: (i) an increase in the overall bed capacity at that site; (ii) relocation of hospital beds from

159.1 one physical site or complex to another; or (iii) redistribution of hospital beds within the  
159.2 state or a region of the state;

159.3 (8) relocation or redistribution of hospital beds within a hospital corporate system that  
159.4 involves the transfer of beds from a closed facility site or complex to an existing site or  
159.5 complex provided that: (i) no more than 50 percent of the capacity of the closed facility is  
159.6 transferred; (ii) the capacity of the site or complex to which the beds are transferred does  
159.7 not increase by more than 50 percent; (iii) the beds are not transferred outside of a federal  
159.8 health systems agency boundary in place on July 1, 1983; (iv) the relocation or redistribution  
159.9 does not involve the construction of a new hospital building; and (v) the transferred beds  
159.10 are used first to replace within the hospital corporate system the total number of beds  
159.11 previously used in the closed facility site or complex for mental health services and substance  
159.12 use disorder services. Only after the hospital corporate system has fulfilled the requirements  
159.13 of this item may the remainder of the available capacity of the closed facility site or complex  
159.14 be transferred for any other purpose;

159.15 (9) a construction project involving up to 35 new beds in a psychiatric hospital in Rice  
159.16 County that primarily serves adolescents and that receives more than 70 percent of its  
159.17 patients from outside the state of Minnesota;

159.18 (10) a project to replace a hospital or hospitals with a combined licensed capacity of  
159.19 130 beds or less if: (i) the new hospital site is located within five miles of the current site;  
159.20 and (ii) the total licensed capacity of the replacement hospital, either at the time of  
159.21 construction of the initial building or as the result of future expansion, will not exceed 70  
159.22 licensed hospital beds, or the combined licensed capacity of the hospitals, whichever is less;

159.23 (11) the relocation of licensed hospital beds from an existing state facility operated by  
159.24 the commissioner of human services to a new or existing facility, building, or complex  
159.25 operated by the commissioner of human services; from one regional treatment center site  
159.26 to another; or from one building or site to a new or existing building or site on the same  
159.27 campus;

159.28 (12) the construction or relocation of hospital beds operated by a hospital having a  
159.29 statutory obligation to provide hospital and medical services for the indigent that does not  
159.30 result in a net increase in the number of hospital beds, notwithstanding section 144.552, 27  
159.31 beds, of which 12 serve mental health needs, may be transferred from Hennepin County  
159.32 Medical Center to Regions Hospital under this clause;

159.33 (13) a construction project involving the addition of up to 31 new beds in an existing  
159.34 nonfederal hospital in Beltrami County;

160.1 (14) a construction project involving the addition of up to eight new beds in an existing  
160.2 nonfederal hospital in Otter Tail County with 100 licensed acute care beds;

160.3 (15) a construction project involving the addition of 20 new hospital beds in an existing  
160.4 hospital in Carver County serving the southwest suburban metropolitan area;

160.5 (16) a project for the construction or relocation of up to 20 hospital beds for the operation  
160.6 of up to two psychiatric facilities or units for children provided that the operation of the  
160.7 facilities or units have received the approval of the commissioner of human services;

160.8 (17) a project involving the addition of 14 new hospital beds to be used for rehabilitation  
160.9 services in an existing hospital in Itasca County;

160.10 (18) a project to add 20 licensed beds in existing space at a hospital in Hennepin County  
160.11 that closed 20 rehabilitation beds in 2002, provided that the beds are used only for  
160.12 rehabilitation in the hospital's current rehabilitation building. If the beds are used for another  
160.13 purpose or moved to another location, the hospital's licensed capacity is reduced by 20 beds;

160.14 (19) a critical access hospital established under section 144.1483, clause (9), and section  
160.15 1820 of the federal Social Security Act, United States Code, title 42, section 1395i-4, that  
160.16 delicensed beds since enactment of the Balanced Budget Act of 1997, Public Law 105-33,  
160.17 to the extent that the critical access hospital does not seek to exceed the maximum number  
160.18 of beds permitted such hospital under federal law;

160.19 (20) notwithstanding section 144.552, a project for the construction of a new hospital  
160.20 in the city of Maple Grove with a licensed capacity of up to 300 beds provided that:

160.21 (i) the project, including each hospital or health system that will own or control the entity  
160.22 that will hold the new hospital license, is approved by a resolution of the Maple Grove City  
160.23 Council as of March 1, 2006;

160.24 (ii) the entity that will hold the new hospital license will be owned or controlled by one  
160.25 or more not-for-profit hospitals or health systems that have previously submitted a plan or  
160.26 plans for a project in Maple Grove as required under section 144.552, and the plan or plans  
160.27 have been found to be in the public interest by the commissioner of health as of April 1,  
160.28 2005;

160.29 (iii) the new hospital's initial inpatient services must include, but are not limited to,  
160.30 medical and surgical services, obstetrical and gynecological services, intensive care services,  
160.31 orthopedic services, pediatric services, noninvasive cardiac diagnostics, behavioral health  
160.32 services, and emergency room services;

160.33 (iv) the new hospital:



161.1 (A) will have the ability to provide and staff sufficient new beds to meet the growing  
161.2 needs of the Maple Grove service area and the surrounding communities currently being  
161.3 served by the hospital or health system that will own or control the entity that will hold the  
161.4 new hospital license;

161.5 (B) will provide uncompensated care;

161.6 (C) will provide mental health services, including inpatient beds;

161.7 (D) will be a site for workforce development for a broad spectrum of health-care-related  
161.8 occupations and have a commitment to providing clinical training programs for physicians  
161.9 and other health care providers;

161.10 (E) will demonstrate a commitment to quality care and patient safety;

161.11 (F) will have an electronic medical records system, including physician order entry;

161.12 (G) will provide a broad range of senior services;

161.13 (H) will provide emergency medical services that will coordinate care with regional  
161.14 providers of trauma services and licensed emergency ambulance services in order to enhance  
161.15 the continuity of care for emergency medical patients; and

161.16 (I) will be completed by December 31, 2009, unless delayed by circumstances beyond  
161.17 the control of the entity holding the new hospital license; and

161.18 (v) as of 30 days following submission of a written plan, the commissioner of health  
161.19 has not determined that the hospitals or health systems that will own or control the entity  
161.20 that will hold the new hospital license are unable to meet the criteria of this clause;

161.21 (21) a project approved under section 144.553;

161.22 (22) a project for the construction of a hospital with up to 25 beds in Cass County within  
161.23 a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder  
161.24 is approved by the Cass County Board;

161.25 (23) a project for an acute care hospital in Fergus Falls that will increase the bed capacity  
161.26 from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing  
161.27 a separately licensed 13-bed skilled nursing facility;

161.28 (24) notwithstanding section 144.552, a project for the construction and expansion of a  
161.29 specialty psychiatric hospital in Hennepin County for up to 50 beds, exclusively for patients  
161.30 who are under 21 years of age on the date of admission. The commissioner conducted a  
161.31 public interest review of the mental health needs of Minnesota and the Twin Cities

162.1 metropolitan area in 2008. No further public interest review shall be conducted for the  
162.2 construction or expansion project under this clause;

162.3 (25) a project for a 16-bed psychiatric hospital in the city of Thief River Falls, if the  
162.4 commissioner finds the project is in the public interest after the public interest review  
162.5 conducted under section 144.552 is complete;

162.6 (26)(i) a project for a 20-bed psychiatric hospital, within an existing facility in the city  
162.7 of Maple Grove, exclusively for patients who are under 21 years of age on the date of  
162.8 admission, if the commissioner finds the project is in the public interest after the public  
162.9 interest review conducted under section 144.552 is complete;

162.10 (ii) this project shall serve patients in the continuing care benefit program under section  
162.11 256.9693. The project may also serve patients not in the continuing care benefit program;  
162.12 and

162.13 (iii) if the project ceases to participate in the continuing care benefit program, the  
162.14 commissioner must complete a subsequent public interest review under section 144.552. If  
162.15 the project is found not to be in the public interest, the license must be terminated six months  
162.16 from the date of that finding. If the commissioner of human services terminates the contract  
162.17 without cause or reduces per diem payment rates for patients under the continuing care  
162.18 benefit program below the rates in effect for services provided on December 31, 2015, the  
162.19 project may cease to participate in the continuing care benefit program and continue to  
162.20 operate without a subsequent public interest review;

162.21 (27) a project involving the addition of 21 new beds in an existing psychiatric hospital  
162.22 in Hennepin County that is exclusively for patients who are under 21 years of age on the  
162.23 date of admission;

162.24 (28) a project to add 55 licensed beds in an existing safety net, level I trauma center  
162.25 hospital in Ramsey County as designated under section 383A.91, subdivision 5, of which  
162.26 15 beds are to be used for inpatient mental health and 40 are to be used for other services.  
162.27 In addition, five unlicensed observation mental health beds shall be added;

162.28 (29) upon submission of a plan to the commissioner for public interest review under  
162.29 section 144.552 and the addition of the 15 inpatient mental health beds specified in clause  
162.30 (28), to its bed capacity, a project to add 45 licensed beds in an existing safety net, level I  
162.31 trauma center hospital in Ramsey County as designated under section 383A.91, subdivision  
162.32 5. Five of the 45 additional beds authorized under this clause must be designated for use  
162.33 for inpatient mental health and must be added to the hospital's bed capacity before the  
162.34 remaining 40 beds are added. Notwithstanding section 144.552, the hospital may add licensed

163.1 beds under this clause prior to completion of the public interest review, provided the hospital  
163.2 submits its plan by the 2021 deadline and adheres to the timelines for the public interest  
163.3 review described in section 144.552;

163.4 (30) upon submission of a plan to the commissioner for public interest review under  
163.5 section 144.552, a project to add up to 30 licensed beds in an existing psychiatric hospital  
163.6 in Hennepin County that exclusively provides care to patients who are under 21 years of  
163.7 age on the date of admission. Notwithstanding section 144.552, the psychiatric hospital  
163.8 may add licensed beds under this clause prior to completion of the public interest review,  
163.9 provided the hospital submits its plan by the 2021 deadline and adheres to the timelines for  
163.10 the public interest review described in section 144.552;

163.11 (31) any project to add licensed beds in a hospital located in Cook County or Mahanomen  
163.12 County that: (i) is designated as a critical access hospital under section 144.1483, clause  
163.13 (9), and United States Code, title 42, section 1395i-4; (ii) has a licensed bed capacity of  
163.14 fewer than 25 beds; and (iii) has an attached nursing home, so long as the total number of  
163.15 licensed beds in the hospital after the bed addition does not exceed 25 beds. Notwithstanding  
163.16 section 144.552, a public interest review is not required for a project authorized under this  
163.17 clause;

163.18 (32) upon submission of a plan to the commissioner for public interest review under  
163.19 section 144.552, a project to add 22 licensed beds at a Minnesota freestanding children's  
163.20 hospital in St. Paul that is part of an independent pediatric health system with freestanding  
163.21 inpatient hospitals located in Minneapolis and St. Paul. The beds shall be utilized for pediatric  
163.22 inpatient behavioral health services. Notwithstanding section 144.552, the hospital may add  
163.23 licensed beds under this clause prior to completion of the public interest review, provided  
163.24 the hospital submits its plan by the 2022 deadline and adheres to the timelines for the public  
163.25 interest review described in section 144.552; ~~or~~

163.26 (33) a project for a 144-bed psychiatric hospital on the site of the former Bethesda  
163.27 hospital in the city of Saint Paul, Ramsey County, if the commissioner finds the project is  
163.28 in the public interest after the public interest review conducted under section 144.552 is  
163.29 complete. Following the completion of the construction project, the commissioner of health  
163.30 shall monitor the hospital, including by assessing the hospital's case mix and payer mix,  
163.31 patient transfers, and patient diversions. The hospital must have an intake and assessment  
163.32 area. The hospital must accommodate patients with acute mental health needs, whether they  
163.33 walk up to the facility, are delivered by ambulances or law enforcement, or are transferred  
163.34 from other facilities. The hospital must comply with subdivision 1a, paragraph (b). The

164.1 hospital must annually submit de-identified data to the department in the format and manner  
164.2 defined by the commissioner; or

164.3 (34) a project involving the relocation of up to 26 licensed long-term acute care hospital  
164.4 beds from an existing long-term care hospital located in Hennepin County with a licensed  
164.5 capacity prior to the relocation of 92 beds to dedicated space on the campus of an existing  
164.6 safety net, level I trauma center hospital in Ramsey County as designated under section  
164.7 383A.91, subdivision 5, provided both the commissioner finds the project is in the public  
164.8 interest after the public interest review conducted under section 144.552 is complete and  
164.9 the relocated beds continue to be used as long-term acute care hospital beds after the  
164.10 relocation.

164.11 Sec. 24. Minnesota Statutes 2022, section 144.605, is amended by adding a subdivision  
164.12 to read:

164.13 Subd. 10. **Chapter 16C waiver.** Pursuant to subdivisions 4, paragraph (b), and 5,  
164.14 paragraph (b), the commissioner of administration may waive provisions of chapter 16C  
164.15 for the purposes of approving contracts for independent clinical teams.

164.16 Sec. 25. **[144.6985] COMMUNITY HEALTH NEEDS ASSESSMENT; COMMUNITY**  
164.17 **HEALTH IMPROVEMENT SERVICES; IMPLEMENTATION.**

164.18 Subdivision 1. **Community health needs assessment.** A nonprofit hospital that is exempt  
164.19 from taxation under section 501(c)(3) of the Internal Revenue Code must make available  
164.20 to the public and submit to the commissioner of health, by January 15, 2025, the most recent  
164.21 community health needs assessment submitted by the hospital to the Internal Revenue  
164.22 Service. Each time the hospital conducts a subsequent community health needs assessment,  
164.23 the hospital must, within 15 business days after submitting the subsequent community health  
164.24 needs assessment to the Internal Revenue Service, make the subsequent assessment available  
164.25 to the public and submit the subsequent assessment to the commissioner.

164.26 Subd. 2. **Description of community.** A nonprofit hospital subject to subdivision 1 must  
164.27 make available to the public and submit to the commissioner of health a description of the  
164.28 community served by the hospital. The description must include a geographic description  
164.29 of the area where the hospital is located, a description of the general population served by  
164.30 the hospital, and demographic information about the community served by the hospital,  
164.31 such as leading causes of death, levels of chronic illness, and descriptions of the medically  
164.32 underserved, low-income, minority, or chronically ill populations in the community. A  
164.33 hospital is not required to separately make the information available to the public or

165.1 separately submit the information to the commissioner if the information is included in the  
165.2 hospital's community health needs assessment made available and submitted under  
165.3 subdivision 1.

165.4 Subd. 3. **Addendum; community health improvement services.** (a) A nonprofit hospital  
165.5 subject to subdivision 1 must annually submit to the commissioner an addendum which  
165.6 details information about hospital activities identified as community health improvement  
165.7 services with a cost of \$5,000 or more. The addendum must include the type of activity, the  
165.8 method through which the activity was delivered, how the activity relates to an identified  
165.9 community need in the community health needs assessment, the target population for the  
165.10 activity, strategies to reach the target population, identified outcome metrics, the cost to the  
165.11 hospital to provide the activity, the methodology used to calculate the hospital's costs, and  
165.12 the number of people served by the activity. If a community health improvement service is  
165.13 administered by an entity other than the hospital, the administering entity must be identified  
165.14 in the addendum. This paragraph does not apply to hospitals required to submit an addendum  
165.15 under paragraph (b).

165.16 (b) A nonprofit hospital subject to subdivision 1 must annually submit to the  
165.17 commissioner an addendum which details information about the ten highest-cost activities  
165.18 of the hospital identified as community health improvement services if the nonprofit hospital:

165.19 (1) is designated as a critical access hospital under section 144.1483, clause (9), and  
165.20 United States Code, title 42, section 1395i-4;

165.21 (2) meets the definition of sole community hospital in section 62Q.19, subdivision 1,  
165.22 paragraph (a), clause (5); or

165.23 (3) meets the definition of rural emergency hospital in United States Code, title 42,  
165.24 section 1395x(kkk)(2).

165.25 The addendum must include the type of activity, the method in which the activity was  
165.26 delivered, how the activity relates to an identified community need in the community health  
165.27 needs assessment, the target population for the activity, strategies to reach the target  
165.28 population, identified outcome metrics, the cost to the hospital to provide the activity, the  
165.29 methodology used to calculate the hospital's costs, and the number of people served by the  
165.30 activity. If a community health improvement service is administered by an entity other than  
165.31 the hospital, the administering entity must be identified in the addendum.

165.32 Subd. 4. **Community benefit implementation strategy.** A nonprofit hospital subject  
165.33 to subdivision 1 must make available to the public, within one year after completing each  
165.34 community health needs assessment, a community benefit implementation strategy. In

166.1 developing the community benefit implementation strategy, the hospital must consult with  
166.2 community-based organizations, stakeholders, local public health organizations, and others  
166.3 as determined by the hospital. The implementation strategy must include how the hospital  
166.4 shall address the top three community health priorities identified in the community health  
166.5 needs assessment. Implementation strategies must be evidence-based, when available, and  
166.6 development and implementation of innovative programs and strategies may be supported  
166.7 by evaluation measures.

166.8 Subd. 5. **Information made available to the public.** A nonprofit hospital required to  
166.9 make information available to the public under this section may do so by posting the  
166.10 information on the hospital's website in a consolidated location and with clear labeling.

166.11 **EFFECTIVE DATE.** This section is effective January 1, 2025.

166.12 Sec. 26. Minnesota Statutes 2022, section 144.7067, subdivision 2, is amended to read:

166.13 Subd. 2. **Duty to analyze reports; communicate findings.** (a) The commissioner shall:

166.14 (1) analyze adverse event reports, corrective action plans, and findings of the root cause  
166.15 analyses to determine patterns of systemic failure in the health care system and successful  
166.16 methods to correct these failures;

166.17 (2) communicate to individual facilities the commissioner's conclusions, if any, regarding  
166.18 an adverse event reported by the facility;

166.19 (3) communicate with relevant health care facilities any recommendations for corrective  
166.20 action resulting from the commissioner's analysis of submissions from facilities; and

166.21 (4) publish an annual report:

166.22 (i) describing, by institution, adverse events reported;

166.23 (ii) outlining, in aggregate, corrective action plans and the findings of root cause analyses;

166.24 and

166.25 (iii) making recommendations for modifications of state health care operations.

166.26 (b) Notwithstanding section 144.05, subdivision 7, the mandate to publish an annual  
166.27 report under this subdivision does not expire.

166.28 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2023.

167.1 Sec. 27. Minnesota Statutes 2022, section 144A.10, subdivision 15, is amended to read:

167.2 Subd. 15. **Informal dispute resolution.** The commissioner shall respond in writing to  
167.3 a request from a nursing facility certified under the federal Medicare and Medicaid programs  
167.4 for an informal dispute resolution within ~~30 days of the exit date of the facility's survey~~ ten  
167.5 calendar days of the facility's receipt of the notice of deficiencies. The commissioner's  
167.6 response shall identify the commissioner's decision regarding ~~the continuation of each~~  
167.7 deficiency citation challenged by the nursing facility, as well as a statement of any changes  
167.8 in findings, level of severity or scope, and proposed remedies or sanctions for each deficiency  
167.9 citation.

167.10 **EFFECTIVE DATE.** This section is effective August 1, 2024.

167.11 Sec. 28. Minnesota Statutes 2022, section 144A.10, subdivision 16, is amended to read:

167.12 Subd. 16. **Independent informal dispute resolution.** (a) Notwithstanding subdivision  
167.13 15, a facility certified under the federal Medicare or Medicaid programs that has been  
167.14 assessed a civil money penalty as provided by Code of Federal Regulations, title 42, section  
167.15 488.430, may request from the commissioner, in writing, an independent informal dispute  
167.16 resolution process regarding any deficiency ~~citation issued to the facility.~~ The facility must  
167.17 ~~specify in its written request each deficiency citation that it disputes. The commissioner~~  
167.18 ~~shall provide a hearing under sections 14.57 to 14.62. Upon the written request of the facility,~~  
167.19 ~~the parties must submit the issues raised to arbitration by an administrative law judge~~ submit  
167.20 its request in writing within ten calendar days of receiving notice that a civil money penalty  
167.21 will be imposed.

167.22 (b) The facility and commissioner have the right to be represented by an attorney at the  
167.23 hearing.

167.24 (c) An independent informal dispute resolution may not be requested for any deficiency  
167.25 that is the subject of an active informal dispute resolution requested under subdivision 15.  
167.26 The facility must withdraw its informal dispute resolution prior to requesting independent  
167.27 informal dispute resolution.

167.28 ~~(b) Upon~~ (d) Within five calendar days of receipt of a written request for an arbitration  
167.29 proceeding independent informal dispute resolution, the commissioner shall file with the  
167.30 Office of Administrative Hearings a request for the appointment of an ~~arbitrator~~  
167.31 administrative law judge from the Office of Administrative Hearings and simultaneously  
167.32 serve the facility with notice of the request. ~~The arbitrator for the dispute shall be an~~  
167.33 ~~administrative law judge appointed by the Office of Administrative Hearings. The disclosure~~

168.1 ~~provisions of section 572B.12 and the notice provisions of section 572B.15, subsection (e),~~  
168.2 ~~apply. The facility and the commissioner have the right to be represented by an attorney.~~

168.3 (e) An independent informal dispute resolution proceeding shall be scheduled to occur  
168.4 within 30 calendar days of the commissioner's request to the Office of Administrative  
168.5 Hearings, unless the parties agree otherwise or the chief administrative law judge deems  
168.6 the timing to be unreasonable. The independent informal dispute resolution process must  
168.7 be completed within 60 calendar days of the facility's request.

168.8 ~~(e) (f) Five working days in advance of the scheduled proceeding, the commissioner~~  
168.9 ~~and the facility may present~~ must submit written statements and arguments, documentary  
168.10 evidence, depositions, and oral statements and arguments at the arbitration proceeding. Oral  
168.11 ~~statements and arguments may be made by telephone~~ any other materials supporting their  
168.12 position to the administrative law judge.

168.13 (g) The independent informal dispute resolution proceeding shall be informal and  
168.14 conducted in a manner so as to allow the parties to fully present their positions and respond  
168.15 to the opposing party's positions. This may include presentation of oral statements and  
168.16 arguments at the proceeding.

168.17 ~~(d) (h)~~ (h) Within ten working days of the close of the ~~arbitration~~ proceeding, the  
168.18 administrative law judge shall issue findings and recommendations regarding each of the  
168.19 deficiencies in dispute. The findings shall be one or more of the following:

168.20 (1) Supported in full. The citation is supported in full, with no deletion of findings and  
168.21 no change in the scope or severity assigned to the deficiency citation.

168.22 (2) Supported in substance. The citation is supported, but one or more findings are  
168.23 deleted without any change in the scope or severity assigned to the deficiency.

168.24 (3) Deficient practice cited under wrong requirement of participation. The citation is  
168.25 amended by moving it to the correct requirement of participation.

168.26 (4) Scope not supported. The citation is amended through a change in the scope assigned  
168.27 to the citation.

168.28 (5) Severity not supported. The citation is amended through a change in the severity  
168.29 assigned to the citation.

168.30 (6) No deficient practice. The citation is deleted because the findings did not support  
168.31 the citation or the negative resident outcome was unavoidable. ~~The findings of the arbitrator~~  
168.32 ~~are not binding on the commissioner.~~



169.1 (i) The findings and recommendations of the administrative law judge are not binding  
169.2 on the commissioner.

169.3 (j) Within ten calendar days of receiving the administrative law judge's findings and  
169.4 recommendations, the commissioner shall issue a recommendation to the Center for Medicare  
169.5 and Medicaid Services.

169.6 ~~(e) (k) The commissioner shall reimburse the Office of Administrative Hearings for the~~  
169.7 ~~costs incurred by that office for the arbitration proceeding. The facility shall reimburse the~~  
169.8 ~~commissioner for the proportion of the costs that represent the sum of deficiency citations~~  
169.9 ~~supported in full under paragraph (d), clause (1), or in substance under paragraph (d), clause~~  
169.10 ~~(2), divided by the total number of deficiencies disputed. A deficiency citation for which~~  
169.11 ~~the administrative law judge's sole finding is that the deficient practice was cited under the~~  
169.12 ~~wrong requirements of participation shall not be counted in the numerator or denominator~~  
169.13 ~~in the calculation of the proportion of costs.~~

169.14 **EFFECTIVE DATE.** This section is effective October 1, 2024, or upon federal approval,  
169.15 whichever is later, and applies to appeals of deficiencies which are issued after October 1,  
169.16 2024, or on or after the date upon which federal approval is obtained, whichever is later.  
169.17 The commissioner of health shall notify the revisor of statutes when federal approval is  
169.18 obtained.

169.19 Sec. 29. Minnesota Statutes 2022, section 144A.44, subdivision 1, is amended to read:

169.20 Subdivision 1. **Statement of rights.** (a) A client who receives home care services ~~in the~~  
169.21 ~~community or in an assisted living facility licensed under chapter 144G~~ has these rights:

169.22 (1) receive written information, in plain language, about rights before receiving services,  
169.23 including what to do if rights are violated;

169.24 (2) receive care and services according to a suitable and up-to-date plan, and subject to  
169.25 accepted health care, medical or nursing standards and person-centered care, to take an  
169.26 active part in developing, modifying, and evaluating the plan and services;

169.27 (3) be told before receiving services the type and disciplines of staff who will be providing  
169.28 the services, the frequency of visits proposed to be furnished, other choices that are available  
169.29 for addressing home care needs, and the potential consequences of refusing these services;

169.30 (4) be told in advance of any recommended changes by the provider in the service plan  
169.31 and to take an active part in any decisions about changes to the service plan;

169.32 (5) refuse services or treatment;

170.1 (6) know, before receiving services or during the initial visit, any limits to the services  
170.2 available from a home care provider;

170.3 (7) be told before services are initiated what the provider charges for the services; to  
170.4 what extent payment may be expected from health insurance, public programs, or other  
170.5 sources, if known; and what charges the client may be responsible for paying;

170.6 (8) know that there may be other services available in the community, including other  
170.7 home care services and providers, and to know where to find information about these  
170.8 services;

170.9 (9) choose freely among available providers and to change providers after services have  
170.10 begun, within the limits of health insurance, long-term care insurance, medical assistance,  
170.11 other health programs, or public programs;

170.12 (10) have personal, financial, and medical information kept private, and to be advised  
170.13 of the provider's policies and procedures regarding disclosure of such information;

170.14 (11) access the client's own records and written information from those records in  
170.15 accordance with sections 144.291 to 144.298;

170.16 (12) be served by people who are properly trained and competent to perform their duties;

170.17 (13) be treated with courtesy and respect, and to have the client's property treated with  
170.18 respect;

170.19 (14) be free from physical and verbal abuse, neglect, financial exploitation, and all forms  
170.20 of maltreatment covered under the Vulnerable Adults Act and the Maltreatment of Minors  
170.21 Act;

170.22 (15) reasonable, advance notice of changes in services or charges;

170.23 (16) know the provider's reason for termination of services;

170.24 (17) at least ten calendar days' advance notice of the termination of a service by a home  
170.25 care provider, ~~except at least 30 calendar days' advance notice of the service termination~~  
170.26 ~~shall be given by a home care provider for services provided to a client residing in an assisted~~  
170.27 ~~living facility as defined in section 144G.08, subdivision 7. This clause does not apply in~~  
170.28 cases where:

170.29 (i) the client engages in conduct that significantly alters the terms of the service plan  
170.30 with the home care provider;

170.31 (ii) the client, person who lives with the client, or others create an abusive or unsafe  
170.32 work environment for the person providing home care services; or

171.1 (iii) an emergency or a significant change in the client's condition has resulted in service  
171.2 needs that exceed the current service plan and that cannot be safely met by the home care  
171.3 provider;

171.4 (18) a coordinated transfer when there will be a change in the provider of services;

171.5 (19) complain to staff and others of the client's choice about services that are provided,  
171.6 or fail to be provided, and the lack of courtesy or respect to the client or the client's property  
171.7 and the right to recommend changes in policies and services, free from retaliation including  
171.8 the threat of termination of services;

171.9 (20) know how to contact an individual associated with the home care provider who is  
171.10 responsible for handling problems and to have the home care provider investigate and  
171.11 attempt to resolve the grievance or complaint;

171.12 (21) know the name and address of the state or county agency to contact for additional  
171.13 information or assistance; and

171.14 (22) assert these rights personally, or have them asserted by the client's representative  
171.15 or by anyone on behalf of the client, without retaliation; ~~and~~.

171.16 ~~(23) place an electronic monitoring device in the client's or resident's space in compliance~~  
171.17 ~~with state requirements.~~

171.18 (b) When providers violate the rights in this section, they are subject to the fines and  
171.19 license actions in sections 144A.474, subdivision 11, and 144A.475.

171.20 (c) Providers must do all of the following:

171.21 (1) encourage and assist in the fullest possible exercise of these rights;

171.22 (2) provide the names and telephone numbers of individuals and organizations that  
171.23 provide advocacy and legal services for clients ~~and residents~~ seeking to assert their rights;

171.24 (3) make every effort to assist clients ~~or residents~~ in obtaining information regarding  
171.25 whether Medicare, medical assistance, other health programs, or public programs will pay  
171.26 for services;

171.27 (4) make reasonable accommodations for people who have communication disabilities,  
171.28 or those who speak a language other than English; and

171.29 (5) provide all information and notices in plain language and in terms the client ~~or~~  
171.30 ~~resident~~ can understand.

172.1 (d) No provider may require or request a client ~~or resident~~ to waive any of the rights  
172.2 listed in this section at any time or for any reasons, including as a condition of initiating  
172.3 services ~~or entering into an assisted living contract~~.

172.4 Sec. 30. Minnesota Statutes 2022, section 144A.471, is amended by adding a subdivision  
172.5 to read:

172.6 Subd. 1a. **Licensure under other law.** A home care licensee must not provide sleeping  
172.7 accommodations as a provision of home care services. For purposes of this subdivision, the  
172.8 provision of sleeping accommodations and assisted living services under section 144G.08,  
172.9 subdivision 9, requires assisted living licensure under chapter 144G.

172.10 Sec. 31. Minnesota Statutes 2022, section 144A.474, subdivision 13, is amended to read:

172.11 Subd. 13. **Home care surveyor training.** (a) Before conducting a home care survey,  
172.12 each home care surveyor must receive training on the following topics:

172.13 (1) Minnesota home care licensure requirements;

172.14 (2) Minnesota home care bill of rights;

172.15 (3) Minnesota Vulnerable Adults Act and reporting of maltreatment of minors;

172.16 (4) principles of documentation;

172.17 (5) survey protocol and processes;

172.18 (6) Offices of the Ombudsman roles;

172.19 (7) Office of Health Facility Complaints;

172.20 (8) Minnesota landlord-tenant ~~and housing with services~~ laws;

172.21 (9) types of payors for home care services; and

172.22 (10) Minnesota Nurse Practice Act for nurse surveyors.

172.23 (b) Materials used for the training in paragraph (a) shall be posted on the department  
172.24 website. Requisite understanding of these topics will be reviewed as part of the quality  
172.25 improvement plan in section 144A.483.

172.26 Sec. 32. Minnesota Statutes 2023 Supplement, section 144A.4791, subdivision 10, is  
172.27 amended to read:

172.28 Subd. 10. **Termination of service plan.** (a) If a home care provider terminates a service  
172.29 plan with a client, and the client continues to need home care services, the home care provider

173.1 shall provide the client and the client's representative, if any, with a written notice of  
173.2 termination which includes the following information:

173.3 (1) the effective date of termination;

173.4 (2) the reason for termination;

173.5 (3) for clients age 18 or older, a statement that the client may contact the Office of  
173.6 Ombudsman for Long-Term Care to request an advocate to assist regarding the termination  
173.7 and contact information for the office, including the office's central telephone number;

173.8 (4) a list of known licensed home care providers in the client's immediate geographic  
173.9 area;

173.10 (5) a statement that the home care provider will participate in a coordinated transfer of  
173.11 care of the client to another home care provider, health care provider, or caregiver, as  
173.12 required by the home care bill of rights, section 144A.44, subdivision 1, clause (17); and

173.13 (6) the name and contact information of a person employed by the home care provider  
173.14 with whom the client may discuss the notice of termination; ~~and~~.

173.15 ~~(7) if applicable, a statement that the notice of termination of home care services does~~  
173.16 ~~not constitute notice of termination of any housing contract.~~

173.17 (b) When the home care provider voluntarily discontinues services to all clients, the  
173.18 home care provider must notify the commissioner, lead agencies, and ombudsman for  
173.19 long-term care about its clients and comply with the requirements in this subdivision.

173.20 Sec. 33. Minnesota Statutes 2022, section 144E.16, subdivision 7, is amended to read:

173.21 Subd. 7. **Stroke transport protocols.** Regional emergency medical services programs  
173.22 and any ambulance service licensed under this chapter must develop stroke transport  
173.23 protocols. The protocols must include standards of care for triage and transport of acute  
173.24 stroke patients within a specific time frame from symptom onset until transport to the most  
173.25 appropriate designated acute stroke ready hospital, primary stroke center,  
173.26 thrombectomy-capable stroke center, or comprehensive stroke center.

173.27 Sec. 34. Minnesota Statutes 2022, section 144G.08, subdivision 29, is amended to read:

173.28 Subd. 29. **Licensed health professional.** "Licensed health professional" means a person  
173.29 ~~licensed in Minnesota to practice a profession described in section 214.01, subdivision 2,~~  
173.30 other than a registered nurse or licensed practical nurse, who provides assisted living services  
173.31 within the scope of practice of that person's health occupation license, registration, or

174.1 certification as a regulated person who is licensed by an appropriate Minnesota state board  
174.2 or agency.

174.3 Sec. 35. Minnesota Statutes 2022, section 144G.10, is amended by adding a subdivision  
174.4 to read:

174.5 Subd. 5. **Protected title; restriction on use.** (a) Effective January 1, 2026, no person  
174.6 or entity may use the phrase "assisted living," whether alone or in combination with other  
174.7 words and whether orally or in writing, to: advertise; market; or otherwise describe, offer,  
174.8 or promote itself, or any housing, service, service package, or program that it provides  
174.9 within this state, unless the person or entity is a licensed assisted living facility that meets  
174.10 the requirements of this chapter. A person or entity entitled to use the phrase "assisted living"  
174.11 shall use the phrase only in the context of its participation that meets the requirements of  
174.12 this chapter.

174.13 (b) Effective January 1, 2026, the licensee's name for a new assisted living facility may  
174.14 not include the terms "home care" or "nursing home."

174.15 Sec. 36. Minnesota Statutes 2022, section 144G.16, subdivision 6, is amended to read:

174.16 Subd. 6. **Requirements for notice and transfer.** A provisional licensee whose license  
174.17 is denied must comply with the requirements for notification and the coordinated move of  
174.18 residents in sections 144G.52 and 144G.55. If the license denial is upheld by the  
174.19 reconsideration process, the licensee must submit a closure plan as required by section  
174.20 144G.57 within ten calendar days of receipt of the reconsideration decision.

174.21 Sec. 37. Minnesota Statutes 2022, section 146B.03, subdivision 7a, is amended to read:

174.22 Subd. 7a. **Supervisors.** (a) A technician must have been licensed in Minnesota or in a  
174.23 jurisdiction with which Minnesota has reciprocity for at least:

174.24 (1) two years as a tattoo technician licensed under section 146B.03, subdivision 4, 6, or  
174.25 8, in order to supervise a temporary tattoo technician; or

174.26 (2) one year as a body piercing technician licensed under section 146B.03, subdivision  
174.27 4, 6, or 8, or must have performed at least 500 body piercings, in order to supervise a  
174.28 temporary body piercing technician.

174.29 (b) Any technician who agrees to supervise more than two temporary tattoo technicians  
174.30 during the same time period, or more than four body piercing technicians during the same  
174.31 time period, must provide to the commissioner a supervisory plan that describes how the

175.1 technician will provide supervision to each temporary technician in accordance with section  
175.2 146B.01, subdivision 28.

175.3 (c) The supervisory plan must include, at a minimum:

175.4 (1) the areas of practice under supervision;

175.5 (2) the anticipated supervision hours per week;

175.6 (3) the anticipated duration of the training period; and

175.7 (4) the method of providing supervision if there are multiple technicians being supervised  
175.8 during the same time period.

175.9 (d) If the supervisory plan is terminated before completion of the technician's supervised  
175.10 practice, the supervisor must notify the commissioner in writing within 14 days of the change  
175.11 in supervision and include an explanation of why the plan was not completed.

175.12 (e) The commissioner may refuse to approve as a supervisor a technician who has been  
175.13 disciplined in Minnesota or in another jurisdiction after considering the criteria in section  
175.14 146B.02, subdivision 10, paragraph (b).

175.15 Sec. 38. Minnesota Statutes 2022, section 146B.10, subdivision 1, is amended to read:

175.16 Subdivision 1. **Licensing fees.** (a) The fee for the initial technician licensure application  
175.17 and biennial licensure renewal application is \$420.

175.18 (b) The fee for temporary technician licensure application is \$240.

175.19 (c) The fee for the temporary guest artist license application is \$140.

175.20 (d) The fee for a dual body art technician license application is \$420.

175.21 (e) The fee for a provisional establishment license application required in section 146B.02,  
175.22 subdivision 5, paragraph (c), is \$1,500.

175.23 (f) The fee for an initial establishment license application and the two-year license  
175.24 renewal period application required in section 146B.02, subdivision 2, paragraph (b), is  
175.25 \$1,500.

175.26 (g) The fee for a temporary body art establishment event permit application is \$200.

175.27 (h) The commissioner shall prorate the initial two-year technician license fee based on  
175.28 the number of months in the initial licensure period. The commissioner shall prorate the  
175.29 first renewal fee for the establishment license based on the number of months from issuance  
175.30 of the provisional license to the first renewal.

176.1 (i) The fee for verification of licensure to other states is \$25.

176.2 ~~(j) The fee to reissue a provisional establishment license that relocates prior to inspection~~  
176.3 ~~and removal of provisional status is \$350. The expiration date of the provisional license~~  
176.4 ~~does not change.~~

176.5 ~~(k)~~ (j) The fee to change an establishment name or establishment type, such as tattoo,  
176.6 piercing, or dual, is \$50.

176.7 Sec. 39. Minnesota Statutes 2022, section 146B.10, subdivision 3, is amended to read:

176.8 Subd. 3. **Deposit.** Fees collected by the commissioner under this section must be deposited  
176.9 in the state government special revenue fund. All fees are nonrefundable.

176.10 Sec. 40. Minnesota Statutes 2022, section 149A.65, is amended to read:

176.11 **149A.65 FEES.**

176.12 Subdivision 1. **Generally.** This section establishes the application fees for registrations,  
176.13 examinations, initial and renewal licenses, and late fees authorized under the provisions of  
176.14 this chapter.

176.15 Subd. 2. **Mortuary science fees.** Fees for mortuary science are:

176.16 (1) \$75 for the initial and renewal registration of a mortuary science intern;

176.17 (2) \$125 for the mortuary science examination;

176.18 (3) \$200 for ~~issuance of~~ initial and renewal mortuary science ~~licenses~~ license applications;

176.19 (4) \$100 late fee charge for a license renewal application; and

176.20 (5) \$250 for ~~issuing a~~ an application for mortuary science license by endorsement.

176.21 Subd. 3. **Funeral directors.** The license renewal application fee for funeral directors is  
176.22 \$200. The late fee charge for a license renewal is \$100.

176.23 Subd. 4. **Funeral establishments.** The initial and renewal application fee for funeral  
176.24 establishments is \$425. The late fee charge for a license renewal is \$100.

176.25 Subd. 5. **Crematories.** The initial and renewal application fee for a crematory is \$425.  
176.26 The late fee charge for a license renewal is \$100.

176.27 Subd. 6. **Alkaline hydrolysis facilities.** The initial and renewal application fee for an  
176.28 alkaline hydrolysis facility is \$425. The late fee charge for a license renewal is \$100.



177.1 Subd. 7. **State government special revenue fund.** Fees collected by the commissioner  
177.2 under this section must be deposited in the state treasury and credited to the state government  
177.3 special revenue fund. All fees are nonrefundable.

177.4 Sec. 41. Minnesota Statutes 2022, section 256R.02, subdivision 20, is amended to read:

177.5 Subd. 20. **Facility average case mix index.** "Facility average case mix index" or "CMI"  
177.6 means a numerical score that describes the relative resource use for all residents within the  
177.7 case mix ~~classifications under the resource utilization group (RUG)~~ classification system  
177.8 prescribed by the commissioner based on an assessment of each resident. The facility average  
177.9 CMI shall be computed as the standardized days divided by the sum of the facility's resident  
177.10 days. The case mix indices used shall be based on the system prescribed in section 256R.17.

177.11 Sec. 42. **REVISOR INSTRUCTION.**

177.12 The revisor of statutes shall substitute the term "employee" with the term "staff" in the  
177.13 following sections of Minnesota Statutes and make any grammatical changes needed without  
177.14 changing the meaning of the sentence: Minnesota Statutes, sections 144G.08, subdivisions  
177.15 18 and 36; 144G.13, subdivision 1, paragraph (c); 144G.20, subdivisions 1, 2, and 21;  
177.16 144G.30, subdivision 5; 144G.42, subdivision 8; 144G.45, subdivision 2; 144G.60,  
177.17 subdivisions 1, paragraph (c), and 3, paragraph (a); 144G.63, subdivision 2, paragraph (a),  
177.18 clause (9); 144G.64, paragraphs (a), clauses (2), (3), and (5), and (c); 144G.70, subdivision  
177.19 7; and 144G.92, subdivisions 1 and 3.

177.20 Sec. 43. **REPEALER.**

177.21 (a) Minnesota Statutes 2022, sections 144.497; and 256R.02, subdivision 46, are repealed.

177.22 (b) Minnesota Statutes 2023 Supplement, section 62J.312, subdivision 6, is repealed.

## 177.23 ARTICLE 7

### 177.24 EMERGENCY MEDICAL SERVICES

177.25 Section 1. Minnesota Statutes 2023 Supplement, section 15A.0815, subdivision 2, is  
177.26 amended to read:

177.27 Subd. 2. **Agency head salaries.** The salary for a position listed in this subdivision shall  
177.28 be determined by the Compensation Council under section 15A.082. The commissioner of  
177.29 management and budget must publish the salaries on the department's website. This  
177.30 subdivision applies to the following positions:

- 178.1 Commissioner of administration;
- 178.2 Commissioner of agriculture;
- 178.3 Commissioner of education;
- 178.4 Commissioner of children, youth, and families;
- 178.5 Commissioner of commerce;
- 178.6 Commissioner of corrections;
- 178.7 Commissioner of health;
- 178.8 Commissioner, Minnesota Office of Higher Education;
- 178.9 Commissioner, Minnesota IT Services;
- 178.10 Commissioner, Housing Finance Agency;
- 178.11 Commissioner of human rights;
- 178.12 Commissioner of human services;
- 178.13 Commissioner of labor and industry;
- 178.14 Commissioner of management and budget;
- 178.15 Commissioner of natural resources;
- 178.16 Commissioner, Pollution Control Agency;
- 178.17 Commissioner of public safety;
- 178.18 Commissioner of revenue;
- 178.19 Commissioner of employment and economic development;
- 178.20 Commissioner of transportation;
- 178.21 Commissioner of veterans affairs;
- 178.22 Executive director of the Gambling Control Board;
- 178.23 Executive director of the Minnesota State Lottery;
- 178.24 Commissioner of Iron Range resources and rehabilitation;
- 178.25 Commissioner, Bureau of Mediation Services;
- 178.26 Ombudsman for mental health and developmental disabilities;
- 178.27 Ombudsperson for corrections;

- 179.1 Chair, Metropolitan Council;
- 179.2 Chair, Metropolitan Airports Commission;
- 179.3 School trust lands director;
- 179.4 Executive director of pari-mutuel racing; ~~and~~
- 179.5 Commissioner, Public Utilities Commission; and
- 179.6 Director of the Office of Emergency Medical Services.
- 179.7 **EFFECTIVE DATE.** This section is effective January 1, 2025.

179.8 Sec. 2. Minnesota Statutes 2023 Supplement, section 43A.08, subdivision 1a, is amended  
179.9 to read:

179.10 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following  
179.11 agencies may designate additional unclassified positions according to this subdivision: the  
179.12 Departments of Administration; Agriculture; Children, Youth, and Families; Commerce;  
179.13 Corrections; Direct Care and Treatment; Education; Employment and Economic  
179.14 Development; Explore Minnesota Tourism; Management and Budget; Health; Human  
179.15 Rights; Human Services; Labor and Industry; Natural Resources; Public Safety; Revenue;  
179.16 Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies;  
179.17 the State Lottery; the State Board of Investment; the Office of Administrative Hearings; the  
179.18 Department of Information Technology Services; the Offices of the Attorney General,  
179.19 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the  
179.20 Minnesota Office of Higher Education; the Perpich Center for Arts Education; ~~and~~ the  
179.21 Minnesota Zoological Board; and the Office of Emergency Medical Services.

179.22 A position designated by an appointing authority according to this subdivision must  
179.23 meet the following standards and criteria:

179.24 (1) the designation of the position would not be contrary to other law relating specifically  
179.25 to that agency;

179.26 (2) the person occupying the position would report directly to the agency head or deputy  
179.27 agency head and would be designated as part of the agency head's management team;

179.28 (3) the duties of the position would involve significant discretion and substantial  
179.29 involvement in the development, interpretation, and implementation of agency policy;

179.30 (4) the duties of the position would not require primarily personnel, accounting, or other  
179.31 technical expertise where continuity in the position would be important;

180.1 (5) there would be a need for the person occupying the position to be accountable to,  
180.2 loyal to, and compatible with, the governor and the agency head, the employing statutory  
180.3 board or commission, or the employing constitutional officer;

180.4 (6) the position would be at the level of division or bureau director or assistant to the  
180.5 agency head; and

180.6 (7) the commissioner has approved the designation as being consistent with the standards  
180.7 and criteria in this subdivision.

180.8 **EFFECTIVE DATE.** This section is effective January 1, 2025.

180.9 Sec. 3. Minnesota Statutes 2022, section 62J.49, subdivision 1, is amended to read:

180.10 Subdivision 1. **Establishment.** The director of the Office of Emergency Medical Services  
180.11 ~~Regulatory Board~~ established under chapter ~~144~~ 144E shall establish a financial data  
180.12 collection system for all ambulance services licensed in this state. To establish the financial  
180.13 database, the ~~Emergency Medical Services Regulatory Board~~ director may contract with  
180.14 an entity that has experience in ambulance service financial data collection.

180.15 **EFFECTIVE DATE.** This section is effective January 1, 2025.

180.16 Sec. 4. Minnesota Statutes 2022, section 144E.001, subdivision 3a, is amended to read:

180.17 Subd. 3a. **Ambulance service personnel.** "Ambulance service personnel" means  
180.18 individuals who are authorized by a licensed ambulance service to provide emergency care  
180.19 for the ambulance service and are:

180.20 (1) EMTs, AEMTs, or paramedics;

180.21 (2) Minnesota registered nurses who are: (i) EMTs, are currently practicing nursing, and  
180.22 ~~have passed a paramedic practical skills test, as approved by the board and administered by~~  
180.23 ~~an educational program approved by the board~~ been approved by the ambulance service  
180.24 medical director; (ii) on the roster of an ambulance service on or before January 1, 2000;  
180.25 ~~or~~ (iii) after petitioning the board, deemed by the board to have training and skills equivalent  
180.26 to an EMT, as determined on a case-by-case basis; or (iv) certified as a certified flight  
180.27 registered nurse or certified emergency nurse; or

180.28 (3) Minnesota licensed physician assistants who are: (i) EMTs, are currently practicing  
180.29 as physician assistants, and ~~have passed a paramedic practical skills test, as approved by~~  
180.30 ~~the board and administered by an educational program approved by the board~~ been approved  
180.31 by the ambulance service medical director; (ii) on the roster of an ambulance service on or

181.1 before January 1, 2000; or (iii) after petitioning the board, deemed by the board to have  
181.2 training and skills equivalent to an EMT, as determined on a case-by-case basis.

181.3 Sec. 5. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision  
181.4 to read:

181.5 Subd. 16. **Director.** "Director" means the director of the Office of Emergency Medical  
181.6 Services.

181.7 **EFFECTIVE DATE.** This section is effective January 1, 2025.

181.8 Sec. 6. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision  
181.9 to read:

181.10 Subd. 17. **Office.** "Office" means the Office of Emergency Medical Services.

181.11 **EFFECTIVE DATE.** This section is effective January 1, 2025.

181.12 Sec. 7. **[144E.011] OFFICE OF EMERGENCY MEDICAL SERVICES.**

181.13 Subdivision 1. **Establishment.** The Office of Emergency Medical Services is established  
181.14 with the powers and duties established in law. In administering this chapter, the office must  
181.15 promote the public health and welfare, protect the safety of the public, and effectively  
181.16 regulate and support the operation of the emergency medical services system in this state.

181.17 Subd. 2. **Director.** The governor must appoint a director for the office with the advice  
181.18 and consent of the senate. The director must be in the unclassified service and must serve  
181.19 at the pleasure of the governor. The salary of the director shall be determined according to  
181.20 section 15A.0815. The director shall direct the activities of the office.

181.21 Subd. 3. **Powers and duties.** The director has the following powers and duties:

181.22 (1) to administer and enforce this chapter and adopt rules as needed to implement this  
181.23 chapter. Rules for which notice is published in the State Register before July 1, 2026, may  
181.24 be adopted using the expedited rulemaking process in section 14.389;

181.25 (2) to license ambulance services in the state and regulate their operation;

181.26 (3) to establish and modify primary service areas;

181.27 (4) to designate an ambulance service as authorized to provide service in a primary  
181.28 service area and to remove an ambulance service's authorization to provide service in a  
181.29 primary service area;

181.30 (5) to register medical response units in the state and regulate their operation;

182.1 (6) to certify emergency medical technicians, advanced emergency medical technicians,  
182.2 community emergency medical technicians, paramedics, and community paramedics and  
182.3 to register emergency medical responders;

182.4 (7) to approve education programs for ambulance service personnel and emergency  
182.5 medical responders and to administer qualifications for instructors of education programs;

182.6 (8) to administer grant programs related to emergency medical services;

182.7 (9) to report to the legislature, by February 15 each year, on the work of the office and  
182.8 the advisory councils in the previous calendar year and with recommendations for any  
182.9 needed policy changes related to emergency medical services, including but not limited to  
182.10 improving access to emergency medical services, improving service delivery by ambulance  
182.11 services and medical response units, and improving the effectiveness of the state's emergency  
182.12 medical services system. The director must develop the reports and recommendations in  
182.13 consultation with the office's deputy directors and advisory councils;

182.14 (10) to investigate complaints against and hold hearings regarding ambulance services,  
182.15 ambulance service personnel, and emergency medical responders and to impose disciplinary  
182.16 action or otherwise resolve complaints; and

182.17 (11) to perform other duties related to the provision of emergency medical services in  
182.18 the state.

182.19 Subd. 4. **Employees.** The director may employ personnel in the classified service and  
182.20 unclassified personnel as necessary to carry out the duties of this chapter.

182.21 Subd. 5. **Work plan.** The director must prepare a work plan to guide the work of the  
182.22 office. The work plan must be updated biennially.

182.23 **EFFECTIVE DATE.** This section is effective January 1, 2025.

182.24 Sec. 8. **[144E.015] MEDICAL SERVICES DIVISION.**

182.25 A Medical Services Division is created in the Office of Emergency Medical Services.  
182.26 The Medical Services Division shall be under the supervision of a deputy director of medical  
182.27 services appointed by the director. The deputy director, under the direction of the director,  
182.28 shall enforce and coordinate the laws, rules, and policies assigned by the director, which  
182.29 may include overseeing the clinical aspects of prehospital medical care and education  
182.30 programs for emergency medical service personnel.

182.31 **EFFECTIVE DATE.** This section is effective January 1, 2025.

183.1 **Sec. 9. [144E.016] AMBULANCE SERVICES DIVISION.**

183.2 An Ambulance Services Division is created in the Office of Emergency Medical Services.  
183.3 The Ambulance Services Division shall be under the supervision of a deputy director of  
183.4 ambulance services appointed by the director. The deputy director, under the direction of  
183.5 the director, shall enforce and coordinate the laws, rules, and policies assigned by the director,  
183.6 which may include operating standards and licensing of ambulance services; registration  
183.7 and operation of medical response units; establishment and modification of primary service  
183.8 areas; authorization of ambulance services to provide service in a primary service area and  
183.9 revocation of such authorization; coordination of ambulance services within regions and  
183.10 across the state; and administration of grants.

183.11 **EFFECTIVE DATE.** This section is effective January 1, 2025.

183.12 **Sec. 10. [144E.017] EMERGENCY MEDICAL SERVICE PROVIDERS DIVISION.**

183.13 An Emergency Medical Service Providers Division is created in the Office of Emergency  
183.14 Medical Services. The Emergency Medical Service Providers Division shall be under the  
183.15 supervision of a deputy director of emergency medical service providers appointed by the  
183.16 director. The deputy director, under the direction of the director, shall enforce and coordinate  
183.17 the laws, rules, and policies assigned by the director, which may include certification and  
183.18 registration of individual emergency medical service providers; overseeing worker safety,  
183.19 worker well-being, and working conditions; implementation of education programs; and  
183.20 administration of grants.

183.21 **EFFECTIVE DATE.** This section is effective January 1, 2025.

183.22 **Sec. 11. [144E.03] EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL.**

183.23 Subdivision 1. **Establishment; membership.** The Emergency Medical Services Advisory  
183.24 Council is established and consists of the following members:

183.25 (1) one emergency medical technician currently practicing with a licensed ambulance  
183.26 service, appointed by the Minnesota Ambulance Association;

183.27 (2) one paramedic currently practicing with a licensed ambulance service or a medical  
183.28 response unit, appointed jointly by the Minnesota Professional Fire Fighters Association  
183.29 and the Minnesota Ambulance Association;

183.30 (3) one medical director of a licensed ambulance service, appointed by the National  
183.31 Association of EMS Physicians, Minnesota Chapter;

184.1 (4) one firefighter currently serving as an emergency medical responder, appointed by  
184.2 the Minnesota State Fire Chiefs Association;

184.3 (5) one registered nurse who is certified or currently practicing as a flight nurse, appointed  
184.4 jointly by the regional emergency services boards of the designated regional emergency  
184.5 medical services systems;

184.6 (6) one hospital administrator, appointed by the Minnesota Hospital Association;

184.7 (7) one social worker, appointed by the Board of Social Work;

184.8 (8) one member of a federally recognized Tribal Nation in Minnesota, appointed by the  
184.9 Minnesota Indian Affairs Council;

184.10 (9) three public members, appointed by the governor;

184.11 (10) one member with experience working as an employee organization representative  
184.12 representing emergency medical service providers, appointed by an employee organization  
184.13 representing emergency medical service providers;

184.14 (11) one member representing a local government, appointed by the Coalition of Greater  
184.15 Minnesota Cities;

184.16 (12) one member representing a local government in the seven-county metropolitan area,  
184.17 appointed by the League of Minnesota Cities;

184.18 (13) one member of the house of representatives and one member of the senate, appointed  
184.19 according to subdivision 2; and

184.20 (14) the commissioner of health and commissioner of public safety or their designees  
184.21 as ex officio members.

184.22 Subd. 2. **Legislative members.** The speaker of the house must appoint one member of  
184.23 the house of representatives to serve on the advisory council and the senate majority leader  
184.24 must appoint one member of the senate to serve on the advisory council. Legislative members  
184.25 appointed under this subdivision serve until successors are appointed. Legislative members  
184.26 may receive per diem compensation and reimbursement for expenses according to the rules  
184.27 of their respective bodies.

184.28 Subd. 3. **Terms, compensation, removal, vacancies, and expiration.** Compensation  
184.29 and reimbursement for expenses for members appointed under subdivision 1, clauses (1)  
184.30 to (12); removal of members; filling of vacancies of members; and, except for initial  
184.31 appointments, membership terms are governed by section 15.059. Notwithstanding section  
184.32 15.059, subdivision 6, the advisory council does not expire.



185.1 Subd. 4. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair  
185.2 from among its membership and may elect other officers as the advisory council deems  
185.3 necessary.

185.4 (b) The advisory council must meet quarterly or at the call of the chair.

185.5 (c) Meetings of the advisory council are subject to chapter 13D.

185.6 Subd. 5. **Duties.** The advisory council must review and make recommendations to the  
185.7 director and the deputy director of ambulance services on the administration of this chapter;  
185.8 the regulation of ambulance services and medical response units; the operation of the  
185.9 emergency medical services system in the state; and other topics as directed by the director.

185.10 **EFFECTIVE DATE.** This section is effective January 1, 2025.

185.11 Sec. 12. **[144E.035] EMERGENCY MEDICAL SERVICES PHYSICIAN ADVISORY**  
185.12 **COUNCIL.**

185.13 Subdivision 1. **Establishment; membership.** The Emergency Medical Services Physician  
185.14 Advisory Council is established and consists of the following members:

185.15 (1) eight physicians who meet the qualifications for medical directors in section 144E.265,  
185.16 subdivision 1, with one physician appointed by each of the regional emergency services  
185.17 boards of the designated regional emergency medical services systems;

185.18 (2) one physician who meets the qualifications for medical directors in section 144E.265,  
185.19 subdivision 1, appointed by the Minnesota State Fire Chiefs Association;

185.20 (3) one physician who is board-certified in pediatrics, appointed by the Minnesota  
185.21 Emergency Medical Services for Children program; and

185.22 (4) the medical director member of the Emergency Medical Services Advisory Council  
185.23 appointed under section 144E.03, subdivision 1, clause (3).

185.24 Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation  
185.25 and reimbursement for expenses, removal of members, filling of vacancies of members,  
185.26 and, except for initial appointments, membership terms are governed by section 15.059.  
185.27 Notwithstanding section 15.059, subdivision 6, the advisory council shall not expire.

185.28 Subd. 3. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair  
185.29 from among its membership and may elect other officers as it deems necessary.

185.30 (b) The advisory council must meet twice per year or upon the call of the chair.

185.31 (c) Meetings of the advisory council are subject to chapter 13D.

186.1 Subd. 4. **Duties.** The advisory council must:

186.2 (1) review and make recommendations to the director and deputy director of medical  
186.3 services on clinical aspects of prehospital medical care. In doing so, the advisory council  
186.4 must incorporate information from medical literature, advances in bedside clinical practice,  
186.5 and advisory council member experience; and

186.6 (2) serve as subject matter experts for the director and deputy director of medical services  
186.7 on evolving topics in clinical medicine, including but not limited to infectious disease,  
186.8 pharmaceutical and equipment shortages, and implementation of new therapeutics.

186.9 **EFFECTIVE DATE.** This section is effective January 1, 2025.

186.10 Sec. 13. **[144E.04] LABOR AND EMERGENCY MEDICAL SERVICE PROVIDERS**  
186.11 **ADVISORY COUNCIL.**

186.12 Subdivision 1. **Establishment; membership.** The Labor and Emergency Medical Service  
186.13 Providers Advisory Council is established and consists of the following members:

186.14 (1) one emergency medical service provider of any type from each of the designated  
186.15 regional emergency medical services systems, appointed by their respective regional  
186.16 emergency services boards;

186.17 (2) one emergency medical technician instructor, appointed by an employee organization  
186.18 representing emergency medical service providers;

186.19 (3) two members with experience working as an employee organization representative  
186.20 representing emergency medical service providers, appointed by an employee organization  
186.21 representing emergency medical service providers;

186.22 (4) one emergency medical service provider based in a fire department, appointed jointly  
186.23 by the Minnesota State Fire Chiefs Association and the Minnesota Professional Fire Fighters  
186.24 Association; and

186.25 (5) one emergency medical service provider not based in a fire department, appointed  
186.26 by the League of Minnesota Cities.

186.27 Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation  
186.28 and reimbursement for expenses for members appointed under subdivision 1; removal of  
186.29 members; filling of vacancies of members; and, except for initial appointments, membership  
186.30 terms are governed by section 15.059. Notwithstanding section 15.059, subdivision 6, the  
186.31 Labor and Emergency Medical Service Providers Advisory Council does not expire.

187.1 Subd. 3. **Officers; meetings.** (a) The Labor and Emergency Medical Service Providers  
187.2 Advisory Council must elect a chair and vice-chair from among its membership and may  
187.3 elect other officers as the advisory council deems necessary.

187.4 (b) The Labor and Emergency Medical Service Providers Advisory Council must meet  
187.5 quarterly or at the call of the chair.

187.6 (c) Meetings of the Labor and Emergency Medical Service Providers Advisory Council  
187.7 are subject to chapter 13D.

187.8 Subd. 4. **Duties.** The Labor and Emergency Medical Service Providers Advisory Council  
187.9 must review and make recommendations to the director and deputy director of emergency  
187.10 medical service providers on the laws, rules, and policies assigned to the Emergency Medical  
187.11 Service Providers Division and other topics as directed by the director.

187.12 **EFFECTIVE DATE.** This section is effective January 1, 2025.

187.13 Sec. 14. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 6, is amended  
187.14 to read:

187.15 Subd. 6. **Basic life support.** (a) Except as provided in paragraph (f) or subdivision 6a,  
187.16 a basic life-support ambulance shall be staffed by at least two EMTs, ~~one of whom~~ individuals  
187.17 who meet one of the following requirements: (1) are certified as an EMT; (2) are a Minnesota  
187.18 registered nurse who meets the qualification requirements in section 144E.001, subdivision  
187.19 3a, clause (2); or (3) are a Minnesota licensed physician assistant who meets the qualification  
187.20 requirements in section 144E.001, subdivision 3a, clause (3). One of the individuals staffing  
187.21 a basic life-support ambulance must accompany the patient and provide a level of care so  
187.22 as to ensure that:

187.23 ~~(1)~~ (i) life-threatening situations and potentially serious injuries are recognized;

187.24 ~~(2)~~ (ii) patients are protected from additional hazards;

187.25 ~~(3)~~ (iii) basic treatment to reduce the seriousness of emergency situations is administered;

187.26 and

187.27 ~~(4)~~ (iv) patients are transported to an appropriate medical facility for treatment.

187.28 (b) A basic life-support service shall provide basic airway management.

187.29 (c) A basic life-support service shall provide automatic defibrillation.

187.30 (d) A basic life-support service shall administer opiate antagonists consistent with  
187.31 protocols established by the service's medical director.

188.1 (e) A basic life-support service licensee's medical director may authorize ambulance  
188.2 service personnel to perform intravenous infusion and use equipment that is within the  
188.3 licensure level of the ambulance service. Ambulance service personnel must be properly  
188.4 trained. Documentation of authorization for use, guidelines for use, continuing education,  
188.5 and skill verification must be maintained in the licensee's files.

188.6 (f) For emergency ambulance calls and interfacility transfers, an ambulance service may  
188.7 staff its basic life-support ambulances with one EMT individual who meets the qualification  
188.8 requirements in paragraph (a), who must accompany the patient, and one registered  
188.9 emergency medical responder driver. ~~For purposes of this paragraph, "ambulance service"~~  
188.10 ~~means either an ambulance service whose primary service area is mainly located outside~~  
188.11 ~~the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of~~  
188.12 ~~Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or an ambulance service based in~~  
188.13 ~~a community with a population of less than 2,500.~~

188.14 (g) In order for a registered nurse to staff a basic life-support ambulance as a driver, the  
188.15 registered nurse must have successfully completed a certified emergency vehicle operators  
188.16 program.

188.17 Sec. 15. Minnesota Statutes 2022, section 144E.101, is amended by adding a subdivision  
188.18 to read:

188.19 Subd. 6a. Variance; staffing of basic life-support ambulance. (a) Upon application  
188.20 from an ambulance service that includes evidence demonstrating hardship, the board may  
188.21 grant a variance from the staff requirements in subdivision 6, paragraph (a), and may  
188.22 authorize a basic life-support ambulance to be staffed, for all emergency calls and interfacility  
188.23 transfers, with one individual who meets the qualification requirements in paragraph (b) to  
188.24 drive the ambulance and one individual who meets the qualification requirements in  
188.25 subdivision 6, paragraph (a), and who must accompany the patient. The variance shall apply  
188.26 to basic life-support ambulances until the ambulance service renews its license. When the  
188.27 variance expires, the ambulance service may apply for a new variance under this subdivision.

188.28 (b) In order to drive an ambulance under a variance granted under this subdivision, an  
188.29 individual must:

188.30 (1) hold a valid driver's license from any state;

188.31 (2) have attended an emergency vehicle driving course approved by the ambulance  
188.32 service;

189.1 (3) have completed a course on cardiopulmonary resuscitation approved by the ambulance  
189.2 service; and

189.3 (4) register with the board according to a process established by the board.

189.4 (c) If an individual serving as a driver under this subdivision commits or has a record  
189.5 of committing an act listed in section 144E.27, subdivision 5, paragraph (a), the board may  
189.6 temporarily suspend or prohibit the individual from driving an ambulance or place conditions  
189.7 on the individual's ability to drive an ambulance using the procedures and authority in  
189.8 section 144E.27, subdivisions 5 and 6.

189.9 Sec. 16. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 7, is amended  
189.10 to read:

189.11 Subd. 7. **Advanced life support.** (a) Except as provided in paragraphs (f) and (g), an  
189.12 advanced life-support ambulance shall be staffed by at least:

189.13 (1) one EMT or one AEMT and one paramedic;

189.14 (2) one EMT or one AEMT and one registered nurse who: (i) is an EMT or an AEMT,  
189.15 is currently practicing nursing, and has passed a paramedic practical skills test approved by  
189.16 the board and administered by an education program has been approved by the ambulance  
189.17 service medical director; or (ii) is certified as a certified flight registered nurse or certified  
189.18 emergency nurse; or

189.19 (3) one EMT or one AEMT and one physician assistant who is an EMT or an AEMT,  
189.20 is currently practicing as a physician assistant, and ~~has passed a paramedic practical skills~~  
189.21 ~~test approved by the board and administered by an education program~~ has been approved  
189.22 by the ambulance service medical director.

189.23 (b) An advanced life-support service shall provide basic life support, as specified under  
189.24 subdivision 6, paragraph (a), advanced airway management, manual defibrillation,  
189.25 administration of intravenous fluids and pharmaceuticals, and administration of opiate  
189.26 antagonists.

189.27 (c) In addition to providing advanced life support, an advanced life-support service may  
189.28 staff additional ambulances to provide basic life support according to subdivision 6 and  
189.29 section 144E.103, subdivision 1.

189.30 (d) An ambulance service providing advanced life support shall have a written agreement  
189.31 with its medical director to ensure medical control for patient care 24 hours a day, seven

190.1 days a week. The terms of the agreement shall include a written policy on the administration  
190.2 of medical control for the service. The policy shall address the following issues:

190.3 (1) two-way communication for physician direction of ambulance service personnel;

190.4 (2) patient triage, treatment, and transport;

190.5 (3) use of standing orders; and

190.6 (4) the means by which medical control will be provided 24 hours a day.

190.7 The agreement shall be signed by the licensee's medical director and the licensee or the  
190.8 licensee's designee and maintained in the files of the licensee.

190.9 (e) When an ambulance service provides advanced life support, the authority of a  
190.10 paramedic, Minnesota registered nurse-EMT, or Minnesota registered physician  
190.11 assistant-EMT to determine the delivery of patient care prevails over the authority of an  
190.12 EMT.

190.13 (f) Upon application from an ambulance service that includes evidence demonstrating  
190.14 hardship, the board may grant a variance from the staff requirements in paragraph (a), clause  
190.15 (1), and may authorize an advanced life-support ambulance to be staffed by a registered  
190.16 emergency medical responder driver with a paramedic for all emergency calls and interfacility  
190.17 transfers. The variance shall apply to advanced life-support ambulance services until the  
190.18 ambulance service renews its license. When the variance expires, an ambulance service  
190.19 may apply for a new variance under this paragraph. ~~This paragraph applies only to an  
190.20 ambulance service whose primary service area is mainly located outside the metropolitan  
190.21 counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato,  
190.22 Moorhead, Rochester, and St. Cloud, or an ambulance based in a community with a  
190.23 population of less than 1,000 persons.~~

190.24 (g) After an initial emergency ambulance call, each subsequent emergency ambulance  
190.25 response, until the initial ambulance is again available, and interfacility transfers, may be  
190.26 staffed by one registered emergency medical responder driver and an EMT or paramedic.  
190.27 ~~This paragraph applies only to an ambulance service whose primary service area is mainly  
190.28 located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside  
190.29 the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance based  
190.30 in a community with a population of less than 1,000 persons.~~

190.31 (h) In order for a registered nurse to staff an advanced life-support ambulance as a driver,  
190.32 the registered nurse must have successfully completed a certified emergency vehicle operators  
190.33 program.

191.1 Sec. 17. Minnesota Statutes 2022, section 144E.16, subdivision 5, is amended to read:

191.2 Subd. 5. **Local government's powers.** (a) Local units of government may, with the  
191.3 approval of the ~~board~~ director, establish standards for ambulance services which impose  
191.4 additional requirements upon such services. Local units of government intending to impose  
191.5 additional requirements shall consider whether any benefit accruing to the public health  
191.6 would outweigh the costs associated with the additional requirements.

191.7 (b) Local units of government that desire to impose additional requirements shall, prior  
191.8 to adoption of relevant ordinances, rules, or regulations, furnish the ~~board~~ director with a  
191.9 copy of the proposed ordinances, rules, or regulations, along with information that  
191.10 affirmatively substantiates that the proposed ordinances, rules, or regulations:

191.11 (1) will in no way conflict with the relevant rules of the ~~board~~ office;

191.12 (2) will establish additional requirements tending to protect the public health;

191.13 (3) will not diminish public access to ambulance services of acceptable quality; and

191.14 (4) will not interfere with the orderly development of regional systems of emergency  
191.15 medical care.

191.16 (c) The ~~board~~ director shall base any decision to approve or disapprove local standards  
191.17 upon whether or not the local unit of government in question has affirmatively substantiated  
191.18 that the proposed ordinances, rules, or regulations meet the criteria specified in paragraph  
191.19 (b).

191.20 **EFFECTIVE DATE.** This section is effective January 1, 2025.

191.21 Sec. 18. Minnesota Statutes 2022, section 144E.19, subdivision 3, is amended to read:

191.22 Subd. 3. **Temporary suspension.** (a) In addition to any other remedy provided by law,  
191.23 the ~~board~~ director may temporarily suspend the license of a licensee after conducting a  
191.24 preliminary inquiry to determine whether the ~~board~~ director believes that the licensee has  
191.25 violated a statute or rule that the ~~board~~ director is empowered to enforce and determining  
191.26 that the continued provision of service by the licensee would create an imminent risk to  
191.27 public health or harm to others.

191.28 (b) A temporary suspension order prohibiting a licensee from providing ambulance  
191.29 service shall give notice of the right to a preliminary hearing according to paragraph (d)  
191.30 and shall state the reasons for the entry of the temporary suspension order.

192.1 (c) Service of a temporary suspension order is effective when the order is served on the  
192.2 licensee personally or by certified mail, which is complete upon receipt, refusal, or return  
192.3 for nondelivery to the most recent address provided to the ~~board~~ director for the licensee.

192.4 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director  
192.5 shall schedule a hearing, ~~to be held before a group of its members designated by the board,~~  
192.6 that shall begin within 60 days after issuance of the temporary suspension order or within  
192.7 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from  
192.8 a licensee, whichever is sooner. The hearing shall be on the sole issue of whether there is  
192.9 a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under  
192.10 this paragraph is not subject to chapter 14.

192.11 (e) Evidence presented by the ~~board~~ director or licensee may be in the form of an affidavit.  
192.12 The licensee or the licensee's designee may appear for oral argument.

192.13 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,  
192.14 if the suspension is continued, notify the licensee of the right to a contested case hearing  
192.15 under chapter 14.

192.16 (g) If a licensee requests a contested case hearing within 30 days after receiving notice  
192.17 under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to  
192.18 chapter 14. The administrative law judge shall issue a report and recommendation within  
192.19 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue  
192.20 a final order within 30 days after receipt of the administrative law judge's report.

192.21 **EFFECTIVE DATE.** This section is effective January 1, 2025.

192.22 Sec. 19. Minnesota Statutes 2022, section 144E.27, subdivision 3, is amended to read:

192.23 Subd. 3. **Renewal.** (a) The board may renew the registration of an emergency medical  
192.24 responder who:

192.25 (1) successfully completes a board-approved refresher course; ~~and~~

192.26 (2) successfully completes a course in cardiopulmonary resuscitation approved by the  
192.27 board or by the licensee's medical director. This course may be a component of a  
192.28 board-approved refresher course; and

192.29 ~~(2)~~ (3) submits a completed renewal application to the board before the registration  
192.30 expiration date.

192.31 (b) The board may renew the lapsed registration of an emergency medical responder  
192.32 who:



- 193.1 (1) successfully completes a board-approved refresher course; ~~and~~
- 193.2 (2) successfully completes a course in cardiopulmonary resuscitation approved by the
- 193.3 board or by the licensee's medical director. This course may be a component of a
- 193.4 board-approved refresher course; and
- 193.5 ~~(2)~~ (3) submits a completed renewal application to the board within ~~12~~ 48 months after
- 193.6 the registration expiration date.
- 193.7 Sec. 20. Minnesota Statutes 2022, section 144E.27, subdivision 5, is amended to read:
- 193.8 Subd. 5. **Denial, suspension, revocation.** (a) The ~~board~~ director may deny, suspend,
- 193.9 revoke, place conditions on, or refuse to renew the registration of an individual who the
- 193.10 ~~board~~ director determines:
- 193.11 (1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, an
- 193.12 agreement for corrective action, or an order that the ~~board~~ director issued or is otherwise
- 193.13 empowered to enforce;
- 193.14 (2) misrepresents or falsifies information on an application form for registration;
- 193.15 (3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor
- 193.16 relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any
- 193.17 misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or
- 193.18 alcohol;
- 193.19 (4) is actually or potentially unable to provide emergency medical services with
- 193.20 reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals,
- 193.21 or any other material, or as a result of any mental or physical condition;
- 193.22 (5) engages in unethical conduct, including, but not limited to, conduct likely to deceive,
- 193.23 defraud, or harm the public, or demonstrating a willful or careless disregard for the health,
- 193.24 welfare, or safety of the public;
- 193.25 (6) maltreats or abandons a patient;
- 193.26 (7) violates any state or federal controlled substance law;
- 193.27 (8) engages in unprofessional conduct or any other conduct which has the potential for
- 193.28 causing harm to the public, including any departure from or failure to conform to the
- 193.29 minimum standards of acceptable and prevailing practice without actual injury having to
- 193.30 be established;
- 193.31 (9) provides emergency medical services under lapsed or nonrenewed credentials;

194.1 (10) is subject to a denial, corrective, disciplinary, or other similar action in another  
194.2 jurisdiction or by another regulatory authority;

194.3 (11) engages in conduct with a patient that is sexual or may reasonably be interpreted  
194.4 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning  
194.5 to a patient; ~~or~~

194.6 (12) makes a false statement or knowingly provides false information to the ~~board~~  
194.7 director, or fails to cooperate with an investigation of the ~~board~~ director as required by  
194.8 section 144E.30.; or

194.9 (13) fails to engage with the health professionals services program or diversion program  
194.10 required under section 144E.287 after being referred to the program, violates the terms of  
194.11 the program participation agreement, or leaves the program except upon fulfilling the terms  
194.12 for successful completion of the program as set forth in the participation agreement.

194.13 (b) Before taking action under paragraph (a), the ~~board~~ director shall give notice to an  
194.14 individual of the right to a contested case hearing under chapter 14. If an individual requests  
194.15 a contested case hearing within 30 days after receiving notice, the ~~board~~ director shall initiate  
194.16 a contested case hearing according to chapter 14.

194.17 (c) The administrative law judge shall issue a report and recommendation within 30  
194.18 days after closing the contested case hearing record. The ~~board~~ director shall issue a final  
194.19 order within 30 days after receipt of the administrative law judge's report.

194.20 (d) After six months from the ~~board's~~ director's decision to deny, revoke, place conditions  
194.21 on, or refuse renewal of an individual's registration for disciplinary action, the individual  
194.22 shall have the opportunity to apply to the ~~board~~ director for reinstatement.

194.23 **EFFECTIVE DATE.** This section is effective January 1, 2025.

194.24 Sec. 21. Minnesota Statutes 2022, section 144E.27, subdivision 5, is amended to read:

194.25 Subd. 5. **Denial, suspension, revocation; emergency medical responders and**  
194.26 **drivers.** (a) This subdivision applies to individuals seeking registration or registered as an  
194.27 emergency medical responder and to individuals seeking registration or registered as a driver  
194.28 of a basic life-support ambulance under section 144E.101, subdivision 6a. The board may  
194.29 deny, suspend, revoke, place conditions on, or refuse to renew the registration of an individual  
194.30 who the board determines:

195.1 (1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, an  
195.2 agreement for corrective action, or an order that the board issued or is otherwise empowered  
195.3 to enforce;

195.4 (2) misrepresents or falsifies information on an application form for registration;

195.5 (3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor  
195.6 relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any  
195.7 misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or  
195.8 alcohol;

195.9 (4) is actually or potentially unable to provide emergency medical services or drive an  
195.10 ambulance with reasonable skill and safety to patients by reason of illness, use of alcohol,  
195.11 drugs, chemicals, or any other material, or as a result of any mental or physical condition;

195.12 (5) engages in unethical conduct, including, but not limited to, conduct likely to deceive,  
195.13 defraud, or harm the public, or demonstrating a willful or careless disregard for the health,  
195.14 welfare, or safety of the public;

195.15 (6) maltreats or abandons a patient;

195.16 (7) violates any state or federal controlled substance law;

195.17 (8) engages in unprofessional conduct or any other conduct which has the potential for  
195.18 causing harm to the public, including any departure from or failure to conform to the  
195.19 minimum standards of acceptable and prevailing practice without actual injury having to  
195.20 be established;

195.21 (9) for emergency medical responders, provides emergency medical services under  
195.22 lapsed or nonrenewed credentials;

195.23 (10) is subject to a denial, corrective, disciplinary, or other similar action in another  
195.24 jurisdiction or by another regulatory authority;

195.25 (11) engages in conduct with a patient that is sexual or may reasonably be interpreted  
195.26 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning  
195.27 to a patient; or

195.28 (12) makes a false statement or knowingly provides false information to the board, or  
195.29 fails to cooperate with an investigation of the board as required by section 144E.30.

195.30 (b) Before taking action under paragraph (a), the board shall give notice to an individual  
195.31 of the right to a contested case hearing under chapter 14. If an individual requests a contested

196.1 case hearing within 30 days after receiving notice, the board shall initiate a contested case  
196.2 hearing according to chapter 14.

196.3 (c) The administrative law judge shall issue a report and recommendation within 30  
196.4 days after closing the contested case hearing record. The board shall issue a final order  
196.5 within 30 days after receipt of the administrative law judge's report.

196.6 (d) After six months from the board's decision to deny, revoke, place conditions on, or  
196.7 refuse renewal of an individual's registration for disciplinary action, the individual shall  
196.8 have the opportunity to apply to the board for reinstatement.

196.9 Sec. 22. Minnesota Statutes 2022, section 144E.27, subdivision 6, is amended to read:

196.10 Subd. 6. **Temporary suspension; emergency medical responders and drivers.** (a)  
196.11 This subdivision applies to emergency medical responders registered under this section and  
196.12 to individuals registered as drivers of basic life-support ambulances under section 144E.101,  
196.13 subdivision 6a. In addition to any other remedy provided by law, the board may temporarily  
196.14 suspend the registration of an individual after conducting a preliminary inquiry to determine  
196.15 whether the board believes that the individual has violated a statute or rule that the board  
196.16 is empowered to enforce and determining that the continued provision of service by the  
196.17 individual would create an imminent risk to public health or harm to others.

196.18 (b) A temporary suspension order prohibiting an individual from providing emergency  
196.19 medical care or from driving a basic life-support ambulance shall give notice of the right  
196.20 to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry  
196.21 of the temporary suspension order.

196.22 (c) Service of a temporary suspension order is effective when the order is served on the  
196.23 individual personally or by certified mail, which is complete upon receipt, refusal, or return  
196.24 for nondelivery to the most recent address provided to the board for the individual.

196.25 (d) At the time the board issues a temporary suspension order, the board shall schedule  
196.26 a hearing, to be held before a group of its members designated by the board, that shall begin  
196.27 within 60 days after issuance of the temporary suspension order or within 15 working days  
196.28 of the date of the board's receipt of a request for a hearing from the individual, whichever  
196.29 is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to  
196.30 continue, modify, or lift the temporary suspension. A hearing under this paragraph is not  
196.31 subject to chapter 14.

196.32 (e) Evidence presented by the board or the individual may be in the form of an affidavit.  
196.33 The individual or the individual's designee may appear for oral argument.

197.1 (f) Within five working days of the hearing, the board shall issue its order and, if the  
197.2 suspension is continued, notify the individual of the right to a contested case hearing under  
197.3 chapter 14.

197.4 (g) If an individual requests a contested case hearing within 30 days after receiving  
197.5 notice under paragraph (f), the board shall initiate a contested case hearing according to  
197.6 chapter 14. The administrative law judge shall issue a report and recommendation within  
197.7 30 days after the closing of the contested case hearing record. The board shall issue a final  
197.8 order within 30 days after receipt of the administrative law judge's report.

197.9 Sec. 23. Minnesota Statutes 2022, section 144E.28, subdivision 3, is amended to read:

197.10 Subd. 3. **Reciprocity.** The board may certify an individual who possesses a current  
197.11 National Registry of Emergency Medical Technicians ~~registration~~ certification from another  
197.12 jurisdiction if the individual submits a board-approved application form. The board  
197.13 certification classification shall be the same as the National Registry's classification.  
197.14 Certification shall be for the duration of the applicant's ~~registration~~ certification period in  
197.15 another jurisdiction, not to exceed two years.

197.16 Sec. 24. Minnesota Statutes 2022, section 144E.28, subdivision 5, is amended to read:

197.17 Subd. 5. **Denial, suspension, revocation.** (a) The ~~board~~ director may deny certification  
197.18 or take any action authorized in subdivision 4 against an individual who the ~~board~~ director  
197.19 determines:

197.20 (1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, or  
197.21 an order that the ~~board~~ director issued or is otherwise authorized or empowered to enforce,  
197.22 or agreement for corrective action;

197.23 (2) misrepresents or falsifies information on an application form for certification;

197.24 (3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor  
197.25 relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any  
197.26 misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or  
197.27 alcohol;

197.28 (4) is actually or potentially unable to provide emergency medical services with  
197.29 reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals,  
197.30 or any other material, or as a result of any mental or physical condition;

198.1 (5) engages in unethical conduct, including, but not limited to, conduct likely to deceive,  
198.2 defraud, or harm the public or demonstrating a willful or careless disregard for the health,  
198.3 welfare, or safety of the public;

198.4 (6) maltreats or abandons a patient;

198.5 (7) violates any state or federal controlled substance law;

198.6 (8) engages in unprofessional conduct or any other conduct which has the potential for  
198.7 causing harm to the public, including any departure from or failure to conform to the  
198.8 minimum standards of acceptable and prevailing practice without actual injury having to  
198.9 be established;

198.10 (9) provides emergency medical services under lapsed or nonrenewed credentials;

198.11 (10) is subject to a denial, corrective, disciplinary, or other similar action in another  
198.12 jurisdiction or by another regulatory authority;

198.13 (11) engages in conduct with a patient that is sexual or may reasonably be interpreted  
198.14 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning  
198.15 to a patient; or

198.16 (12) makes a false statement or knowingly provides false information to the ~~board~~ director  
198.17 or fails to cooperate with an investigation of the ~~board~~ director as required by section  
198.18 144E.30; or

198.19 (13) fails to engage with the health professionals services program or diversion program  
198.20 required under section 144E.287 after being referred to the program, violates the terms of  
198.21 the program participation agreement, or leaves the program except upon fulfilling the terms  
198.22 for successful completion of the program as set forth in the participation agreement.

198.23 (b) Before taking action under paragraph (a), the ~~board~~ director shall give notice to an  
198.24 individual of the right to a contested case hearing under chapter 14. If an individual requests  
198.25 a contested case hearing within 30 days after receiving notice, the ~~board~~ director shall initiate  
198.26 a contested case hearing according to chapter 14 and no disciplinary action shall be taken  
198.27 at that time.

198.28 (c) The administrative law judge shall issue a report and recommendation within 30  
198.29 days after closing the contested case hearing record. The ~~board~~ director shall issue a final  
198.30 order within 30 days after receipt of the administrative law judge's report.

199.1 (d) After six months from the ~~board's~~ director's decision to deny, revoke, place conditions  
199.2 on, or refuse renewal of an individual's certification for disciplinary action, the individual  
199.3 shall have the opportunity to apply to the ~~board~~ director for reinstatement.

199.4 **EFFECTIVE DATE.** This section is effective January 1, 2025.

199.5 Sec. 25. Minnesota Statutes 2022, section 144E.28, subdivision 6, is amended to read:

199.6 Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law,  
199.7 the ~~board~~ director may temporarily suspend the certification of an individual after conducting  
199.8 a preliminary inquiry to determine whether the ~~board~~ director believes that the individual  
199.9 has violated a statute or rule that the ~~board~~ director is empowered to enforce and determining  
199.10 that the continued provision of service by the individual would create an imminent risk to  
199.11 public health or harm to others.

199.12 (b) A temporary suspension order prohibiting an individual from providing emergency  
199.13 medical care shall give notice of the right to a preliminary hearing according to paragraph  
199.14 (d) and shall state the reasons for the entry of the temporary suspension order.

199.15 (c) Service of a temporary suspension order is effective when the order is served on the  
199.16 individual personally or by certified mail, which is complete upon receipt, refusal, or return  
199.17 for nondelivery to the most recent address provided to the ~~board~~ director for the individual.

199.18 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director  
199.19 shall schedule a hearing, ~~to be held before a group of its members designated by the board,~~  
199.20 that shall begin within 60 days after issuance of the temporary suspension order or within  
199.21 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from  
199.22 the individual, whichever is sooner. The hearing shall be on the sole issue of whether there  
199.23 is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under  
199.24 this paragraph is not subject to chapter 14.

199.25 (e) Evidence presented by the ~~board~~ director or the individual may be in the form of an  
199.26 affidavit. The individual or individual's designee may appear for oral argument.

199.27 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,  
199.28 if the suspension is continued, notify the individual of the right to a contested case hearing  
199.29 under chapter 14.

199.30 (g) If an individual requests a contested case hearing within 30 days of receiving notice  
199.31 under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to  
199.32 chapter 14. The administrative law judge shall issue a report and recommendation within

200.1 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue  
200.2 a final order within 30 days after receipt of the administrative law judge's report.

200.3 **EFFECTIVE DATE.** This section is effective January 1, 2025.

200.4 Sec. 26. Minnesota Statutes 2022, section 144E.28, subdivision 8, is amended to read:

200.5 Subd. 8. **Reinstatement.** (a) Within four years of a certification expiration date, a person  
200.6 whose certification has expired under subdivision 7, paragraph (d), may have the certification  
200.7 reinstated upon submission of:

200.8 (1) evidence to the board of training equivalent to the continuing education requirements  
200.9 of subdivision 7 or, for community paramedics, evidence to the board of training equivalent  
200.10 to the continuing education requirements of subdivision 9, paragraph (c); and

200.11 (2) a board-approved application form.

200.12 (b) If more than four years have passed since a certificate expiration date, an applicant  
200.13 must complete the initial certification process required under subdivision 1.

200.14 (c) Beginning July 1, 2024, through December 31, 2025, and notwithstanding paragraph  
200.15 (b), a person whose certification as an EMT, AEMT, paramedic, or community paramedic  
200.16 expired more than four years ago but less than ten years ago may have the certification  
200.17 reinstated upon submission of:

200.18 (1) evidence to the board of the training required under paragraph (a), clause (1). This  
200.19 training must have been completed within the 24 months prior to the date of the application  
200.20 for reinstatement;

200.21 (2) a board-approved application form; and

200.22 (3) a recommendation from an ambulance service medical director.

200.23 This paragraph expires December 31, 2025.

200.24 Sec. 27. Minnesota Statutes 2022, section 144E.285, subdivision 1, is amended to read:

200.25 Subdivision 1. **Approval required.** (a) All education programs for an EMR, EMT,  
200.26 AEMT, or paramedic must be approved by the board.

200.27 (b) To be approved by the board, an education program must:

200.28 (1) submit an application prescribed by the board that includes:

200.29 (i) type ~~and length~~ of course to be offered;



- 201.1 (ii) names, addresses, and qualifications of the program medical director, program  
201.2 education coordinator, and instructors;
- 201.3 ~~(iii) names and addresses of clinical sites, including a contact person and telephone~~  
201.4 ~~number;~~
- 201.5 ~~(iv)~~ (iii) admission criteria for students; and
- 201.6 ~~(v)~~ (iv) materials and equipment to be used;
- 201.7 (2) for each course, implement the most current version of the United States Department  
201.8 of Transportation EMS Education Standards, or its equivalent as determined by the board  
201.9 applicable to EMR, EMT, AEMT, or paramedic education;
- 201.10 (3) have a program medical director and a program coordinator;
- 201.11 (4) utilize instructors who meet the requirements of section 144E.283 for teaching at  
201.12 least 50 percent of the course content. The remaining 50 percent of the course may be taught  
201.13 by guest lecturers approved by the education program coordinator or medical director;
- 201.14 ~~(5) have at least one instructor for every ten students at the practical skill stations;~~
- 201.15 ~~(6) maintain a written agreement with a licensed hospital or licensed ambulance service~~  
201.16 ~~designating a clinical training site;~~
- 201.17 ~~(7)~~ (5) retain documentation of program approval by the board, course outline, and  
201.18 student information;
- 201.19 ~~(8)~~ (6) notify the board of the starting date of a course prior to the beginning of a course;  
201.20 and
- 201.21 ~~(9)~~ (7) submit the appropriate fee as required under section 144E.29; and.
- 201.22 ~~(10) maintain a minimum average yearly pass rate as set by the board on an annual basis.~~  
201.23 ~~The pass rate will be determined by the percent of candidates who pass the exam on the~~  
201.24 ~~first attempt. An education program not meeting this yearly standard shall be placed on~~  
201.25 ~~probation and shall be on a performance improvement plan approved by the board until~~  
201.26 ~~meeting the pass rate standard. While on probation, the education program may continue~~  
201.27 ~~providing classes if meeting the terms of the performance improvement plan as determined~~  
201.28 ~~by the board. If an education program having probation status fails to meet the pass rate~~  
201.29 ~~standard after two years in which an EMT initial course has been taught, the board may~~  
201.30 ~~take disciplinary action under subdivision 5.~~

202.1 Sec. 28. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision  
202.2 to read:

202.3 Subd. 1a. **EMR education program requirements.** The National EMS Education  
202.4 Standards established by the National Highway Traffic Safety Administration of the United  
202.5 States Department of Transportation specify the minimum requirements for knowledge and  
202.6 skills for emergency medical responders. An education program applying for approval to  
202.7 teach EMRs must comply with the requirements under subdivision 1, paragraph (b). A  
202.8 medical director of an emergency medical responder group may establish additional  
202.9 knowledge and skill requirements for EMRs.

202.10 Sec. 29. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision  
202.11 to read:

202.12 Subd. 1b. **EMT education program requirements.** In addition to the requirements  
202.13 under subdivision 1, paragraph (b), an education program applying for approval to teach  
202.14 EMTs must:

202.15 (1) include in the application prescribed by the board, names and addresses of clinical  
202.16 sites, including a contact person and telephone number;

202.17 (2) maintain a written agreement with at least one clinical training site that is of a type  
202.18 recognized by the National EMS Education Standards established by the National Highway  
202.19 Traffic Safety Administration; and

202.20 (3) maintain a minimum average yearly pass rate as set by the board. An education  
202.21 program not meeting this standard shall be placed on probation and shall comply with a  
202.22 performance improvement plan approved by the board until the program meets the pass  
202.23 rate standard. While on probation, the education program may continue to provide classes  
202.24 if the program meets the terms of the performance improvement plan, as determined by the  
202.25 board. If an education program that is on probation status fails to meet the pass rate standard  
202.26 after two years in which an EMT initial course has been taught, the board may take  
202.27 disciplinary action under subdivision 5.

202.28 Sec. 30. Minnesota Statutes 2022, section 144E.285, subdivision 2, is amended to read:

202.29 Subd. 2. **AEMT and paramedic education program requirements.** (a) In addition to  
202.30 the requirements under subdivision 1, paragraph (b), an education program applying for  
202.31 approval to teach AEMTs and paramedics must:

203.1 (1) be administered by an educational institution accredited by the Commission of  
 203.2 Accreditation of Allied Health Education Programs (CAAHEP);

203.3 (2) include in the application prescribed by the board, names and addresses of clinical  
 203.4 sites, including a contact person and telephone number; and

203.5 (3) maintain a written agreement with a licensed hospital or licensed ambulance service  
 203.6 designating a clinical training site.

203.7 (b) An AEMT and paramedic education program that is administered by an educational  
 203.8 institution not accredited by CAAHEP, but that is in the process of completing the  
 203.9 accreditation process, may be granted provisional approval by the board upon verification  
 203.10 of submission of its self-study report and the appropriate review fee to CAAHEP.

203.11 (c) An educational institution that discontinues its participation in the accreditation  
 203.12 process must notify the board immediately and provisional approval shall be withdrawn.

203.13 ~~(d) This subdivision does not apply to a paramedic education program when the program~~  
 203.14 ~~is operated by an advanced life support ambulance service licensed by the Emergency~~  
 203.15 ~~Medical Services Regulatory Board under this chapter, and the ambulance service meets~~  
 203.16 ~~the following criteria:~~

203.17 ~~(1) covers a rural primary service area that does not contain a hospital within the primary~~  
 203.18 ~~service area or contains a hospital within the primary service area that has been designated~~  
 203.19 ~~as a critical access hospital under section 144.1483, clause (9);~~

203.20 ~~(2) has tax-exempt status in accordance with the Internal Revenue Code, section~~  
 203.21 ~~501(c)(3);~~

203.22 ~~(3) received approval before 1991 from the commissioner of health to operate a paramedic~~  
 203.23 ~~education program;~~

203.24 ~~(4) operates an AEMT and paramedic education program exclusively to train paramedics~~  
 203.25 ~~for the local ambulance service; and~~

203.26 ~~(5) limits enrollment in the AEMT and paramedic program to five candidates per~~  
 203.27 ~~biennium.~~

203.28 Sec. 31. Minnesota Statutes 2022, section 144E.285, subdivision 4, is amended to read:

203.29 Subd. 4. **Reapproval.** An education program shall apply to the board for reapproval at  
 203.30 least ~~three months~~ 30 days prior to the expiration date of its approval and must:

204.1 (1) submit an application prescribed by the board specifying any changes from the  
204.2 information provided for prior approval and any other information requested by the board  
204.3 to clarify incomplete or ambiguous information presented in the application; ~~and~~

204.4 (2) comply with the requirements under subdivision 1, paragraph (b), clauses (2) to ~~(10)~~.  
204.5 (7);

204.6 (3) be subject to a site visit by the board;

204.7 (4) for education programs that teach EMRs, comply with the requirements in subdivision  
204.8 1a;

204.9 (5) for education programs that teach EMTs, comply with the requirements in subdivision  
204.10 1b; and

204.11 (6) for education programs that teach AEMTs and paramedics, comply with the  
204.12 requirements in subdivision 2 and maintain accreditation with CAAHEP.

204.13 Sec. 32. Minnesota Statutes 2022, section 144E.285, subdivision 6, is amended to read:

204.14 Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law,  
204.15 the ~~board~~ director may temporarily suspend approval of the education program after  
204.16 conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the  
204.17 education program has violated a statute or rule that the ~~board~~ director is empowered to  
204.18 enforce and determining that the continued provision of service by the education program  
204.19 would create an imminent risk to public health or harm to others.

204.20 (b) A temporary suspension order prohibiting the education program from providing  
204.21 emergency medical care training shall give notice of the right to a preliminary hearing  
204.22 according to paragraph (d) and shall state the reasons for the entry of the temporary  
204.23 suspension order.

204.24 (c) Service of a temporary suspension order is effective when the order is served on the  
204.25 education program personally or by certified mail, which is complete upon receipt, refusal,  
204.26 or return for nondelivery to the most recent address provided to the ~~board~~ director for the  
204.27 education program.

204.28 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director  
204.29 shall schedule a hearing, ~~to be held before a group of its members designated by the board,~~  
204.30 that shall begin within 60 days after issuance of the temporary suspension order or within  
204.31 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from  
204.32 the education program, whichever is sooner. The hearing shall be on the sole issue of whether

205.1 there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing  
205.2 under this paragraph is not subject to chapter 14.

205.3 (e) Evidence presented by the ~~board~~ director or the individual may be in the form of an  
205.4 affidavit. The education program or counsel of record may appear for oral argument.

205.5 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,  
205.6 if the suspension is continued, notify the education program of the right to a contested case  
205.7 hearing under chapter 14.

205.8 (g) If an education program requests a contested case hearing within 30 days of receiving  
205.9 notice under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according  
205.10 to chapter 14. The administrative law judge shall issue a report and recommendation within  
205.11 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue  
205.12 a final order within 30 days after receipt of the administrative law judge's report.

205.13 **EFFECTIVE DATE.** This section is effective January 1, 2025.

205.14 Sec. 33. Minnesota Statutes 2022, section 144E.287, is amended to read:

205.15 **144E.287 DIVERSION PROGRAM.**

205.16 The ~~board~~ director shall either conduct a health professionals ~~service~~ services program  
205.17 ~~under sections 214.31 to 214.37~~ or contract for a diversion program ~~under section 214.28~~  
205.18 for professionals regulated ~~by the board~~ under this chapter who are unable to perform their  
205.19 duties with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals,  
205.20 or any other materials, or as a result of any mental, physical, or psychological condition.

205.21 **EFFECTIVE DATE.** This section is effective January 1, 2025.

205.22 Sec. 34. Minnesota Statutes 2022, section 144E.305, subdivision 3, is amended to read:

205.23 Subd. 3. **Immunity.** (a) An individual, licensee, health care facility, business, or  
205.24 organization is immune from civil liability or criminal prosecution for submitting in good  
205.25 faith a report to the ~~board~~ director under subdivision 1 or 2 or for otherwise reporting in  
205.26 good faith to the ~~board~~ director violations or alleged violations of sections 144E.001 to  
205.27 144E.33. Reports are classified as confidential data on individuals or protected nonpublic  
205.28 data under section 13.02 while an investigation is active. Except for the ~~board's~~ director's  
205.29 final determination, all communications or information received by or disclosed to the ~~board~~  
205.30 director relating to disciplinary matters of any person or entity subject to the ~~board's~~ director's  
205.31 regulatory jurisdiction are confidential and privileged and any disciplinary hearing shall be  
205.32 closed to the public.

206.1 (b) ~~Members of the board~~ The director, persons employed by the ~~board~~ director, persons  
206.2 engaged in the investigation of violations and in the preparation and management of charges  
206.3 of violations of sections 144E.001 to 144E.33 on behalf of the ~~board~~ director, and persons  
206.4 participating in the investigation regarding charges of violations are immune from civil  
206.5 liability and criminal prosecution for any actions, transactions, or publications, made in  
206.6 good faith, in the execution of, or relating to, their duties under sections 144E.001 to 144E.33.

206.7 (c) ~~For purposes of this section, a member of the board is considered a state employee~~  
206.8 ~~under section 3.736, subdivision 9.~~

206.9 **EFFECTIVE DATE.** This section is effective January 1, 2025.

206.10 Sec. 35. Minnesota Statutes 2023 Supplement, section 152.126, subdivision 6, is amended  
206.11 to read:

206.12 Subd. 6. **Access to reporting system data.** (a) Except as indicated in this subdivision,  
206.13 the data submitted to the board under subdivision 4 is private data on individuals as defined  
206.14 in section 13.02, subdivision 12, and not subject to public disclosure.

206.15 (b) Except as specified in subdivision 5, the following persons shall be considered  
206.16 permissible users and may access the data submitted under subdivision 4 in the same or  
206.17 similar manner, and for the same or similar purposes, as those persons who are authorized  
206.18 to access similar private data on individuals under federal and state law:

206.19 (1) a prescriber or an agent or employee of the prescriber to whom the prescriber has  
206.20 delegated the task of accessing the data, to the extent the information relates specifically to  
206.21 a current patient, to whom the prescriber is:

206.22 (i) prescribing or considering prescribing any controlled substance;

206.23 (ii) providing emergency medical treatment for which access to the data may be necessary;

206.24 (iii) providing care, and the prescriber has reason to believe, based on clinically valid  
206.25 indications, that the patient is potentially abusing a controlled substance; or

206.26 (iv) providing other medical treatment for which access to the data may be necessary  
206.27 for a clinically valid purpose and the patient has consented to access to the submitted data,  
206.28 and with the provision that the prescriber remains responsible for the use or misuse of data  
206.29 accessed by a delegated agent or employee;

206.30 (2) a dispenser or an agent or employee of the dispenser to whom the dispenser has  
206.31 delegated the task of accessing the data, to the extent the information relates specifically to  
206.32 a current patient to whom that dispenser is dispensing or considering dispensing any

207.1 controlled substance and with the provision that the dispenser remains responsible for the  
207.2 use or misuse of data accessed by a delegated agent or employee;

207.3 (3) a licensed dispensing practitioner or licensed pharmacist to the extent necessary to  
207.4 determine whether corrections made to the data reported under subdivision 4 are accurate;

207.5 (4) a licensed pharmacist who is providing pharmaceutical care for which access to the  
207.6 data may be necessary to the extent that the information relates specifically to a current  
207.7 patient for whom the pharmacist is providing pharmaceutical care: (i) if the patient has  
207.8 consented to access to the submitted data; or (ii) if the pharmacist is consulted by a prescriber  
207.9 who is requesting data in accordance with clause (1);

207.10 (5) an individual who is the recipient of a controlled substance prescription for which  
207.11 data was submitted under subdivision 4, or a guardian of the individual, parent or guardian  
207.12 of a minor, or health care agent of the individual acting under a health care directive under  
207.13 chapter 145C. For purposes of this clause, access by individuals includes persons in the  
207.14 definition of an individual under section 13.02;

207.15 (6) personnel or designees of a health-related licensing board listed in section 214.01,  
207.16 subdivision 2, or of the Office of Emergency Medical Services Regulatory Board, assigned  
207.17 to conduct a bona fide investigation of a complaint received by that board or office that  
207.18 alleges that a specific licensee is impaired by use of a drug for which data is collected under  
207.19 subdivision 4, has engaged in activity that would constitute a crime as defined in section  
207.20 152.025, or has engaged in the behavior specified in subdivision 5, paragraph (a);

207.21 (7) personnel of the board engaged in the collection, review, and analysis of controlled  
207.22 substance prescription information as part of the assigned duties and responsibilities under  
207.23 this section;

207.24 (8) authorized personnel under contract with the board, or under contract with the state  
207.25 of Minnesota and approved by the board, who are engaged in the design, evaluation,  
207.26 implementation, operation, or maintenance of the prescription monitoring program as part  
207.27 of the assigned duties and responsibilities of their employment, provided that access to data  
207.28 is limited to the minimum amount necessary to carry out such duties and responsibilities,  
207.29 and subject to the requirement of de-identification and time limit on retention of data specified  
207.30 in subdivision 5, paragraphs (d) and (e);

207.31 (9) federal, state, and local law enforcement authorities acting pursuant to a valid search  
207.32 warrant;

208.1 (10) personnel of the Minnesota health care programs assigned to use the data collected  
208.2 under this section to identify and manage recipients whose usage of controlled substances  
208.3 may warrant restriction to a single primary care provider, a single outpatient pharmacy, and  
208.4 a single hospital;

208.5 (11) personnel of the Department of Human Services assigned to access the data pursuant  
208.6 to paragraph (k);

208.7 (12) personnel of the health professionals services program established under section  
208.8 214.31, to the extent that the information relates specifically to an individual who is currently  
208.9 enrolled in and being monitored by the program, and the individual consents to access to  
208.10 that information. The health professionals services program personnel shall not provide this  
208.11 data to a health-related licensing board ~~or the Emergency Medical Services Regulatory~~  
208.12 ~~Board~~, except as permitted under section 214.33, subdivision 3;

208.13 (13) personnel or designees of a health-related licensing board other than the Board of  
208.14 Pharmacy listed in section 214.01, subdivision 2, assigned to conduct a bona fide  
208.15 investigation of a complaint received by that board that alleges that a specific licensee is  
208.16 inappropriately prescribing controlled substances as defined in this section. For the purposes  
208.17 of this clause, the health-related licensing board may also obtain utilization data; and

208.18 (14) personnel of the board specifically assigned to conduct a bona fide investigation  
208.19 of a specific licensee or registrant. For the purposes of this clause, the board may also obtain  
208.20 utilization data.

208.21 (c) By July 1, 2017, every prescriber licensed by a health-related licensing board listed  
208.22 in section 214.01, subdivision 2, practicing within this state who is authorized to prescribe  
208.23 controlled substances for humans and who holds a current registration issued by the federal  
208.24 Drug Enforcement Administration, and every pharmacist licensed by the board and practicing  
208.25 within the state, shall register and maintain a user account with the prescription monitoring  
208.26 program. Data submitted by a prescriber, pharmacist, or their delegate during the registration  
208.27 application process, other than their name, license number, and license type, is classified  
208.28 as private pursuant to section 13.02, subdivision 12.

208.29 (d) Notwithstanding paragraph (b), beginning January 1, 2021, a prescriber or an agent  
208.30 or employee of the prescriber to whom the prescriber has delegated the task of accessing  
208.31 the data, must access the data submitted under subdivision 4 to the extent the information  
208.32 relates specifically to the patient:

208.33 (1) before the prescriber issues an initial prescription order for a Schedules II through  
208.34 IV opiate controlled substance to the patient; and



209.1 (2) at least once every three months for patients receiving an opiate for treatment of  
209.2 chronic pain or participating in medically assisted treatment for an opioid addiction.

209.3 (e) Paragraph (d) does not apply if:

209.4 (1) the patient is receiving palliative care, or hospice or other end-of-life care;

209.5 (2) the patient is being treated for pain due to cancer or the treatment of cancer;

209.6 (3) the prescription order is for a number of doses that is intended to last the patient five  
209.7 days or less and is not subject to a refill;

209.8 (4) the prescriber and patient have a current or ongoing provider/patient relationship of  
209.9 a duration longer than one year;

209.10 (5) the prescription order is issued within 14 days following surgery or three days  
209.11 following oral surgery or follows the prescribing protocols established under the opioid  
209.12 prescribing improvement program under section 256B.0638;

209.13 (6) the controlled substance is prescribed or administered to a patient who is admitted  
209.14 to an inpatient hospital;

209.15 (7) the controlled substance is lawfully administered by injection, ingestion, or any other  
209.16 means to the patient by the prescriber, a pharmacist, or by the patient at the direction of a  
209.17 prescriber and in the presence of the prescriber or pharmacist;

209.18 (8) due to a medical emergency, it is not possible for the prescriber to review the data  
209.19 before the prescriber issues the prescription order for the patient; or

209.20 (9) the prescriber is unable to access the data due to operational or other technological  
209.21 failure of the program so long as the prescriber reports the failure to the board.

209.22 (f) Only permissible users identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8),  
209.23 (10), and (11), may directly access the data electronically. No other permissible users may  
209.24 directly access the data electronically. If the data is directly accessed electronically, the  
209.25 permissible user shall implement and maintain a comprehensive information security program  
209.26 that contains administrative, technical, and physical safeguards that are appropriate to the  
209.27 user's size and complexity, and the sensitivity of the personal information obtained. The  
209.28 permissible user shall identify reasonably foreseeable internal and external risks to the  
209.29 security, confidentiality, and integrity of personal information that could result in the  
209.30 unauthorized disclosure, misuse, or other compromise of the information and assess the  
209.31 sufficiency of any safeguards in place to control the risks.

210.1 (g) The board shall not release data submitted under subdivision 4 unless it is provided  
210.2 with evidence, satisfactory to the board, that the person requesting the information is entitled  
210.3 to receive the data.

210.4 (h) The board shall maintain a log of all persons who access the data for a period of at  
210.5 least three years and shall ensure that any permissible user complies with paragraph (c)  
210.6 prior to attaining direct access to the data.

210.7 (i) Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant  
210.8 to subdivision 2. A vendor shall not use data collected under this section for any purpose  
210.9 not specified in this section.

210.10 (j) The board may participate in an interstate prescription monitoring program data  
210.11 exchange system provided that permissible users in other states have access to the data only  
210.12 as allowed under this section, and that section 13.05, subdivision 6, applies to any contract  
210.13 or memorandum of understanding that the board enters into under this paragraph.

210.14 (k) With available appropriations, the commissioner of human services shall establish  
210.15 and implement a system through which the Department of Human Services shall routinely  
210.16 access the data for the purpose of determining whether any client enrolled in an opioid  
210.17 treatment program licensed according to chapter 245A has been prescribed or dispensed a  
210.18 controlled substance in addition to that administered or dispensed by the opioid treatment  
210.19 program. When the commissioner determines there have been multiple prescribers or multiple  
210.20 prescriptions of controlled substances, the commissioner shall:

210.21 (1) inform the medical director of the opioid treatment program only that the  
210.22 commissioner determined the existence of multiple prescribers or multiple prescriptions of  
210.23 controlled substances; and

210.24 (2) direct the medical director of the opioid treatment program to access the data directly,  
210.25 review the effect of the multiple prescribers or multiple prescriptions, and document the  
210.26 review.

210.27 If determined necessary, the commissioner of human services shall seek a federal waiver  
210.28 of, or exception to, any applicable provision of Code of Federal Regulations, title 42, section  
210.29 2.34, paragraph (c), prior to implementing this paragraph.

210.30 (l) The board shall review the data submitted under subdivision 4 on at least a quarterly  
210.31 basis and shall establish criteria, in consultation with the advisory task force, for referring  
210.32 information about a patient to prescribers and dispensers who prescribed or dispensed the  
210.33 prescriptions in question if the criteria are met.

211.1 (m) The board shall conduct random audits, on at least a quarterly basis, of electronic  
211.2 access by permissible users, as identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8),  
211.3 (10), and (11), to the data in subdivision 4, to ensure compliance with permissible use as  
211.4 defined in this section. A permissible user whose account has been selected for a random  
211.5 audit shall respond to an inquiry by the board, no later than 30 days after receipt of notice  
211.6 that an audit is being conducted. Failure to respond may result in deactivation of access to  
211.7 the electronic system and referral to the appropriate health licensing board, or the  
211.8 commissioner of human services, for further action. The board shall report the results of  
211.9 random audits to the chairs and ranking minority members of the legislative committees  
211.10 with jurisdiction over health and human services policy and finance and government data  
211.11 practices.

211.12 (n) A permissible user who has delegated the task of accessing the data in subdivision  
211.13 4 to an agent or employee shall audit the use of the electronic system by delegated agents  
211.14 or employees on at least a quarterly basis to ensure compliance with permissible use as  
211.15 defined in this section. When a delegated agent or employee has been identified as  
211.16 inappropriately accessing data, the permissible user must immediately remove access for  
211.17 that individual and notify the board within seven days. The board shall notify all permissible  
211.18 users associated with the delegated agent or employee of the alleged violation.

211.19 (o) A permissible user who delegates access to the data submitted under subdivision 4  
211.20 to an agent or employee shall terminate that individual's access to the data within three  
211.21 business days of the agent or employee leaving employment with the permissible user. The  
211.22 board may conduct random audits to determine compliance with this requirement.

211.23 **EFFECTIVE DATE.** This section is effective January 1, 2025.

211.24 Sec. 36. Minnesota Statutes 2022, section 214.025, is amended to read:

211.25 **214.025 COUNCIL OF HEALTH BOARDS.**

211.26 The health-related licensing boards may establish a Council of Health Boards consisting  
211.27 of representatives of the health-related licensing boards ~~and the Emergency Medical Services~~  
211.28 ~~Regulatory Board~~. When reviewing legislation or legislative proposals relating to the  
211.29 regulation of health occupations, the council shall include the commissioner of health or a  
211.30 designee and the director of the Office of Emergency Medical Services or a designee.

211.31 **EFFECTIVE DATE.** This section is effective January 1, 2025.

212.1 Sec. 37. Minnesota Statutes 2022, section 214.04, subdivision 2a, is amended to read:

212.2 Subd. 2a. **Performance of executive directors.** The governor may request that a  
212.3 health-related licensing board ~~or the Emergency Medical Services Regulatory Board~~ review  
212.4 the performance of the board's executive director. Upon receipt of the request, the board  
212.5 must respond by establishing a performance improvement plan or taking disciplinary or  
212.6 other corrective action, including dismissal. The board shall include the governor's  
212.7 representative as a voting member of the board in the board's discussions and decisions  
212.8 regarding the governor's request. The board shall report to the governor on action taken by  
212.9 the board, including an explanation if no action is deemed necessary.

212.10 **EFFECTIVE DATE.** This section is effective January 1, 2025.

212.11 Sec. 38. Minnesota Statutes 2022, section 214.29, is amended to read:

212.12 **214.29 PROGRAM REQUIRED.**

212.13 Each health-related licensing board, ~~including the Emergency Medical Services~~  
212.14 ~~Regulatory Board under chapter 144E,~~ shall either conduct a health professionals service  
212.15 program under sections 214.31 to 214.37 or contract for a diversion program under section  
212.16 214.28.

212.17 **EFFECTIVE DATE.** This section is effective January 1, 2025.

212.18 Sec. 39. Minnesota Statutes 2022, section 214.31, is amended to read:

212.19 **214.31 AUTHORITY.**

212.20 Two or more of the health-related licensing boards listed in section 214.01, subdivision  
212.21 2, may jointly conduct a health professionals services program to protect the public from  
212.22 persons regulated by the boards who are unable to practice with reasonable skill and safety  
212.23 by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result  
212.24 of any mental, physical, or psychological condition. The program does not affect a board's  
212.25 authority to discipline violations of a board's practice act. ~~For purposes of sections 214.31~~  
212.26 ~~to 214.37, the emergency medical services regulatory board shall be included in the definition~~  
212.27 ~~of a health-related licensing board under chapter 144E.~~

212.28 **EFFECTIVE DATE.** This section is effective January 1, 2025.

213.1 Sec. 40. Minnesota Statutes 2022, section 214.355, is amended to read:

213.2 **214.355 GROUNDS FOR DISCIPLINARY ACTION.**

213.3 Each health-related licensing board, ~~including the Emergency Medical Services~~  
213.4 ~~Regulatory Board under chapter 144E~~, shall consider it grounds for disciplinary action if a  
213.5 regulated person violates the terms of the health professionals services program participation  
213.6 agreement or leaves the program except upon fulfilling the terms for successful completion  
213.7 of the program as set forth in the participation agreement.

213.8 **EFFECTIVE DATE.** This section is effective January 1, 2025.

213.9 Sec. 41. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL**  
213.10 **SERVICES ADVISORY COUNCIL.**

213.11 (a) Initial appointments of members to the Emergency Medical Services Advisory  
213.12 Council must be made by January 1, 2025. The terms of initial appointees shall be determined  
213.13 by lot by the secretary of state and shall be as follows:

213.14 (1) eight members shall serve two-year terms; and

213.15 (2) eight members shall serve three-year terms.

213.16 (b) The medical director appointee must convene the first meeting of the Emergency  
213.17 Medical Services Advisory Council by February 1, 2025.

213.18 **EFFECTIVE DATE.** This section is effective July 1, 2024.

213.19 Sec. 42. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL**  
213.20 **SERVICES PHYSICIAN ADVISORY COUNCIL.**

213.21 (a) Initial appointments of members to the Emergency Medical Services Physician  
213.22 Advisory Council must be made by January 1, 2025. The terms of initial appointees shall  
213.23 be determined by lot by the secretary of state and shall be as follows:

213.24 (1) five members shall serve two-year terms;

213.25 (2) five members shall serve three-year terms; and

213.26 (3) the term for the medical director appointee to the Emergency Medical Services  
213.27 Physician Advisory Council shall coincide with that member's term on the Emergency  
213.28 Medical Services Advisory Council.

213.29 (b) The medical director appointee must convene the first meeting of the Emergency  
213.30 Medical Services Physician Advisory Council by February 1, 2025.

214.1 **EFFECTIVE DATE.** This section is effective July 1, 2024.

214.2 Sec. 43. **INITIAL MEMBERS AND FIRST MEETING; LABOR AND EMERGENCY**  
214.3 **MEDICAL SERVICE PROVIDERS ADVISORY COUNCIL.**

214.4 (a) Initial appointments of members to the Labor and Emergency Medical Service  
214.5 Providers Advisory Council must be made by January 1, 2025. The terms of initial appointees  
214.6 shall be determined by lot by the secretary of state and shall be as follows:

214.7 (1) six members shall serve two-year terms; and

214.8 (2) seven members shall serve three-year terms.

214.9 (b) The emergency medical technician instructor appointee must convene the first meeting  
214.10 of the Labor and Emergency Medical Service Providers Advisory Council by February 1,  
214.11 2025.

214.12 **EFFECTIVE DATE.** This section is effective July 1, 2024.

214.13 Sec. 44. **TRANSITION.**

214.14 Subdivision 1. **Appointment of director; operation of office.** No later than October  
214.15 1, 2024, the governor shall appoint a director-designee of the Office of Emergency Medical  
214.16 Services. The individual appointed as the director-designee of the Office of Emergency  
214.17 Medical Services shall become the governor's appointee as director of the Office of  
214.18 Emergency Medical Services on January 1, 2025. Effective January 1, 2025, the  
214.19 responsibilities to regulate emergency medical services in the state under Minnesota Statutes,  
214.20 chapter 144E, and Minnesota Rules, chapter 4690, are transferred from the Emergency  
214.21 Medical Services Regulatory Board to the Office of Emergency Medical Services and the  
214.22 director of the Office of Emergency Medical Services.

214.23 Subd. 2. **Transfer of responsibilities.** Minnesota Statutes, section 15.039, applies to  
214.24 the transfer of responsibilities from the Emergency Medical Services Regulatory Board to  
214.25 the Office of Emergency Medical Services required by this act. The commissioner of  
214.26 administration, with the approval of the governor, may issue reorganization orders under  
214.27 Minnesota Statutes, section 16B.37, as necessary to carry out the transfer of responsibilities  
214.28 required by this act. The provision of Minnesota Statutes, section 16B.37, subdivision 1,  
214.29 which states that transfers under that section may be made only to an agency that has been  
214.30 in existence for at least one year, does not apply to transfers in this act to the Office of  
214.31 Emergency Medical Services.

214.32 **EFFECTIVE DATE.** This section is effective July 1, 2024.

215.1 Sec. 45. **REVISOR INSTRUCTION.**

215.2 (a) In Minnesota Statutes, chapter 144E, the revisor of statutes shall replace "board"  
215.3 with "director"; "board's" with "director's"; "Emergency Medical Services Regulatory Board"  
215.4 or "Minnesota Emergency Medical Services Regulatory Board" with "director"; and  
215.5 "board-approved" with "director-approved," except that:

215.6 (1) in Minnesota Statutes, section 144E.11, the revisor of statutes shall not modify the  
215.7 term "county board," "community health board," or "community health boards";

215.8 (2) in Minnesota Statutes, sections 144E.40, subdivision 2; 144E.42, subdivision 2;  
215.9 144E.44; and 144E.45, subdivision 2, the revisor of statutes shall not modify the term "State  
215.10 Board of Investment"; and

215.11 (3) in Minnesota Statutes, sections 144E.50 and 144E.52, the revisor of statutes shall  
215.12 not modify the term "regional emergency medical services board," "regional board," "regional  
215.13 emergency medical services board's," or "regional boards."

215.14 (b) In the following sections of Minnesota Statutes, the revisor of statutes shall replace  
215.15 "Emergency Medical Services Regulatory Board" with "director of the Office of Emergency  
215.16 Medical Services": sections 13.717, subdivision 10; 62J.49, subdivision 2; 144.604; 144.608;  
215.17 147.09; 156.12, subdivision 2; 169.686, subdivision 3; and 299A.41, subdivision 4.

215.18 (c) In the following sections of Minnesota Statutes, the revisor of statutes shall replace  
215.19 "Emergency Medical Services Regulatory Board" with "Office of Emergency Medical  
215.20 Services": sections 144.603 and 161.045, subdivision 3.

215.21 (d) In making the changes specified in this section, the revisor of statutes may make  
215.22 technical and other necessary changes to sentence structure to preserve the meaning of the  
215.23 text.

215.24 **EFFECTIVE DATE.** This section is effective July 1, 2024.

215.25 Sec. 46. **REPEALER.**

215.26 (a) Minnesota Statutes 2022, sections 144E.001, subdivision 5; 144E.01; 144E.123,  
215.27 subdivision 5; and 144E.50, subdivision 3, are repealed.

215.28 (b) Minnesota Statutes 2022, section 144E.27, subdivisions 1 and 1a, are repealed.

215.29 **EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2025.

**ARTICLE 8****PHARMACY PRACTICE**

216.1

216.2

216.3 Section 1. Minnesota Statutes 2023 Supplement, section 62Q.46, subdivision 1, is amended  
216.4 to read:

216.5 Subdivision 1. **Coverage for preventive items and services.** (a) "Preventive items and  
216.6 services" has the meaning specified in the Affordable Care Act. Preventive items and services  
216.7 includes:

216.8 (1) evidence-based items or services that have in effect a rating of A or B in the current  
216.9 recommendations of the United States Preventive Services Task Force with respect to the  
216.10 individual involved;

216.11 (2) immunizations for routine use in children, adolescents, and adults that have in effect  
216.12 a recommendation from the Advisory Committee on Immunization Practices of the Centers  
216.13 for Disease Control and Prevention with respect to the individual involved. For purposes  
216.14 of this clause, a recommendation from the Advisory Committee on Immunization Practices  
216.15 of the Centers for Disease Control and Prevention is considered in effect after the  
216.16 recommendation has been adopted by the Director of the Centers for Disease Control and  
216.17 Prevention, and a recommendation is considered to be for routine use if the recommendation  
216.18 is listed on the Immunization Schedules of the Centers for Disease Control and Prevention;

216.19 (3) with respect to infants, children, and adolescents, evidence-informed preventive care  
216.20 and screenings provided for in comprehensive guidelines supported by the Health Resources  
216.21 and Services Administration;

216.22 (4) with respect to women, additional preventive care and screenings that are not listed  
216.23 with a rating of A or B by the United States Preventive Services Task Force but that are  
216.24 provided for in comprehensive guidelines supported by the Health Resources and Services  
216.25 Administration;

216.26 (5) all contraceptive methods established in guidelines published by the United States  
216.27 Food and Drug Administration;

216.28 (6) screenings for human immunodeficiency virus for:

216.29 (i) all individuals at least 15 years of age but less than 65 years of age; and

216.30 (ii) all other individuals with increased risk of human immunodeficiency virus infection  
216.31 according to guidance from the Centers for Disease Control;



217.1 (7) all preexposure prophylaxis when used for the prevention or treatment of human  
217.2 immunodeficiency virus, including but not limited to all preexposure prophylaxis, as defined  
217.3 in any guidance by the United States Preventive Services Task Force or the Centers for  
217.4 Disease Control, including the June 11, 2019, Preexposure Prophylaxis for the Prevention  
217.5 of HIV Infection United States Preventive Services Task Force Recommendation Statement;  
217.6 and

217.7 (8) all postexposure prophylaxis when used for the prevention or treatment of human  
217.8 immunodeficiency virus, including but not limited to all postexposure prophylaxis as defined  
217.9 in any guidance by the United States Preventive Services Task Force or the Centers for  
217.10 Disease Control.

217.11 (b) A health plan company must provide coverage for preventive items and services at  
217.12 a participating provider without imposing cost-sharing requirements, including a deductible,  
217.13 coinsurance, or co-payment. Nothing in this section prohibits a health plan company that  
217.14 has a network of providers from excluding coverage or imposing cost-sharing requirements  
217.15 for preventive items or services that are delivered by an out-of-network provider.

217.16 (c) A health plan company is not required to provide coverage for any items or services  
217.17 specified in any recommendation or guideline described in paragraph (a) if the  
217.18 recommendation or guideline is no longer included as a preventive item or service as defined  
217.19 in paragraph (a). Annually, a health plan company must determine whether any additional  
217.20 items or services must be covered without cost-sharing requirements or whether any items  
217.21 or services are no longer required to be covered.

217.22 (d) Nothing in this section prevents a health plan company from using reasonable medical  
217.23 management techniques to determine the frequency, method, treatment, or setting for a  
217.24 preventive item or service to the extent not specified in the recommendation or guideline.

217.25 (e) A health plan shall not require prior authorization or step therapy for pre-exposure  
217.26 prophylaxis, except as follows: if the United States Food and Drug Administration has  
217.27 approved one or more therapeutic equivalents of a drug, device, or product for the prevention  
217.28 of HIV, this paragraph does not require a health plan to cover all of the therapeutically  
217.29 equivalent versions without prior authorization or step therapy, if at least one therapeutically  
217.30 equivalent version is covered without prior authorization or step therapy.

217.31 ~~(e)~~ (f) This section does not apply to grandfathered plans.

217.32 ~~(f)~~ (g) This section does not apply to plans offered by the Minnesota Comprehensive  
217.33 Health Association.

218.1 **EFFECTIVE DATE.** This section is effective January 1, 2026, and applies to health  
218.2 plans offered, issued, or renewed on or after that date.

218.3 Sec. 2. Minnesota Statutes 2022, section 151.01, subdivision 23, is amended to read:

218.4 Subd. 23. **Practitioner.** "Practitioner" means a licensed doctor of medicine, licensed  
218.5 doctor of osteopathic medicine duly licensed to practice medicine, licensed doctor of  
218.6 dentistry, licensed doctor of optometry, licensed podiatrist, licensed veterinarian, licensed  
218.7 advanced practice registered nurse, or licensed physician assistant. For purposes of sections  
218.8 151.15, subdivision 4; 151.211, subdivision 3; 151.252, subdivision 3; 151.37, subdivision  
218.9 2, paragraph (b); and 151.461, "practitioner" also means a dental therapist authorized to  
218.10 dispense and administer under chapter 150A. For purposes of sections 151.252, subdivision  
218.11 3, and 151.461, "practitioner" also means a pharmacist authorized to prescribe  
218.12 self-administered hormonal contraceptives, nicotine replacement medications, or opiate  
218.13 antagonists under section 151.37, subdivision 14, 15, or 16, or authorized to prescribe drugs  
218.14 to prevent the acquisition of human immunodeficiency virus (HIV) under section 151.37,  
218.15 subdivision 17.

218.16 **EFFECTIVE DATE.** This section is effective January 1, 2026.

218.17 Sec. 3. Minnesota Statutes 2022, section 151.01, subdivision 27, is amended to read:

218.18 Subd. 27. **Practice of pharmacy.** "Practice of pharmacy" means:

218.19 (1) interpretation and evaluation of prescription drug orders;

218.20 (2) compounding, labeling, and dispensing drugs and devices (except labeling by a  
218.21 manufacturer or packager of nonprescription drugs or commercially packaged legend drugs  
218.22 and devices);

218.23 (3) participation in clinical interpretations and monitoring of drug therapy for assurance  
218.24 of safe and effective use of drugs, ~~including the performance of~~ ordering and performing  
218.25 laboratory tests that are waived under the federal Clinical Laboratory Improvement Act of  
218.26 1988, United States Code, title 42, section 263a et seq., ~~provided that a pharmacist may~~  
218.27 ~~interpret the results of laboratory tests but may modify~~ A pharmacist may collect specimens,  
218.28 interpret results, notify the patient of results, and refer patients to other health care providers  
218.29 for follow-up care and may initiate, modify, or discontinue drug therapy only pursuant to  
218.30 a protocol or collaborative practice agreement. A pharmacist may delegate the authority to  
218.31 administer tests under this clause to a pharmacy technician or pharmacy intern. A pharmacy

219.1 technician or pharmacist intern may perform tests authorized under this clause if the  
219.2 technician or intern is working under the direct supervision of a pharmacist;

219.3 (4) participation in drug and therapeutic device selection; drug administration for first  
219.4 dosage and medical emergencies; intramuscular and subcutaneous drug administration under  
219.5 a prescription drug order; drug regimen reviews; and drug or drug-related research;

219.6 (5) drug administration, through intramuscular and subcutaneous administration used  
219.7 to treat mental illnesses as permitted under the following conditions:

219.8 (i) upon the order of a prescriber and the prescriber is notified after administration is  
219.9 complete; or

219.10 (ii) pursuant to a protocol or collaborative practice agreement as defined by section  
219.11 151.01, subdivisions 27b and 27c, and participation in the initiation, management,  
219.12 modification, administration, and discontinuation of drug therapy is according to the protocol  
219.13 or collaborative practice agreement between the pharmacist and a dentist, optometrist,  
219.14 physician, physician assistant, podiatrist, or veterinarian, or an advanced practice registered  
219.15 nurse authorized to prescribe, dispense, and administer under section 148.235. Any changes  
219.16 in drug therapy or medication administration made pursuant to a protocol or collaborative  
219.17 practice agreement must be documented by the pharmacist in the patient's medical record  
219.18 or reported by the pharmacist to a practitioner responsible for the patient's care;

219.19 (6) ~~participation in administration of influenza vaccines and~~ initiating, ordering, and  
219.20 administering influenza and COVID-19 or SARS-CoV-2 vaccines authorized or approved  
219.21 by the United States Food and Drug Administration related to COVID-19 or SARS-CoV-2  
219.22 to all eligible individuals six three years of age and older and all other United States Food  
219.23 and Drug Administration approved vaccines to patients 13 six years of age and older by  
219.24 ~~written protocol with a physician licensed under chapter 147, a physician assistant authorized~~  
219.25 ~~to prescribe drugs under chapter 147A, or an advanced practice registered nurse authorized~~  
219.26 ~~to prescribe drugs under section 148.235, provided that~~ according to the federal Advisory  
219.27 Committee on Immunization Practices recommendations. A pharmacist may delegate the  
219.28 authority to administer vaccines under this clause to a pharmacy technician or pharmacy  
219.29 intern who has completed training in vaccine administration if:

219.30 (i) ~~the protocol includes, at a minimum:~~

219.31 (A) ~~the name, dose, and route of each vaccine that may be given;~~

219.32 (B) ~~the patient population for whom the vaccine may be given;~~

219.33 (C) ~~contraindications and precautions to the vaccine;~~

- 220.1 ~~(D) the procedure for handling an adverse reaction;~~
- 220.2 ~~(E) the name, signature, and address of the physician, physician assistant, or advanced~~  
220.3 ~~practice registered nurse;~~
- 220.4 ~~(F) a telephone number at which the physician, physician assistant, or advanced practice~~  
220.5 ~~registered nurse can be contacted; and~~
- 220.6 ~~(G) the date and time period for which the protocol is valid;~~
- 220.7 ~~(ii) (i) the pharmacist has~~ and the pharmacy technician or pharmacy intern have  
220.8 successfully completed a program approved by the Accreditation Council for Pharmacy  
220.9 Education (ACPE) specifically for the administration of immunizations or a program  
220.10 approved by the board;
- 220.11 ~~(iii) (ii) the pharmacist utilizes the Minnesota Immunization Information Connection to~~  
220.12 assess the immunization status of individuals prior to the administration of vaccines, except  
220.13 when administering influenza vaccines to individuals age nine and older;
- 220.14 ~~(iv) (iii) the pharmacist reports the administration of the immunization to the Minnesota~~  
220.15 ~~Immunization Information Connection; and~~
- 220.16 ~~(v) the pharmacist complies with guidelines for vaccines and immunizations established~~  
220.17 ~~by the federal Advisory Committee on Immunization Practices, except that a pharmacist~~  
220.18 ~~does not need to comply with those portions of the guidelines that establish immunization~~  
220.19 ~~schedules when administering a vaccine pursuant to a valid, patient-specific order issued~~  
220.20 ~~by a physician licensed under chapter 147, a physician assistant authorized to prescribe~~  
220.21 ~~drugs under chapter 147A, or an advanced practice registered nurse authorized to prescribe~~  
220.22 ~~drugs under section 148.235, provided that the order is consistent with the United States~~  
220.23 ~~Food and Drug Administration approved labeling of the vaccine;~~
- 220.24 (iv) if the patient is 18 years of age or younger, the pharmacist, pharmacy technician,  
220.25 or pharmacy intern informs the patient and any adult caregiver accompanying the patient  
220.26 of the importance of a well-child visit with a pediatrician or other licensed primary care  
220.27 provider; and
- 220.28 (v) in the case of a pharmacy technician administering vaccinations while being  
220.29 supervised by a licensed pharmacist:
- 220.30 (A) the supervision is in-person and must not be done through telehealth as defined  
220.31 under section 62A.673, subdivision 2;

221.1 (B) the pharmacist is readily and immediately available to the immunizing pharmacy  
221.2 technician;

221.3 (C) the pharmacy technician has a current certificate in basic cardiopulmonary  
221.4 resuscitation;

221.5 (D) the pharmacy technician has completed a minimum of two hours of ACPE-approved,  
221.6 immunization-related continuing pharmacy education as part of the pharmacy technician's  
221.7 two-year continuing education schedule; and

221.8 (E) the pharmacy technician has completed one of two training programs listed under  
221.9 Minnesota Rules, part 6800.3850, subpart 1h, item B;

221.10 (7) participation in the initiation, management, modification, and discontinuation of  
221.11 drug therapy according to a written protocol or collaborative practice agreement between:

221.12 (i) one or more pharmacists and one or more dentists, optometrists, physicians, physician  
221.13 assistants, podiatrists, or veterinarians; or (ii) one or more pharmacists and one or more  
221.14 physician assistants authorized to prescribe, dispense, and administer under chapter 147A,  
221.15 or advanced practice registered nurses authorized to prescribe, dispense, and administer  
221.16 under section 148.235. Any changes in drug therapy made pursuant to a protocol or  
221.17 collaborative practice agreement must be documented by the pharmacist in the patient's  
221.18 medical record or reported by the pharmacist to a practitioner responsible for the patient's  
221.19 care;

221.20 (8) participation in the storage of drugs and the maintenance of records;

221.21 (9) patient counseling on therapeutic values, content, hazards, and uses of drugs and  
221.22 devices;

221.23 (10) offering or performing those acts, services, operations, or transactions necessary  
221.24 in the conduct, operation, management, and control of a pharmacy;

221.25 (11) participation in the initiation, management, modification, and discontinuation of  
221.26 therapy with opiate antagonists, as defined in section 604A.04, subdivision 1, pursuant to:

221.27 (i) a written protocol as allowed under clause (7); or

221.28 (ii) a written protocol with a community health board medical consultant or a practitioner  
221.29 designated by the commissioner of health, as allowed under section 151.37, subdivision 13;

221.30 (12) prescribing self-administered hormonal contraceptives; nicotine replacement  
221.31 medications; and opiate antagonists for the treatment of an acute opiate overdose pursuant  
221.32 to section 151.37, subdivision 14, 15, or 16; ~~and~~

222.1 (13) participation in the placement of drug monitoring devices according to a prescription,  
222.2 protocol, or collaborative practice agreement;

222.3 (14) prescribing, dispensing, and administering drugs for preventing the acquisition of  
222.4 human immunodeficiency virus (HIV) if the pharmacist meets the requirements in section  
222.5 151.37, subdivision 17; and

222.6 (15) ordering, conducting, and interpreting laboratory tests necessary for therapies that  
222.7 use drugs for preventing the acquisition of human immunodeficiency virus (HIV), if the  
222.8 pharmacist meets the requirements in section 151.37, subdivision 17.

222.9 **EFFECTIVE DATE.** This section is effective July 1, 2024, except that the amendment  
222.10 adding clauses (14) and (15) is effective January 1, 2026.

222.11 Sec. 4. Minnesota Statutes 2022, section 151.37, is amended by adding a subdivision to  
222.12 read:

222.13 **Subd. 17. Drugs for preventing the acquisition of HIV.** (a) A pharmacist is authorized  
222.14 to prescribe and administer drugs to prevent the acquisition of human immunodeficiency  
222.15 virus (HIV) in accordance with this subdivision.

222.16 (b) By January 1, 2025, the Board of Pharmacy shall develop a standardized protocol  
222.17 for a pharmacist to follow in prescribing the drugs described in paragraph (a). In developing  
222.18 the protocol, the board may consult with community health advocacy groups, the Board of  
222.19 Medical Practice, the Board of Nursing, the commissioner of health, professional pharmacy  
222.20 associations, and professional associations for physicians, physician assistants, and advanced  
222.21 practice registered nurses.

222.22 (c) Before a pharmacist is authorized to prescribe a drug described in paragraph (a), the  
222.23 pharmacist must successfully complete a training program specifically developed for  
222.24 prescribing drugs for preventing the acquisition of HIV that is offered by a college of  
222.25 pharmacy, a continuing education provider that is accredited by the Accreditation Council  
222.26 for Pharmacy Education, or a program approved by the board. To maintain authorization  
222.27 to prescribe, the pharmacist shall complete continuing education requirements as specified  
222.28 by the board.

222.29 (d) Before prescribing a drug described in paragraph (a), the pharmacist shall follow the  
222.30 appropriate standardized protocol developed under paragraph (b) and, if appropriate, may  
222.31 dispense to a patient a drug described in paragraph (a).

222.32 (e) Before dispensing a drug described in paragraph (a) that is prescribed by the  
222.33 pharmacist, the pharmacist must provide counseling to the patient on the use of the drugs

223.1 and must provide the patient with a fact sheet that includes the indications and  
223.2 contraindications for the use of these drugs, the appropriate method for using these drugs,  
223.3 the need for medical follow up, and any additional information listed in Minnesota Rules,  
223.4 part 6800.0910, subpart 2, that is required to be provided to a patient during the counseling  
223.5 process.

223.6 (f) A pharmacist is prohibited from delegating the prescribing authority provided under  
223.7 this subdivision to any other person. A pharmacist intern registered under section 151.101  
223.8 may prepare the prescription, but before the prescription is processed or dispensed, a  
223.9 pharmacist authorized to prescribe under this subdivision must review, approve, and sign  
223.10 the prescription.

223.11 (g) Nothing in this subdivision prohibits a pharmacist from participating in the initiation,  
223.12 management, modification, and discontinuation of drug therapy according to a protocol as  
223.13 authorized in this section and in section 151.01, subdivision 27.

223.14 **EFFECTIVE DATE.** This section is effective January 1, 2026, except that paragraph  
223.15 (b) is effective the day following final enactment.

223.16 Sec. 5. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13f, is  
223.17 amended to read:

223.18 Subd. 13f. **Prior authorization.** (a) The Formulary Committee shall review and  
223.19 recommend drugs which require prior authorization. The Formulary Committee shall  
223.20 establish general criteria to be used for the prior authorization of brand-name drugs for  
223.21 which generically equivalent drugs are available, but the committee is not required to review  
223.22 each brand-name drug for which a generically equivalent drug is available.

223.23 (b) Prior authorization may be required by the commissioner before certain formulary  
223.24 drugs are eligible for payment. The Formulary Committee may recommend drugs for prior  
223.25 authorization directly to the commissioner. The commissioner may also request that the  
223.26 Formulary Committee review a drug for prior authorization. Before the commissioner may  
223.27 require prior authorization for a drug:

223.28 (1) the commissioner must provide information to the Formulary Committee on the  
223.29 impact that placing the drug on prior authorization may have on the quality of patient care  
223.30 and on program costs, information regarding whether the drug is subject to clinical abuse  
223.31 or misuse, and relevant data from the state Medicaid program if such data is available;

223.32 (2) the Formulary Committee must review the drug, taking into account medical and  
223.33 clinical data and the information provided by the commissioner; and

224.1 (3) the Formulary Committee must hold a public forum and receive public comment for  
224.2 an additional 15 days.

224.3 The commissioner must provide a 15-day notice period before implementing the prior  
224.4 authorization.

224.5 (c) Except as provided in subdivision 13j, prior authorization shall not be required or  
224.6 utilized for any atypical antipsychotic drug prescribed for the treatment of mental illness  
224.7 if:

224.8 (1) there is no generically equivalent drug available; and

224.9 (2) the drug was initially prescribed for the recipient prior to July 1, 2003; or

224.10 (3) the drug is part of the recipient's current course of treatment.

224.11 This paragraph applies to any multistate preferred drug list or supplemental drug rebate  
224.12 program established or administered by the commissioner. Prior authorization shall  
224.13 automatically be granted for 60 days for brand name drugs prescribed for treatment of mental  
224.14 illness within 60 days of when a generically equivalent drug becomes available, provided  
224.15 that the brand name drug was part of the recipient's course of treatment at the time the  
224.16 generically equivalent drug became available.

224.17 (d) Prior authorization must not be required for liquid methadone if only one version of  
224.18 liquid methadone is available. If more than one version of liquid methadone is available,  
224.19 the commissioner shall ensure that at least one version of liquid methadone is available  
224.20 without prior authorization.

224.21 (e) Prior authorization may be required for an oral liquid form of a drug, except as  
224.22 described in paragraph (d). A prior authorization request under this paragraph must be  
224.23 automatically approved within 24 hours if the drug is being prescribed for a Food and Drug  
224.24 Administration-approved condition for a patient who utilizes an enteral tube for feedings  
224.25 or medication administration, even if the patient has current or prior claims for pills for that  
224.26 condition. If more than one version of the oral liquid form of a drug is available, the  
224.27 commissioner may select the version that is able to be approved for a Food and Drug  
224.28 Administration-approved condition for a patient who utilizes an enteral tube for feedings  
224.29 or medication administration. This paragraph applies to any multistate preferred drug list  
224.30 or supplemental drug rebate program established or administered by the commissioner. The  
224.31 commissioner shall design and implement a streamlined prior authorization form for patients  
224.32 who utilize an enteral tube for feedings or medication administration and are prescribed an  
224.33 oral liquid form of a drug. The commissioner may require prior authorization for brand



225.1 name drugs whenever a generically equivalent product is available, even if the prescriber  
225.2 specifically indicates "dispense as written-brand necessary" on the prescription as required  
225.3 by section 151.21, subdivision 2.

225.4 (f) Notwithstanding this subdivision, the commissioner may automatically require prior  
225.5 authorization, for a period not to exceed 180 days, for any drug that is approved by the  
225.6 United States Food and Drug Administration on or after July 1, 2005. The 180-day period  
225.7 begins no later than the first day that a drug is available for shipment to pharmacies within  
225.8 the state. The Formulary Committee shall recommend to the commissioner general criteria  
225.9 to be used for the prior authorization of the drugs, but the committee is not required to  
225.10 review each individual drug. In order to continue prior authorizations for a drug after the  
225.11 180-day period has expired, the commissioner must follow the provisions of this subdivision.

225.12 (g) Prior authorization under this subdivision shall comply with section 62Q.184.

225.13 (h) Any step therapy protocol requirements established by the commissioner must comply  
225.14 with section 62Q.1841.

225.15 (i) Notwithstanding any law to the contrary, prior authorization or step therapy shall not  
225.16 be required or utilized for any class of drugs that is approved by the United States Food and  
225.17 Drug Administration for pre-exposure prophylaxis of HIV/AIDS, except under the conditions  
225.18 specified in section 62Q.46, subdivision 1, paragraph (e).

225.19 **EFFECTIVE DATE.** This section is effective January 1, 2026.

225.20 Sec. 6. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
225.21 to read:

225.22 **Subd. 13k. Vaccines and laboratory tests provided by pharmacists.** (a) Medical  
225.23 assistance covers vaccines initiated, ordered, or administered by a licensed pharmacist,  
225.24 according to the requirements of section 151.01, subdivision 27, clause (6), at no less than  
225.25 the rate for which the same services are covered when provided by any other licensed  
225.26 practitioner.

225.27 (b) Medical assistance covers laboratory tests ordered and performed by a licensed  
225.28 pharmacist, according to the requirements of section 151.01, subdivision 27, clause (3), at  
225.29 no less than the rate for which the same services are covered when provided by any other  
225.30 licensed practitioner.

225.31 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
225.32 whichever is later. The commissioner of human services shall notify the revisor of statutes  
225.33 when federal approval is obtained.

**ARTICLE 9****MENTAL HEALTH**

226.1

226.2

226.3 Section 1. Minnesota Statutes 2022, section 245.462, subdivision 6, is amended to read:

226.4 Subd. 6. **Community support services program.** "Community support services program"

226.5 means services, other than inpatient or residential treatment services, provided or coordinated

226.6 by an identified program and staff under the treatment supervision of a mental health

226.7 professional designed to help adults with serious and persistent mental illness to function

226.8 and remain in the community. A community support services program includes:

226.9 (1) client outreach,

226.10 (2) medication monitoring,

226.11 (3) assistance in independent living skills,

226.12 (4) development of employability and work-related opportunities,

226.13 (5) crisis assistance,

226.14 (6) psychosocial rehabilitation,

226.15 (7) help in applying for government benefits, and

226.16 (8) housing support services.

226.17 The community support services program must be coordinated with the case management

226.18 services specified in section 245.4711. A program that meets the accreditation standards

226.19 for Clubhouse International model programs meets the requirements of this subdivision.

226.20 Sec. 2. Minnesota Statutes 2022, section 245.4663, subdivision 2, is amended to read:

226.21 Subd. 2. **Eligible providers.** In order to be eligible for a grant under this section, a mental

226.22 health provider must:

226.23 (1) provide at least 25 percent of the provider's yearly patient encounters to state public

226.24 program enrollees or patients receiving sliding fee schedule discounts through a formal

226.25 sliding fee schedule meeting the standards established by the United States Department of

226.26 Health and Human Services under Code of Federal Regulations, title 42, section 51c.303;

226.27 ~~or~~

226.28 (2) primarily serve underrepresented communities as defined in section 148E.010,

226.29 subdivision 20; or

227.1 (3) provide services to people in a city or township that is not within the seven-county  
227.2 metropolitan area as defined in section 473.121, subdivision 2, and is not the city of Duluth,  
227.3 Mankato, Moorhead, Rochester, or St. Cloud.

227.4 Sec. 3. Minnesota Statutes 2023 Supplement, section 245.4889, subdivision 1, is amended  
227.5 to read:

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

227.8 (1) counties;

227.9 (2) Indian tribes;

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

227.11 (4) mental health service providers.

227.12 (b) The following services are eligible for grants under this section:

227.13 (1) services to children with emotional disturbances as defined in section 245.4871,  
227.14 subdivision 15, and their families;

227.15 (2) transition services under section 245.4875, subdivision 8, for young adults under  
227.16 age 21 and their families;

227.17 (3) respite care services for children with emotional disturbances or severe emotional  
227.18 disturbances who are at risk of ~~out-of-home placement or residential treatment or~~  
227.19 hospitalization, who are already in out-of-home placement in family foster settings as defined  
227.20 in chapter 245A and at risk of change in out-of-home placement or placement in a residential  
227.21 facility or other higher level of care, who have utilized crisis services or emergency room  
227.22 services, or who have experienced a loss of in-home staffing support. Allowable activities  
227.23 and expenses for respite care services are defined under subdivision 4. A child is not required  
227.24 to have case management services to receive respite care services. Counties must work to  
227.25 provide access to regularly scheduled respite care;

227.26 (4) children's mental health crisis services;

227.27 (5) child-, youth-, and family-specific mobile response and stabilization services models;

227.28 (6) mental health services for people from cultural and ethnic minorities, including  
227.29 supervision of clinical trainees who are Black, indigenous, or people of color;

227.30 (7) children's mental health screening and follow-up diagnostic assessment and treatment;

- 228.1 (8) services to promote and develop the capacity of providers to use evidence-based  
228.2 practices in providing children's mental health services;
- 228.3 (9) school-linked mental health services under section 245.4901;
- 228.4 (10) building evidence-based mental health intervention capacity for children birth to  
228.5 age five;
- 228.6 (11) suicide prevention and counseling services that use text messaging statewide;
- 228.7 (12) mental health first aid training;
- 228.8 (13) training for parents, collaborative partners, and mental health providers on the  
228.9 impact of adverse childhood experiences and trauma and development of an interactive  
228.10 website to share information and strategies to promote resilience and prevent trauma;
- 228.11 (14) transition age services to develop or expand mental health treatment and supports  
228.12 for adolescents and young adults 26 years of age or younger;
- 228.13 (15) early childhood mental health consultation;
- 228.14 (16) evidence-based interventions for youth at risk of developing or experiencing a first  
228.15 episode of psychosis, and a public awareness campaign on the signs and symptoms of  
228.16 psychosis;
- 228.17 (17) psychiatric consultation for primary care practitioners; and
- 228.18 (18) providers to begin operations and meet program requirements when establishing a  
228.19 new children's mental health program. These may be start-up grants.
- 228.20 (c) Services under paragraph (b) must be designed to help each child to function and  
228.21 remain with the child's family in the community and delivered consistent with the child's  
228.22 treatment plan. Transition services to eligible young adults under this paragraph must be  
228.23 designed to foster independent living in the community.
- 228.24 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party  
228.25 reimbursement sources, if applicable.
- 228.26 (e) The commissioner may establish and design a pilot program to expand the mobile  
228.27 response and stabilization services model for children, youth, and families. The commissioner  
228.28 may use grant funding to consult with a qualified expert entity to assist in the formulation  
228.29 of measurable outcomes and explore and position the state to submit a Medicaid state plan  
228.30 amendment to scale the model statewide.

229.1 Sec. 4. Minnesota Statutes 2022, section 245I.02, subdivision 17, is amended to read:

229.2 Subd. 17. **Functional assessment.** "Functional assessment" means the assessment of a  
229.3 client's current level of functioning relative to functioning that is appropriate for someone  
229.4 the client's age. ~~For a client five years of age or younger, a functional assessment is the~~  
229.5 ~~Early Childhood Service Intensity Instrument (ESCH). For a client six to 17 years of age,~~  
229.6 ~~a functional assessment is the Child and Adolescent Service Intensity Instrument (CASII).~~  
229.7 ~~For a client 18 years of age or older, a functional assessment is the functional assessment~~  
229.8 ~~described in section 245I.10, subdivision 9.~~

229.9 Sec. 5. Minnesota Statutes 2022, section 245I.02, subdivision 19, is amended to read:

229.10 Subd. 19. **Level of care assessment.** "Level of care assessment" means the level of care  
229.11 decision support tool appropriate to the client's age. ~~For a client five years of age or younger,~~  
229.12 ~~a level of care assessment is the Early Childhood Service Intensity Instrument (ESCH). For~~  
229.13 ~~a client six to 17 years of age, a level of care assessment is the Child and Adolescent Service~~  
229.14 ~~Intensity Instrument (CASII). For a client 18 years of age or older, a level of care assessment~~  
229.15 ~~is the Level of Care Utilization System for Psychiatric and Addiction Services (LOCUS)~~  
229.16 ~~or another tool authorized by the commissioner.~~

229.17 Sec. 6. Minnesota Statutes 2022, section 245I.04, subdivision 6, is amended to read:

229.18 Subd. 6. **Clinical trainee qualifications.** (a) A clinical trainee is a staff person who: (1)  
229.19 is enrolled in an accredited graduate program of study to prepare the staff person for  
229.20 independent licensure as a mental health professional and who is participating in a practicum  
229.21 or internship with the license holder through the individual's graduate program; ~~or~~ (2) has  
229.22 completed an accredited graduate program of study to prepare the staff person for independent  
229.23 licensure as a mental health professional and who is in compliance with the requirements  
229.24 of the applicable health-related licensing board, including requirements for supervised  
229.25 practice; or (3) has completed an accredited graduate program of study to prepare the staff  
229.26 person for independent licensure as a mental health professional, has completed a practicum  
229.27 or internship and has not yet taken or received the results from the required test or is waiting  
229.28 for the final licensure decision.

229.29 (b) A clinical trainee is responsible for notifying and applying to a health-related licensing  
229.30 board to ensure that the trainee meets the requirements of the health-related licensing board.  
229.31 As permitted by a health-related licensing board, treatment supervision under this chapter  
229.32 may be integrated into a plan to meet the supervisory requirements of the health-related  
229.33 licensing board but does not supersede those requirements.

230.1 Sec. 7. Minnesota Statutes 2022, section 245I.10, subdivision 9, is amended to read:

230.2 Subd. 9. **Functional assessment; required elements.** (a) When a license holder is  
230.3 completing a functional assessment for an adult client, the license holder must:

230.4 (1) complete a functional assessment of the client after completing the client's diagnostic  
230.5 assessment;

230.6 (2) use a collaborative process that allows the client and the client's family and other  
230.7 natural supports, the client's referral sources, and the client's providers to provide information  
230.8 about how the client's symptoms of mental illness impact the client's functioning;

230.9 (3) if applicable, document the reasons that the license holder did not contact the client's  
230.10 family and other natural supports;

230.11 (4) assess and document how the client's symptoms of mental illness impact the client's  
230.12 functioning in the following areas:

230.13 (i) the client's mental health symptoms;

230.14 (ii) the client's mental health service needs;

230.15 (iii) the client's substance use;

230.16 (iv) the client's vocational and educational functioning;

230.17 (v) the client's social functioning, including the use of leisure time;

230.18 (vi) the client's interpersonal functioning, including relationships with the client's family  
230.19 and other natural supports;

230.20 (vii) the client's ability to provide self-care and live independently;

230.21 (viii) the client's medical and dental health;

230.22 (ix) the client's financial assistance needs; and

230.23 (x) the client's housing and transportation needs;

230.24 ~~(5) include a narrative summarizing the client's strengths, resources, and all areas of~~  
230.25 ~~functional impairment;~~

230.26 ~~(6)~~ (5) complete the client's functional assessment before the client's initial individual  
230.27 treatment plan unless a service specifies otherwise; and

230.28 ~~(7)~~ (6) update the client's functional assessment with the client's current functioning  
230.29 whenever there is a significant change in the client's functioning or at least every ~~180~~ 365  
230.30 days, unless a service specifies otherwise.

231.1 (b) A license holder may use any available, validated measurement tool, including but  
231.2 not limited to the Daily Living Activities-20, when completing the required elements of a  
231.3 functional assessment under this subdivision.

231.4 Sec. 8. Minnesota Statutes 2022, section 245I.11, subdivision 1, is amended to read:

231.5 Subdivision 1. **Generally.** (a) If a license holder is licensed as a residential program,  
231.6 stores or administers client medications, or observes clients self-administer medications,  
231.7 the license holder must ensure that a staff person who is a registered nurse or licensed  
231.8 prescriber is responsible for overseeing storage and administration of client medications  
231.9 and observing as a client self-administers medications, including training according to  
231.10 section 245I.05, subdivision 6, and documenting the occurrence according to section 245I.08,  
231.11 subdivision 5.

231.12 (b) For purposes of this section, "observed self-administration" means the preparation  
231.13 and administration of a medication by a client to themselves under the direct supervision  
231.14 of a registered nurse or a staff member to whom a registered nurse delegates supervision  
231.15 duty. Observed self-administration does not include a client's use of a medication that they  
231.16 keep in their own possession while participating in a program.

231.17 Sec. 9. Minnesota Statutes 2022, section 245I.11, is amended by adding a subdivision to  
231.18 read:

231.19 **Subd. 6. Medication administration in children's day treatment settings.** (a) For a  
231.20 program providing children's day treatment services under section 256B.0943, the license  
231.21 holder must maintain policies and procedures that state whether the program will store  
231.22 medication and administer or allow observed self-administration.

231.23 (b) For a program providing children's day treatment services under section 256B.0943  
231.24 that does not store medications but allows clients to use a medication that they keep in their  
231.25 own possession while participating in a program, the license holder must maintain  
231.26 documentation from a licensed prescriber regarding the safety of medications held by clients,  
231.27 including:

231.28 (1) an evaluation that the client is capable of holding and administering the medication  
231.29 safely;

231.30 (2) an evaluation of whether the medication is prone to diversion, misuse, or self-injury;  
231.31 and

232.1 (3) any conditions under which the license holder should no longer allow the client to  
232.2 maintain the medication in their own possession.

232.3 Sec. 10. Minnesota Statutes 2022, section 245I.20, subdivision 4, is amended to read:

232.4 Subd. 4. **Minimum staffing standards.** (a) A certification holder's treatment team must  
232.5 consist of at least four mental health professionals. At least two of the mental health  
232.6 professionals must be employed by or under contract with the mental health clinic for a  
232.7 minimum of 35 hours per week each. ~~Each of the two mental health professionals must~~  
232.8 ~~specialize in a different mental health discipline.~~

232.9 (b) The treatment team must include:

232.10 (1) a physician qualified as a mental health professional according to section 245I.04,  
232.11 subdivision 2, clause (4), or a nurse qualified as a mental health professional according to  
232.12 section 245I.04, subdivision 2, clause (1); and

232.13 (2) a psychologist qualified as a mental health professional according to section 245I.04,  
232.14 subdivision 2, clause (3).

232.15 (c) The staff persons fulfilling the requirement in paragraph (b) must provide clinical  
232.16 services at least:

232.17 (1) eight hours every two weeks if the mental health clinic has over 25.0 full-time  
232.18 equivalent treatment team members;

232.19 (2) eight hours each month if the mental health clinic has 15.1 to 25.0 full-time equivalent  
232.20 treatment team members;

232.21 (3) four hours each month if the mental health clinic has 5.1 to 15.0 full-time equivalent  
232.22 treatment team members; or

232.23 (4) two hours each month if the mental health clinic has 2.0 to 5.0 full-time equivalent  
232.24 treatment team members or only provides in-home services to clients.

232.25 (d) The certification holder must maintain a record that demonstrates compliance with  
232.26 this subdivision.

232.27 Sec. 11. Minnesota Statutes 2022, section 245I.23, subdivision 14, is amended to read:

232.28 Subd. 14. **Weekly team meetings.** (a) The license holder must hold weekly team meetings  
232.29 and ancillary meetings according to this subdivision.



233.1 (b) A mental health professional or certified rehabilitation specialist must hold at least  
233.2 one team meeting each calendar week ~~and~~. The mental health professional or certified  
233.3 rehabilitation specialist must lead and be physically present at the team meeting, except as  
233.4 permitted under paragraph (e). All treatment team members, including treatment team  
233.5 members who work on a part-time or intermittent basis, must participate in a minimum of  
233.6 one team meeting during each calendar week when the treatment team member is working  
233.7 for the license holder. The license holder must document all weekly team meetings, including  
233.8 the names of meeting attendees, and indicate whether the meeting was conducted remotely  
233.9 under paragraph (e).

233.10 (c) If a treatment team member cannot participate in a weekly team meeting, the treatment  
233.11 team member must participate in an ancillary meeting. A mental health professional, certified  
233.12 rehabilitation specialist, clinical trainee, or mental health practitioner who participated in  
233.13 the most recent weekly team meeting may lead the ancillary meeting. During the ancillary  
233.14 meeting, the treatment team member leading the ancillary meeting must review the  
233.15 information that was shared at the most recent weekly team meeting, including revisions  
233.16 to client treatment plans and other information that the treatment supervisors exchanged  
233.17 with treatment team members. The license holder must document all ancillary meetings,  
233.18 including the names of meeting attendees.

233.19 (d) If a treatment team member working only one shift during a week cannot participate  
233.20 in a weekly team meeting or participate in an ancillary meeting, the treatment team member  
233.21 must read the minutes of the weekly team meeting required to be documented in paragraph  
233.22 (b). The treatment team member must sign to acknowledge receipt of this information, and  
233.23 document pertinent information or questions. The mental health professional or certified  
233.24 rehabilitation specialist must review any documented questions or pertinent information  
233.25 before the next weekly team meeting.

233.26 (e) A license holder may permit a mental health professional or certified rehabilitation  
233.27 specialist to lead the weekly meeting remotely due to medical or weather conditions. If the  
233.28 conditions that do not permit physical presence persist for longer than one week, the license  
233.29 holder must request a variance to conduct additional meetings remotely.

233.30 Sec. 12. [256B.0617] MENTAL HEALTH SERVICES PROVIDER  
233.31 CERTIFICATION.

233.32 (a) The commissioner of human services shall establish an initial provider entity  
233.33 application and certification and recertification processes to determine whether a provider

- 234.1 entity has administrative and clinical infrastructures that meet the certification requirements.
- 234.2 This process shall apply to providers of the following services:
- 234.3 (1) children's intensive behavioral health services under section 256B.0946; and
- 234.4 (2) intensive nonresidential rehabilitative mental health services under section 256B.0947.
- 234.5 (b) The commissioner shall recertify a provider entity every three years using the
- 234.6 individual provider's certification anniversary or the calendar year end. The commissioner
- 234.7 may approve a recertification extension in the interest of sustaining services when a certain
- 234.8 date for recertification is identified.
- 234.9 (c) The commissioner shall establish a process for decertification of a provider entity
- 234.10 and shall require corrective action, medical assistance repayment, or decertification of a
- 234.11 provider entity that no longer meets the requirements in this section or that fails to meet the
- 234.12 clinical quality standards or administrative standards provided by the commissioner in the
- 234.13 application and certification process.
- 234.14 (d) The commissioner must provide the following to provider entities for the certification,
- 234.15 recertification, and decertification processes:
- 234.16 (1) a structured listing of required provider certification criteria;
- 234.17 (2) a formal written letter with a determination of certification, recertification, or
- 234.18 decertification signed by the commissioner or the appropriate division director; and
- 234.19 (3) a formal written communication outlining the process for necessary corrective action
- 234.20 and follow-up by the commissioner signed by the commissioner or their designee, if
- 234.21 applicable. In the case of corrective action, the commissioner may schedule interim
- 234.22 recertification site reviews to confirm certification or decertification.
- 234.23 **EFFECTIVE DATE.** This section is effective July 1, 2024, and the commissioner of
- 234.24 human services must implement all requirements of this section by September 1, 2024.
- 234.25 Sec. 13. Minnesota Statutes 2022, section 256B.0622, subdivision 2a, is amended to read:
- 234.26 Subd. 2a. **Eligibility for assertive community treatment.** (a) An eligible client for
- 234.27 assertive community treatment is an individual who meets the following criteria as assessed
- 234.28 by an ACT team:
- 234.29 (1) is age 18 or older. Individuals ages 16 and 17 may be eligible upon approval by the
- 234.30 commissioner;

235.1 (2) has a primary diagnosis of schizophrenia, schizoaffective disorder, major depressive  
235.2 disorder with psychotic features, other psychotic disorders, or bipolar disorder. Individuals  
235.3 with other psychiatric illnesses may qualify for assertive community treatment if they have  
235.4 a serious mental illness and meet the criteria outlined in clauses (3) and (4), but no more  
235.5 than ten percent of an ACT team's clients may be eligible based on this criteria. Individuals  
235.6 with a primary diagnosis of a substance use disorder, intellectual developmental disabilities,  
235.7 borderline personality disorder, antisocial personality disorder, traumatic brain injury, or  
235.8 an autism spectrum disorder are not eligible for assertive community treatment;

235.9 (3) has significant functional impairment as demonstrated by at least one of the following  
235.10 conditions:

235.11 (i) significant difficulty consistently performing the range of routine tasks required for  
235.12 basic adult functioning in the community or persistent difficulty performing daily living  
235.13 tasks without significant support or assistance;

235.14 (ii) significant difficulty maintaining employment at a self-sustaining level or significant  
235.15 difficulty consistently carrying out the head-of-household responsibilities; or

235.16 (iii) significant difficulty maintaining a safe living situation;

235.17 (4) has a need for continuous high-intensity services as evidenced by at least two of the  
235.18 following:

235.19 (i) two or more psychiatric hospitalizations or residential crisis stabilization services in  
235.20 the previous 12 months;

235.21 (ii) frequent utilization of mental health crisis services in the previous six months;

235.22 (iii) 30 or more consecutive days of psychiatric hospitalization in the previous 24 months;

235.23 (iv) intractable, persistent, or prolonged severe psychiatric symptoms;

235.24 (v) coexisting mental health and substance use disorders lasting at least six months;

235.25 (vi) recent history of involvement with the criminal justice system or demonstrated risk  
235.26 of future involvement;

235.27 (vii) significant difficulty meeting basic survival needs;

235.28 (viii) residing in substandard housing, experiencing homelessness, or facing imminent  
235.29 risk of homelessness;

235.30 (ix) significant impairment with social and interpersonal functioning such that basic  
235.31 needs are in jeopardy;

236.1 (x) coexisting mental health and physical health disorders lasting at least six months;

236.2 (xi) residing in an inpatient or supervised community residence but clinically assessed  
236.3 to be able to live in a more independent living situation if intensive services are provided;

236.4 (xii) requiring a residential placement if more intensive services are not available; or

236.5 (xiii) difficulty effectively using traditional office-based outpatient services;

236.6 (5) there are no indications that other available community-based services would be  
236.7 equally or more effective as evidenced by consistent and extensive efforts to treat the  
236.8 individual; and

236.9 (6) in the written opinion of a licensed mental health professional, has the need for mental  
236.10 health services that cannot be met with other available community-based services, or is  
236.11 likely to experience a mental health crisis or require a more restrictive setting if assertive  
236.12 community treatment is not provided.

236.13 (b) An individual meets the criteria for assertive community treatment under this section  
236.14 immediately following participation in a first episode of psychosis program if the individual:

236.15 (1) meets the eligibility requirements outlined in paragraph (a), clauses (1), (2), (5), and  
236.16 (6);

236.17 (2) is currently participating in a first episode of psychosis program under section  
236.18 245.4905; and

236.19 (3) needs the level of intensity provided by an ACT team, in the opinion of the individual's  
236.20 first episode of psychosis program, in order to prevent crisis services, hospitalization,  
236.21 homelessness, and involvement with the criminal justice system.

236.22 Sec. 14. Minnesota Statutes 2022, section 256B.0622, subdivision 3a, is amended to read:

236.23 Subd. 3a. **Provider certification and contract requirements for assertive community**  
236.24 **treatment.** (a) The assertive community treatment provider must:

236.25 ~~(1) have a contract with the host county to provide assertive community treatment~~  
236.26 ~~services; and~~

236.27 ~~(2)~~ have each ACT team be certified by the state following the certification process and  
236.28 procedures developed by the commissioner. The certification process determines whether  
236.29 the ACT team meets the standards for assertive community treatment under this section,  
236.30 the standards in chapter 245I as required in section 245I.011, subdivision 5, and minimum

237.1 program fidelity standards as measured by a nationally recognized fidelity tool approved  
237.2 by the commissioner. Recertification must occur at least every three years.

237.3 (b) An ACT team certified under this subdivision must meet the following standards:

237.4 (1) have capacity to recruit, hire, manage, and train required ACT team members;

237.5 (2) have adequate administrative ability to ensure availability of services;

237.6 (3) ensure flexibility in service delivery to respond to the changing and intermittent care  
237.7 needs of a client as identified by the client and the individual treatment plan;

237.8 (4) keep all necessary records required by law;

237.9 (5) be an enrolled Medicaid provider; and

237.10 (6) establish and maintain a quality assurance plan to determine specific service outcomes  
237.11 and the client's satisfaction with services.

237.12 (c) The commissioner may intervene at any time and decertify an ACT team with cause.

237.13 The commissioner shall establish a process for decertification of an ACT team and shall  
237.14 require corrective action, medical assistance repayment, or decertification of an ACT team  
237.15 that no longer meets the requirements in this section or that fails to meet the clinical quality  
237.16 standards or administrative standards provided by the commissioner in the application and  
237.17 certification process. The decertification is subject to appeal to the state.

237.18 Sec. 15. Minnesota Statutes 2022, section 256B.0622, subdivision 7a, is amended to read:

237.19 Subd. 7a. **Assertive community treatment team staff requirements and roles.** (a)

237.20 The required treatment staff qualifications and roles for an ACT team are:

237.21 (1) the team leader:

237.22 (i) shall be a mental health professional. Individuals who are not licensed but who are  
237.23 eligible for licensure and are otherwise qualified may also fulfill this role ~~but must obtain~~  
237.24 ~~full licensure within 24 months of assuming the role of team leader;~~

237.25 (ii) must be an active member of the ACT team and provide some direct services to  
237.26 clients;

237.27 (iii) must be a single full-time staff member, dedicated to the ACT team, who is  
237.28 responsible for overseeing the administrative operations of the team, ~~providing treatment~~  
237.29 ~~supervision of services in conjunction with the psychiatrist or psychiatric care provider,~~ and  
237.30 supervising team members to ensure delivery of best and ethical practices; and

238.1 (iv) must be available to ~~provide~~ ensure that overall treatment supervision to the ACT  
238.2 team is available after regular business hours and on weekends and holidays. ~~The team~~  
238.3 ~~leader may delegate this duty to another~~ and is provided by a qualified member of the ACT  
238.4 team;

238.5 (2) the psychiatric care provider:

238.6 (i) must be a mental health professional permitted to prescribe psychiatric medications  
238.7 as part of the mental health professional's scope of practice. The psychiatric care provider  
238.8 must have demonstrated clinical experience working with individuals with serious and  
238.9 persistent mental illness;

238.10 (ii) shall collaborate with the team leader in sharing overall clinical responsibility for  
238.11 screening and admitting clients; monitoring clients' treatment and team member service  
238.12 delivery; educating staff on psychiatric and nonpsychiatric medications, their side effects,  
238.13 and health-related conditions; actively collaborating with nurses; and helping provide  
238.14 treatment supervision to the team;

238.15 (iii) shall fulfill the following functions for assertive community treatment clients:  
238.16 provide assessment and treatment of clients' symptoms and response to medications, including  
238.17 side effects; provide brief therapy to clients; provide diagnostic and medication education  
238.18 to clients, with medication decisions based on shared decision making; monitor clients'  
238.19 nonpsychiatric medical conditions and nonpsychiatric medications; and conduct home and  
238.20 community visits;

238.21 (iv) shall serve as the point of contact for psychiatric treatment if a client is hospitalized  
238.22 for mental health treatment and shall communicate directly with the client's inpatient  
238.23 psychiatric care providers to ensure continuity of care;

238.24 (v) shall have a minimum full-time equivalency that is prorated at a rate of 16 hours per  
238.25 50 clients. Part-time psychiatric care providers shall have designated hours to work on the  
238.26 team, with sufficient blocks of time on consistent days to carry out the provider's clinical,  
238.27 supervisory, and administrative responsibilities. No more than two psychiatric care providers  
238.28 may share this role; and

238.29 (vi) shall provide psychiatric backup to the program after regular business hours and on  
238.30 weekends and holidays. The psychiatric care provider may delegate this duty to another  
238.31 qualified psychiatric provider;

238.32 (3) the nursing staff:

239.1 (i) shall consist of one to three registered nurses or advanced practice registered nurses,  
239.2 of whom at least one has a minimum of one-year experience working with adults with  
239.3 serious mental illness and a working knowledge of psychiatric medications. No more than  
239.4 two individuals can share a full-time equivalent position;

239.5 (ii) are responsible for managing medication, administering and documenting medication  
239.6 treatment, and managing a secure medication room; and

239.7 (iii) shall develop strategies, in collaboration with clients, to maximize taking medications  
239.8 as prescribed; screen and monitor clients' mental and physical health conditions and  
239.9 medication side effects; engage in health promotion, prevention, and education activities;  
239.10 communicate and coordinate services with other medical providers; facilitate the development  
239.11 of the individual treatment plan for clients assigned; and educate the ACT team in monitoring  
239.12 psychiatric and physical health symptoms and medication side effects;

239.13 (4) the co-occurring disorder specialist:

239.14 (i) shall be a full-time equivalent co-occurring disorder specialist who has received  
239.15 specific training on co-occurring disorders that is consistent with national evidence-based  
239.16 practices. The training must include practical knowledge of common substances and how  
239.17 they affect mental illnesses, the ability to assess substance use disorders and the client's  
239.18 stage of treatment, motivational interviewing, and skills necessary to provide counseling to  
239.19 clients at all different stages of change and treatment. The co-occurring disorder specialist  
239.20 may also be an individual who is a licensed alcohol and drug counselor as described in  
239.21 section 148F.01, subdivision 5, or a counselor who otherwise meets the training, experience,  
239.22 and other requirements in section 245G.11, subdivision 5. No more than two co-occurring  
239.23 disorder specialists may occupy this role; and

239.24 (ii) shall provide or facilitate the provision of co-occurring disorder treatment to clients.  
239.25 The co-occurring disorder specialist shall serve as a consultant and educator to fellow ACT  
239.26 team members on co-occurring disorders;

239.27 (5) the vocational specialist:

239.28 (i) shall be a full-time vocational specialist who has at least one-year experience providing  
239.29 employment services or advanced education that involved field training in vocational services  
239.30 to individuals with mental illness. An individual who does not meet these qualifications  
239.31 may also serve as the vocational specialist upon completing a training plan approved by the  
239.32 commissioner;

240.1 (ii) shall provide or facilitate the provision of vocational services to clients. The vocational  
240.2 specialist serves as a consultant and educator to fellow ACT team members on these services;  
240.3 and

240.4 (iii) must not refer individuals to receive any type of vocational services or linkage by  
240.5 providers outside of the ACT team;

240.6 (6) the mental health certified peer specialist:

240.7 (i) shall be a full-time equivalent. No more than two individuals can share this position.  
240.8 The mental health certified peer specialist is a fully integrated team member who provides  
240.9 highly individualized services in the community and promotes the self-determination and  
240.10 shared decision-making abilities of clients. This requirement may be waived due to workforce  
240.11 shortages upon approval of the commissioner;

240.12 (ii) must provide coaching, mentoring, and consultation to the clients to promote recovery,  
240.13 self-advocacy, and self-direction, promote wellness management strategies, and assist clients  
240.14 in developing advance directives; and

240.15 (iii) must model recovery values, attitudes, beliefs, and personal action to encourage  
240.16 wellness and resilience, provide consultation to team members, promote a culture where  
240.17 the clients' points of view and preferences are recognized, understood, respected, and  
240.18 integrated into treatment, and serve in a manner equivalent to other team members;

240.19 (7) the program administrative assistant shall be a full-time office-based program  
240.20 administrative assistant position assigned to solely work with the ACT team, providing a  
240.21 range of supports to the team, clients, and families; and

240.22 (8) additional staff:

240.23 (i) shall be based on team size. Additional treatment team staff may include mental  
240.24 health professionals; clinical trainees; certified rehabilitation specialists; mental health  
240.25 practitioners; or mental health rehabilitation workers. These individuals shall have the  
240.26 knowledge, skills, and abilities required by the population served to carry out rehabilitation  
240.27 and support functions; and

240.28 (ii) shall be selected based on specific program needs or the population served.

240.29 (b) Each ACT team must clearly document schedules for all ACT team members.

240.30 (c) Each ACT team member must serve as a primary team member for clients assigned  
240.31 by the team leader and are responsible for facilitating the individual treatment plan process  
240.32 for those clients. The primary team member for a client is the responsible team member



241.1 knowledgeable about the client's life and circumstances and writes the individual treatment  
241.2 plan. The primary team member provides individual supportive therapy or counseling, and  
241.3 provides primary support and education to the client's family and support system.

241.4 (d) Members of the ACT team must have strong clinical skills, professional qualifications,  
241.5 experience, and competency to provide a full breadth of rehabilitation services. Each staff  
241.6 member shall be proficient in their respective discipline and be able to work collaboratively  
241.7 as a member of a multidisciplinary team to deliver the majority of the treatment,  
241.8 rehabilitation, and support services clients require to fully benefit from receiving assertive  
241.9 community treatment.

241.10 (e) Each ACT team member must fulfill training requirements established by the  
241.11 commissioner.

241.12 Sec. 16. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 7b, is  
241.13 amended to read:

241.14 Subd. 7b. **Assertive community treatment program size and opportunities scores.** (a)  
241.15 Each ACT team shall ~~maintain an annual average caseload that does not exceed 100 clients.~~  
241.16 ~~Staff-to-client ratios shall be based on team size as follows:~~ must demonstrate that the team  
241.17 attained a passing score according to the most recently issued Tool for Measurement of  
241.18 Assertive Community Treatment (TMACT).

241.19 ~~(1) a small ACT team must:~~

241.20 ~~(i) employ at least six but no more than seven full-time treatment team staff, excluding~~  
241.21 ~~the program assistant and the psychiatric care provider;~~

241.22 ~~(ii) serve an annual average maximum of no more than 50 clients;~~

241.23 ~~(iii) ensure at least one full-time equivalent position for every eight clients served;~~

241.24 ~~(iv) schedule ACT team staff on weekdays and on-call duty to provide crisis services~~  
241.25 ~~and deliver services after hours when staff are not working;~~

241.26 ~~(v) provide crisis services during business hours if the small ACT team does not have~~  
241.27 ~~sufficient staff numbers to operate an after-hours on-call system. During all other hours,~~  
241.28 ~~the ACT team may arrange for coverage for crisis assessment and intervention services~~  
241.29 ~~through a reliable crisis-intervention provider as long as there is a mechanism by which the~~  
241.30 ~~ACT team communicates routinely with the crisis-intervention provider and the on-call~~  
241.31 ~~ACT team staff are available to see clients face-to-face when necessary or if requested by~~  
241.32 ~~the crisis-intervention services provider;~~

242.1 ~~(vi) adjust schedules and provide staff to carry out the needed service activities in the~~  
242.2 ~~evenings or on weekend days or holidays, when necessary;~~

242.3 ~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care~~  
242.4 ~~provider is not regularly scheduled to work. If availability of the ACT team's psychiatric~~  
242.5 ~~care provider during all hours is not feasible, alternative psychiatric prescriber backup must~~  
242.6 ~~be arranged and a mechanism of timely communication and coordination established in~~  
242.7 ~~writing; and~~

242.8 ~~(viii) be composed of, at minimum, one full-time team leader, at least 16 hours each~~  
242.9 ~~week per 50 clients of psychiatric provider time, or equivalent if fewer clients, one full-time~~  
242.10 ~~equivalent nursing, one full-time co-occurring disorder specialist, one full-time equivalent~~  
242.11 ~~mental health certified peer specialist, one full-time vocational specialist, one full-time~~  
242.12 ~~program assistant, and at least one additional full-time ACT team member who has mental~~  
242.13 ~~health professional, certified rehabilitation specialist, clinical trainee, or mental health~~  
242.14 ~~practitioner status; and~~

242.15 ~~(2) a midsize ACT team shall:~~

242.16 ~~(i) be composed of, at minimum, one full-time team leader, at least 16 hours of psychiatry~~  
242.17 ~~time for 51 clients, with an additional two hours for every six clients added to the team, 1.5~~  
242.18 ~~to two full-time equivalent nursing staff, one full-time co-occurring disorder specialist, one~~  
242.19 ~~full-time equivalent mental health certified peer specialist, one full-time vocational specialist,~~  
242.20 ~~one full-time program assistant, and at least 1.5 to two additional full-time equivalent ACT~~  
242.21 ~~members, with at least one dedicated full-time staff member with mental health professional~~  
242.22 ~~status. Remaining team members may have mental health professional, certified rehabilitation~~  
242.23 ~~specialist, clinical trainee, or mental health practitioner status;~~

242.24 ~~(ii) employ seven or more treatment team full-time equivalents, excluding the program~~  
242.25 ~~assistant and the psychiatric care provider;~~

242.26 ~~(iii) serve an annual average maximum caseload of 51 to 74 clients;~~

242.27 ~~(iv) ensure at least one full-time equivalent position for every nine clients served;~~

242.28 ~~(v) schedule ACT team staff for a minimum of ten-hour shift coverage on weekdays~~  
242.29 ~~and six to eight-hour shift coverage on weekends and holidays. In addition to these minimum~~  
242.30 ~~specifications, staff are regularly scheduled to provide the necessary services on a~~  
242.31 ~~client-by-client basis in the evenings and on weekends and holidays;~~

242.32 ~~(vi) schedule ACT team staff on-call duty to provide crisis services and deliver services~~  
242.33 ~~when staff are not working;~~

243.1 ~~(vii) have the authority to arrange for coverage for crisis assessment and intervention~~  
243.2 ~~services through a reliable crisis intervention provider as long as there is a mechanism by~~  
243.3 ~~which the ACT team communicates routinely with the crisis intervention provider and the~~  
243.4 ~~on-call ACT team staff are available to see clients face-to-face when necessary or if requested~~  
243.5 ~~by the crisis intervention services provider; and~~

243.6 ~~(viii) arrange for and provide psychiatric backup during all hours the psychiatric care~~  
243.7 ~~provider is not regularly scheduled to work. If availability of the psychiatric care provider~~  
243.8 ~~during all hours is not feasible, alternative psychiatric prescriber backup must be arranged~~  
243.9 ~~and a mechanism of timely communication and coordination established in writing;~~

243.10 ~~(3) a large ACT team must:~~

243.11 ~~(i) be composed of, at minimum, one full-time team leader, at least 32 hours each week~~  
243.12 ~~per 100 clients, or equivalent of psychiatry time, three full-time equivalent nursing staff,~~  
243.13 ~~one full-time co-occurring disorder specialist, one full-time equivalent mental health certified~~  
243.14 ~~peer specialist, one full-time vocational specialist, one full-time program assistant, and at~~  
243.15 ~~least two additional full-time equivalent ACT team members, with at least one dedicated~~  
243.16 ~~full-time staff member with mental health professional status. Remaining team members~~  
243.17 ~~may have mental health professional or mental health practitioner status;~~

243.18 ~~(ii) employ nine or more treatment team full-time equivalents, excluding the program~~  
243.19 ~~assistant and psychiatric care provider;~~

243.20 ~~(iii) serve an annual average maximum caseload of 75 to 100 clients;~~

243.21 ~~(iv) ensure at least one full-time equivalent position for every nine individuals served;~~

243.22 ~~(v) schedule staff to work two eight-hour shifts, with a minimum of two staff on the~~  
243.23 ~~second shift providing services at least 12 hours per day weekdays. For weekends and~~  
243.24 ~~holidays, the team must operate and schedule ACT team staff to work one eight-hour shift,~~  
243.25 ~~with a minimum of two staff each weekend day and every holiday;~~

243.26 ~~(vi) schedule ACT team staff on-call duty to provide crisis services and deliver services~~  
243.27 ~~when staff are not working; and~~

243.28 ~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care~~  
243.29 ~~provider is not regularly scheduled to work. If availability of the ACT team psychiatric care~~  
243.30 ~~provider during all hours is not feasible, alternative psychiatric backup must be arranged~~  
243.31 ~~and a mechanism of timely communication and coordination established in writing.~~

244.1 ~~(b) An ACT team of any size may have a staff-to-client ratio that is lower than the~~  
244.2 ~~requirements described in paragraph (a) upon approval by the commissioner, but may not~~  
244.3 ~~exceed a one-to-ten staff-to-client ratio.~~

244.4 Sec. 17. Minnesota Statutes 2022, section 256B.0622, subdivision 7d, is amended to read:

244.5 Subd. 7d. **Assertive community treatment assessment and individual treatment**  
244.6 **plan.** (a) An initial assessment shall be completed the day of the client's admission to  
244.7 assertive community treatment by the ACT team leader or the psychiatric care provider,  
244.8 with participation by designated ACT team members and the client. The initial assessment  
244.9 must include obtaining or completing a standard diagnostic assessment according to section  
244.10 245I.10, subdivision 6, and completing a 30-day individual treatment plan. The team leader,  
244.11 psychiatric care provider, or other mental health professional designated by the team leader  
244.12 or psychiatric care provider, must update the client's diagnostic assessment ~~at least annually~~  
244.13 as required under section 245I.10, subdivision 2, paragraphs (f) and (g).

244.14 (b) A functional assessment must be completed according to section 245I.10, subdivision  
244.15 9. Each part of the functional assessment areas shall be completed by each respective team  
244.16 specialist or an ACT team member with skill and knowledge in the area being assessed.

244.17 (c) Between 30 and 45 days after the client's admission to assertive community treatment,  
244.18 the entire ACT team must hold a comprehensive case conference, where all team members,  
244.19 including the psychiatric provider, present information discovered from the completed  
244.20 assessments and provide treatment recommendations. The conference must serve as the  
244.21 basis for the first individual treatment plan, which must be written by the primary team  
244.22 member.

244.23 (d) The client's psychiatric care provider, primary team member, and individual treatment  
244.24 team members shall assume responsibility for preparing the written narrative of the results  
244.25 from the psychiatric and social functioning history timeline and the comprehensive  
244.26 assessment.

244.27 (e) The primary team member and individual treatment team members shall be assigned  
244.28 by the team leader in collaboration with the psychiatric care provider by the time of the first  
244.29 treatment planning meeting or 30 days after admission, whichever occurs first.

244.30 (f) Individual treatment plans must be developed through the following treatment planning  
244.31 process:

244.32 (1) The individual treatment plan shall be developed in collaboration with the client and  
244.33 the client's preferred natural supports, and guardian, if applicable and appropriate. The ACT

245.1 team shall evaluate, together with each client, the client's needs, strengths, and preferences  
245.2 and develop the individual treatment plan collaboratively. The ACT team shall make every  
245.3 effort to ensure that the client and the client's family and natural supports, with the client's  
245.4 consent, are in attendance at the treatment planning meeting, are involved in ongoing  
245.5 meetings related to treatment, and have the necessary supports to fully participate. The  
245.6 client's participation in the development of the individual treatment plan shall be documented.

245.7 (2) The client and the ACT team shall work together to formulate and prioritize the  
245.8 issues, set goals, research approaches and interventions, and establish the plan. The plan is  
245.9 individually tailored so that the treatment, rehabilitation, and support approaches and  
245.10 interventions achieve optimum symptom reduction, help fulfill the personal needs and  
245.11 aspirations of the client, take into account the cultural beliefs and realities of the individual,  
245.12 and improve all the aspects of psychosocial functioning that are important to the client. The  
245.13 process supports strengths, rehabilitation, and recovery.

245.14 (3) Each client's individual treatment plan shall identify service needs, strengths and  
245.15 capacities, and barriers, and set specific and measurable short- and long-term goals for each  
245.16 service need. The individual treatment plan must clearly specify the approaches and  
245.17 interventions necessary for the client to achieve the individual goals, when the interventions  
245.18 shall happen, and identify which ACT team member shall carry out the approaches and  
245.19 interventions.

245.20 (4) The primary team member and the individual treatment team, together with the client  
245.21 and the client's family and natural supports with the client's consent, are responsible for  
245.22 reviewing and rewriting the treatment goals and individual treatment plan whenever there  
245.23 is a major decision point in the client's course of treatment or at least every six months.

245.24 (5) The primary team member shall prepare a summary that thoroughly describes in  
245.25 writing the client's and the individual treatment team's evaluation of the client's progress  
245.26 and goal attainment, the effectiveness of the interventions, and the satisfaction with services  
245.27 since the last individual treatment plan. The client's most recent diagnostic assessment must  
245.28 be included with the treatment plan summary.

245.29 (6) The individual treatment plan and review must be approved or acknowledged by the  
245.30 client, the primary team member, the team leader, the psychiatric care provider, and all  
245.31 individual treatment team members. A copy of the approved individual treatment plan must  
245.32 be made available to the client.

246.1 Sec. 18. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 8, is  
246.2 amended to read:

246.3 Subd. 8. **Medical assistance payment for assertive community treatment and**  
246.4 **intensive residential treatment services.** (a) Payment for intensive residential treatment  
246.5 services and assertive community treatment in this section shall be based on one daily rate  
246.6 per provider inclusive of the following services received by an eligible client in a given  
246.7 calendar day: all rehabilitative services under this section, staff travel time to provide  
246.8 rehabilitative services under this section, and nonresidential crisis stabilization services  
246.9 under section 256B.0624.

246.10 (b) Except as indicated in paragraph (c), payment will not be made to more than one  
246.11 entity for each client for services provided under this section on a given day. If services  
246.12 under this section are provided by a team that includes staff from more than one entity, the  
246.13 team must determine how to distribute the payment among the members.

246.14 (c) The commissioner shall determine one rate for each provider that will bill medical  
246.15 assistance for residential services under this section and one rate for each assertive community  
246.16 treatment provider. If a single entity provides both services, one rate is established for the  
246.17 entity's residential services and another rate for the entity's nonresidential services under  
246.18 this section. A provider is not eligible for payment under this section without authorization  
246.19 from the commissioner. The commissioner shall develop rates using the following criteria:

246.20 (1) the provider's cost for services shall include direct services costs, other program  
246.21 costs, and other costs determined as follows:

246.22 (i) the direct services costs must be determined using actual costs of salaries, benefits,  
246.23 payroll taxes, and training of direct service staff and service-related transportation;

246.24 (ii) other program costs not included in item (i) must be determined as a specified  
246.25 percentage of the direct services costs as determined by item (i). The percentage used shall  
246.26 be determined by the commissioner based upon the average of percentages that represent  
246.27 the relationship of other program costs to direct services costs among the entities that provide  
246.28 similar services;

246.29 (iii) physical plant costs calculated based on the percentage of space within the program  
246.30 that is entirely devoted to treatment and programming. This does not include administrative  
246.31 or residential space;

246.32 (iv) assertive community treatment physical plant costs must be reimbursed as part of  
246.33 the costs described in item (ii); and

247.1 (v) subject to federal approval, up to an additional five percent of the total rate may be  
247.2 added to the program rate as a quality incentive based upon the entity meeting performance  
247.3 criteria specified by the commissioner;

247.4 (2) actual cost is defined as costs which are allowable, allocable, and reasonable, and  
247.5 consistent with federal reimbursement requirements under Code of Federal Regulations,  
247.6 title 48, chapter 1, part 31, relating to for-profit entities, and Office of Management and  
247.7 Budget Circular Number A-122, relating to nonprofit entities;

247.8 (3) the number of service units;

247.9 (4) the degree to which clients will receive services other than services under this section;  
247.10 and

247.11 (5) the costs of other services that will be separately reimbursed.

247.12 (d) The rate for intensive residential treatment services and assertive community treatment  
247.13 must exclude the medical assistance room and board rate, as defined in section 256B.056,  
247.14 subdivision 5d, and services not covered under this section, such as partial hospitalization,  
247.15 home care, and inpatient services.

247.16 (e) Physician services that are not separately billed may be included in the rate to the  
247.17 extent that a psychiatrist, or other health care professional providing physician services  
247.18 within their scope of practice, is a member of the intensive residential treatment services  
247.19 treatment team. Physician services, whether billed separately or included in the rate, may  
247.20 be delivered by telehealth. For purposes of this paragraph, "telehealth" has the meaning  
247.21 given to "mental health telehealth" in section 256B.0625, subdivision 46, when telehealth  
247.22 is used to provide intensive residential treatment services.

247.23 (f) When services under this section are provided by an assertive community treatment  
247.24 provider, case management functions must be an integral part of the team.

247.25 (g) The rate for a provider must not exceed the rate charged by that provider for the  
247.26 same service to other payors.

247.27 (h) The rates for existing programs must be established prospectively based upon the  
247.28 expenditures and utilization over a prior 12-month period using the criteria established in  
247.29 paragraph (c). The rates for new programs must be established based upon estimated  
247.30 expenditures and estimated utilization using the criteria established in paragraph (c).

247.31 (i) Effective for the rate years beginning on and after January 1, 2024, rates for assertive  
247.32 community treatment, adult residential crisis stabilization services, and intensive residential  
247.33 treatment services must be annually adjusted for inflation using the Centers for Medicare

248.1 and Medicaid Services Medicare Economic Index, as forecasted in the ~~fourth~~ third quarter  
248.2 of the calendar year before the rate year. The inflation adjustment must be based on the  
248.3 12-month period from the midpoint of the previous rate year to the midpoint of the rate year  
248.4 for which the rate is being determined.

248.5 (j) Entities who discontinue providing services must be subject to a settle-up process  
248.6 whereby actual costs and reimbursement for the previous 12 months are compared. In the  
248.7 event that the entity was paid more than the entity's actual costs plus any applicable  
248.8 performance-related funding due the provider, the excess payment must be reimbursed to  
248.9 the department. If a provider's revenue is less than actual allowed costs due to lower  
248.10 utilization than projected, the commissioner may reimburse the provider to recover its actual  
248.11 allowable costs. The resulting adjustments by the commissioner must be proportional to the  
248.12 percent of total units of service reimbursed by the commissioner and must reflect a difference  
248.13 of greater than five percent.

248.14 (k) A provider may request of the commissioner a review of any rate-setting decision  
248.15 made under this subdivision.

248.16 Sec. 19. Minnesota Statutes 2022, section 256B.0623, subdivision 5, is amended to read:

248.17 Subd. 5. **Qualifications of provider staff.** Adult rehabilitative mental health services  
248.18 must be provided by qualified individual provider staff of a certified provider entity.

248.19 Individual provider staff must be qualified as:

248.20 (1) a mental health professional who is qualified according to section 245I.04, subdivision  
248.21 2;

248.22 (2) a certified rehabilitation specialist who is qualified according to section 245I.04,  
248.23 subdivision 8;

248.24 (3) a clinical trainee who is qualified according to section 245I.04, subdivision 6;

248.25 (4) a mental health practitioner qualified according to section 245I.04, subdivision 4;

248.26 (5) a mental health certified peer specialist who is qualified according to section 245I.04,  
248.27 subdivision 10; ~~or~~

248.28 (6) a mental health rehabilitation worker who is qualified according to section 245I.04,  
248.29 subdivision 14; or

248.30 (7) a licensed occupational therapist, as defined in section 148.6402, subdivision 14.

248.31 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner  
248.32 of human services must notify the revisor of statutes when federal approval is obtained.



249.1 Sec. 20. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 5m, is  
249.2 amended to read:

249.3 Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical  
249.4 assistance covers services provided by a not-for-profit certified community behavioral health  
249.5 clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

249.6 (b) The commissioner shall reimburse CCBHCs on a per-day basis for each day that an  
249.7 eligible service is delivered using the CCBHC daily bundled rate system for medical  
249.8 assistance payments as described in paragraph (c). The commissioner shall include a quality  
249.9 incentive payment in the CCBHC daily bundled rate system as described in paragraph (e).  
249.10 There is no county share for medical assistance services when reimbursed through the  
249.11 CCBHC daily bundled rate system.

249.12 (c) The commissioner shall ensure that the CCBHC daily bundled rate system for CCBHC  
249.13 payments under medical assistance meets the following requirements:

249.14 (1) the CCBHC daily bundled rate shall be a provider-specific rate calculated for each  
249.15 CCBHC, based on the daily cost of providing CCBHC services and the total annual allowable  
249.16 CCBHC costs divided by the total annual number of CCBHC visits. For calculating the  
249.17 payment rate, total annual visits include visits covered by medical assistance and visits not  
249.18 covered by medical assistance. Allowable costs include but are not limited to the salaries  
249.19 and benefits of medical assistance providers; the cost of CCBHC services provided under  
249.20 section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as  
249.21 insurance or supplies needed to provide CCBHC services;

249.22 (2) payment shall be limited to one payment per day per medical assistance enrollee  
249.23 when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement  
249.24 if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph  
249.25 (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or  
249.26 licensed agency employed by or under contract with a CCBHC;

249.27 (3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735,  
249.28 subdivision 3, shall be established by the commissioner using a provider-specific rate based  
249.29 on the newly certified CCBHC's audited historical cost report data adjusted for the expected  
249.30 cost of delivering CCBHC services. Estimates are subject to review by the commissioner  
249.31 and must include the expected cost of providing the full scope of CCBHC services and the  
249.32 expected number of visits for the rate period;

249.33 (4) the commissioner shall rebase CCBHC rates once every two years following the last  
249.34 rebasing and no less than 12 months following an initial rate or a rate change due to a change

250.1 in the scope of services. For CCBHCs certified after September 31, 2020, and before January  
250.2 1, 2021, the commissioner shall rebase rates according to this clause beginning for dates of  
250.3 service provided on January 1, 2024;

250.4 (5) the commissioner shall provide for a 60-day appeals process after notice of the results  
250.5 of the rebasing;

250.6 (6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal  
250.7 Medicaid rate is not eligible for the CCBHC rate methodology;

250.8 (7) payments for CCBHC services to individuals enrolled in managed care shall be  
250.9 coordinated with the state's phase-out of CCBHC wrap payments. The commissioner shall  
250.10 complete the phase-out of CCBHC wrap payments within 60 days of the implementation  
250.11 of the CCBHC daily bundled rate system in the Medicaid Management Information System  
250.12 (MMIS), for CCBHCs reimbursed under this chapter, with a final settlement of payments  
250.13 due made payable to CCBHCs no later than 18 months thereafter;

250.14 (8) the CCBHC daily bundled rate for each CCBHC shall be updated by trending each  
250.15 provider-specific rate by the Medicare Economic Index for primary care services. This  
250.16 update shall occur each year in between rebasing periods determined by the commissioner  
250.17 in accordance with clause (4). CCBHCs must provide data on costs and visits to the state  
250.18 annually using the CCBHC cost report established by the commissioner; and

250.19 (9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of  
250.20 services when such changes are expected to result in an adjustment to the CCBHC payment  
250.21 rate by 2.5 percent or more. The CCBHC must provide the commissioner with information  
250.22 regarding the changes in the scope of services, including the estimated cost of providing  
250.23 the new or modified services and any projected increase or decrease in the number of visits  
250.24 resulting from the change. Estimated costs are subject to review by the commissioner. Rate  
250.25 adjustments for changes in scope shall occur no more than once per year in between rebasing  
250.26 periods per CCBHC and are effective on the date of the annual CCBHC rate update.

250.27 (d) Managed care plans and county-based purchasing plans shall reimburse CCBHC  
250.28 providers at the CCBHC daily bundled rate. The commissioner shall monitor the effect of  
250.29 this requirement on the rate of access to the services delivered by CCBHC providers. If, for  
250.30 any contract year, federal approval is not received for this paragraph, the commissioner  
250.31 must adjust the capitation rates paid to managed care plans and county-based purchasing  
250.32 plans for that contract year to reflect the removal of this provision. Contracts between  
250.33 managed care plans and county-based purchasing plans and providers to whom this paragraph  
250.34 applies must allow recovery of payments from those providers if capitation rates are adjusted

251.1 in accordance with this paragraph. Payment recoveries must not exceed the amount equal  
251.2 to any increase in rates that results from this provision. This paragraph expires if federal  
251.3 approval is not received for this paragraph at any time.

251.4 (e) The commissioner shall implement a quality incentive payment program for CCBHCs  
251.5 that meets the following requirements:

251.6 (1) a CCBHC shall receive a quality incentive payment upon meeting specific numeric  
251.7 thresholds for performance metrics established by the commissioner, in addition to payments  
251.8 for which the CCBHC is eligible under the CCBHC daily bundled rate system described in  
251.9 paragraph (c);

251.10 (2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement  
251.11 year to be eligible for incentive payments;

251.12 (3) each CCBHC shall receive written notice of the criteria that must be met in order to  
251.13 receive quality incentive payments at least 90 days prior to the measurement year; and

251.14 (4) a CCBHC must provide the commissioner with data needed to determine incentive  
251.15 payment eligibility within six months following the measurement year. The commissioner  
251.16 shall notify CCBHC providers of their performance on the required measures and the  
251.17 incentive payment amount within 12 months following the measurement year.

251.18 (f) All claims to managed care plans for CCBHC services as provided under this section  
251.19 shall be submitted directly to, and paid by, the commissioner on the dates specified no later  
251.20 than January 1 of the following calendar year, if:

251.21 (1) one or more managed care plans does not comply with the federal requirement for  
251.22 payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42,  
251.23 section 447.45(b), and the managed care plan does not resolve the payment issue within 30  
251.24 days of noncompliance; and

251.25 (2) the total amount of clean claims not paid in accordance with federal requirements  
251.26 by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims  
251.27 eligible for payment by managed care plans.

251.28 If the conditions in this paragraph are met between January 1 and June 30 of a calendar  
251.29 year, claims shall be submitted to and paid by the commissioner beginning on January 1 of  
251.30 the following year. If the conditions in this paragraph are met between July 1 and December  
251.31 31 of a calendar year, claims shall be submitted to and paid by the commissioner beginning  
251.32 on July 1 of the following year.

252.1 (g) Peer services provided by a CCBHC certified under section 245.735 are a covered  
252.2 service under medical assistance when a licensed mental health professional or alcohol and  
252.3 drug counselor determines that peer services are medically necessary. Eligibility under this  
252.4 subdivision for peer services provided by a CCBHC supersede eligibility standards under  
252.5 sections 256B.0615, 256B.0616, and 245G.07, subdivision 2, clause (8).

252.6 Sec. 21. Minnesota Statutes 2022, section 256B.0625, subdivision 20, is amended to read:

252.7 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the  
252.8 state agency, medical assistance covers case management services to persons with serious  
252.9 and persistent mental illness and children with severe emotional disturbance. Services  
252.10 provided under this section must meet the relevant standards in sections 245.461 to 245.4887,  
252.11 the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts  
252.12 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

252.13 (b) Entities meeting program standards set out in rules governing family community  
252.14 support services as defined in section 245.4871, subdivision 17, are eligible for medical  
252.15 assistance reimbursement for case management services for children with severe emotional  
252.16 disturbance when these services meet the program standards in Minnesota Rules, parts  
252.17 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

252.18 (c) Medical assistance and MinnesotaCare payment for mental health case management  
252.19 shall be made on a monthly basis. In order to receive payment for an eligible child, the  
252.20 provider must document at least a face-to-face contact either in person or by interactive  
252.21 video that meets the requirements of subdivision 20b with the child, the child's parents, or  
252.22 the child's legal representative. To receive payment for an eligible adult, the provider must  
252.23 document:

252.24 (1) at least a face-to-face contact with the adult or the adult's legal representative either  
252.25 in person or by interactive video that meets the requirements of subdivision 20b; or

252.26 (2) at least a telephone contact or contact via secure electronic message, if preferred by  
252.27 the adult client, with the adult or the adult's legal representative and document a face-to-face  
252.28 contact either in person or by interactive video that meets the requirements of subdivision  
252.29 20b with the adult or the adult's legal representative within the preceding two months.

252.30 (d) Payment for mental health case management provided by county or state staff shall  
252.31 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph  
252.32 (b), with separate rates calculated for child welfare and mental health, and within mental  
252.33 health, separate rates for children and adults.

253.1 (e) Payment for mental health case management provided by Indian health services or  
253.2 by agencies operated by Indian tribes may be made according to this section or other relevant  
253.3 federally approved rate setting methodology.

253.4 (f) Payment for mental health case management provided by vendors who contract with  
253.5 a county must be calculated in accordance with section 256B.076, subdivision 2. Payment  
253.6 for mental health case management provided by vendors who contract with a Tribe must  
253.7 be based on a monthly rate negotiated by the Tribe. The rate must not exceed the rate charged  
253.8 by the vendor for the same service to other payers. If the service is provided by a team of  
253.9 contracted vendors, the team shall determine how to distribute the rate among its members.  
253.10 No reimbursement received by contracted vendors shall be returned to the county or tribe,  
253.11 except to reimburse the county or tribe for advance funding provided by the county or tribe  
253.12 to the vendor.

253.13 (g) If the service is provided by a team which includes contracted vendors, tribal staff,  
253.14 and county or state staff, the costs for county or state staff participation in the team shall be  
253.15 included in the rate for county-provided services. In this case, the contracted vendor, the  
253.16 tribal agency, and the county may each receive separate payment for services provided by  
253.17 each entity in the same month. In order to prevent duplication of services, each entity must  
253.18 document, in the recipient's file, the need for team case management and a description of  
253.19 the roles of the team members.

253.20 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for  
253.21 mental health case management shall be provided by the recipient's county of responsibility,  
253.22 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds  
253.23 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal  
253.24 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state  
253.25 without a federal share through fee-for-service, 50 percent of the cost shall be provided by  
253.26 the recipient's county of responsibility.

253.27 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance  
253.28 and MinnesotaCare include mental health case management. When the service is provided  
253.29 through prepaid capitation, the nonfederal share is paid by the state and the county pays no  
253.30 share.

253.31 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider  
253.32 that does not meet the reporting or other requirements of this section. The county of  
253.33 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,

254.1 is responsible for any federal disallowances. The county or tribe may share this responsibility  
254.2 with its contracted vendors.

254.3 (k) The commissioner shall set aside a portion of the federal funds earned for county  
254.4 expenditures under this section to repay the special revenue maximization account under  
254.5 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

254.6 (1) the costs of developing and implementing this section; and

254.7 (2) programming the information systems.

254.8 (l) Payments to counties and tribal agencies for case management expenditures under  
254.9 this section shall only be made from federal earnings from services provided under this  
254.10 section. When this service is paid by the state without a federal share through fee-for-service,  
254.11 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors  
254.12 shall include the federal earnings, the state share, and the county share.

254.13 (m) Case management services under this subdivision do not include therapy, treatment,  
254.14 legal, or outreach services.

254.15 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,  
254.16 and the recipient's institutional care is paid by medical assistance, payment for case  
254.17 management services under this subdivision is limited to the lesser of:

254.18 (1) the last 180 days of the recipient's residency in that facility and may not exceed more  
254.19 than six months in a calendar year; or

254.20 (2) the limits and conditions which apply to federal Medicaid funding for this service.

254.21 (o) Payment for case management services under this subdivision shall not duplicate  
254.22 payments made under other program authorities for the same purpose.

254.23 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting  
254.24 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,  
254.25 mental health targeted case management services must actively support identification of  
254.26 community alternatives for the recipient and discharge planning.

254.27 Sec. 22. Minnesota Statutes 2022, section 256B.0625, subdivision 38, is amended to read:

254.28 Subd. 38. **Payments for mental health services.** Payments for mental health services  
254.29 covered under the medical assistance program that are provided by masters-prepared mental  
254.30 health professionals shall be ~~80~~90 percent of the rate paid to doctoral-prepared professionals.  
254.31 Payments for mental health services covered under the medical assistance program that are  
254.32 provided by masters-prepared mental health professionals employed by community mental

255.1 health centers shall be 100 percent of the rate paid to doctoral-prepared professionals.  
255.2 Payments for mental health services covered under the medical assistance program that are  
255.3 provided by physician assistants shall be 80.4 percent of the base rate paid to psychiatrists.

255.4 Sec. 23. Minnesota Statutes 2023 Supplement, section 256B.0671, subdivision 5, is  
255.5 amended to read:

255.6 Subd. 5. **Child and family psychoeducation services.** (a) Medical assistance covers  
255.7 child and family psychoeducation services provided to a child up to under age 21 with and  
255.8 the child's family members, when determined to be medically necessary due to a diagnosed  
255.9 mental health condition when or diagnosed mental illness identified in the child's individual  
255.10 treatment plan and provided by a mental health professional who is qualified under section  
255.11 245I.04, subdivision 2, and practicing within the scope of practice under section 245I.04,  
255.12 subdivision 3; a mental health practitioner who is qualified under section 245I.04, subdivision  
255.13 4, and practicing within the scope of practice under section 245I.04, subdivision 5; or a  
255.14 clinical trainee who has determined it medically necessary to involve family members in  
255.15 the child's care is qualified under section 245I.04, subdivision 6, and practicing within the  
255.16 scope of practice under section 245I.04, subdivision 7.

255.17 (b) "Child and family psychoeducation services" means information or demonstration  
255.18 provided to an individual or family as part of an individual, family, multifamily group, or  
255.19 peer group session to explain, educate, and support the child and family in understanding  
255.20 a child's symptoms of mental illness, the impact on the child's development, and needed  
255.21 components of treatment and skill development so that the individual, family, or group can  
255.22 help the child to prevent relapse, prevent the acquisition of comorbid disorders, and achieve  
255.23 optimal mental health and long-term resilience.

255.24 (c) Child and family psychoeducation services include individual, family, or group skills  
255.25 development or training, to:

255.26 (1) support the development of psychosocial skills that are medically necessary to  
255.27 rehabilitate the child to an age-appropriate developmental trajectory, when the child's  
255.28 development was disrupted by a mental health condition or diagnosed mental illness; or

255.29 (2) enable the child to self-monitor, compensate for, cope with, counteract, or replace  
255.30 skills deficits or maladaptive skills acquired over the course of the child's mental health  
255.31 condition or mental illness.

255.32 (d) Skills development or training delivered to a child or the child's family under this  
255.33 subdivision must be targeted to the specific deficits related to the child's mental health

256.1 condition or mental illness, and must be prescribed in the child's individual treatment plan.  
256.2 Group skills training may be provided to multiple recipients who, because of the nature of  
256.3 their emotional, behavioral, or social functional ability, may benefit from interaction in a  
256.4 group setting.

256.5 Sec. 24. Minnesota Statutes 2022, section 256B.0943, subdivision 12, is amended to read:

256.6 Subd. 12. **Excluded services.** The following services are not eligible for medical  
256.7 assistance payment as children's therapeutic services and supports:

256.8 (1) service components of children's therapeutic services and supports simultaneously  
256.9 provided by more than one provider entity unless prior authorization is obtained;

256.10 (2) treatment by multiple providers within the same agency at the same clock time,  
256.11 unless one service is delivered to the child and the other service is delivered to child's family  
256.12 or treatment team without the child present;

256.13 ~~(3)~~ (2) children's therapeutic services and supports provided in violation of medical  
256.14 assistance policy in Minnesota Rules, part 9505.0220;

256.15 ~~(4)~~ (3) mental health behavioral aide services provided by a personal care assistant who  
256.16 is not qualified as a mental health behavioral aide and employed by a certified children's  
256.17 therapeutic services and supports provider entity;

256.18 ~~(5)~~ (4) service components of CTSS that are the responsibility of a residential or program  
256.19 license holder, including foster care providers under the terms of a service agreement or  
256.20 administrative rules governing licensure; and

256.21 ~~(6)~~ (5) adjunctive activities that may be offered by a provider entity but are not otherwise  
256.22 covered by medical assistance, including:

256.23 (i) a service that is primarily recreation oriented or that is provided in a setting that is  
256.24 not medically supervised. This includes sports activities, exercise groups, activities such as  
256.25 craft hours, leisure time, social hours, meal or snack time, trips to community activities,  
256.26 and tours;

256.27 (ii) a social or educational service that does not have or cannot reasonably be expected  
256.28 to have a therapeutic outcome related to the client's emotional disturbance;

256.29 (iii) prevention or education programs provided to the community; and

256.30 (iv) treatment for clients with primary diagnoses of alcohol or other drug abuse.



257.1 Sec. 25. Minnesota Statutes 2022, section 256B.0947, subdivision 5, is amended to read:

257.2 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services  
257.3 must meet the standards in this section and chapter 245I as required in section 245I.011,  
257.4 subdivision 5.

257.5 (b) The treatment team must have specialized training in providing services to the specific  
257.6 age group of youth that the team serves. An individual treatment team must serve youth  
257.7 who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14  
257.8 years of age or older and under 21 years of age.

257.9 (c) The treatment team for intensive nonresidential rehabilitative mental health services  
257.10 comprises both permanently employed core team members and client-specific team members  
257.11 as follows:

257.12 (1) Based on professional qualifications and client needs, clinically qualified core team  
257.13 members are assigned on a rotating basis as the client's lead worker to coordinate a client's  
257.14 care. The core team must comprise at least four full-time equivalent direct care staff and  
257.15 must minimally include:

257.16 (i) a mental health professional who serves as team leader to provide administrative  
257.17 direction and treatment supervision to the team;

257.18 (ii) an advanced-practice registered nurse with certification in psychiatric or mental  
257.19 health care or a board-certified child and adolescent psychiatrist, either of which must be  
257.20 credentialed to prescribe medications;

257.21 ~~(iii) a licensed alcohol and drug counselor who is also trained in mental health~~  
257.22 ~~interventions; and~~

257.23 ~~(iv) (iii) a mental health certified peer specialist who is qualified according to section~~  
257.24 ~~245I.04, subdivision 10, and is also a former children's mental health consumer; and~~

257.25 (iv) a co-occurring disorder specialist who meets the requirements under section  
257.26 256B.0622, subdivision 7a, paragraph (a), clause (4), who will provide or facilitate the  
257.27 provision of co-occurring disorder treatment to clients.

257.28 (2) The core team may also include any of the following:

257.29 (i) additional mental health professionals;

257.30 (ii) a vocational specialist;

- 258.1 (iii) an educational specialist with knowledge and experience working with youth  
258.2 regarding special education requirements and goals, special education plans, and coordination  
258.3 of educational activities with health care activities;
- 258.4 (iv) a child and adolescent psychiatrist who may be retained on a consultant basis;
- 258.5 (v) a clinical trainee qualified according to section 245I.04, subdivision 6;
- 258.6 (vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;
- 258.7 (vii) a case management service provider, as defined in section 245.4871, subdivision  
258.8 4;
- 258.9 (viii) a housing access specialist; and
- 258.10 (ix) a family peer specialist as defined in subdivision 2, paragraph (j).
- 258.11 (3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc  
258.12 members not employed by the team who consult on a specific client and who must accept  
258.13 overall clinical direction from the treatment team for the duration of the client's placement  
258.14 with the treatment team and must be paid by the provider agency at the rate for a typical  
258.15 session by that provider with that client or at a rate negotiated with the client-specific  
258.16 member. Client-specific treatment team members may include:
- 258.17 (i) the mental health professional treating the client prior to placement with the treatment  
258.18 team;
- 258.19 (ii) the client's current substance use counselor, if applicable;
- 258.20 (iii) a lead member of the client's individualized education program team or school-based  
258.21 mental health provider, if applicable;
- 258.22 (iv) a representative from the client's health care home or primary care clinic, as needed  
258.23 to ensure integration of medical and behavioral health care;
- 258.24 (v) the client's probation officer or other juvenile justice representative, if applicable;  
258.25 and
- 258.26 (vi) the client's current vocational or employment counselor, if applicable.
- 258.27 (d) The treatment supervisor shall be an active member of the treatment team and shall  
258.28 function as a practicing clinician at least on a part-time basis. The treatment team shall meet  
258.29 with the treatment supervisor at least weekly to discuss recipients' progress and make rapid  
258.30 adjustments to meet recipients' needs. The team meeting must include client-specific case

259.1 reviews and general treatment discussions among team members. Client-specific case  
259.2 reviews and planning must be documented in the individual client's treatment record.

259.3 (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment  
259.4 team position.

259.5 (f) The treatment team shall serve no more than 80 clients at any one time. Should local  
259.6 demand exceed the team's capacity, an additional team must be established rather than  
259.7 exceed this limit.

259.8 (g) Nonclinical staff shall have prompt access in person or by telephone to a mental  
259.9 health practitioner, clinical trainee, or mental health professional. The provider shall have  
259.10 the capacity to promptly and appropriately respond to emergent needs and make any  
259.11 necessary staffing adjustments to ensure the health and safety of clients.

259.12 (h) The intensive nonresidential rehabilitative mental health services provider shall  
259.13 participate in evaluation of the assertive community treatment for youth (Youth ACT) model  
259.14 as conducted by the commissioner, including the collection and reporting of data and the  
259.15 reporting of performance measures as specified by contract with the commissioner.

259.16 (i) A regional treatment team may serve multiple counties.

259.17 Sec. 26. Minnesota Statutes 2023 Supplement, section 256B.0947, subdivision 7, is  
259.18 amended to read:

259.19 Subd. 7. **Medical assistance payment and rate setting.** (a) Payment for services in this  
259.20 section must be based on one daily encounter rate per provider inclusive of the following  
259.21 services received by an eligible client in a given calendar day: all rehabilitative services,  
259.22 supports, and ancillary activities under this section, staff travel time to provide rehabilitative  
259.23 services under this section, and crisis response services under section 256B.0624.

259.24 (b) Payment must not be made to more than one entity for each client for services  
259.25 provided under this section on a given day. If services under this section are provided by a  
259.26 team that includes staff from more than one entity, the team shall determine how to distribute  
259.27 the payment among the members.

259.28 (c) The commissioner shall establish regional cost-based rates for entities that will bill  
259.29 medical assistance for nonresidential intensive rehabilitative mental health services. In  
259.30 developing these rates, the commissioner shall consider:

259.31 (1) the cost for similar services in the health care trade area;

259.32 (2) actual costs incurred by entities providing the services;

- 260.1 (3) the intensity and frequency of services to be provided to each client;
- 260.2 (4) the degree to which clients will receive services other than services under this section;
- 260.3 and
- 260.4 (5) the costs of other services that will be separately reimbursed.
- 260.5 (d) The rate for a provider must not exceed the rate charged by that provider for the
- 260.6 same service to other payers.
- 260.7 (e) Effective for the rate years beginning on and after January 1, 2024, rates must be
- 260.8 annually adjusted for inflation using the Centers for Medicare and Medicaid Services
- 260.9 Medicare Economic Index, as forecasted in the ~~fourth~~ third quarter of the calendar year
- 260.10 before the rate year. The inflation adjustment must be based on the 12-month period from
- 260.11 the midpoint of the previous rate year to the midpoint of the rate year for which the rate is
- 260.12 being determined.

260.13 **Sec. 27. DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**

260.14 **CHILDREN'S RESIDENTIAL FACILITY RULEMAKING.**

260.15 (a) The commissioner of human services must use the expedited rulemaking process

260.16 and comply with all requirements under Minnesota Statutes, section 14.389, to adopt the

260.17 amendments required under this section.

260.18 (b) The commissioner of human services must amend Minnesota Rules, chapter 2960,

260.19 to replace all instances of the term "clinical supervision" with the term "treatment

260.20 supervision."

260.21 (c) The commissioner of human services must amend Minnesota Rules, part 2960.0020,

260.22 to replace all instances of the term "clinical supervisor" with the term "treatment supervisor."

260.23 (d) The commissioner of human services must amend Minnesota Rules, part 2960.0020,

260.24 to add the definition of "licensed prescriber" to mean an individual who is authorized to

260.25 prescribe legend drugs under Minnesota Statutes, section 151.37.

260.26 (e) The commissioner of human services must amend Minnesota Rules, parts 2960.0020

260.27 to 2960.0710, to replace all instances of "physician" with "licensed prescriber."

260.28 (f) The commissioner of human services must amend Minnesota Rules, part 2960.0620,

260.29 subpart 2, to strike all of the current language and insert the following language: "If a resident

260.30 is prescribed a psychotropic medication, the license holder must monitor for side effects of

260.31 the medication. Within 24 hours of admission, a registered nurse or licensed prescriber must

260.32 assess the resident for and document any current side effects and document instructions for

261.1 how frequently the license holder must monitor for side effects of the psychotropic  
261.2 medications the resident is taking. When a resident begins taking a new psychotropic  
261.3 medication or stops taking a psychotropic medication, the license holder must monitor for  
261.4 side effects according to the instructions of the registered nurse or licensed prescriber. The  
261.5 license holder must monitor for side effects using standardized checklists, rating scales, or  
261.6 other tools according to the instructions of the registered nurse or licensed prescriber. The  
261.7 license holder must provide the results of the checklist, rating scale, or other tool to the  
261.8 licensed prescriber for review."

261.9 (g) The commissioner of human services must amend Minnesota Rules, part 2960.0630,  
261.10 subpart 2, to allow license holders to use the ancillary meeting process under Minnesota  
261.11 Statutes, section 245I.23, subdivision 14, paragraph (c), if a staff member cannot participate  
261.12 in a weekly clinical supervision session.

261.13 (h) The commissioner of human services must amend Minnesota Rules, part 2960.0630,  
261.14 subpart 3, to strike item D.

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

261.16 **Sec. 28. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MEDICAL**  
261.17 **ASSISTANCE CHILDREN'S RESIDENTIAL MENTAL HEALTH CRISIS**  
261.18 **STABILIZATION.**

261.19 (a) The commissioner of human services must consult with providers, advocates, Tribal  
261.20 Nations, counties, people with lived experience as or with a child in a mental health crisis,  
261.21 and other interested community members to develop a covered benefit under medical  
261.22 assistance to provide residential mental health crisis stabilization for children. The benefit  
261.23 must:

261.24 (1) consist of evidence-based promising practices or culturally responsive treatment  
261.25 services for children under the age of 21 experiencing a mental health crisis;

261.26 (2) embody an integrative care model that supports individuals experiencing a mental  
261.27 health crisis who may also be experiencing co-occurring conditions;

261.28 (3) qualify for federal financial participation; and

261.29 (4) include services that support children and families, including but not limited to:

261.30 (i) an assessment of the child's immediate needs and factors that led to the mental health  
261.31 crisis;

- 262.1 (ii) individualized care to address immediate needs and restore the child to a precrisis  
262.2 level of functioning;
- 262.3 (iii) 24-hour on-site staff and assistance;
- 262.4 (iv) supportive counseling and clinical services;
- 262.5 (v) skills training and positive support services, as identified in the child's individual  
262.6 crisis stabilization plan;
- 262.7 (vi) referrals to other service providers in the community as needed and to support the  
262.8 child's transition from residential crisis stabilization services;
- 262.9 (vii) development of an individualized and culturally responsive crisis response action  
262.10 plan; and
- 262.11 (viii) assistance to access and store medication.
- 262.12 (b) When developing the new benefit, the commissioner must make recommendations  
262.13 for providers to be reimbursed for room and board.
- 262.14 (c) The commissioner must consult with or contract with rate-setting experts to develop  
262.15 a prospective data-based rate methodology for the children's residential mental health crisis  
262.16 stabilization benefit.
- 262.17 (d) No later than January 15, 2025, the commissioner must submit to the chairs and  
262.18 ranking minority members of the legislative committees with jurisdiction over human  
262.19 services policy and finance a report detailing for the children's residential mental health  
262.20 crisis stabilization benefit the proposed:
- 262.21 (1) eligibility, clinical and service requirements, provider standards, licensing  
262.22 requirements, and reimbursement rates;
- 262.23 (2) process for community engagement, community input, and crisis models studied in  
262.24 other states;
- 262.25 (3) deadline for the commissioner to submit a state plan amendment to the Centers for  
262.26 Medicare and Medicaid Services; and
- 262.27 (4) draft legislation with the statutory changes necessary to implement the benefit.
- 262.28 **EFFECTIVE DATE.** This section is effective July 1, 2024.

263.1 Sec. 29. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MENTAL**  
263.2 **HEALTH PROCEDURE CODES.**

263.3 The commissioner of human services must develop recommendations, in consultation  
263.4 with external partners and medical coding and compliance experts, on simplifying mental  
263.5 health procedure codes and the feasibility of converting mental health procedure codes to  
263.6 the current procedural terminology (CPT) code structure. By October 1, 2025, the  
263.7 commissioner must submit a report to the chairs and ranking minority members of the  
263.8 legislative committees with jurisdiction over mental health on the recommendations and  
263.9 methodology to simplify and restructure mental health procedure codes with corresponding  
263.10 resource-based relative value scale (RBRVS) values.

263.11 **EFFECTIVE DATE.** This section is effective July 1, 2024.

263.12 Sec. 30. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; RESPITE**  
263.13 **CARE ACCESS.**

263.14 The commissioner of human services, in coordination with interested parties, must  
263.15 develop proposals by December 31, 2025, to increase access to licensed respite foster care  
263.16 homes that take into consideration the new rule directing title IV-E agencies to adopt one  
263.17 set of licensing or approval standards for all relative or kinship foster family homes that is  
263.18 different from the licensing or approval standards used for nonrelative or nonkinship foster  
263.19 family homes, as provided by the Federal Register, volume 88, page 66700.

263.20 Sec. 31. **MENTAL HEALTH SERVICES FORMULA-BASED ALLOCATION.**

263.21 The commissioner of human services shall consult with the commissioner of management  
263.22 and budget, counties, Tribes, mental health providers, and advocacy organizations to develop  
263.23 recommendations for moving from the children's and adult mental health grant funding  
263.24 structure to a formula-based allocation structure for mental health services. The  
263.25 recommendations must consider formula-based allocations for grants for respite care,  
263.26 school-linked behavioral health, mobile crisis teams, and first episode of psychosis programs.

263.27 Sec. 32. **REVISOR INSTRUCTION.**

263.28 The revisor of statutes, in consultation with the Office of Senate Counsel, Research and  
263.29 Fiscal Analysis; the House Research Department; and the commissioner of human services,  
263.30 shall prepare legislation for the 2025 legislative session to recodify Minnesota Statutes,  
263.31 section 256B.0622, to move provisions related to assertive community treatment and intensive

264.1 residential treatment services into separate sections of statute. The revisor shall correct any  
264.2 cross-references made necessary by this recodification.

264.3 Sec. 33. **REPEALER.**

264.4 Minnesota Rules, part 2960.0620, subpart 3, is repealed.

264.5 **ARTICLE 10**

264.6 **DEPARTMENT OF HUMAN SERVICES OFFICE OF INSPECTOR GENERAL**

264.7 Section 1. Minnesota Statutes 2023 Supplement, section 13.46, subdivision 4, is amended  
264.8 to read:

264.9 Subd. 4. **Licensing data.** (a) As used in this subdivision:

264.10 (1) "licensing data" are all data collected, maintained, used, or disseminated by the  
264.11 welfare system pertaining to persons licensed or registered or who apply for licensure or  
264.12 registration or who formerly were licensed or registered under the authority of the  
264.13 commissioner of human services;

264.14 (2) "client" means a person who is receiving services from a licensee or from an applicant  
264.15 for licensure; and

264.16 (3) "personal and personal financial data" are Social Security numbers, identity of and  
264.17 letters of reference, insurance information, reports from the Bureau of Criminal  
264.18 Apprehension, health examination reports, and social/home studies.

264.19 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants,  
264.20 certification holders, license holders, and former licensees are public: name, address,  
264.21 telephone number of licensees, email addresses except for family child foster care, date of  
264.22 receipt of a completed application, dates of licensure, licensed capacity, type of client  
264.23 preferred, variances granted, record of training and education in child care and child  
264.24 development, type of dwelling, name and relationship of other family members, previous  
264.25 license history, class of license, the existence and status of complaints, and the number of  
264.26 serious injuries to or deaths of individuals in the licensed program as reported to the  
264.27 commissioner of human services, the local social services agency, or any other county  
264.28 welfare agency. For purposes of this clause, a serious injury is one that is treated by a  
264.29 physician.

264.30 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,  
264.31 an order of license suspension, an order of temporary immediate suspension, an order of  
264.32 license revocation, an order of license denial, or an order of conditional license has been



265.1 issued, or a complaint is resolved, the following data on current and former licensees and  
265.2 applicants are public: the general nature of the complaint or allegations leading to the  
265.3 temporary immediate suspension; the substance and investigative findings of the licensing  
265.4 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence  
265.5 of settlement negotiations; the record of informal resolution of a licensing violation; orders  
265.6 of hearing; findings of fact; conclusions of law; specifications of the final correction order,  
265.7 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license  
265.8 contained in the record of licensing action; whether a fine has been paid; and the status of  
265.9 any appeal of these actions.

265.10 (iii) When a license denial under section 245A.05 or a sanction under section 245A.07  
265.11 is based on a determination that a license holder, applicant, or controlling individual is  
265.12 responsible for maltreatment under section 626.557 or chapter 260E, the identity of the  
265.13 applicant, license holder, or controlling individual as the individual responsible for  
265.14 maltreatment is public data at the time of the issuance of the license denial or sanction.

265.15 (iv) When a license denial under section 245A.05 or a sanction under section 245A.07  
265.16 is based on a determination that a license holder, applicant, or controlling individual is  
265.17 disqualified under chapter 245C, the identity of the license holder, applicant, or controlling  
265.18 individual as the disqualified individual is public data at the time of the issuance of the  
265.19 licensing sanction or denial. If the applicant, license holder, or controlling individual requests  
265.20 reconsideration of the disqualification and the disqualification is affirmed, the reason for  
265.21 the disqualification and the reason to not set aside the disqualification are private data.

265.22 (v) A correction order or fine issued to a child care provider for a licensing violation is  
265.23 private data on individuals under section 13.02, subdivision 12, or nonpublic data under  
265.24 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

265.25 (2) For applicants who withdraw their application prior to licensure or denial of a license,  
265.26 the following data are public: the name of the applicant, the city and county in which the  
265.27 applicant was seeking licensure, the dates of the commissioner's receipt of the initial  
265.28 application and completed application, the type of license sought, and the date of withdrawal  
265.29 of the application.

265.30 (3) For applicants who are denied a license, the following data are public: the name and  
265.31 address of the applicant, the city and county in which the applicant was seeking licensure,  
265.32 the dates of the commissioner's receipt of the initial application and completed application,  
265.33 the type of license sought, the date of denial of the application, the nature of the basis for  
265.34 the denial, the existence of settlement negotiations, the record of informal resolution of a

266.1 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final  
266.2 order of denial, and the status of any appeal of the denial.

266.3 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the  
266.4 victim and the substantiated perpetrator are affiliated with a program licensed under chapter  
266.5 245A, the commissioner of human services, local social services agency, or county welfare  
266.6 agency may inform the license holder where the maltreatment occurred of the identity of  
266.7 the substantiated perpetrator and the victim.

266.8 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder  
266.9 and the status of the license are public if the county attorney has requested that data otherwise  
266.10 classified as public data under clause (1) be considered private data based on the best interests  
266.11 of a child in placement in a licensed program.

266.12 (c) The following are private data on individuals under section 13.02, subdivision 12,  
266.13 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data  
266.14 on family day care program and family foster care program applicants and licensees and  
266.15 their family members who provide services under the license.

266.16 (d) The following are private data on individuals: the identity of persons who have made  
266.17 reports concerning licensees or applicants that appear in inactive investigative data, and the  
266.18 records of clients or employees of the licensee or applicant for licensure whose records are  
266.19 received by the licensing agency for purposes of review or in anticipation of a contested  
266.20 matter. The names of reporters of complaints or alleged violations of licensing standards  
266.21 under chapters 245A, 245B, 245C, and 245D, and applicable rules and alleged maltreatment  
266.22 under section 626.557 and chapter 260E, are confidential data and may be disclosed only  
266.23 as provided in section 260E.21, subdivision 4; 260E.35; or 626.557, subdivision 12b.

266.24 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this  
266.25 subdivision become public data if submitted to a court or administrative law judge as part  
266.26 of a disciplinary proceeding in which there is a public hearing concerning a license which  
266.27 has been suspended, immediately suspended, revoked, or denied.

266.28 (f) Data generated in the course of licensing investigations that relate to an alleged  
266.29 violation of law are investigative data under subdivision 3.

266.30 (g) Data that are not public data collected, maintained, used, or disseminated under this  
266.31 subdivision that relate to or are derived from a report as defined in section 260E.03, or  
266.32 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,  
266.33 subdivision 6, and 626.557, subdivision 12b.

267.1 (h) Upon request, not public data collected, maintained, used, or disseminated under  
267.2 this subdivision that relate to or are derived from a report of substantiated maltreatment as  
267.3 defined in section 626.557 or chapter 260E may be exchanged with the Department of  
267.4 Health for purposes of completing background studies pursuant to section 144.057 and with  
267.5 the Department of Corrections for purposes of completing background studies pursuant to  
267.6 section 241.021.

267.7 (i) Data on individuals collected according to licensing activities under chapters 245A  
267.8 and 245C, data on individuals collected by the commissioner of human services according  
267.9 to investigations under section 626.557 and chapters 245A, 245B, 245C, 245D, and 260E  
267.10 may be shared with the Department of Human Rights, the Department of Health, the  
267.11 Department of Corrections, the ombudsman for mental health and developmental disabilities,  
267.12 and the individual's professional regulatory board when there is reason to believe that laws  
267.13 or standards under the jurisdiction of those agencies may have been violated or the  
267.14 information may otherwise be relevant to the board's regulatory jurisdiction. Background  
267.15 study data on an individual who is the subject of a background study under chapter 245C  
267.16 for a licensed service for which the commissioner of human services is the license holder  
267.17 may be shared with the commissioner and the commissioner's delegate by the licensing  
267.18 division. Unless otherwise specified in this chapter, the identity of a reporter of alleged  
267.19 maltreatment or licensing violations may not be disclosed.

267.20 (j) In addition to the notice of determinations required under sections 260E.24,  
267.21 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the  
267.22 commissioner or the local social services agency has determined that an individual is a  
267.23 substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined in  
267.24 section 260E.03, and the commissioner or local social services agency knows that the  
267.25 individual is a person responsible for a child's care in another facility, the commissioner or  
267.26 local social services agency shall notify the head of that facility of this determination. The  
267.27 notification must include an explanation of the individual's available appeal rights and the  
267.28 status of any appeal. If a notice is given under this paragraph, the government entity making  
267.29 the notification shall provide a copy of the notice to the individual who is the subject of the  
267.30 notice.

267.31 (k) All not public data collected, maintained, used, or disseminated under this subdivision  
267.32 and subdivision 3 may be exchanged between the Department of Human Services, Licensing  
267.33 Division, and the Department of Corrections for purposes of regulating services for which  
267.34 the Department of Human Services and the Department of Corrections have regulatory  
267.35 authority.

268.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

268.2 Sec. 2. Minnesota Statutes 2023 Supplement, section 245A.03, subdivision 2, is amended  
268.3 to read:

268.4 Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

268.5 (1) residential or nonresidential programs that are provided to a person by an individual  
268.6 who is related unless the residential program is a child foster care placement made by a  
268.7 local social services agency or a licensed child-placing agency, except as provided in  
268.8 subdivision 2a;

268.9 (2) nonresidential programs that are provided by an unrelated individual to persons from  
268.10 a single related family;

268.11 (3) residential or nonresidential programs that are provided to adults who do not misuse  
268.12 substances or have a substance use disorder, a mental illness, a developmental disability, a  
268.13 functional impairment, or a physical disability;

268.14 (4) sheltered workshops or work activity programs that are certified by the commissioner  
268.15 of employment and economic development;

268.16 (5) programs operated by a public school for children 33 months or older;

268.17 (6) nonresidential programs primarily for children that provide care or supervision for  
268.18 periods of less than three hours a day while the child's parent or legal guardian is in the  
268.19 same building as the nonresidential program or present within another building that is  
268.20 directly contiguous to the building in which the nonresidential program is located;

268.21 (7) nursing homes or hospitals licensed by the commissioner of health except as specified  
268.22 under section 245A.02;

268.23 (8) board and lodge facilities licensed by the commissioner of health that do not provide  
268.24 children's residential services under Minnesota Rules, chapter 2960, mental health or  
268.25 substance use disorder treatment;

268.26 (9) homes providing programs for persons placed by a county or a licensed agency for  
268.27 legal adoption, unless the adoption is not completed within two years;

268.28 (10) programs licensed by the commissioner of corrections;

268.29 (11) recreation programs for children or adults that are operated or approved by a park  
268.30 and recreation board whose primary purpose is to provide social and recreational activities;

269.1 (12) programs operated by a school as defined in section 120A.22, subdivision 4; YMCA  
269.2 as defined in section 315.44; YWCA as defined in section 315.44; or JCC as defined in  
269.3 section 315.51, whose primary purpose is to provide child care or services to school-age  
269.4 children;

269.5 (13) Head Start nonresidential programs which operate for less than 45 days in each  
269.6 calendar year;

269.7 (14) noncertified boarding care homes unless they provide services for five or more  
269.8 persons whose primary diagnosis is mental illness or a developmental disability;

269.9 (15) programs for children such as scouting, boys clubs, girls clubs, and sports and art  
269.10 programs, and nonresidential programs for children provided for a cumulative total of less  
269.11 than 30 days in any 12-month period;

269.12 (16) residential programs for persons with mental illness, that are located in hospitals;

269.13 (17) the religious instruction of school-age children; Sabbath or Sunday schools; or the  
269.14 congregate care of children by a church, congregation, or religious society during the period  
269.15 used by the church, congregation, or religious society for its regular worship;

269.16 (18) camps licensed by the commissioner of health under Minnesota Rules, chapter  
269.17 4630;

269.18 (19) mental health outpatient services for adults with mental illness or children with  
269.19 emotional disturbance;

269.20 (20) residential programs serving school-age children whose sole purpose is cultural or  
269.21 educational exchange, until the commissioner adopts appropriate rules;

269.22 (21) community support services programs as defined in section 245.462, subdivision  
269.23 6, and family community support services as defined in section 245.4871, subdivision 17;

269.24 (22) the placement of a child by a birth parent or legal guardian in a preadoptive home  
269.25 for purposes of adoption as authorized by section 259.47;

269.26 (23) ~~settings registered under chapter 144D which provide home care services licensed~~  
269.27 ~~by the commissioner of health to fewer than seven adults~~ assisted living facilities licensed  
269.28 by the commissioner of health under chapter 144G;

269.29 (24) substance use disorder treatment activities of licensed professionals in private  
269.30 practice as defined in section 245G.01, subdivision 17;

270.1 (25) consumer-directed community support service funded under the Medicaid waiver  
270.2 for persons with developmental disabilities when the individual who provided the service  
270.3 is:

270.4 (i) the same individual who is the direct payee of these specific waiver funds or paid by  
270.5 a fiscal agent, fiscal intermediary, or employer of record; and

270.6 (ii) not otherwise under the control of a residential or nonresidential program that is  
270.7 required to be licensed under this chapter when providing the service;

270.8 (26) a program serving only children who are age 33 months or older, that is operated  
270.9 by a nonpublic school, for no more than four hours per day per child, with no more than 20  
270.10 children at any one time, and that is accredited by:

270.11 (i) an accrediting agency that is formally recognized by the commissioner of education  
270.12 as a nonpublic school accrediting organization; or

270.13 (ii) an accrediting agency that requires background studies and that receives and  
270.14 investigates complaints about the services provided.

270.15 A program that asserts its exemption from licensure under item (ii) shall, upon request  
270.16 from the commissioner, provide the commissioner with documentation from the accrediting  
270.17 agency that verifies: that the accreditation is current; that the accrediting agency investigates  
270.18 complaints about services; and that the accrediting agency's standards require background  
270.19 studies on all people providing direct contact services;

270.20 (27) a program operated by a nonprofit organization incorporated in Minnesota or another  
270.21 state that serves youth in kindergarten through grade 12; provides structured, supervised  
270.22 youth development activities; and has learning opportunities take place before or after  
270.23 school, on weekends, or during the summer or other seasonal breaks in the school calendar.

270.24 A program exempt under this clause is not eligible for child care assistance under chapter  
270.25 119B. A program exempt under this clause must:

270.26 (i) have a director or supervisor on site who is responsible for overseeing written policies  
270.27 relating to the management and control of the daily activities of the program, ensuring the  
270.28 health and safety of program participants, and supervising staff and volunteers;

270.29 (ii) have obtained written consent from a parent or legal guardian for each youth  
270.30 participating in activities at the site; and

270.31 (iii) have provided written notice to a parent or legal guardian for each youth at the site  
270.32 that the program is not licensed or supervised by the state of Minnesota and is not eligible  
270.33 to receive child care assistance payments;

271.1 (28) a county that is an eligible vendor under section 254B.05 to provide care coordination  
271.2 and comprehensive assessment services;

271.3 (29) a recovery community organization that is an eligible vendor under section 254B.05  
271.4 to provide peer recovery support services; or

271.5 (30) Head Start programs that serve only children who are at least three years old but  
271.6 not yet six years old.

271.7 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a  
271.8 building in which a nonresidential program is located if it shares a common wall with the  
271.9 building in which the nonresidential program is located or is attached to that building by  
271.10 skyway, tunnel, atrium, or common roof.

271.11 (c) Except for the home and community-based services identified in section 245D.03,  
271.12 subdivision 1, nothing in this chapter shall be construed to require licensure for any services  
271.13 provided and funded according to an approved federal waiver plan where licensure is  
271.14 specifically identified as not being a condition for the services and funding.

271.15 Sec. 3. Minnesota Statutes 2022, section 245A.04, is amended by adding a subdivision to  
271.16 read:

271.17 Subd. 7b. Notification to commissioner of changes in key staff positions; children's  
271.18 residential facilities and detoxification programs. (a) A license holder must notify the  
271.19 commissioner within five business days of a change or vacancy in a key staff position under  
271.20 paragraphs (b) or (c). The license holder must notify the commissioner of the staffing change  
271.21 on a form approved by the commissioner and include the name of the staff person now  
271.22 assigned to the key staff position and the staff person's qualifications for the position. The  
271.23 license holder must notify the program licensor of a vacancy, to discuss how the duties of  
271.24 the key staff position will be fulfilled during the vacancy.

271.25 (b) The key staff position for a children's residential facility licensed according to  
271.26 Minnesota Rules, parts 2960.0130 to 2960.0220, is a program director; and

271.27 (c) The key staff positions for a detoxification program licensed according to Minnesota  
271.28 Rules, parts 9530.6510 to 9530.6590, are:

271.29 (1) a program director as required by Minnesota Rules, part 9530.6560, subpart 1;

271.30 (2) a registered nurse as required by Minnesota Rules, part 9530.6560, subpart 4; and

271.31 (3) a medical director as required by Minnesota Rules, part 9530.6560, subpart 5.

271.32 **EFFECTIVE DATE.** This section is effective January 1, 2025.

272.1 Sec. 4. Minnesota Statutes 2022, section 245A.043, subdivision 2, is amended to read:

272.2 Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change  
272.3 in ownership, the commissioner shall require submission of a new license application. This  
272.4 subdivision does not apply to a licensed program or service located in a home where the  
272.5 license holder resides. A change in ownership occurs when:

272.6 (1) except as provided in paragraph (b), the license holder sells or transfers 100 percent  
272.7 of the property, stock, or assets;

272.8 (2) the license holder merges with another organization;

272.9 (3) the license holder consolidates with two or more organizations, resulting in the  
272.10 creation of a new organization;

272.11 (4) there is a change to the federal tax identification number associated with the license  
272.12 holder; or

272.13 (5) except as provided in paragraph (b), all controlling individuals ~~associated with~~ for  
272.14 the original ~~application~~ license have changed.

272.15 (b) ~~Notwithstanding~~ For changes under paragraph (a), clauses (1) and or (5), no change  
272.16 in ownership has occurred and a new license application is not required if at least one  
272.17 controlling individual has been ~~listed~~ affiliated as a controlling individual for the license  
272.18 for at least the previous 12 months immediately preceding the change.

272.19 **EFFECTIVE DATE.** This section is effective January 1, 2025.

272.20 Sec. 5. Minnesota Statutes 2023 Supplement, section 245A.043, subdivision 3, is amended  
272.21 to read:

272.22 Subd. 3. **Standard change of ownership process.** (a) When a change in ownership is  
272.23 proposed and the party intends to assume operation without an interruption in service longer  
272.24 than 60 days after acquiring the program or service, the license holder must provide the  
272.25 commissioner with written notice of the proposed change on a form provided by the  
272.26 commissioner at least ~~60~~ 90 days before the anticipated date of the change in ownership.  
272.27 For purposes of this ~~subdivision and subdivision 4~~ section, "party" means the party that  
272.28 intends to operate the service or program.

272.29 (b) The party must submit a license application under this chapter on the form and in  
272.30 the manner prescribed by the commissioner at least ~~30~~ 90 days before the change in  
272.31 ownership is anticipated to be complete; and must include documentation to support the



273.1 upcoming change. The party must comply with background study requirements under chapter  
273.2 245C and shall pay the application fee required under section 245A.10.

273.3 (c) A party that intends to assume operation without an interruption in service longer  
273.4 than 60 days after acquiring the program or service is exempt from the requirements of  
273.5 sections 245G.03, subdivision 2, paragraph (b), and 254B.03, subdivision 2, paragraphs (c)  
273.6 and (d).

273.7 ~~(e)~~ (d) The commissioner may streamline application procedures when the party is an  
273.8 existing license holder under this chapter and is acquiring a program licensed under this  
273.9 chapter or service in the same service class as one or more licensed programs or services  
273.10 the party operates and those licenses are in substantial compliance. For purposes of this  
273.11 subdivision, "substantial compliance" means within the previous 12 months the commissioner  
273.12 did not (1) issue a sanction under section 245A.07 against a license held by the party, or  
273.13 (2) make a license held by the party conditional according to section 245A.06.

273.14 ~~(d) Except when a temporary change in ownership license is issued pursuant to~~  
273.15 ~~subdivision 4~~ (e) While the standard change of ownership process is pending, the existing  
273.16 license holder ~~is solely~~ remains responsible for operating the program according to applicable  
273.17 laws and rules until a license under this chapter is issued to the party.

273.18 ~~(e)~~ (f) If a licensing inspection of the program or service was conducted within the  
273.19 previous 12 months and the existing license holder's license record demonstrates substantial  
273.20 compliance with the applicable licensing requirements, the commissioner may waive the  
273.21 party's inspection required by section 245A.04, subdivision 4. The party must submit to the  
273.22 commissioner (1) proof that the premises was inspected by a fire marshal or that the fire  
273.23 marshal deemed that an inspection was not warranted, and (2) proof that the premises was  
273.24 inspected for compliance with the building code or that no inspection was deemed warranted.

273.25 ~~(f)~~ (g) If the party is seeking a license for a program or service that has an outstanding  
273.26 action under section 245A.06 or 245A.07, the party must submit a ~~letter~~ written plan as part  
273.27 of the application process identifying how the party has or will come into full compliance  
273.28 with the licensing requirements.

273.29 ~~(g)~~ (h) The commissioner shall evaluate the party's application according to section  
273.30 245A.04, subdivision 6. If the commissioner determines that the party has remedied or  
273.31 demonstrates the ability to remedy the outstanding actions under section 245A.06 or 245A.07  
273.32 and has determined that the program otherwise complies with all applicable laws and rules,  
273.33 the commissioner shall issue a license or conditional license under this chapter. A conditional  
273.34 license issued under this section is final and not subject to reconsideration under section

274.1 245A.06, subdivision 4. The conditional license remains in effect until the commissioner  
274.2 determines that the grounds for the action are corrected or no longer exist.

274.3 ~~(h)~~ (i) The commissioner may deny an application as provided in section 245A.05. An  
274.4 applicant whose application was denied by the commissioner may appeal the denial according  
274.5 to section 245A.05.

274.6 ~~(i)~~ (j) This subdivision does not apply to a licensed program or service located in a home  
274.7 where the license holder resides.

274.8 **EFFECTIVE DATE.** This section is effective January 1, 2025.

274.9 Sec. 6. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision  
274.10 to read:

274.11 Subd. 3a. **Emergency change in ownership process.** (a) In the event of a death of a  
274.12 license holder or sole controlling individual or a court order or other event that results in  
274.13 the license holder being inaccessible or unable to operate the program or service, a party  
274.14 may submit a request to the commissioner to allow the party to assume operation of the  
274.15 program or service under an emergency change in ownership process to ensure persons  
274.16 continue to receive services while the commissioner evaluates the party's license application.

274.17 (b) To request the emergency change of ownership process, the party must immediately:

274.18 (1) notify the commissioner of the event resulting in the inability of the license holder  
274.19 to operate the program and of the party's intent to assume operations; and

274.20 (2) provide the commissioner with documentation that demonstrates the party has a legal  
274.21 or legitimate ownership interest in the program or service if applicable and is able to operate  
274.22 the program or service.

274.23 (c) If the commissioner approves the party to continue operating the program or service  
274.24 under an emergency change in ownership process, the party must:

274.25 (1) request to be added as a controlling individual or license holder to the existing license;

274.26 (2) notify persons receiving services of the emergency change in ownership in a manner  
274.27 approved by the commissioner;

274.28 (3) submit an application for a new license within 30 days of approval;

274.29 (4) comply with the background study requirements under chapter 245C; and

274.30 (5) pay the application fee required under section 245A.10.

275.1 (d) While the emergency change of ownership process is pending, a party approved  
275.2 under this subdivision is responsible for operating the program under the existing license  
275.3 according to applicable laws and rules until a new license under this chapter is issued.

275.4 (e) The provisions in subdivision 3, paragraphs (c), (d), and (f) to (i) apply to this  
275.5 subdivision.

275.6 (f) Once a party is issued a new license or has decided not to seek a new license, the  
275.7 commissioner must close the existing license.

275.8 (g) This subdivision applies to any program or service licensed under this chapter.

275.9 **EFFECTIVE DATE.** This section is effective January 1, 2025.

275.10 Sec. 7. Minnesota Statutes 2022, section 245A.043, subdivision 4, is amended to read:

275.11 Subd. 4. **Temporary ~~change in ownership~~ transitional license.** ~~(a) After receiving the~~  
275.12 ~~party's application pursuant to subdivision 3, upon the written request of the existing license~~  
275.13 ~~holder and the party, the commissioner may issue a temporary change in ownership license~~  
275.14 ~~to the party while the commissioner evaluates the party's application. Until a decision is~~  
275.15 ~~made to grant or deny a license under this chapter, the existing license holder and the party~~  
275.16 ~~shall both be responsible for operating the program or service according to applicable laws~~  
275.17 ~~and rules, and the sale or transfer of the existing license holder's ownership interest in the~~  
275.18 ~~licensed program or service does not terminate the existing license.~~

275.19 ~~(b) The commissioner may issue a temporary change in ownership license when a license~~  
275.20 ~~holder's death, divorce, or other event affects the ownership of the program and an applicant~~  
275.21 ~~seeks to assume operation of the program or service to ensure continuity of the program or~~  
275.22 ~~service while a license application is evaluated.~~

275.23 ~~(c) This subdivision applies to any program or service licensed under this chapter.~~

275.24 If a party's application under subdivision 2 is for a satellite license for a community  
275.25 residential setting under section 245D.23 or day services facility under 245D.27 and if the  
275.26 party already holds an active license to provide services under chapter 245D, the  
275.27 commissioner may issue a temporary transitional license to the party for the community  
275.28 residential setting or day services facility while the commissioner evaluates the party's  
275.29 application. Until a decision is made to grant or deny a community residential setting or  
275.30 day services facility satellite license, the party must be solely responsible for operating the  
275.31 program according to applicable laws and rules, and the existing license must be closed.  
275.32 The temporary transitional license expires after 12 months from the date it was issued or

276.1 upon issuance of the community residential setting or day services facility satellite license,  
276.2 whichever occurs first.

276.3 **EFFECTIVE DATE.** This section is effective January 1, 2025.

276.4 Sec. 8. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision  
276.5 to read:

276.6 **Subd. 5. Failure to comply.** If the commissioner finds that the applicant or license holder  
276.7 has not fully complied with this section, the commissioner may impose a licensing sanction  
276.8 under section 245A.05, 245A.06, or 245A.07.

276.9 **EFFECTIVE DATE.** This section is effective January 1, 2025.

276.10 Sec. 9. Minnesota Statutes 2023 Supplement, section 245A.07, subdivision 1, is amended  
276.11 to read:

276.12 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional  
276.13 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,  
276.14 or secure an injunction against the continuing operation of the program of a license holder  
276.15 who:

276.16 (1) does not comply with applicable law or rule;

276.17 (2) has nondisqualifying background study information, as described in section 245C.05,  
276.18 subdivision 4, that reflects on the license holder's ability to safely provide care to foster  
276.19 children; or

276.20 (3) has an individual living in the household where the licensed services are provided  
276.21 or is otherwise subject to a background study, and the individual has nondisqualifying  
276.22 background study information, as described in section 245C.05, subdivision 4, that reflects  
276.23 on the license holder's ability to safely provide care to foster children.

276.24 When applying sanctions authorized under this section, the commissioner shall consider  
276.25 the nature, chronicity, or severity of the violation of law or rule and the effect of the violation  
276.26 on the health, safety, or rights of persons served by the program.

276.27 (b) If a license holder appeals the suspension or revocation of a license and the license  
276.28 holder continues to operate the program pending a final order on the appeal, the commissioner  
276.29 shall issue the license holder a temporary provisional license. The commissioner may include  
276.30 terms the license holder must follow pending a final order on the appeal. Unless otherwise  
276.31 specified by the commissioner, variances in effect on the date of the license sanction under

277.1 appeal continue under the temporary provisional license. If a license holder fails to comply  
277.2 with applicable law or rule while operating under a temporary provisional license, the  
277.3 commissioner may impose additional sanctions under this section and section 245A.06, and  
277.4 may terminate any prior variance. If a temporary provisional license is set to expire, a new  
277.5 temporary provisional license shall be issued to the license holder upon payment of any fee  
277.6 required under section 245A.10. The temporary provisional license shall expire on the date  
277.7 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional  
277.8 license shall be issued for the remainder of the current license period.

277.9 (c) If a license holder is under investigation and the license issued under this chapter is  
277.10 due to expire before completion of the investigation, the program shall be issued a new  
277.11 license upon completion of the reapplication requirements and payment of any applicable  
277.12 license fee. Upon completion of the investigation, a licensing sanction may be imposed  
277.13 against the new license under this section, section 245A.06, or 245A.08.

277.14 (d) Failure to reapply or closure of a license issued under this chapter by the license  
277.15 holder prior to the completion of any investigation shall not preclude the commissioner  
277.16 from issuing a licensing sanction under this section or section 245A.06 at the conclusion  
277.17 of the investigation.

277.18 **EFFECTIVE DATE.** This section is effective January 1, 2025.

277.19 Sec. 10. Minnesota Statutes 2022, section 245A.07, subdivision 6, is amended to read:

277.20 Subd. 6. **Appeal of multiple sanctions.** (a) When the license holder appeals more than  
277.21 one licensing action or sanction that were simultaneously issued by the commissioner, the  
277.22 license holder shall specify the actions or sanctions that are being appealed.

277.23 (b) If there are different timelines prescribed in statutes for the licensing actions or  
277.24 sanctions being appealed, the license holder must submit the appeal within the longest of  
277.25 those timelines specified in statutes.

277.26 (c) The appeal must be made in writing by certified mail ~~or~~, personal service, or through  
277.27 the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent  
277.28 to the commissioner within the prescribed timeline with the first day beginning the day after  
277.29 the license holder receives the certified letter. If a request is made by personal service, it  
277.30 must be received by the commissioner within the prescribed timeline with the first day  
277.31 beginning the day after the license holder receives the certified letter. If the appeal is made  
277.32 through the provider hub, the appeal must be received by the commissioner within the

278.1 prescribed timeline with the first day beginning the day after the commissioner issued the  
278.2 order through the hub.

278.3 (d) When there are different timelines prescribed in statutes for the appeal of licensing  
278.4 actions or sanctions simultaneously issued by the commissioner, the commissioner shall  
278.5 specify in the notice to the license holder the timeline for appeal as specified under paragraph  
278.6 (b).

278.7 Sec. 11. Minnesota Statutes 2023 Supplement, section 245A.11, subdivision 7, is amended  
278.8 to read:

278.9 Subd. 7. **Adult foster care and community residential setting; variance for alternate**  
278.10 **overnight supervision.** (a) The commissioner may grant a variance under section 245A.04,  
278.11 subdivision 9, to statute or rule parts requiring a caregiver to be present in an adult foster  
278.12 care home or a community residential setting during normal sleeping hours to allow for  
278.13 alternative methods of overnight supervision. The commissioner may grant the variance if  
278.14 the local county licensing agency recommends the variance and the county recommendation  
278.15 includes documentation verifying that:

278.16 (1) the county has approved the license holder's plan for alternative methods of providing  
278.17 overnight supervision and determined the plan protects the residents' health, safety, and  
278.18 rights;

278.19 (2) the license holder has obtained written and signed informed consent from each  
278.20 resident or each resident's legal representative documenting the resident's or legal  
278.21 representative's agreement with the alternative method of overnight supervision; and

278.22 (3) the alternative method of providing overnight supervision, which may include the  
278.23 use of technology, is specified for each resident in the resident's: (i) individualized plan of  
278.24 care; (ii) ~~individual service~~ support plan under section 256B.092, subdivision 1b, if required;  
278.25 or (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105,  
278.26 subpart 19, if required.

278.27 (b) To be eligible for a variance under paragraph (a), the adult foster care or community  
278.28 residential setting license holder must not have had a conditional license issued under section  
278.29 245A.06, or any other licensing sanction issued under section 245A.07 during the prior 24  
278.30 months based on failure to provide adequate supervision, health care services, or resident  
278.31 safety in the adult foster care home or a community residential setting.

278.32 (c) A license holder requesting a variance under this subdivision to utilize technology  
278.33 as a component of a plan for alternative overnight supervision may request the commissioner's

279.1 review in the absence of a county recommendation. Upon receipt of such a request from a  
279.2 license holder, the commissioner shall review the variance request with the county.

279.3 ~~(d) The variance requirements under this subdivision for alternative overnight supervision~~  
279.4 ~~do not apply to community residential settings licensed under chapter 245D.~~

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

279.6 Sec. 12. Minnesota Statutes 2023 Supplement, section 245A.16, subdivision 1, is amended  
279.7 to read:

279.8 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private  
279.9 agencies that have been designated or licensed by the commissioner to perform licensing  
279.10 functions and activities under section 245A.04; to recommend denial of applicants under  
279.11 section 245A.05; to issue correction orders, to issue variances, and recommend a conditional  
279.12 license under section 245A.06; or to recommend suspending or revoking a license or issuing  
279.13 a fine under section 245A.07, shall comply with rules and directives of the commissioner  
279.14 governing those functions and with this section. The following variances are excluded from  
279.15 the delegation of variance authority and may be issued only by the commissioner:

279.16 (1) dual licensure of family child care and family child foster care, dual licensure of  
279.17 family child foster care and family adult foster care, dual licensure of child foster residence  
279.18 setting and community residential setting, and dual licensure of family adult foster care and  
279.19 family child care;

279.20 (2) adult foster care or community residential setting maximum capacity;

279.21 (3) adult foster care or community residential setting minimum age requirement;

279.22 (4) child foster care maximum age requirement;

279.23 (5) variances regarding disqualified individuals;

279.24 (6) the required presence of a caregiver in the adult foster care residence during normal  
279.25 sleeping hours;

279.26 (7) variances to requirements relating to chemical use problems of a license holder or a  
279.27 household member of a license holder;

279.28 (8) variances to section 245A.53 for a time-limited period. If the commissioner grants  
279.29 a variance under this clause, the license holder must provide notice of the variance to all  
279.30 parents and guardians of the children in care; and

280.1 (9) variances to section 245A.1435 for the use of a cradleboard for a cultural  
280.2 accommodation.

280.3 Except as provided in section 245A.14, subdivision 4, paragraph (a), clause (5), a county  
280.4 agency must not grant a license holder a variance to exceed the maximum allowable family  
280.5 child care license capacity of 14 children.

280.6 (b) A county agency that has been designated by the commissioner to issue family child  
280.7 care variances must:

280.8 (1) publish the county agency's policies and criteria for issuing variances on the county's  
280.9 public website and update the policies as necessary; and

280.10 (2) annually distribute the county agency's policies and criteria for issuing variances to  
280.11 all family child care license holders in the county.

280.12 (c) For family child care programs, the commissioner shall require a county agency to  
280.13 conduct one unannounced licensing review at least annually.

280.14 (d) For family adult day services programs, the commissioner may authorize licensing  
280.15 reviews every two years after a licensee has had at least one annual review.

280.16 (e) A license issued under this section may be issued for up to two years.

280.17 (f) During implementation of chapter 245D, the commissioner shall consider:

280.18 (1) the role of counties in quality assurance;

280.19 (2) the duties of county licensing staff; and

280.20 (3) the possible use of joint powers agreements, according to section 471.59, with counties  
280.21 through which some licensing duties under chapter 245D may be delegated by the  
280.22 commissioner to the counties.

280.23 Any consideration related to this paragraph must meet all of the requirements of the corrective  
280.24 action plan ordered by the federal Centers for Medicare and Medicaid Services.

280.25 (g) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or  
280.26 successor provisions; and section 245D.061 or successor provisions, for family child foster  
280.27 care programs providing out-of-home respite, as identified in section 245D.03, subdivision  
280.28 1, paragraph (b), clause (1), is excluded from the delegation of authority to county and  
280.29 private agencies.

280.30 (h) A county agency shall report to the commissioner, in a manner prescribed by the  
280.31 commissioner, the following information for a licensed family child care program:



281.1 (1) the results of each licensing review completed, including the date of the review, and  
281.2 any licensing correction order issued;

281.3 (2) any death, serious injury, or determination of substantiated maltreatment; and

281.4 (3) any fires that require the service of a fire department within 48 hours of the fire. The  
281.5 information under this clause must also be reported to the state fire marshal within two  
281.6 business days of receiving notice from a licensed family child care provider.

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

281.8 Sec. 13. Minnesota Statutes 2023 Supplement, section 245A.211, subdivision 4, is amended  
281.9 to read:

281.10 Subd. 4. **Contraindicated physical restraints.** A license or certification holder must  
281.11 not implement a restraint on a person receiving services in a program in a way that is  
281.12 contraindicated for any of the person's known medical or psychological conditions. Prior  
281.13 to using restraints on a person, ~~the license or certification holder must assess and document~~  
281.14 ~~a determination of any~~ with a known medical or psychological conditions that restraints are  
281.15 contraindicated for, the license or certification holder must document the contraindication  
281.16 and the type of restraints that will not be used on the person based on this determination.

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

281.18 Sec. 14. Minnesota Statutes 2023 Supplement, section 245A.242, subdivision 2, is amended  
281.19 to read:

281.20 Subd. 2. **Emergency overdose treatment.** (a) A license holder must maintain a supply  
281.21 of opiate antagonists as defined in section 604A.04, subdivision 1, available for emergency  
281.22 treatment of opioid overdose and must have a written standing order protocol by a physician  
281.23 who is licensed under chapter 147, advanced practice registered nurse who is licensed under  
281.24 chapter 148, or physician assistant who is licensed under chapter 147A, that permits the  
281.25 license holder to maintain a supply of opiate antagonists on site. A license holder must  
281.26 require staff to undergo training in the specific mode of administration used at the program,  
281.27 which may include intranasal administration, intramuscular injection, or both.

281.28 (b) Notwithstanding any requirements to the contrary in Minnesota Rules, chapters 2960  
281.29 and 9530, and Minnesota Statutes, chapters 245F, 245G, and 245I:

281.30 (1) emergency opiate antagonist medications are not required to be stored in a locked  
281.31 area and staff and adult clients may carry this medication on them and store it in an unlocked  
281.32 location;

282.1 (2) staff persons who only administer emergency opiate antagonist medications only  
282.2 require the training required by paragraph (a), which any knowledgeable trainer may provide.  
282.3 The trainer is not required to be a registered nurse or part of an accredited educational  
282.4 institution; and

282.5 (3) nonresidential substance use disorder treatment programs that do not administer  
282.6 client medications beyond emergency opiate antagonist medications are not required to  
282.7 have the policies and procedures required in section 245G.08, subdivisions 5 and 6, and  
282.8 must instead describe the program's procedures for administering opiate antagonist  
282.9 medications in the license holder's description of health care services under section 245G.08,  
282.10 subdivision 1.

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

282.12 Sec. 15. Minnesota Statutes 2022, section 245A.52, subdivision 2, is amended to read:

282.13 Subd. 2. **Door to attached garage.** ~~Notwithstanding Minnesota Rules, part 9502.0425,~~  
282.14 ~~subpart 5, day care residences with an attached garage are not required to have a self-closing~~  
282.15 ~~door to the residence. The door to the residence may be (a) If there is an opening between~~  
282.16 an attached garage and a day care residence, there must be a door that is:

282.17 (1) a solid wood bonded-core door at least 1-3/8 inches thick;

282.18 (2) a steel insulated door if the door is at least 1-3/8 inches thick; or

282.19 (3) a door with a fire protection rating of 20 minutes.

282.20 (b) The separation wall on the garage side between the residence and garage must consist  
282.21 of 1/2-inch-thick gypsum wallboard or its equivalent.

282.22 Sec. 16. Minnesota Statutes 2023 Supplement, section 245C.02, subdivision 13e, is  
282.23 amended to read:

282.24 Subd. 13e. **NETStudy 2.0.** (a) "NETStudy 2.0" means the commissioner's system that  
282.25 replaces both NETStudy and the department's internal background study processing system.  
282.26 NETStudy 2.0 is designed to enhance protection of children and vulnerable adults by  
282.27 improving the accuracy of background studies through fingerprint-based criminal record  
282.28 checks and expanding the background studies to include a review of information from the  
282.29 Minnesota Court Information System and the national crime information database. NETStudy  
282.30 2.0 is also designed to increase efficiencies in and the speed of the hiring process by:

283.1 (1) providing access to and updates from public web-based data related to employment  
283.2 eligibility;

283.3 (2) decreasing the need for repeat studies through electronic updates of background  
283.4 study subjects' criminal records;

283.5 (3) supporting identity verification using subjects' Social Security numbers and  
283.6 photographs;

283.7 (4) using electronic employer notifications;

283.8 (5) issuing immediate verification of subjects' eligibility to provide services as more  
283.9 studies are completed under the NETStudy 2.0 system; and

283.10 (6) providing electronic access to certain notices for entities and background study  
283.11 subjects.

283.12 (b) Information obtained by entities from public web-based data through NETStudy 2.0  
283.13 under paragraph (a), clause (1), or any other source that is not direct correspondence from  
283.14 the commissioner is not a notice of disqualification from the commissioner under this  
283.15 chapter.

283.16 Sec. 17. Minnesota Statutes 2022, section 245C.03, is amended by adding a subdivision  
283.17 to read:

283.18 Subd. 16. **Individuals affiliated with a Head Start program.** When initiated by the  
283.19 Head Start program, including Tribal Head Start programs, the commissioner shall conduct  
283.20 a background study on any individual who is affiliated with a Head Start program.

283.21 Sec. 18. Minnesota Statutes 2023 Supplement, section 245C.033, subdivision 3, is amended  
283.22 to read:

283.23 Subd. 3. **Procedure; maltreatment and state licensing agency data.** (a) For requests  
283.24 paid directly by the guardian or conservator, requests for maltreatment and state licensing  
283.25 agency data checks must be submitted by the guardian or conservator to the commissioner  
283.26 on the form or in the manner prescribed by the commissioner. Upon receipt of a signed  
283.27 informed consent and payment under section 245C.10, the commissioner shall complete  
283.28 the maltreatment and state licensing agency checks. Upon completion of the checks, the  
283.29 commissioner shall provide the requested information to the courts on the form or in the  
283.30 manner prescribed by the commissioner.

284.1 (b) For requests paid by the court based on the in forma pauperis status of the guardian  
284.2 or conservator, requests for maltreatment and state licensing agency data checks must be  
284.3 submitted by the court to the commissioner on the form or in the manner prescribed by the  
284.4 commissioner. The form will serve as certification that the individual has been granted in  
284.5 forma pauperis status. Upon receipt of a signed data request consent form from the court,  
284.6 the commissioner shall initiate the maltreatment and state licensing agency checks. Upon  
284.7 completion of the checks, the commissioner shall provide the requested information to the  
284.8 courts on the form or in the manner prescribed by the commissioner.

284.9 Sec. 19. [245C.041] EMERGENCY WAIVER TO TEMPORARILY MODIFY  
284.10 BACKGROUND STUDY REQUIREMENTS.

284.11 (a) In the event of an emergency identified by the commissioner, the commissioner may  
284.12 temporarily waive or modify provisions in this chapter, except that the commissioner shall  
284.13 not waive or modify:

284.14 (1) disqualification standards in section 245C.14 or 245C; or

284.15 (2) any provision regarding the scope of individuals required to be subject to a background  
284.16 study conducted under this chapter.

284.17 (b) For the purposes of this section, an emergency may include, but is not limited to a  
284.18 public health emergency, environmental emergency, natural disaster, or other unplanned  
284.19 event that the commissioner has determined prevents the requirements in this chapter from  
284.20 being met. This authority shall not exceed the amount of time needed to respond to the  
284.21 emergency and reinstate the requirements of this chapter. The commissioner has the authority  
284.22 to establish the process and time frame for returning to full compliance with this chapter.  
284.23 The commissioner shall determine the length of time an emergency study is valid.

284.24 (c) At the conclusion of the emergency, entities must submit a new, compliant background  
284.25 study application and fee for each individual who was the subject of background study  
284.26 affected by the powers created in this section, referred to as an "emergency study" to have  
284.27 a new study that fully complies with this chapter within a time frame and notice period  
284.28 established by the commissioner.

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

284.30 Sec. 20. Minnesota Statutes 2022, section 245C.05, subdivision 5, is amended to read:

284.31 Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph ~~(b)~~ (c), for  
284.32 background studies conducted by the commissioner for child foster care, children's residential

285.1 facilities, adoptions, or a transfer of permanent legal and physical custody of a child, the  
285.2 subject of the background study, who is 18 years of age or older, shall provide the  
285.3 commissioner with a set of classifiable fingerprints obtained from an authorized agency for  
285.4 a national criminal history record check.

285.5 (b) Notwithstanding paragraph (c), for background studies conducted by the commissioner  
285.6 for Head Start programs, the subject of the background study shall provide the commissioner  
285.7 with a set of classifiable fingerprints obtained from an authorized agency for a national  
285.8 criminal history record check.

285.9 ~~(b)~~ (c) For background studies initiated on or after the implementation of NETStudy  
285.10 2.0, except as provided under subdivision 5a, every subject of a background study must  
285.11 provide the commissioner with a set of the background study subject's classifiable fingerprints  
285.12 and photograph. The photograph and fingerprints must be recorded at the same time by the  
285.13 authorized fingerprint collection vendor or vendors and sent to the commissioner through  
285.14 the commissioner's secure data system described in section 245C.32, subdivision 1a,  
285.15 paragraph (b).

285.16 ~~(e)~~ (d) The fingerprints shall be submitted by the commissioner to the Bureau of Criminal  
285.17 Apprehension and, when specifically required by law, submitted to the Federal Bureau of  
285.18 Investigation for a national criminal history record check.

285.19 ~~(d)~~ (e) The fingerprints must not be retained by the Department of Public Safety, Bureau  
285.20 of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will  
285.21 not retain background study subjects' fingerprints.

285.22 ~~(e)~~ (f) The authorized fingerprint collection vendor or vendors shall, for purposes of  
285.23 verifying the identity of the background study subject, be able to view the identifying  
285.24 information entered into NETStudy 2.0 by the entity that initiated the background study,  
285.25 but shall not retain the subject's fingerprints, photograph, or information from NETStudy  
285.26 2.0. The authorized fingerprint collection vendor or vendors shall retain no more than the  
285.27 name and date and time the subject's fingerprints were recorded and sent, only as necessary  
285.28 for auditing and billing activities.

285.29 ~~(f)~~ (g) For any background study conducted under this chapter, the subject shall provide  
285.30 the commissioner with a set of classifiable fingerprints when the commissioner has reasonable  
285.31 cause to require a national criminal history record check as defined in section 245C.02,  
285.32 subdivision 15a.

286.1 Sec. 21. Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 1, is amended  
286.2 to read:

286.3 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)  
286.4 For a background study conducted by the Department of Human Services, the commissioner  
286.5 shall review:

286.6 (1) information related to names of substantiated perpetrators of maltreatment of  
286.7 vulnerable adults that has been received by the commissioner as required under section  
286.8 626.557, subdivision 9c, paragraph (j);

286.9 (2) the commissioner's records relating to the maltreatment of minors in licensed  
286.10 programs, and from findings of maltreatment of minors as indicated through the social  
286.11 service information system;

286.12 (3) information from juvenile courts as required ~~in subdivision 4 for individuals listed~~  
286.13 ~~in section 245C.03, subdivision 1, paragraph (a),~~ for studies under this chapter when there  
286.14 is reasonable cause;

286.15 (4) information from the Bureau of Criminal Apprehension, including information  
286.16 regarding a background study subject's registration in Minnesota as a predatory offender  
286.17 under section 243.166;

286.18 (5) except as provided in clause (6), information received as a result of submission of  
286.19 fingerprints for a national criminal history record check, as defined in section 245C.02,  
286.20 subdivision 13c, when the commissioner has reasonable cause for a national criminal history  
286.21 record check as defined under section 245C.02, subdivision 15a, or as required under section  
286.22 144.057, subdivision 1, clause (2);

286.23 (6) for a background study related to a child foster family setting application for licensure,  
286.24 foster residence settings, children's residential facilities, a transfer of permanent legal and  
286.25 physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a  
286.26 background study required for family child care, certified license-exempt child care, child  
286.27 care centers, and legal nonlicensed child care authorized under chapter 119B, the  
286.28 commissioner shall also review:

286.29 (i) information from the child abuse and neglect registry for any state in which the  
286.30 background study subject has resided for the past five years;

286.31 (ii) when the background study subject is 18 years of age or older, or a minor under  
286.32 section 245C.05, subdivision 5a, paragraph (c), information received following submission  
286.33 of fingerprints for a national criminal history record check; and

287.1 (iii) when the background study subject is 18 years of age or older or a minor under  
287.2 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified  
287.3 license-exempt child care, licensed child care centers, and legal nonlicensed child care  
287.4 authorized under chapter 119B, information obtained using non-fingerprint-based data  
287.5 including information from the criminal and sex offender registries for any state in which  
287.6 the background study subject resided for the past five years and information from the national  
287.7 crime information database and the national sex offender registry;

287.8 (7) for a background study required for family child care, certified license-exempt child  
287.9 care centers, licensed child care centers, and legal nonlicensed child care authorized under  
287.10 chapter 119B, the background study shall also include, to the extent practicable, a name  
287.11 and date-of-birth search of the National Sex Offender Public website; and

287.12 (8) for a background study required for treatment programs for sexual psychopathic  
287.13 personalities or sexually dangerous persons, the background study shall only include a  
287.14 review of the information required under paragraph (a), clauses (1) to (4).

287.15 (b) Except as otherwise provided in this paragraph, notwithstanding expungement by a  
287.16 court, the commissioner may consider information obtained under paragraph (a), clauses  
287.17 (3) and (4), unless:

287.18 (1) the commissioner received notice of the petition for expungement and the court order  
287.19 for expungement is directed specifically to the commissioner; or

287.20 (2) the commissioner received notice of the expungement order issued pursuant to section  
287.21 609A.017, 609A.025, or 609A.035, and the order for expungement is directed specifically  
287.22 to the commissioner.

287.23 The commissioner may not consider information obtained under paragraph (a), clauses (3)  
287.24 and (4), or from any other source that identifies a violation of chapter 152 without  
287.25 determining if the offense involved the possession of marijuana or tetrahydrocannabinol  
287.26 and, if so, whether the person received a grant of expungement or order of expungement,  
287.27 or the person was resentenced to a lesser offense. If the person received a grant of  
287.28 expungement or order of expungement, the commissioner may not consider information  
287.29 related to that violation but may consider any other relevant information arising out of the  
287.30 same incident.

287.31 (c) The commissioner shall also review criminal case information received according  
287.32 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates  
287.33 to individuals who have already been studied under this chapter and who remain affiliated  
287.34 with the agency that initiated the background study.

288.1 (d) When the commissioner has reasonable cause to believe that the identity of a  
288.2 background study subject is uncertain, the commissioner may require the subject to provide  
288.3 a set of classifiable fingerprints for purposes of completing a fingerprint-based record check  
288.4 with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph  
288.5 shall not be saved by the commissioner after they have been used to verify the identity of  
288.6 the background study subject against the particular criminal record in question.

288.7 (e) The commissioner may inform the entity that initiated a background study under  
288.8 NETStudy 2.0 of the status of processing of the subject's fingerprints.

288.9 Sec. 22. Minnesota Statutes 2022, section 245C.08, subdivision 4, is amended to read:

288.10 Subd. 4. **Juvenile court records.** (a) For a background study conducted by the  
288.11 Department of Human Services, the commissioner shall review records from the juvenile  
288.12 courts for an individual studied under ~~section 245C.03, subdivision 1, paragraph (a), this~~  
288.13 chapter when the commissioner has reasonable cause.

288.14 ~~(b) For a background study conducted by a county agency for family child care before~~  
288.15 ~~the implementation of NETStudy 2.0, the commissioner shall review records from the~~  
288.16 ~~juvenile courts for individuals listed in section 245C.03, subdivision 1, who are ages 13~~  
288.17 ~~through 23 living in the household where the licensed services will be provided. The~~  
288.18 ~~commissioner shall also review records from juvenile courts for any other individual listed~~  
288.19 ~~under section 245C.03, subdivision 1, when the commissioner has reasonable cause.~~

288.20 ~~(e)~~ (b) The juvenile courts shall help with the study by giving the commissioner existing  
288.21 juvenile court records relating to delinquency proceedings held on individuals ~~described in~~  
288.22 ~~section 245C.03, subdivision 1, paragraph (a), who are subjects of studies under this chapter~~  
288.23 when requested pursuant to this subdivision.

288.24 ~~(d)~~ (c) For purposes of this chapter, a finding that a delinquency petition is proven in  
288.25 juvenile court shall be considered a conviction in state district court.

288.26 ~~(e)~~ (d) Juvenile courts shall provide orders of involuntary and voluntary termination of  
288.27 parental rights under section 260C.301 to the commissioner upon request for purposes of  
288.28 conducting a background study under this chapter.

288.29 Sec. 23. Minnesota Statutes 2023 Supplement, section 245C.10, subdivision 15, is amended  
288.30 to read:

288.31 Subd. 15. **Guardians and conservators.** (a) The commissioner shall recover the cost  
288.32 of conducting maltreatment and state licensing agency checks for guardians and conservators



289.1 under section 245C.033 through a fee of no more than \$50. The fees collected under this  
289.2 subdivision are appropriated to the commissioner for the purpose of conducting maltreatment  
289.3 and state licensing agency checks.

289.4 (b) The fee must be paid directly to and in the manner prescribed by the commissioner  
289.5 before any maltreatment and state licensing agency checks under section 245C.033 may be  
289.6 conducted.

289.7 (c) Notwithstanding paragraph (b), the court shall pay the fee for an applicant who has  
289.8 been granted in forma pauperis status upon receipt of the invoice from the commissioner.

289.9 Sec. 24. Minnesota Statutes 2022, section 245C.10, subdivision 18, is amended to read:

289.10 Subd. 18. **Applicants, licensees, and other occupations regulated by commissioner**  
289.11 **of health.** The applicant or license holder is responsible for paying to the Department of  
289.12 Human Services all fees associated with the preparation of the fingerprints, the criminal  
289.13 records check consent form, and, through a fee of no more than \$44 per study, the criminal  
289.14 background check.

289.15 Sec. 25. Minnesota Statutes 2022, section 245C.14, is amended by adding a subdivision  
289.16 to read:

289.17 Subd. 5. **Basis for disqualification.** Information obtained by entities from public  
289.18 web-based data through NETStudy 2.0 or any other source that is not direct correspondence  
289.19 from the commissioner is not a notice of disqualification from the commissioner under this  
289.20 chapter.

289.21 Sec. 26. Minnesota Statutes 2022, section 245C.22, subdivision 4, is amended to read:

289.22 Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification  
289.23 if the commissioner finds that the individual has submitted sufficient information to  
289.24 demonstrate that the individual does not pose a risk of harm to any person served by the  
289.25 applicant, license holder, or other entities as provided in this chapter.

289.26 (b) In determining whether the individual has met the burden of proof by demonstrating  
289.27 the individual does not pose a risk of harm, the commissioner shall consider:

289.28 (1) the nature, severity, and consequences of the event or events that led to the  
289.29 disqualification;

289.30 (2) whether there is more than one disqualifying event;

289.31 (3) the age and vulnerability of the victim at the time of the event;

- 290.1 (4) the harm suffered by the victim;
- 290.2 (5) vulnerability of persons served by the program;
- 290.3 (6) the similarity between the victim and persons served by the program;
- 290.4 (7) the time elapsed without a repeat of the same or similar event;
- 290.5 (8) documentation of successful completion by the individual studied of training or
- 290.6 rehabilitation pertinent to the event; and
- 290.7 (9) any other information relevant to reconsideration.

290.8 (c) For an individual seeking a child foster care license who is a relative of the child,

290.9 the commissioner shall consider the importance of maintaining the child's relationship with

290.10 relatives as an additional significant factor in determining whether a background study

290.11 disqualification should be set aside.

290.12 ~~(e)~~(d) If the individual requested reconsideration on the basis that the information relied

290.13 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines

290.14 that the information relied upon to disqualify the individual is correct, the commissioner

290.15 must also determine if the individual poses a risk of harm to persons receiving services in

290.16 accordance with paragraph (b).

290.17 ~~(d)~~(e) For an individual seeking employment in the substance use disorder treatment

290.18 field, the commissioner shall set aside the disqualification if the following criteria are met:

290.19 (1) the individual is not disqualified for a crime of violence as listed under section

290.20 624.712, subdivision 5, except for the following crimes: crimes listed under section 152.021,

290.21 subdivision 2 or 2a; 152.022, subdivision 2; 152.023, subdivision 2; 152.024; or 152.025;

290.22 (2) the individual is not disqualified under section 245C.15, subdivision 1;

290.23 (3) the individual is not disqualified under section 245C.15, subdivision 4, paragraph

290.24 (b);

290.25 (4) the individual provided documentation of successful completion of treatment, at least

290.26 one year prior to the date of the request for reconsideration, at a program licensed under

290.27 chapter 245G, and has had no disqualifying crimes or conduct under section 245C.15 after

290.28 the successful completion of treatment;

290.29 (5) the individual provided documentation demonstrating abstinence from controlled

290.30 substances, as defined in section 152.01, subdivision 4, for the period of one year prior to

290.31 the date of the request for reconsideration; and

291.1 (6) the individual is seeking employment in the substance use disorder treatment field.

291.2 Sec. 27. Minnesota Statutes 2022, section 245C.24, subdivision 2, is amended to read:

291.3 Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in  
291.4 paragraphs (b) to ~~(f)~~ (g), the commissioner may not set aside the disqualification of any  
291.5 individual disqualified pursuant to this chapter, regardless of how much time has passed,  
291.6 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision  
291.7 1.

291.8 (b) For an individual in the substance use disorder or corrections field who was  
291.9 disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and whose  
291.10 disqualification was set aside prior to July 1, 2005, the commissioner must consider granting  
291.11 a variance pursuant to section 245C.30 for the license holder for a program dealing primarily  
291.12 with adults. A request for reconsideration evaluated under this paragraph must include a  
291.13 letter of recommendation from the license holder that was subject to the prior set-aside  
291.14 decision addressing the individual's quality of care to children or vulnerable adults and the  
291.15 circumstances of the individual's departure from that service.

291.16 (c) If an individual who requires a background study for nonemergency medical  
291.17 transportation services under section 245C.03, subdivision 12, was disqualified for a crime  
291.18 or conduct listed under section 245C.15, subdivision 1, and if more than 40 years have  
291.19 passed since the discharge of the sentence imposed, the commissioner may consider granting  
291.20 a set-aside pursuant to section 245C.22. A request for reconsideration evaluated under this  
291.21 paragraph must include a letter of recommendation from the employer. This paragraph does  
291.22 not apply to a person disqualified based on a violation of sections 243.166; 609.185 to  
291.23 609.205; 609.25; 609.342 to 609.3453; 609.352; 617.23, subdivision 2, clause (1), or 3,  
291.24 clause (1); 617.246; or 617.247.

291.25 (d) When a licensed foster care provider adopts an individual who had received foster  
291.26 care services from the provider for over six months, and the adopted individual is required  
291.27 to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause  
291.28 (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30  
291.29 to permit the adopted individual with a permanent disqualification to remain affiliated with  
291.30 the license holder under the conditions of the variance when the variance is recommended  
291.31 by the county of responsibility for each of the remaining individuals in placement in the  
291.32 home and the licensing agency for the home.

291.33 (e) For an individual 18 years of age or older affiliated with a licensed family foster  
291.34 setting, the commissioner must not set aside or grant a variance for the disqualification of

292.1 any individual disqualified pursuant to this chapter, regardless of how much time has passed,  
292.2 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision  
292.3 4a, paragraphs (a) and (b).

292.4 (f) In connection with a family foster setting license, the commissioner may grant a  
292.5 variance to the disqualification for an individual who is under 18 years of age at the time  
292.6 the background study is submitted.

292.7 (g) In connection with foster residence settings and children's residential facilities, the  
292.8 commissioner must not set aside or grant a variance for the disqualification of any individual  
292.9 disqualified pursuant to this chapter, regardless of how much time has passed, if the individual  
292.10 was disqualified for a crime or conduct listed in section 245C.15, subdivision 4a, paragraph  
292.11 (a) or (b).

292.12 Sec. 28. Minnesota Statutes 2022, section 245C.24, subdivision 5, is amended to read:

292.13 Subd. 5. **Five-year bar to set aside or variance disqualification; children's residential**  
292.14 **facilities, foster residence settings.** The commissioner shall not set aside or grant a variance  
292.15 for the disqualification of an individual in connection with a license for a children's residential  
292.16 facility or foster residence setting who was convicted of a felony within the past five years  
292.17 for: (1) physical assault or battery; or (2) a drug-related offense.

292.18 Sec. 29. Minnesota Statutes 2022, section 245C.24, subdivision 6, is amended to read:

292.19 Subd. 6. **Five-year bar to set aside disqualification; family foster setting.** (a) The  
292.20 commissioner shall not set aside or grant a variance for the disqualification of an individual  
292.21 18 years of age or older in connection with a foster family setting license if within five years  
292.22 preceding the study the individual is convicted of a felony in section 245C.15, subdivision  
292.23 4a, paragraph (d).

292.24 (b) In connection with a foster family setting license, the commissioner may set aside  
292.25 or grant a variance to the disqualification for an individual who is under 18 years of age at  
292.26 the time the background study is submitted.

292.27 (c) In connection with a foster family setting license, the commissioner may set aside  
292.28 or grant a variance to the disqualification for an individual who is under 18 years of age at  
292.29 the time the background study is submitted.

293.1 Sec. 30. Minnesota Statutes 2022, section 245C.30, is amended by adding a subdivision  
293.2 to read:

293.3 Subd. 1b. **Child foster care variances.** For an individual seeking a child foster care  
293.4 license who is a relative of the child, the commissioner shall consider the importance of  
293.5 maintaining the child's relationship with relatives as an additional significant factor in  
293.6 determining whether the individual should be granted a variance.

293.7 Sec. 31. Minnesota Statutes 2022, section 245F.09, subdivision 2, is amended to read:

293.8 Subd. 2. **Protective procedures plan.** A license holder must have a written policy and  
293.9 procedure that establishes the protective procedures that program staff must follow when  
293.10 a patient is in imminent danger of harming self or others. The policy must be appropriate  
293.11 to the type of facility and the level of staff training. The protective procedures policy must  
293.12 include:

293.13 (1) an approval signed and dated by the program director and medical director prior to  
293.14 implementation. Any changes to the policy must also be approved, signed, and dated by the  
293.15 current program director and the medical director prior to implementation;

293.16 (2) which protective procedures the license holder will use to prevent patients from  
293.17 imminent danger of harming self or others;

293.18 (3) the emergency conditions under which the protective procedures are permitted to be  
293.19 used, if any;

293.20 (4) the patient's health conditions that limit the specific procedures that may be used and  
293.21 alternative means of ensuring safety;

293.22 (5) emergency resources the program staff must contact when a patient's behavior cannot  
293.23 be controlled by the procedures established in the policy;

293.24 (6) the training that staff must have before using any protective procedure;

293.25 (7) documentation of approved therapeutic holds;

293.26 (8) the use of law enforcement personnel as described in subdivision 4;

293.27 (9) standards governing emergency use of seclusion. Seclusion must be used only when  
293.28 less restrictive measures are ineffective or not feasible. The standards in items (i) to (vii)  
293.29 must be met when seclusion is used with a patient:

293.30 (i) seclusion must be employed solely for the purpose of preventing a patient from  
293.31 imminent danger of harming self or others;

294.1 (ii) seclusion rooms must be equipped in a manner that prevents patients from self-harm  
294.2 using projections, windows, electrical fixtures, or hard objects, and must allow the patient  
294.3 to be readily observed without being interrupted;

294.4 (iii) seclusion must be authorized by the program director, a licensed physician, a  
294.5 registered nurse, or a licensed physician assistant. If one of these individuals is not present  
294.6 in the facility, the program director or a licensed physician, registered nurse, or physician  
294.7 assistant must be contacted and authorization must be obtained within 30 minutes of initiating  
294.8 seclusion, according to written policies;

294.9 (iv) patients must not be placed in seclusion for more than 12 hours at any one time;

294.10 (v) once the condition of a patient in seclusion has been determined to be safe enough  
294.11 to end continuous observation, a patient in seclusion must be observed at a minimum of  
294.12 every 15 minutes for the duration of seclusion and must always be within hearing range of  
294.13 program staff;

294.14 (vi) a process for program staff to use to remove a patient to other resources available  
294.15 to the facility if seclusion does not sufficiently assure patient safety; and

294.16 (vii) a seclusion area may be used for other purposes, such as intensive observation, if  
294.17 the room meets normal standards of care for the purpose and if the room is not locked; and

294.18 (10) physical holds may only be used when less restrictive measures are not feasible.  
294.19 The standards in items (i) to (iv) must be met when physical holds are used with a patient:

294.20 (i) physical holds must be employed solely for preventing a patient from imminent  
294.21 danger of harming self or others;

294.22 (ii) physical holds must be authorized by the program director, a licensed physician, a  
294.23 registered nurse, or a physician assistant. If one of these individuals is not present in the  
294.24 facility, the program director or a licensed physician, registered nurse, or physician assistant  
294.25 must be contacted and authorization must be obtained within 30 minutes of initiating a  
294.26 physical hold, according to written policies;

294.27 (iii) the patient's health concerns must be considered in deciding whether to use physical  
294.28 holds and which holds are appropriate for the patient; and

294.29 (iv) only approved holds may be utilized. Prone and contraindicated holds are not allowed  
294.30 according to section 245A.211 and must not be authorized.

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

295.1 Sec. 32. Minnesota Statutes 2022, section 245F.14, is amended by adding a subdivision  
295.2 to read:

295.3 Subd. 8. Notification to commissioner of changes in key staff positions. A license  
295.4 holder must notify the commissioner within five business days of a change or vacancy in a  
295.5 key staff position. The key positions are a program director as required by subdivision 1, a  
295.6 registered nurse as required by subdivision 4, and a medical director as required by  
295.7 subdivision 5. The license holder must notify the commissioner of the staffing change on  
295.8 a form approved by the commissioner and include the name of the staff person now assigned  
295.9 to the key staff position and the staff person's qualifications for the position. The license  
295.10 holder must notify the program licenser of a vacancy, to discuss how the duties of the key  
295.11 staff position will be fulfilled during the vacancy.

295.12 **EFFECTIVE DATE.** This section is effective January 1, 2025.

295.13 Sec. 33. Minnesota Statutes 2022, section 245F.17, is amended to read:

295.14 **245F.17 PERSONNEL FILES.**

295.15 A license holder must maintain a separate personnel file for each staff member. At a  
295.16 minimum, the file must contain:

295.17 (1) a completed application for employment signed by the staff member that contains  
295.18 the staff member's qualifications for employment and documentation related to the applicant's  
295.19 background study data, as defined in chapter 245C;

295.20 (2) documentation of the staff member's current professional license or registration, if  
295.21 relevant;

295.22 (3) documentation of orientation and subsequent training; and

295.23 ~~(4) documentation of a statement of freedom from substance use problems; and~~

295.24 ~~(5) (4) an annual job performance evaluation.~~

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

295.26 Sec. 34. Minnesota Statutes 2022, section 245G.07, subdivision 4, is amended to read:

295.27 ~~Subd. 4. Location of service provision. The license holder may provide services at any~~  
295.28 ~~of the license holder's licensed locations or at another suitable location including a school,~~  
295.29 ~~government building, medical or behavioral health facility, or social service organization,~~  
295.30 ~~upon notification and approval of the commissioner. If services are provided off site from~~  
295.31 ~~the licensed site, the reason for the provision of services remotely must be documented.~~

296.1 ~~The license holder may provide additional services under subdivision 2, clauses (2) to (5),~~  
296.2 ~~off-site if the license holder includes a policy and procedure detailing the off-site location~~  
296.3 ~~as a part of the treatment service description and the program abuse prevention plan.~~

296.4 (a) The license holder must provide all treatment services a client receives at one of the  
296.5 license holder's substance use disorder treatment licensed locations or at a location allowed  
296.6 under paragraphs (b) to (f). If the services are provided at the locations in paragraphs (b) to  
296.7 (d), the license holder must document in the client record the location services were provided.

296.8 (b) The license holder may provide nonresidential individual treatment services at a  
296.9 client's home or place of residence.

296.10 (c) If the license holder provides treatment services by telehealth, the services must be  
296.11 provided according to this paragraph:

296.12 (1) the license holder must maintain a licensed physical location in Minnesota where  
296.13 the license holder must offer all treatment services in subdivision 1, paragraph (a), clauses  
296.14 (1) to (4), physically in-person to each client;

296.15 (2) the license holder must meet all requirements for the provision of telehealth in sections  
296.16 254B.05, subdivision 5, paragraph (f), and 256B.0625, subdivision 3b. The license holder  
296.17 must document all items in section 256B.0625, subdivision 3b, paragraph (c), for each client  
296.18 receiving services by telehealth, regardless of payment type or whether the client is a medical  
296.19 assistance enrollee;

296.20 (3) the license holder may provide treatment services by telehealth to clients individually;

296.21 (4) the license holder may provide treatment services by telehealth to a group of clients  
296.22 that are each in a separate physical location;

296.23 (5) the license holder must not provide treatment services remotely by telehealth to a  
296.24 group of clients meeting together in person, unless permitted under clause (7);

296.25 (6) clients and staff may join an in-person group by telehealth if a staff member qualified  
296.26 to provide the treatment service is physically present with the group of clients meeting  
296.27 together in person; and

296.28 (7) the qualified professional providing a residential group treatment service by telehealth  
296.29 must be physically present on-site at the licensed residential location while the service is  
296.30 being provided. If weather conditions prohibit a qualified professional from traveling to the  
296.31 residential program and another qualified professional is not available to provide the service,  
296.32 a qualified professional may provide a residential group treatment service by telehealth  
296.33 from a location away from the licensed residential location.



297.1 (d) The license holder may provide the additional treatment services under subdivision  
297.2 2, clauses (2) to (6) and (8), away from the licensed location at a suitable location appropriate  
297.3 to the treatment service.

297.4 (e) Upon written approval from the commissioner for each satellite location, the license  
297.5 holder may provide nonresidential treatment services at satellite locations that are in a  
297.6 school, jail, or nursing home. A satellite location may only provide services to students of  
297.7 the school, inmates of the jail, or residents of the nursing home. Schools, jails, and nursing  
297.8 homes are exempt from the licensing requirements in section 245A.04, subdivision 2a, to  
297.9 document compliance with building codes, fire and safety codes, health rules, and zoning  
297.10 ordinances.

297.11 (f) The commissioner may approve other suitable locations as satellite locations for  
297.12 nonresidential treatment services. The commissioner may require satellite locations under  
297.13 this paragraph to meet all applicable licensing requirements. The license holder may not  
297.14 have more than two satellite locations per license under this paragraph.

297.15 (g) The license holder must provide the commissioner access to all files, documentation,  
297.16 staff persons, and any other information the commissioner requires at the main licensed  
297.17 location for all clients served at any location under paragraphs (b) to (f).

297.18 (h) Notwithstanding sections 245A.65, subdivision 2, and 626.557, subdivision 14, a  
297.19 program abuse prevention plan is not required for satellite or other locations under paragraphs  
297.20 (b) to (e). An individual abuse prevention plan is still required for any client that is a  
297.21 vulnerable adult as defined in section 626.5572, subdivision 21.

297.22 **EFFECTIVE DATE.** This section is effective January 1, 2025.

297.23 Sec. 35. Minnesota Statutes 2022, section 245G.08, subdivision 5, is amended to read:

297.24 **Subd. 5. Administration of medication and assistance with self-medication.** (a) A  
297.25 license holder must meet the requirements in this subdivision if a service provided includes  
297.26 the administration of medication.

297.27 (b) A staff member, other than a licensed practitioner or nurse, who is delegated by a  
297.28 licensed practitioner or a registered nurse the task of administration of medication or assisting  
297.29 with self-medication, must:

297.30 (1) successfully complete a medication administration training program for unlicensed  
297.31 personnel through an accredited Minnesota postsecondary educational institution. A staff  
297.32 member's completion of the course must be documented in writing and placed in the staff  
297.33 member's personnel file;

298.1 (2) be trained according to a formalized training program that is taught by a registered  
298.2 nurse and offered by the license holder. ~~The training must include the process for~~  
298.3 ~~administration of naloxone, if naloxone is kept on-site.~~ A staff member's completion of the  
298.4 training must be documented in writing and placed in the staff member's personnel records;  
298.5 or

298.6 (3) demonstrate to a registered nurse competency to perform the delegated activity. A  
298.7 registered nurse must be employed or contracted to develop the policies and procedures for  
298.8 administration of medication or assisting with self-administration of medication, or both.

298.9 (c) A registered nurse must provide supervision as defined in section 148.171, subdivision  
298.10 23. The registered nurse's supervision must include, at a minimum, monthly on-site  
298.11 supervision or more often if warranted by a client's health needs. The policies and procedures  
298.12 must include:

298.13 (1) a provision that a delegation of administration of medication is limited to a method  
298.14 a staff member has been trained to administer and limited to:

298.15 (i) a medication that is administered orally, topically, or as a suppository, an eye drop,  
298.16 an ear drop, an inhalant, or an intranasal; and

298.17 (ii) an intramuscular injection of ~~naloxone~~ an opiate antagonist as defined in section  
298.18 604A.04, subdivision 1, or epinephrine;

298.19 (2) a provision that each client's file must include documentation indicating whether  
298.20 staff must conduct the administration of medication or the client must self-administer  
298.21 medication, or both;

298.22 (3) a provision that a client may carry emergency medication such as nitroglycerin as  
298.23 instructed by the client's physician, advanced practice registered nurse, or physician assistant;

298.24 (4) a provision for the client to self-administer medication when a client is scheduled to  
298.25 be away from the facility;

298.26 (5) a provision that if a client self-administers medication when the client is present in  
298.27 the facility, the client must self-administer medication under the observation of a trained  
298.28 staff member;

298.29 (6) a provision that when a license holder serves a client who is a parent with a child,  
298.30 the parent may only administer medication to the child under a staff member's supervision;

298.31 (7) requirements for recording the client's use of medication, including staff signatures  
298.32 with date and time;

299.1 (8) guidelines for when to inform a nurse of problems with self-administration of  
299.2 medication, including a client's failure to administer, refusal of a medication, adverse  
299.3 reaction, or error; and

299.4 (9) procedures for acceptance, documentation, and implementation of a prescription,  
299.5 whether written, verbal, telephonic, or electronic.

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

299.7 Sec. 36. Minnesota Statutes 2022, section 245G.08, subdivision 6, is amended to read:

299.8 Subd. 6. **Control of drugs.** A license holder must have and implement written policies  
299.9 and procedures developed by a registered nurse that contain:

299.10 (1) a requirement that each drug must be stored in a locked compartment. A Schedule  
299.11 II drug, as defined by section 152.02, subdivision 3, must be stored in a separately locked  
299.12 compartment, permanently affixed to the physical plant or medication cart;

299.13 (2) a system which accounts for all scheduled drugs each shift;

299.14 (3) a procedure for recording the client's use of medication, including the signature of  
299.15 the staff member who completed the administration of the medication with the time and  
299.16 date;

299.17 (4) a procedure to destroy a discontinued, outdated, or deteriorated medication;

299.18 (5) a statement that only authorized personnel are permitted access to the keys to a locked  
299.19 compartment;

299.20 (6) a statement that no legend drug supply for one client shall be given to another client;  
299.21 and

299.22 (7) a procedure for monitoring the available supply of ~~naloxone~~ an opiate antagonist as  
299.23 defined in section 604A.04, subdivision 1, on site, and replenishing the naloxone supply  
299.24 when needed, and destroying naloxone according to clause (4).

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

299.26 Sec. 37. Minnesota Statutes 2022, section 245G.10, is amended by adding a subdivision  
299.27 to read:

299.28 Subd. 6. **Notification to commissioner of changes in key staff positions.** A license  
299.29 holder must notify the commissioner within five business days of a change or vacancy in a  
299.30 key staff position. The key positions are a treatment director as required by subdivision 1,

300.1 an alcohol and drug counselor supervisor as required by subdivision 2, and a registered  
300.2 nurse as required by section 245G.08, subdivision 5, paragraph (c). The license holder must  
300.3 notify the commissioner of the staffing change on a form approved by the commissioner  
300.4 and include the name of the staff person now assigned to the key staff position and the staff  
300.5 person's qualifications for the position. The license holder must notify the program licensur  
300.6 of a vacancy, to discuss how the duties of the key staff position will be fulfilled during the  
300.7 vacancy.

300.8 **EFFECTIVE DATE.** This section is effective January 1, 2025.

300.9 Sec. 38. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 2, is amended  
300.10 to read:

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

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

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

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

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

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

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

300.28 (h) "Practitioner" means a staff member holding a current, unrestricted license to practice  
300.29 medicine issued by the Board of Medical Practice or nursing issued by the Board of Nursing  
300.30 and is currently registered with the Drug Enforcement Administration to order or dispense  
300.31 controlled substances in Schedules II to V under the Controlled Substances Act, United  
300.32 States Code, title 21, part B, section 821. ~~Practitioner includes an advanced practice registered~~

301.1 ~~nurse and physician assistant if the staff member receives a variance by the state opioid~~  
301.2 ~~treatment authority under section 254A.03 and the federal Substance Abuse and Mental~~  
301.3 ~~Health Services Administration.~~

301.4 (i) "Unsupervised use" or "take-home" means the use of a medication for the treatment  
301.5 of opioid use disorder dispensed for use by a client outside of the program setting.

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

301.7 Sec. 39. Minnesota Statutes 2022, section 245G.22, subdivision 6, is amended to read:

301.8 Subd. 6. **Criteria for unsupervised use.** (a) To limit the potential for diversion of  
301.9 medication used for the treatment of opioid use disorder to the illicit market, medication  
301.10 dispensed to a client for unsupervised use shall be subject to the requirements of this  
301.11 subdivision. Any client in an opioid treatment program may receive ~~a single unsupervised~~  
301.12 ~~use dose for a day that the clinic is closed for business, including Sundays and state and~~  
301.13 ~~federal holidays~~ their individualized take-home doses as ordered for days that the clinic is  
301.14 closed for business, on one weekend day (e.g., Sunday) and state and federal holidays, no  
301.15 matter their length of time in treatment, as allowed under Code of Federal Regulations, title  
301.16 42, part 8.12 (i)(1).

301.17 (b) For take-home doses beyond those allowed by paragraph (a), a practitioner with  
301.18 ~~authority to prescribe~~ must review and document the criteria in this paragraph and paragraph  
301.19 ~~(e)~~ the Code of Federal Regulations, title 42, part 8.12 (i)(2), when determining whether  
301.20 dispensing medication for a client's unsupervised use is safe and it is appropriate to  
301.21 implement, increase, or extend the amount of time between visits to the program. The criteria  
301.22 are:

301.23 ~~(1) absence of recent abuse of drugs including but not limited to opioids, non-narcotics,~~  
301.24 ~~and alcohol;~~

301.25 ~~(2) regularity of program attendance;~~

301.26 ~~(3) absence of serious behavioral problems at the program;~~

301.27 ~~(4) absence of known recent criminal activity such as drug dealing;~~

301.28 ~~(5) stability of the client's home environment and social relationships;~~

301.29 ~~(6) length of time in comprehensive maintenance treatment;~~

301.30 ~~(7) reasonable assurance that unsupervised use medication will be safely stored within~~  
301.31 ~~the client's home; and~~

302.1 ~~(8) whether the rehabilitative benefit the client derived from decreasing the frequency~~  
302.2 ~~of program attendance outweighs the potential risks of diversion or unsupervised use.~~

302.3 (c) The determination, including the basis of the determination must be documented by  
302.4 a practitioner in the client's medical record.

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

302.6 Sec. 40. Minnesota Statutes 2022, section 245G.22, subdivision 7, is amended to read:

302.7 Subd. 7. **Restrictions for unsupervised use of methadone hydrochloride.** (a) If a  
302.8 ~~medical director or prescribing~~ practitioner assesses ~~and~~, determines, and documents that  
302.9 a client meets the criteria in subdivision 6 ~~and may be dispensed a medication used for the~~  
302.10 ~~treatment of opioid addiction, the restrictions in this subdivision must be followed when~~  
302.11 ~~the medication to be dispensed is methadone hydrochloride. The results of the assessment~~  
302.12 ~~must be contained in the client file. The number of unsupervised use medication doses per~~  
302.13 ~~week in paragraphs (b) to (d) is in addition to the number of unsupervised use medication~~  
302.14 ~~doses a client may receive for days the clinic is closed for business as allowed by subdivision~~  
302.15 ~~6, paragraph (a) and that a patient is safely able to manage unsupervised doses of methadone,~~  
302.16 the number of take-home doses the client receives must be limited by the number allowed  
302.17 by the Code of Federal Regulations, title 42, part 8.12 (i)(3).

302.18 ~~(b) During the first 90 days of treatment, the unsupervised use medication supply must~~  
302.19 ~~be limited to a maximum of a single dose each week and the client shall ingest all other~~  
302.20 ~~doses under direct supervision.~~

302.21 ~~(c) In the second 90 days of treatment, the unsupervised use medication supply must be~~  
302.22 ~~limited to two doses per week.~~

302.23 ~~(d) In the third 90 days of treatment, the unsupervised use medication supply must not~~  
302.24 ~~exceed three doses per week.~~

302.25 ~~(e) In the remaining months of the first year, a client may be given a maximum six-day~~  
302.26 ~~unsupervised use medication supply.~~

302.27 ~~(f) After one year of continuous treatment, a client may be given a maximum two-week~~  
302.28 ~~unsupervised use medication supply.~~

302.29 ~~(g) After two years of continuous treatment, a client may be given a maximum one-month~~  
302.30 ~~unsupervised use medication supply, but must make monthly visits to the program.~~

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

303.1 Sec. 41. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 17, is amended  
303.2 to read:

303.3 Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the  
303.4 policies and procedures required in this subdivision.

303.5 (b) For a program that is not open every day of the year, the license holder must maintain  
303.6 a policy and procedure that covers requirements under section 245G.22, subdivisions 6 and  
303.7 7. Unsupervised use of medication used for the treatment of opioid use disorder for days  
303.8 that the program is closed for business, ~~including but not limited to Sundays~~ on one weekend  
303.9 day and state and federal holidays, must meet the requirements under section 245G.22,  
303.10 subdivisions 6 and 7.

303.11 (c) The license holder must maintain a policy and procedure that includes specific  
303.12 measures to reduce the possibility of diversion. The policy and procedure must:

303.13 (1) specifically identify and define the responsibilities of the medical and administrative  
303.14 staff for performing diversion control measures; and

303.15 (2) include a process for contacting no less than five percent of clients who have  
303.16 unsupervised use of medication, excluding clients approved solely under subdivision 6,  
303.17 paragraph (a), to require clients to physically return to the program each month. The system  
303.18 must require clients to return to the program within a stipulated time frame and turn in all  
303.19 unused medication containers related to opioid use disorder treatment. The license holder  
303.20 must document all related contacts on a central log and the outcome of the contact for each  
303.21 client in the client's record. The medical director must be informed of each outcome that  
303.22 results in a situation in which a possible diversion issue was identified.

303.23 (d) Medication used for the treatment of opioid use disorder must be ordered,  
303.24 administered, and dispensed according to applicable state and federal regulations and the  
303.25 standards set by applicable accreditation entities. If a medication order requires assessment  
303.26 by the person administering or dispensing the medication to determine the amount to be  
303.27 administered or dispensed, the assessment must be completed by an individual whose  
303.28 professional scope of practice permits an assessment. For the purposes of enforcement of  
303.29 this paragraph, the commissioner has the authority to monitor the person administering or  
303.30 dispensing the medication for compliance with state and federal regulations and the relevant  
303.31 standards of the license holder's accreditation agency and may issue licensing actions  
303.32 according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's  
303.33 determination of noncompliance.

303.34 (e) A counselor in an opioid treatment program must not supervise more than 50 clients.

304.1 (f) Notwithstanding paragraph (e), from July 1, 2023, to June 30, 2024, a counselor in  
304.2 an opioid treatment program may supervise up to 60 clients. The license holder may continue  
304.3 to serve a client who was receiving services at the program on June 30, 2024, at a counselor  
304.4 to client ratio of up to one to 60 and is not required to discharge any clients in order to return  
304.5 to the counselor to client ratio of one to 50. The license holder may not, however, serve a  
304.6 new client after June 30, 2024, unless the counselor who would supervise the new client is  
304.7 supervising fewer than 50 existing clients.

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

304.9 Sec. 42. Minnesota Statutes 2023 Supplement, section 256.046, subdivision 3, is amended  
304.10 to read:

304.11 Subd. 3. **Administrative disqualification of child care providers caring for children**  
304.12 **receiving child care assistance.** (a) The department shall pursue an administrative  
304.13 disqualification, if the child care provider is accused of committing an intentional program  
304.14 violation, in lieu of a criminal action when it has not been pursued. Intentional program  
304.15 violations include intentionally making false or misleading statements; intentionally  
304.16 misrepresenting, concealing, or withholding facts; and repeatedly and intentionally violating  
304.17 program regulations under chapters 119B and 245E. Intent may be proven by demonstrating  
304.18 a pattern of conduct that violates program rules under chapters 119B and 245E.

304.19 (b) To initiate an administrative disqualification, the commissioner must ~~mail~~ send  
304.20 written notice ~~by certified mail~~ using a signature-verified confirmed delivery method to the  
304.21 provider against whom the action is being taken. Unless otherwise specified under chapter  
304.22 119B or 245E or Minnesota Rules, chapter 3400, the commissioner must ~~mail~~ send the  
304.23 written notice at least 15 calendar days before the adverse action's effective date. The notice  
304.24 shall state (1) the factual basis for the agency's determination, (2) the action the agency  
304.25 intends to take, (3) the dollar amount of the monetary recovery or recoupment, if known,  
304.26 and (4) the provider's right to appeal the agency's proposed action.

304.27 (c) The provider may appeal an administrative disqualification by submitting a written  
304.28 request to the Department of Human Services, Appeals Division. A provider's request must  
304.29 be received by the Appeals Division no later than 30 days after the date the commissioner  
304.30 mails the notice.

304.31 (d) The provider's appeal request must contain the following:

304.32 (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the  
304.33 dollar amount involved for each disputed item;



305.1 (2) the computation the provider believes to be correct, if applicable;

305.2 (3) the statute or rule relied on for each disputed item; and

305.3 (4) the name, address, and telephone number of the person at the provider's place of  
305.4 business with whom contact may be made regarding the appeal.

305.5 (e) On appeal, the issuing agency bears the burden of proof to demonstrate by a  
305.6 preponderance of the evidence that the provider committed an intentional program violation.

305.7 (f) The hearing is subject to the requirements of sections 256.045 and 256.0451. The  
305.8 human services judge may combine a fair hearing and administrative disqualification hearing  
305.9 into a single hearing if the factual issues arise out of the same or related circumstances and  
305.10 the provider receives prior notice that the hearings will be combined.

305.11 (g) A provider found to have committed an intentional program violation and is  
305.12 administratively disqualified shall be disqualified, for a period of three years for the first  
305.13 offense and permanently for any subsequent offense, from receiving any payments from  
305.14 any child care program under chapter 119B.

305.15 (h) Unless a timely and proper appeal made under this section is received by the  
305.16 department, the administrative determination of the department is final and binding.

305.17 **EFFECTIVE DATE.** This section is effective August 1, 2024.

305.18 Sec. 43. Minnesota Statutes 2023 Supplement, section 256B.064, subdivision 4, is amended  
305.19 to read:

305.20 Subd. 4. **Notice.** (a) The department shall serve the notice required under subdivision 2  
305.21 ~~by certified mail at~~ using a signature-verified confirmed delivery method to the address  
305.22 submitted to the department by the individual or entity. Service is complete upon mailing.

305.23 (b) The department shall give notice in writing to a recipient placed in the Minnesota  
305.24 restricted recipient program under section 256B.0646 and Minnesota Rules, part 9505.2200.  
305.25 The department shall send the notice by first class mail to the recipient's current address on  
305.26 file with the department. A recipient placed in the Minnesota restricted recipient program  
305.27 may contest the placement by submitting a written request for a hearing to the department  
305.28 within 90 days of the notice being mailed.

305.29 Sec. 44. Minnesota Statutes 2022, section 260E.33, subdivision 2, is amended to read:

305.30 Subd. 2. **Request for reconsideration.** (a) Except as provided under subdivision 5, an  
305.31 individual or facility that the commissioner of human services, a local welfare agency, or

306.1 the commissioner of education determines has maltreated a child, an interested person acting  
306.2 on behalf of the child, regardless of the determination, who contests the investigating agency's  
306.3 final determination regarding maltreatment may request the investigating agency to reconsider  
306.4 its final determination regarding maltreatment. The request for reconsideration must be  
306.5 submitted in writing or submitted in the provider licensing and reporting hub to the  
306.6 investigating agency within 15 calendar days after receipt of notice of the final determination  
306.7 regarding maltreatment or, if the request is made by an interested person who is not entitled  
306.8 to notice, within 15 days after receipt of the notice by the parent or guardian of the child.  
306.9 If mailed, the request for reconsideration must be postmarked and sent to the investigating  
306.10 agency within 15 calendar days of the individual's or facility's receipt of the final  
306.11 determination. If the request for reconsideration is made by personal service, it must be  
306.12 received by the investigating agency within 15 calendar days after the individual's or facility's  
306.13 receipt of the final determination. Upon implementation of the provider licensing and  
306.14 reporting hub, the individual or facility must use the hub to request reconsideration. The  
306.15 reconsideration must be received by the commissioner within 15 calendar days of the  
306.16 individual's receipt of the notice of disqualification.

306.17 (b) An individual who was determined to have maltreated a child under this chapter and  
306.18 who was disqualified on the basis of serious or recurring maltreatment under sections  
306.19 245C.14 and 245C.15 may request reconsideration of the maltreatment determination and  
306.20 the disqualification. The request for reconsideration of the maltreatment determination and  
306.21 the disqualification must be submitted within 30 calendar days of the individual's receipt  
306.22 of the notice of disqualification under sections 245C.16 and 245C.17. If mailed, the request  
306.23 for reconsideration of the maltreatment determination and the disqualification must be  
306.24 postmarked and sent to the investigating agency within 30 calendar days of the individual's  
306.25 receipt of the maltreatment determination and notice of disqualification. If the request for  
306.26 reconsideration is made by personal service, it must be received by the investigating agency  
306.27 within 30 calendar days after the individual's receipt of the notice of disqualification.

306.28 Sec. 45. **REPEALER.**

306.29 (a) Minnesota Statutes 2022, section 245C.125, is repealed.

306.30 (b) Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 2, is repealed.

306.31 (c) Minnesota Rules, part 9502.0425, subpart 5, is repealed.

307.1

**ARTICLE 11**

307.2

**SUBSTANCE USE DISORDER TREATMENT LICENSING**

307.3 Section 1. Minnesota Statutes 2022, section 245G.11, subdivision 5, is amended to read:

307.4 Subd. 5. **Alcohol and drug counselor qualifications.** (a) An alcohol and drug counselor

307.5 must either be licensed or exempt from licensure under chapter 148F.

307.6 (b) An individual who is exempt from licensure under chapter 148F, must meet one of

307.7 the following additional requirements:

307.8 (1) completion of at least a baccalaureate degree with a major or concentration in social

307.9 work, nursing, sociology, human services, or psychology, or licensure as a registered nurse;

307.10 successful completion of a minimum of 120 hours of classroom instruction in which each

307.11 of the core functions listed in chapter 148F is covered; and successful completion of 440

307.12 hours of supervised experience as an alcohol and drug counselor, either as a student or a

307.13 staff member;

307.14 (2) completion of at least 270 hours of drug counselor training in which each of the core

307.15 functions listed in chapter 148F is covered, and successful completion of 880 hours of

307.16 supervised experience as an alcohol and drug counselor, either as a student or as a staff

307.17 member;

307.18 (3) current certification as an alcohol and drug counselor or alcohol and drug counselor

307.19 reciprocal, through the evaluation process established by the International Certification and

307.20 Reciprocity Consortium Alcohol and Other Drug Abuse, Inc.;

307.21 (4) completion of a bachelor's degree including 480 hours of alcohol and drug counseling

307.22 education from an accredited school or educational program and 880 hours of alcohol and

307.23 drug counseling practicum; ~~or~~

307.24 (5) employment in a program formerly licensed under Minnesota Rules, parts 9530.5000

307.25 to 9530.6400, and successful completion of 6,000 hours of supervised work experience in

307.26 a licensed program as an alcohol and drug counselor prior to January 1, 2005;

307.27 (6) qualification as a mental health professional under section 245I.04, subdivision 2,

307.28 and completion of training in addiction, co-occurring disorders, or substance use disorder

307.29 diagnosis and treatment as required under section 245G.13, subdivision 2, paragraph (f).

307.30 An individual exempt from licensure under this clause must engage in practice exclusively

307.31 within the scope of practice under the individual's professional licensing statutes. This clause

307.32 expires on December 31, 2026;

308.1 (7) qualification as a clinical trainee under section 245I.04, subdivision 6. An individual  
 308.2 exempt from licensure under this clause must practice under the supervision of a mental  
 308.3 health professional who is practicing in accordance with this section. This clause expires  
 308.4 on December 31, 2026; and

308.5 (8) licensure as a registered nurse under section 148.171, subdivision 20, and completion  
 308.6 of training in addiction, co-occurring disorders, or substance use disorder diagnosis and  
 308.7 treatment as required under section 245G.13, subdivision 2, paragraph (f). An individual  
 308.8 exempt from licensure under this clause must engage in practice exclusively within the  
 308.9 scope of practice under the individual's professional licensing statutes. This clause expires  
 308.10 on December 31, 2026.

308.11 (c) An alcohol and drug counselor may not provide a treatment service that requires  
 308.12 professional licensure unless the individual possesses the necessary license. For the purposes  
 308.13 of enforcing this section, the commissioner has the authority to monitor a service provider's  
 308.14 compliance with the relevant standards of the service provider's profession and may issue  
 308.15 licensing actions against the license holder according to sections 245A.05, 245A.06, and  
 308.16 245A.07, based on the commissioner's determination of noncompliance.

308.17 Sec. 2. Minnesota Statutes 2022, section 245G.11, subdivision 7, is amended to read:

308.18 Subd. 7. **Treatment coordination provider qualifications.** (a) Treatment coordination  
 308.19 must be provided by qualified staff. An individual is qualified to provide treatment  
 308.20 coordination if the individual meets the qualifications of an alcohol and drug counselor  
 308.21 under subdivision 5 or if the individual:

308.22 (1) is skilled in the process of identifying and assessing a wide range of client needs;

308.23 (2) is knowledgeable about local community resources and how to use those resources  
 308.24 for the benefit of the client;

308.25 (3) has successfully completed ~~30 hours of classroom instruction on treatment~~  
 308.26 ~~coordination for an individual with substance use disorder~~ 15 hours of training on treatment  
 308.27 coordination for an individual with substance use disorder; and

308.28 (4) ~~has either~~ meets one of the following criteria:

308.29 (i) has a bachelor's degree in one of the behavioral sciences or related fields and at least  
 308.30 1,000 hours of supervised experience working with individuals with substance use disorder;

308.31 ~~or~~

308.32 (ii) is a mental health practitioner qualified under section 245I.04, subdivision 4; or

309.1 (iii) has a current certification as an alcohol and drug counselor, level I, by the Upper  
309.2 Midwest Indian Council on Addictive Disorders; ~~and.~~

309.3 ~~(5) has at least 2,000 hours of supervised experience working with individuals with~~  
309.4 ~~substance use disorder.~~

309.5 (b) A treatment coordinator must receive at least one hour of supervision regarding  
309.6 individual service delivery from an alcohol and drug counselor, or a mental health  
309.7 professional who has substance use treatment and assessments within the scope of their  
309.8 practice, on a monthly basis.

309.9 EFFECTIVE DATE. This section is effective upon federal approval. The commissioner  
309.10 of human services must notify the revisor of statutes when federal approval is obtained.

## 309.11 ARTICLE 12

### 309.12 MISCELLANEOUS

309.13 Section 1. Minnesota Statutes 2022, section 148F.025, subdivision 2, is amended to read:

309.14 Subd. 2. **Education requirements for licensure.** An applicant for licensure must submit  
309.15 evidence satisfactory to the board that the applicant has:

309.16 (1) received a bachelor's or master's degree from an accredited school or educational  
309.17 program; and

309.18 (2) received 18 semester credits or 270 clock hours of academic course work and 880  
309.19 clock hours of supervised alcohol and drug counseling practicum from an accredited school  
309.20 or education program. The course work and practicum do not have to be part of the bachelor's  
309.21 degree earned under clause (1). The academic course work must be in the following areas:

309.22 (i) an overview of the transdisciplinary foundations of alcohol and drug counseling,  
309.23 including theories of chemical dependency, the continuum of care, and the process of change;

309.24 (ii) pharmacology of substance abuse disorders and the dynamics of addiction, including  
309.25 substance use disorder treatment with medications for opioid use disorder;

309.26 (iii) professional and ethical responsibilities;

309.27 (iv) multicultural aspects of chemical dependency;

309.28 (v) co-occurring disorders; and

309.29 (vi) the core functions defined in section 148F.01, subdivision 10.

310.1 Sec. 2. Minnesota Statutes 2023 Supplement, section 245.991, subdivision 1, is amended  
310.2 to read:

310.3 Subdivision 1. **Establishment.** The commissioner of human services must establish the  
310.4 projects for assistance in transition from homelessness program to prevent or end  
310.5 homelessness for people with serious mental illness, substance use disorder, or co-occurring  
310.6 substance use disorder and ensure the commissioner achieves the goals of the housing  
310.7 mission statement in section 245.461, subdivision 4.

310.8 Sec. 3. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 1a, is amended  
310.9 to read:

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

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

310.23 (c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible  
310.24 for room and board services under section 254B.05, subdivision 5, paragraph (b), clause  
310.25 (12).

310.26 (d) A client is eligible to have substance use disorder treatment paid for with funds from  
310.27 the behavioral health fund when the client:

310.28 (1) is eligible for MFIP as determined under chapter 256J;

310.29 (2) is eligible for medical assistance as determined under Minnesota Rules, parts  
310.30 9505.0010 to 9505.0150;

310.31 (3) is eligible for general assistance, general assistance medical care, or work readiness  
310.32 as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

311.1 (4) has income that is within current household size and income guidelines for entitled  
311.2 persons, as defined in this subdivision and subdivision 7.

311.3 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have  
311.4 a third-party payment source are eligible for the behavioral health fund if the third-party  
311.5 payment source pays less than 100 percent of the cost of treatment services for eligible  
311.6 clients.

311.7 (f) A client is ineligible to have substance use disorder treatment services paid for with  
311.8 behavioral health fund money if the client:

311.9 (1) has an income that exceeds current household size and income guidelines for entitled  
311.10 persons as defined in this subdivision and subdivision 7; or

311.11 (2) has an available third-party payment source that will pay the total cost of the client's  
311.12 treatment.

311.13 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode  
311.14 is eligible for continued treatment service that is paid for by the behavioral health fund until  
311.15 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan  
311.16 if the client:

311.17 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance  
311.18 medical care; or

311.19 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local  
311.20 agency under section 254B.04.

311.21 (h) When a county commits a client under chapter 253B to a regional treatment center  
311.22 for substance use disorder services and the client is ineligible for the behavioral health fund,  
311.23 the county is responsible for the payment to the regional treatment center according to  
311.24 section 254B.05, subdivision 4.

311.25 (i) Notwithstanding paragraph (a), persons enrolled in MinnesotaCare are eligible for  
311.26 room and board services under section 254B.05, subdivision 1a, paragraph (e).

311.27 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
311.28 whichever is later. The commissioner of human services shall notify the revisor of statutes  
311.29 when federal approval is obtained.

312.1 Sec. 4. Minnesota Statutes 2023 Supplement, section 256D.01, subdivision 1a, is amended  
312.2 to read:

312.3 Subd. 1a. **Standards.** (a) A principal objective in providing general assistance is to  
312.4 provide for single adults, childless couples, or children as defined in section 256D.02,  
312.5 subdivision 2b, ineligible for federal programs who are unable to provide for themselves.  
312.6 The minimum standard of assistance determines the total amount of the general assistance  
312.7 grant without separate standards for shelter, utilities, or other needs.

312.8 (b) The standard of assistance for an assistance unit consisting of a recipient who is  
312.9 childless and unmarried or living apart from children and spouse and who does not live with  
312.10 a parent or parents or a legal custodian, or consisting of a childless couple, is \$350 per month  
312.11 effective October 1, 2024, and must be adjusted by a percentage equal to the change in the  
312.12 consumer price index as of January 1 every year, beginning October 1, 2025.

312.13 (c) For an assistance unit consisting of a single adult who lives with a parent or parents,  
312.14 the general assistance standard of assistance is \$350 per month effective October 1, 2023,  
312.15 2024, and must be adjusted by a percentage equal to the change in the consumer price index  
312.16 as of January 1 every year, beginning October 1, 2025. Benefits received by a responsible  
312.17 relative of the assistance unit under the Supplemental Security Income program, a workers'  
312.18 compensation program, the Minnesota supplemental aid program, or any other program  
312.19 based on the responsible relative's disability, and any benefits received by a responsible  
312.20 relative of the assistance unit under the Social Security retirement program, may not be  
312.21 counted in the determination of eligibility or benefit level for the assistance unit. Except as  
312.22 provided below, the assistance unit is ineligible for general assistance if the available  
312.23 resources or the countable income of the assistance unit and the parent or parents with whom  
312.24 the assistance unit lives are such that a family consisting of the assistance unit's parent or  
312.25 parents, the parent or parents' other family members and the assistance unit as the only or  
312.26 additional minor child would be financially ineligible for general assistance. For the purposes  
312.27 of calculating the countable income of the assistance unit's parent or parents, the calculation  
312.28 methods must follow the provisions under section 256P.06.

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

312.30 Sec. 5. Minnesota Statutes 2022, section 256I.04, subdivision 2f, is amended to read:

312.31 Subd. 2f. **Required services.** (a) In ~~licensed and registered~~ authorized settings under  
312.32 subdivision 2a, providers shall ensure that participants have at a minimum:

312.33 (1) food preparation and service for three nutritional meals a day on site;



313.1 (2) a bed, clothing storage, linen, bedding, laundering, and laundry supplies or service;  
313.2 (3) housekeeping, including cleaning and lavatory supplies or service; and  
313.3 (4) maintenance and operation of the building and grounds, including heat, water, garbage  
313.4 removal, electricity, telephone for the site, cooling, supplies, and parts and tools to repair  
313.5 and maintain equipment and facilities.

313.6 (b) In addition, when providers serve participants described in subdivision 1, paragraph  
313.7 (c), the providers are required to assist the participants in applying for continuing housing  
313.8 support payments before the end of the eligibility period.

313.9 Sec. 6. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 1a, is amended  
313.10 to read:

313.11 Subd. 1a. **Supplementary service rates.** (a) Subject to the provisions of section 256I.04,  
313.12 subdivision 3, the agency may negotiate a payment not to exceed \$494.91 for other services  
313.13 necessary to provide room and board if the residence is licensed by or registered by the  
313.14 Department of Health, or licensed by the Department of Human Services to provide services  
313.15 in addition to room and board, and if the provider of services is not also concurrently  
313.16 receiving funding for services for a recipient in the residence under the following programs  
313.17 or funding sources: (1) home and community-based waiver services under chapter 256S or  
313.18 section 256B.0913, 256B.092, or 256B.49; (2) personal care assistance under section  
313.19 256B.0659; (3) community first services and supports under section 256B.85; or (4) services  
313.20 for adults with mental illness grants under section 245.73. If funding is available for other  
313.21 necessary services through a home and community-based waiver under chapter 256S, or  
313.22 section 256B.0913, 256B.092, or 256B.49; personal care assistance services under section  
313.23 256B.0659; community first services and supports under section 256B.85; or services for  
313.24 adults with mental illness grants under section 245.73, then the housing support rate is  
313.25 limited to the rate set in subdivision 1. Unless otherwise provided in law, in no case may  
313.26 the supplementary service rate exceed \$494.91. The registration and licensure requirement  
313.27 does not apply to establishments which are exempt from state licensure because they are  
313.28 located on Indian reservations and for which the tribe has prescribed health and safety  
313.29 requirements. Service payments under this section may be prohibited under rules to prevent  
313.30 the supplanting of federal funds with state funds.

313.31 ~~(b) The commissioner is authorized to make cost-neutral transfers from the housing~~  
313.32 ~~support fund for beds under this section to other funding programs administered by the~~  
313.33 ~~department after consultation with the agency in which the affected beds are located. The~~  
313.34 ~~commissioner may also make cost-neutral transfers from the housing support fund to agencies~~

314.1 ~~for beds permanently removed from the housing support census under a plan submitted by~~  
 314.2 ~~the agency and approved by the commissioner. The commissioner shall report the amount~~  
 314.3 ~~of any transfers under this provision annually to the legislature.~~

314.4 ~~(e)~~ (b) Agencies must not negotiate supplementary service rates with providers of housing  
 314.5 support that are licensed as board and lodging with special services and that do not encourage  
 314.6 a policy of sobriety on their premises and make referrals to available community services  
 314.7 for volunteer and employment opportunities for residents.

314.8 Sec. 7. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 11, is amended  
 314.9 to read:

314.10 Subd. 11. ~~Transfer of emergency shelter funds~~ Cost-neutral transfers from the  
 314.11 housing support fund. (a) The commissioner is authorized to make cost-neutral transfers  
 314.12 from the housing support fund for beds under this section to other funding programs  
 314.13 administered by the department after consultation with the agency in which the affected  
 314.14 beds are located.

314.15 (b) The commissioner may also make cost-neutral transfers from the housing support  
 314.16 fund to agencies for beds removed from the housing support census under a plan submitted  
 314.17 by the agency and approved by the commissioner.

314.18 ~~(a)~~ (c) The commissioner shall make a cost-neutral transfer of funding from the housing  
 314.19 support fund to the agency for emergency shelter beds removed from the housing support  
 314.20 census under a ~~biennial~~ plan submitted by the agency and approved by the commissioner.  
 314.21 Plans submitted under this paragraph must include anticipated and actual outcomes for  
 314.22 persons experiencing homelessness in emergency shelters.

314.23 ~~The plan~~ (d) Plans submitted under paragraph (b) or (c) must describe: (1) anticipated  
 314.24 ~~and actual outcomes for persons experiencing homelessness in emergency shelters; (2)~~  
 314.25 improved efficiencies in administration; (3) (2) requirements for individual eligibility; and  
 314.26 ~~(4) (3) plans for quality assurance monitoring and quality assurance outcomes. The~~  
 314.27 commissioner shall review the agency plan plans to monitor implementation and outcomes  
 314.28 at least biennially, and more frequently if the commissioner deems necessary.

314.29 ~~(b)~~ (e) Funding under paragraph ~~(a)~~ (b), (c), or (d) may be used for the provision  
 314.30 of room and board or supplemental services according to section 256I.03, subdivisions 14a  
 314.31 and 14b. Providers must meet the requirements of section 256I.04, subdivisions 2a to 2f.  
 314.32 Funding must be allocated annually, and the room and board portion of the allocation shall  
 314.33 be adjusted according to the percentage change in the housing support room and board rate.

315.1 ~~The room and board portion of the allocation shall be determined at the time of transfer.~~  
315.2 The commissioner or agency may return beds to the housing support fund with 180 days'  
315.3 notice, including financial reconciliation.

315.4 Sec. 8. Minnesota Statutes 2023 Supplement, section 342.06, is amended to read:

315.5 **342.06 APPROVAL OF CANNABIS FLOWER, PRODUCTS, AND**  
315.6 **CANNABINOIDS.**

315.7 (a) For the purposes of this section, "product category" means a type of product that  
315.8 may be sold in different sizes, distinct packaging, or at various prices but is still created  
315.9 using the same manufacturing or agricultural processes. A new or additional stock keeping  
315.10 unit (SKU) or Universal Product Code (UPC) shall not prevent a product from being  
315.11 considered the same type as another unit. All other terms have the meanings provided in  
315.12 section 342.01.

315.13 (b) The office shall approve product categories of cannabis flower, cannabis products,  
315.14 lower-potency hemp edibles, and hemp-derived consumer products for retail sale.

315.15 (c) The office may establish limits on the total THC of cannabis flower, cannabis products,  
315.16 and hemp-derived consumer products. As used in this paragraph, "total THC" means the  
315.17 sum of the percentage by weight of tetrahydrocannabinolic acid multiplied by 0.877 plus  
315.18 the percentage by weight of all tetrahydrocannabinols.

315.19 (d) The office shall not approve any cannabis product, lower-potency hemp edible, or  
315.20 hemp-derived consumer product that:

315.21 (1) is or appears to be a lollipop or ice cream;

315.22 (2) bears the likeness or contains characteristics of a real or fictional person, animal, or  
315.23 fruit;

315.24 (3) is modeled after a type or brand of products primarily consumed by or marketed to  
315.25 children;

315.26 (4) is substantively similar to a meat food product; poultry food product as defined in  
315.27 section 31A.02, subdivision 10; or a dairy product as defined in section 32D.01, subdivision  
315.28 7;

315.29 (5) contains a synthetic cannabinoid;

315.30 (6) is made by applying a cannabinoid, including but not limited to an artificially derived  
315.31 cannabinoid, to a finished food product that does not contain cannabinoids and is sold to  
315.32 consumers, including but not limited to a candy or snack food; or

316.1 (7) if the product is an edible cannabis product or lower-potency hemp edible, contains  
316.2 an ingredient, other than a cannabinoid, that is not approved by the United States Food and  
316.3 Drug Administration for use in food.

316.4 (e) The office must not approve any cannabis flower, cannabis product, or hemp-derived  
316.5 consumer product intended to be inhaled as smoke, aerosol, or vapor from the product that:

316.6 (1) contains any added artificial, synthetic, or natural flavoring, either in the product  
316.7 itself or in its components or parts;

316.8 (2) presents any descriptor or depiction of flavor that would imply to an ordinary person  
316.9 that the product contains flavors other than the natural taste or smell of cannabis;

316.10 (3) imparts a taste or smell, other than the taste or smell of cannabis, that is distinguishable  
316.11 by an ordinary consumer prior to or during the consumption of the product; or

316.12 (4) imparts a cooling, a burning, a numbing, or another sensation distinguishable by an  
316.13 ordinary consumer to impart a flavor other than cannabis either prior to or during the  
316.14 consumption of the product.

316.15 (f) Notwithstanding paragraph (e), the office may approve cannabis flower, cannabis  
316.16 products, or hemp-derived consumer products intended to be inhaled as smoke, aerosol, or  
316.17 vapor that contain or impart a flavor or smell only if the additives are terpenes extracted  
316.18 from cannabis plants or hemp plants and are present at no greater concentrations than those  
316.19 found naturally occurring in the cannabis plants or hemp plants from which the  
316.20 tetrahydrocannabinol was extracted.

316.21 Sec. 9. Minnesota Statutes 2023 Supplement, section 342.63, is amended by adding a  
316.22 subdivision to read:

316.23 Subd. 7. **Content of label; products intended to be inhaled as smoke, aerosol, or**  
316.24 **vapor.** All cannabis flower, cannabis products, and hemp-derived consumer products  
316.25 intended to be inhaled as smoke, aerosol, or vapor and sold to customers or patients must  
316.26 not present, on the label or affixed on the packaging or container, any descriptor or depiction  
316.27 of flavor that would imply to an ordinary person that the product contains flavors other than  
316.28 the natural taste or smell of cannabis.

316.29 Sec. 10. **REVISOR INSTRUCTION.**

316.30 The revisor of statutes shall renumber Minnesota Statutes, section 256D.21, as Minnesota  
316.31 Statutes, section 261.004.

317.1 Sec. 11. **REPEALER.**

317.2 Minnesota Statutes 2022, sections 256D.19, subdivisions 1 and 2; 256D.20, subdivisions  
 317.3 1, 2, 3, and 4; and 256D.23, subdivisions 1, 2, and 3, are repealed.

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

317.5 **ARTICLE 13**

317.6 **HUMAN SERVICES FORECAST ADJUSTMENTS**

317.7 Section 1. **HUMAN SERVICES FORECAST ADJUSTMENTS.**

317.8 The sums shown in the columns marked "Appropriations" are added to or, if shown in  
 317.9 parentheses, subtracted from the appropriations in Laws 2023, chapter 61, article 9, and  
 317.10 Laws 2023, chapter 70, article 20, to the commissioner of human services from the general  
 317.11 fund or other named fund for the purposes specified in section 2 and are available for the  
 317.12 fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article  
 317.13 mean that the addition to or subtraction from the appropriation listed under them is available  
 317.14 for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.

317.15 **APPROPRIATIONS**

317.16 **Available for the Year**

317.17 **Ending June 30**

317.18 **2024** **2025**

317.19 Sec. 2. **COMMISSIONER OF HUMAN**  
 317.20 **SERVICES**

317.21 **Subdivision 1. Total Appropriation** **\$** **137,604,000** **\$** **329,432,000**

317.22 **Appropriations by Fund**

317.23 **General Fund** **139,746,000** **325,606,000**

317.24 **Health Care Access**  
 317.25 **Fund** **10,542,000** **6,224,000**

317.26 **Federal TANF** **(12,684,000)** **(2,398,000)**

317.27 **Subd. 2. Forecasted Programs**

317.28 **(a) MFIP/DWP**

317.29 **Appropriations by Fund**

317.30 **General Fund** **(5,990,000)** **(2,793,000)**

317.31 **Federal TANF** **(12,684,000)** **(2,398,000)**

318.1	<u>(b) MFIP Child Care Assistance</u>	<u>(36,726,000)</u>	<u>(26,004,000)</u>
318.2	<u>(c) General Assistance</u>	<u>(567,000)</u>	<u>292,000</u>
318.3	<u>(d) Minnesota Supplemental Aid</u>	<u>1,424,000</u>	<u>1,500,000</u>
318.4	<u>(e) Housing Support</u>	<u>11,200,000</u>	<u>14,667,000</u>
318.5	<u>(f) Northstar Care for Children</u>	<u>(3,697,000)</u>	<u>(11,309,000)</u>
318.6	<u>(g) MinnesotaCare</u>	<u>10,542,000</u>	<u>6,224,000</u>
318.7	<u>These appropriations are from the health care</u>		
318.8	<u>access fund.</u>		
318.9	<u>(h) Medical Assistance</u>	<u>180,321,000</u>	<u>352,357,000</u>
318.10	<u>(i) Behavioral Health Fund</u>	<u>(6,219,000)</u>	<u>(3,104,000)</u>

318.11 Sec. 3. EFFECTIVE DATE.

318.12 This article is effective the day following final enactment.

318.13

## ARTICLE 14

318.14

### APPROPRIATIONS

318.15 Section 1. HEALTH AND HUMAN SERVICES APPROPRIATIONS.

318.16 The sums shown in the columns marked "Appropriations" are added to or, if shown in  
318.17 parentheses, subtracted from the appropriations in Laws 2023, chapter 70, article 20, to the  
318.18 agencies and for the purposes specified in this article. The appropriations are from the  
318.19 general fund or other named fund and are available for the fiscal years indicated for each  
318.20 purpose. The figures "2024" and "2025" used in this article mean that the addition to or  
318.21 subtraction from the appropriation listed under them is available for the fiscal year ending  
318.22 June 30, 2024, or June 30, 2025, respectively. Base adjustments mean the addition to or  
318.23 subtraction from the base level adjustment set in Laws 2023, chapter 70, article 20.  
318.24 Supplemental appropriations and reductions to appropriations for the fiscal year ending  
318.25 June 30, 2024, are effective the day following final enactment unless a different effective  
318.26 date is explicit.

318.27

### APPROPRIATIONS

318.28

### Available for the Year

318.29

### Ending June 30

318.30

2024

2025

318.31 Sec. 2. COMMISSIONER OF HUMAN

318.32 SERVICES.

319.1	<b><u>Subdivision 1. Total Appropriation</u></b>		<b><u>\$ (3,352,000) \$ 4,420,000</u></b>
319.2	<u>Appropriations by Fund</u>		
319.3		<u>2024</u>	<u>2025</u>
319.4	<u>General</u>	<u>(136,000)</u>	<u>2,944,000</u>
319.5	<u>Health Care Access</u>	<u>(3,216,000)</u>	<u>1,476,000</u>
319.6	<u>The amounts that may be spent for each</u>		
319.7	<u>purpose are specified in the following</u>		
319.8	<u>subdivisions.</u>		
319.9	<b><u>Subd. 2. Central Office; Operations</u></b>		
319.10	<u>Appropriations by Fund</u>		
319.11	<u>General</u>	<u>-0-</u>	<u>(1,039,000)</u>
319.12	<u>Health Care Access</u>	<u>-0-</u>	<u>572,000</u>
319.13	<b><u>(a) Residential Mental Health Crisis</u></b>		
319.14	<b><u>Stabilization.</u></b> \$204,000 in fiscal year 2025 is		
319.15	<u>from the general fund to develop a covered</u>		
319.16	<u>benefit under medical assistance to provide</u>		
319.17	<u>residential mental health crisis stabilization</u>		
319.18	<u>for children and submit a report to the</u>		
319.19	<u>legislature. This is a onetime appropriation.</u>		
319.20	<b><u>(b) Base Level Adjustment.</u></b> The general fund		
319.21	<u>base is increased by \$331,000 in fiscal year</u>		
319.22	<u>2026 and \$252,000 in fiscal year 2027. The</u>		
319.23	<u>health care access fund base is increased by</u>		
319.24	<u>\$114,000 in fiscal year 2026 and \$114,000 in</u>		
319.25	<u>fiscal year 2027.</u>		
319.26	<b><u>Subd. 4. Central Office; Health Care</u></b>		
319.27	<u>Appropriations by Fund</u>		
319.28	<u>General</u>	<u>-0-</u>	<u>400,000</u>
319.29	<u>Health Care Access</u>	<u>(3,216,000)</u>	<u>3,216,000</u>
319.30	<b><u>Subd. 5. Forecasted Programs; MinnesotaCare</u></b>		<b><u>-0- (2,306,000)</u></b>
319.31	<u>This appropriation is from the health care</u>		
319.32	<u>access fund.</u>		

320.1 **Subd. 6. Forecasted Programs; Medical**  
 320.2 **Assistance**

320.3 Appropriations by Fund

320.4	<u>General</u>	<u>-0-</u>	<u>1,444,000</u>
320.5	<u>Health Care Access</u>	<u>-0-</u>	<u>(6)</u>

320.6 **Subd. 7. Grant Programs; Children's Mental**  
 320.7 **Health Grants**

-0-                      8,112,000

320.8 **Respite Care Services. \$8,112,000 in fiscal**  
 320.9 **year 2025 is for respite care services under**  
 320.10 **Minnesota Statutes, section 245.4889,**  
 320.11 **subdivision 1, paragraph (b), clause (3). Of**  
 320.12 **this appropriation, \$1,000,000 in fiscal year**  
 320.13 **2025 only is for grants to private child-placing**  
 320.14 **agencies, as defined in Minnesota Rules,**  
 320.15 **chapter 9545, to conduct recruitment and**  
 320.16 **support licensing activities that are specific to**  
 320.17 **increasing the availability of licensed foster**  
 320.18 **homes to provide respite care services. The**  
 320.19 **base for this appropriation is \$8,945,000 in**  
 320.20 **fiscal year 2026 and \$8,945,000 in fiscal year**  
 320.21 **2027.**

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

320.23 **Sec. 3. COMMISSIONER OF HEALTH**

320.24 **Subdivision 1. Total Appropriation**                      **\$**                      **(541,000)** **\$**                      **(2,446,000)**

320.25 Appropriations by Fund

320.26		<u>2024</u>	<u>2025</u>
320.27	<u>General</u>	<u>(545)</u>	<u>290,000</u>
320.28	<u>State Government</u>		
320.29	<u>Special Revenue</u>	<u>4</u>	<u>(2,736,000)</u>

320.30 **The amount that may be spent for each**  
 320.31 **purpose is specified in the following**  
 320.32 **subdivisions.**

320.33 **Subd. 2. Health Improvement**



321.1	<u>Appropriations by Fund</u>		
321.2	<u>General</u>	<u>(545,000)</u>	<u>(100,000)</u>
321.3	<u>State Government</u>		
321.4	<u>Special Revenue</u>	<u>-0-</u>	<u>(2,880,000)</u>

321.5 **(a) Request for Information; Evaluation of**  
 321.6 **Statewide Health Care Needs and Capacity.**  
 321.7 \$150,000 in fiscal year 2025 is from the  
 321.8 general fund for a request for information for  
 321.9 a future evaluation of statewide health care  
 321.10 needs and capacity and projections of future  
 321.11 health care needs. This is a onetime  
 321.12 appropriation.

321.13 **(b) Base Level Adjustment.** The general fund  
 321.14 base is reduced by \$43,000 in fiscal year 2026  
 321.15 and increased by \$301,000 in fiscal year 2027.

321.16 **Subd. 3. Health Protection**

321.17	<u>Appropriations by Fund</u>		
321.18	<u>General</u>	<u>-0-</u>	<u>390,000</u>
321.19	<u>State Government</u>		
321.20	<u>Special Revenue</u>	<u>-0-</u>	<u>144,000</u>

321.21 **(a) Natural Organic Reduction.** \$140,000 in  
 321.22 fiscal year 2025 is from the state government  
 321.23 special revenue fund for the licensure of  
 321.24 natural organic reduction facilities. The base  
 321.25 for this appropriation is \$85,000 in fiscal year  
 321.26 2026 and \$16,000 in fiscal year 2027.

321.27 **(b) Groundwater Thermal Exchange Device**  
 321.28 **Permitting.** \$4,000 in fiscal year 2024 and  
 321.29 \$4,000 in fiscal year 2025 are from the state  
 321.30 government special revenue fund for costs  
 321.31 related to issuing permits for groundwater  
 321.32 thermal exchange devices.

321.33 **(c) Base Level Adjustment.** The general fund  
 321.34 base is increased by \$448,000 in fiscal year  
 321.35 2026 and \$185,000 in fiscal year 2027. The

322.1 state government special revenue fund base is  
 322.2 increased by \$89,000 in fiscal year 2026 and  
 322.3 \$20,000 in fiscal year 2027.

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

322.5	Sec. 4. <b><u>BOARD OF PHARMACY</u></b>	<b><u>\$</u></b>	<b><u>1,500,000</u></b>	<b><u>\$</u></b>	<b><u>36,000</u></b>
322.6	<u>Appropriations by Fund</u>				
322.7	<u>General</u>	<u>1,500,000</u>	<u>-0-</u>		
322.8	<u>State Government</u>				
322.9	<u>Special Revenue</u>	<u>-0-</u>		<u>36,000</u>	

322.10 (a) **Legal Costs.** \$1,500,000 in fiscal year  
 322.11 2024 is from the general fund for legal costs  
 322.12 of the board. This is a onetime appropriation.

322.13 (b) **Pharmacist Authority; Laboratory Tests**  
 322.14 **and Vaccines.** \$27,000 in fiscal year 2025 is  
 322.15 from the state government special revenue  
 322.16 fund for board costs related to pharmacist  
 322.17 authority to order and perform laboratory tests  
 322.18 and initiate, order, and administer vaccines.

322.19 (c) **Statewide Protocol; Drugs to Prevent**  
 322.20 **the Acquisition of HIV.** \$9,000 in fiscal year  
 322.21 2025 is from the state government special  
 322.22 revenue fund for the board to develop a  
 322.23 statewide protocol for administering drugs to  
 322.24 prevent the acquisition of HIV. This is a  
 322.25 onetime appropriation.

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

322.27	Sec. 5. <b><u>BOARD OF DIRECTORS OF MNSURE</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>807,000</u></b>
322.28	<u><b>Cost-Sharing Reduction Program</b></u>				
322.29	<u><b>Administration.</b> \$807,000 in fiscal year 2025</u>				
322.30	<u>is from the general fund for MNsure</u>				
322.31	<u>information technology and administrative</u>				
322.32	<u>costs for the cost-sharing reduction program.</u>				
322.33	<u>The base for this appropriation is \$506,000 in</u>				
322.34	<u>fiscal year 2026 and \$0 in fiscal year 2027.</u>				

323.1 Sec. 6. **TRANSFERS.**

323.2 (a) \$8,830,000 in fiscal year 2026 is transferred from the premium security plan account  
323.3 under Minnesota Statutes, section 62E.25, subdivision 1, to the general fund. This is a  
323.4 onetime transfer.

323.5 (b) \$50,000 in fiscal year 2025, \$50,000 in fiscal year 2026, and \$50,000 in fiscal year  
323.6 2027 are transferred from the health care access fund to the insulin repayment account under  
323.7 Minnesota Statutes, section 151.741, subdivision 5. These are onetime transfers.

323.8 Sec. 7. Laws 2023, chapter 22, section 4, subdivision 2, is amended to read:

323.9 Subd. 2. **Grants to navigators.**

323.10 (a) \$1,936,000 in fiscal year 2024 is  
323.11 appropriated from the health care access fund  
323.12 to the commissioner of human services for  
323.13 grants to organizations with a MNsure grant  
323.14 services navigator assister contract in good  
323.15 standing as of the date of enactment. The grant  
323.16 payment to each organization must be in  
323.17 proportion to the number of medical assistance  
323.18 and MinnesotaCare enrollees each  
323.19 organization assisted that resulted in a  
323.20 successful enrollment in the second quarter of  
323.21 fiscal years 2020 and 2023, as determined by  
323.22 MNsure's navigator payment process. This is  
323.23 a onetime appropriation and is available until  
323.24 June 30, 2025.

323.25 (b) \$3,000,000 in fiscal year 2024 is  
323.26 appropriated from the health care access fund  
323.27 to the commissioner of human services for  
323.28 grants to organizations with a MNsure grant  
323.29 services navigator assister contract for  
323.30 successful enrollments in medical assistance  
323.31 and MinnesotaCare. This is a onetime  
323.32 appropriation and is available until June 30,  
323.33 2025.

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

324.2 Sec. 8. Laws 2023, chapter 70, article 20, section 2, subdivision 5, is amended to read:

324.3 **Subd. 5. Central Office; Health Care**

324.4 Appropriations by Fund

324.5 General 35,807,000 31,349,000

324.6 Health Care Access 30,668,000 50,168,000

324.7 **(a) Medical assistance and MinnesotaCare**

324.8 **accessibility improvements.** ~~\$4,000,000~~

324.9 \$784,000 in fiscal year 2024 is and \$3,216,000

324.10 in fiscal year 2025 are from the general fund

324.11 for interactive voice response upgrades and

324.12 translation services for medical assistance and

324.13 MinnesotaCare enrollees with limited English

324.14 proficiency. This appropriation is available

324.15 until June 30, ~~2025~~ 2027.

324.16 **(b) Transforming service delivery.** \$155,000

324.17 in fiscal year 2024 and \$180,000 in fiscal year

324.18 2025 are from the general fund for

324.19 transforming service delivery projects.

324.20 **(c) Improving the Minnesota eligibility**

324.21 **technology system functionality.** \$1,604,000

324.22 in fiscal year 2024 and \$711,000 in fiscal year

324.23 2025 are from the general fund for improving

324.24 the Minnesota eligibility technology system

324.25 functionality. The base for this appropriation

324.26 is \$1,421,000 in fiscal year 2026 and \$0 in

324.27 fiscal year 2027.

324.28 **(d) Actuarial and economic analyses.**

324.29 \$2,500,000 is from the health care access fund

324.30 for actuarial and economic analyses and to

324.31 prepare and submit a state innovation waiver

324.32 under section 1332 of the federal Affordable

324.33 Care Act for a Minnesota public option health

325.1 care plan. This is a onetime appropriation and  
325.2 is available until June 30, 2025.

325.3 **(e) Contingent appropriation for Minnesota**  
325.4 **public option health care plan.** \$22,000,000  
325.5 in fiscal year 2025 is from the health care  
325.6 access fund to implement a Minnesota public  
325.7 option health care plan. This is a onetime  
325.8 appropriation and is available upon approval  
325.9 of a state innovation waiver under section  
325.10 1332 of the federal Affordable Care Act. This  
325.11 appropriation is available until June 30, 2027.

325.12 **(f) Carryforward authority.** Notwithstanding  
325.13 Minnesota Statutes, section 16A.28,  
325.14 subdivision 3, \$2,367,000 of the appropriation  
325.15 in fiscal year 2024 is available until June 30,  
325.16 2027.

325.17 **(g) Base level adjustment.** The general fund  
325.18 base is \$32,315,000 in fiscal year 2026 and  
325.19 \$27,536,000 in fiscal year 2027. The health  
325.20 care access fund base is \$28,168,000 in fiscal  
325.21 year 2026 and \$28,168,000 in fiscal year 2027.

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

325.23 Sec. 9. Laws 2023, chapter 70, article 20, section 2, subdivision 7, is amended to read:

325.24 **Subd. 7. Central Office; Behavioral Health, Deaf**  
325.25 **and Hard of Hearing, and Housing Services**

325.26	Appropriations by Fund	
325.27	27,870,000	27,592,000
325.28 General	<u>27,734,000</u>	<u>27,728,000</u>
325.29 Lottery Prize	163,000	163,000

325.30 **(a) Homeless management system.** \$250,000  
325.31 in fiscal year 2024 and \$1,000,000 in fiscal  
325.32 year 2025 are from the general fund for a  
325.33 homeless management information system.  
325.34 The base for this appropriation is \$1,140,000

326.1 in fiscal year 2026 and \$1,140,000 in fiscal  
326.2 year 2027.

326.3 **(b) Online behavioral health program**  
326.4 **locator.** \$959,000 in fiscal year 2024 and  
326.5 \$959,000 in fiscal year 2025 are from the  
326.6 general fund for an online behavioral health  
326.7 program locator.

326.8 **(c) Integrated services for children and**  
326.9 **families.** \$286,000 in fiscal year 2024 and  
326.10 \$286,000 in fiscal year 2025 are from the  
326.11 general fund for integrated services for  
326.12 children and families projects.  
326.13 Notwithstanding Minnesota Statutes, section  
326.14 16A.28, subdivision 3, \$1,797,000 of the  
326.15 appropriation in fiscal year 2024 is available  
326.16 until June 30, 2027.

326.17 **(d) Carryforward authority.**  
326.18 Notwithstanding Minnesota Statutes, section  
326.19 16A.28, subdivision 3, \$842,000 of the  
326.20 appropriation in fiscal year 2024 is available  
326.21 until June 30, 2027, \$136,000 of the  
326.22 appropriation in fiscal year 2025 is available  
326.23 until June 30, 2027, and \$852,000 of the  
326.24 appropriation in fiscal year 2025 is available  
326.25 until June 30, 2028.

326.26 **(f) Base level adjustment.** The general fund  
326.27 base is \$25,243,000 in fiscal year 2026 and  
326.28 \$24,682,000 in fiscal year 2027.

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

326.30 Sec. 10. Laws 2023, chapter 70, article 20, section 2, subdivision 29, is amended to read:

326.31 Subd. 29. **Grant Programs; Adult Mental Health**  
326.32 **Grants**

132,327,000

121,270,000

327.1 **(a) Mobile crisis grants to Tribal Nations.**  
327.2 \$1,000,000 in fiscal year 2024 and \$1,000,000  
327.3 in fiscal year 2025 are for mobile crisis grants  
327.4 under Minnesota Statutes ~~section~~, sections  
327.5 245.4661, subdivision 9, paragraph (b), clause  
327.6 (15), and 245.4889, subdivision 1, paragraph  
327.7 (b), clause (4), to Tribal Nations.

327.8 **(b) Mental health provider supervision**  
327.9 **grant program.** \$1,500,000 in fiscal year  
327.10 2024 and \$1,500,000 in fiscal year 2025 are  
327.11 for the mental health provider supervision  
327.12 grant program under Minnesota Statutes,  
327.13 section 245.4663.

327.14 **(c) Minnesota State University, Mankato**  
327.15 **community behavioral health center.**  
327.16 \$750,000 in fiscal year 2024 and \$750,000 in  
327.17 fiscal year 2025 are for a grant to the Center  
327.18 for Rural Behavioral Health at Minnesota State  
327.19 University, Mankato to establish a community  
327.20 behavioral health center and training clinic.  
327.21 The community behavioral health center must  
327.22 provide comprehensive, culturally specific,  
327.23 trauma-informed, practice- and  
327.24 evidence-based, person- and family-centered  
327.25 mental health and substance use disorder  
327.26 treatment services in Blue Earth County and  
327.27 the surrounding region to individuals of all  
327.28 ages, regardless of an individual's ability to  
327.29 pay or place of residence. The community  
327.30 behavioral health center and training clinic  
327.31 must also provide training and workforce  
327.32 development opportunities to students enrolled  
327.33 in the university's training programs in the  
327.34 fields of social work, counseling and student  
327.35 personnel, alcohol and drug studies,

328.1 psychology, and nursing. Upon request, the  
 328.2 commissioner must make information  
 328.3 regarding the use of this grant funding  
 328.4 available to the chairs and ranking minority  
 328.5 members of the legislative committees with  
 328.6 jurisdiction over behavioral health. This is a  
 328.7 onetime appropriation and is available until  
 328.8 June 30, 2027.

328.9 **(d) White Earth Nation; adult mental health**  
 328.10 **initiative.** \$300,000 in fiscal year 2024 and  
 328.11 \$300,000 in fiscal year 2025 are for adult  
 328.12 mental health initiative grants to the White  
 328.13 Earth Nation. This is a onetime appropriation.

328.14 **(e) Mobile crisis grants.** \$8,472,000 in fiscal  
 328.15 year 2024 and \$8,380,000 in fiscal year 2025  
 328.16 are for the mobile crisis grants under  
 328.17 Minnesota Statutes, ~~section~~ sections 245.4661,  
 328.18 subdivision 9, paragraph (b), clause (15), and  
 328.19 245.4889, subdivision 1, paragraph (b), clause  
 328.20 (4). This is a onetime appropriation and is  
 328.21 available until June 30, 2027.

328.22 **(f) Base level adjustment.** The general fund  
 328.23 base is \$121,980,000 in fiscal year 2026 and  
 328.24 \$121,980,000 in fiscal year 2027.

328.25 Sec. 11. Laws 2023, chapter 70, article 20, section 3, subdivision 2, is amended to read:

328.26 **Subd. 2. Health Improvement**

328.27	Appropriations by Fund		
328.28	General	229,600,000	210,030,000
328.29	State Government		
328.30	Special Revenue	12,392,000	12,682,000
328.31	Health Care Access	49,051,000	53,290,000
328.32	Federal TANF	11,713,000	11,713,000

328.33 **(a) Studies of telehealth expansion and**  
 328.34 **payment parity.** \$1,200,000 in fiscal year



329.1 2024 is from the general fund for studies of  
329.2 telehealth expansion and payment parity. This  
329.3 is a onetime appropriation and is available  
329.4 until June 30, 2025.

329.5 **(b) Advancing equity through capacity**  
329.6 **building and resource allocation grant**  
329.7 **program.** \$916,000 in fiscal year 2024 and  
329.8 \$916,000 in fiscal year 2025 are from the  
329.9 general fund for grants under Minnesota  
329.10 Statutes, section 144.9821. This is a onetime  
329.11 appropriation.

329.12 **(c) Grant to Minnesota Community Health**  
329.13 **Worker Alliance.** \$971,000 in fiscal year  
329.14 2024 and \$971,000 in fiscal year 2025 are  
329.15 from the general fund for Minnesota Statutes,  
329.16 section 144.1462.

329.17 **(d) Community solutions for healthy child**  
329.18 **development grants.** \$2,730,000 in fiscal year  
329.19 2024 and \$2,730,000 in fiscal year 2025 are  
329.20 from the general fund for grants under  
329.21 Minnesota Statutes, section 145.9257. The  
329.22 base for this appropriation is \$2,415,000 in  
329.23 fiscal year 2026 and \$2,415,000 in fiscal year  
329.24 2027.

329.25 **(e) Comprehensive Overdose and Morbidity**  
329.26 **Prevention Act.** \$9,794,000 in fiscal year  
329.27 2024 and \$10,458,000 in fiscal year 2025 are  
329.28 from the general fund for comprehensive  
329.29 overdose and morbidity prevention strategies  
329.30 under Minnesota Statutes, section 144.0528.  
329.31 The base for this appropriation is \$10,476,000  
329.32 in fiscal year 2026 and \$10,476,000 in fiscal  
329.33 year 2027.

330.1 **(f) Emergency preparedness and response.**

330.2 \$10,486,000 in fiscal year 2024 and  
330.3 \$14,314,000 in fiscal year 2025 are from the  
330.4 general fund for public health emergency  
330.5 preparedness and response, the sustainability  
330.6 of the strategic stockpile, and COVID-19  
330.7 pandemic response transition. The base for  
330.8 this appropriation is \$11,438,000 in fiscal year  
330.9 2026 and \$11,362,000 in fiscal year 2027.

330.10 **(g) Healthy Beginnings, Healthy Families.**

330.11 (1) \$8,440,000 in fiscal year 2024 and  
330.12 \$7,305,000 in fiscal year 2025 are from the  
330.13 general fund for grants under Minnesota  
330.14 Statutes, sections 145.9571 to 145.9576. The  
330.15 base for this appropriation is \$1,500,000 in  
330.16 fiscal year 2026 and \$1,500,000 in fiscal year  
330.17 2027. (2) Of the amount in clause (1),  
330.18 \$400,000 in fiscal year 2024 is to support the  
330.19 transition from implementation of activities  
330.20 under Minnesota Statutes, section 145.4235,  
330.21 to implementation of activities under  
330.22 Minnesota Statutes, sections 145.9571 to  
330.23 145.9576. The commissioner shall award four  
330.24 sole-source grants of \$100,000 each to Face  
330.25 to Face, Cradle of Hope, Division of Indian  
330.26 Work, and Minnesota Prison Doula Project.  
330.27 The amount in this clause is a onetime  
330.28 appropriation.

330.29 **(h) Help Me Connect.** \$463,000 in fiscal year  
330.30 2024 and \$921,000 in fiscal year 2025 are  
330.31 from the general fund for the Help Me  
330.32 Connect program under Minnesota Statutes,  
330.33 section 145.988.

330.34 **(i) Home visiting.** \$2,000,000 in fiscal year  
330.35 2024 and \$2,000,000 in fiscal year 2025 are

331.1 from the general fund for home visiting under  
331.2 Minnesota Statutes, section 145.87, to provide  
331.3 home visiting to priority populations under  
331.4 Minnesota Statutes, section 145.87,  
331.5 subdivision 1, paragraph (e).

331.6 **(j) No Surprises Act enforcement.**

331.7 \$1,210,000 in fiscal year 2024 and \$1,090,000  
331.8 in fiscal year 2025 are from the general fund  
331.9 for implementation of the federal No Surprises  
331.10 Act under Minnesota Statutes, section  
331.11 62Q.021, and an assessment of the feasibility  
331.12 of a statewide provider directory. The general  
331.13 fund base for this appropriation is \$855,000  
331.14 in fiscal year 2026 and \$855,000 in fiscal year  
331.15 2027.

331.16 **(k) Office of African American Health.**

331.17 \$1,000,000 in fiscal year 2024 and \$1,000,000  
331.18 in fiscal year 2025 are from the general fund  
331.19 for grants under the authority of the Office of  
331.20 African American Health under Minnesota  
331.21 Statutes, section 144.0756.

331.22 **(l) Office of American Indian Health.**

331.23 \$1,000,000 in fiscal year 2024 and \$1,000,000  
331.24 in fiscal year 2025 are from the general fund  
331.25 for grants under the authority of the Office of  
331.26 American Indian Health under Minnesota  
331.27 Statutes, section 144.0757.

331.28 **(m) Public health system transformation**

331.29 **grants.** (1) \$9,844,000 in fiscal year 2024 and  
331.30 \$9,844,000 in fiscal year 2025 are from the  
331.31 general fund for grants under Minnesota  
331.32 Statutes, section 145A.131, subdivision 1,  
331.33 paragraph (f).

332.1 (2) \$535,000 in fiscal year 2024 and \$535,000  
332.2 in fiscal year 2025 are from the general fund  
332.3 for grants under Minnesota Statutes, section  
332.4 145A.14, subdivision 2b.

332.5 (3) \$321,000 in fiscal year 2024 and \$321,000  
332.6 in fiscal year 2025 are from the general fund  
332.7 for grants under Minnesota Statutes, section  
332.8 144.0759.

332.9 (n) **Health care workforce.** (1) \$1,010,000  
332.10 in fiscal year 2024 and \$2,550,000 in fiscal  
332.11 year 2025 are from the health care access fund  
332.12 for rural training tracks and rural clinicals  
332.13 grants under Minnesota Statutes, sections  
332.14 144.1505 and 144.1507. The base for this  
332.15 appropriation is \$4,060,000 in fiscal year 2026  
332.16 and \$3,600,000 in fiscal year 2027.

332.17 (2) \$420,000 in fiscal year 2024 and \$420,000  
332.18 in fiscal year 2025 are from the health care  
332.19 access fund for immigrant international  
332.20 medical graduate training grants under  
332.21 Minnesota Statutes, section 144.1911.

332.22 (3) \$5,654,000 in fiscal year 2024 and  
332.23 \$5,550,000 in fiscal year 2025 are from the  
332.24 health care access fund for site-based clinical  
332.25 training grants under Minnesota Statutes,  
332.26 section 144.1508. The base for this  
332.27 appropriation is \$4,657,000 in fiscal year 2026  
332.28 and \$3,451,000 in fiscal year 2027.

332.29 (4) \$1,000,000 in fiscal year 2024 and  
332.30 \$1,000,000 in fiscal year 2025 are from the  
332.31 health care access fund for mental health for  
332.32 health care professional grants. This is a  
332.33 onetime appropriation and is available until  
332.34 June 30, 2027.

333.1 (5) \$502,000 in fiscal year 2024 and \$502,000  
333.2 in fiscal year 2025 are from the health care  
333.3 access fund for workforce research and data  
333.4 analysis of shortages, maldistribution of health  
333.5 care providers in Minnesota, and the factors  
333.6 that influence decisions of health care  
333.7 providers to practice in rural areas of  
333.8 Minnesota.

333.9 (o) **School health.** \$800,000 in fiscal year  
333.10 2024 and \$1,300,000 in fiscal year 2025 are  
333.11 from the general fund for grants under  
333.12 Minnesota Statutes, section 145.903. The base  
333.13 for this appropriation is \$2,300,000 in fiscal  
333.14 year 2026 and \$2,300,000 in fiscal year 2027.

333.15 (p) **Long COVID.** \$3,146,000 in fiscal year  
333.16 2024 and \$3,146,000 in fiscal year 2025 are  
333.17 from the general fund for grants and to  
333.18 implement Minnesota Statutes, section  
333.19 145.361.

333.20 (q) **Workplace safety grants.** \$4,400,000 in  
333.21 fiscal year 2024 is from the general fund for  
333.22 grants to health care entities to improve  
333.23 employee safety or security. This is a onetime  
333.24 appropriation and is available until June 30,  
333.25 2027. The commissioner may use up to ten  
333.26 percent of this appropriation for  
333.27 administration.

333.28 (r) **Clinical dental education innovation**  
333.29 **grants.** \$1,122,000 in fiscal year 2024 and  
333.30 \$1,122,000 in fiscal year 2025 are from the  
333.31 general fund for clinical dental education  
333.32 innovation grants under Minnesota Statutes,  
333.33 section 144.1913.

334.1 **(s) Emmett Louis Till Victims Recovery**  
334.2 **Program.** \$500,000 in fiscal year 2024 is from  
334.3 the general fund for a grant to the Emmett  
334.4 Louis Till Victims Recovery Program. The  
334.5 commissioner must not use any of this  
334.6 appropriation for administration. This is a  
334.7 onetime appropriation and is available until  
334.8 June 30, 2025.

334.9 **(t) Center for health care affordability.**  
334.10 \$2,752,000 in fiscal year 2024 and \$3,989,000  
334.11 in fiscal year 2025 are from the general fund  
334.12 to establish a center for health care  
334.13 affordability and to implement Minnesota  
334.14 Statutes, section 62J.312. The general fund  
334.15 base for this appropriation is \$3,988,000 in  
334.16 fiscal year 2026 and \$3,988,000 in fiscal year  
334.17 2027.

334.18 **(u) Federally qualified health centers**  
334.19 **apprenticeship program.** \$690,000 in fiscal  
334.20 year 2024 and \$690,000 in fiscal year 2025  
334.21 are from the general fund for grants under  
334.22 Minnesota Statutes, section 145.9272.

334.23 **(v) Alzheimer's public information**  
334.24 **program.** \$80,000 in fiscal year 2024 and  
334.25 \$80,000 in fiscal year 2025 are from the  
334.26 general fund for grants to community-based  
334.27 organizations to co-create culturally specific  
334.28 messages to targeted communities and to  
334.29 promote public awareness materials online  
334.30 through diverse media channels.

334.31 **(w) ~~Keeping Nurses at the Bedside Act;~~**  
334.32 **~~contingent appropriation~~ Nurse and Patient**  
334.33 **Safety Act.** ~~The appropriations in this~~  
334.34 ~~paragraph are contingent upon legislative~~  
334.35 ~~enactment of 2023 Senate File 1384 by the~~

335.1 ~~93rd Legislature.~~ The appropriations in this  
335.2 paragraph are available until June 30, 2027.

335.3 (1) \$5,317,000 in fiscal year 2024 and  
335.4 \$5,317,000 in fiscal year 2025 are from the  
335.5 general fund for loan forgiveness under  
335.6 Minnesota Statutes, section 144.1501, for  
335.7 eligible nurses who have agreed to work as  
335.8 hospital nurses in accordance with Minnesota  
335.9 Statutes, section 144.1501, subdivision 2,  
335.10 paragraph (a), clause (7).

335.11 (2) \$66,000 in fiscal year 2024 and \$66,000  
335.12 in fiscal year 2025 are from the general fund  
335.13 for loan forgiveness under Minnesota Statutes,  
335.14 section 144.1501, for eligible nurses who have  
335.15 agreed to teach in accordance with Minnesota  
335.16 Statutes, section 144.1501, subdivision 2,  
335.17 paragraph (a), clause (3).

335.18 ~~(3) \$545,000 in fiscal year 2024 and \$879,000~~  
335.19 ~~in fiscal year 2025 are from the general fund~~  
335.20 ~~to administer Minnesota Statutes, section~~  
335.21 ~~144.7057; to perform the evaluation duties~~  
335.22 ~~described in Minnesota Statutes, section~~  
335.23 ~~144.7058; to continue prevention of violence~~  
335.24 ~~in health care program activities; to analyze~~  
335.25 ~~potential links between adverse events and~~  
335.26 ~~understaffing; to convene stakeholder groups~~  
335.27 ~~and create a best practices toolkit; and for a~~  
335.28 ~~report on the current status of the state's~~  
335.29 ~~nursing workforce employed by hospitals. The~~  
335.30 ~~base for this appropriation is \$624,000 in fiscal~~  
335.31 ~~year 2026 and \$454,000 in fiscal year 2027.~~

335.32 **(x) Supporting healthy development of**  
335.33 **babies.** \$260,000 in fiscal year 2024 and  
335.34 \$260,000 in fiscal year 2025 are from the  
335.35 general fund for a grant to the Amherst H.

336.1 Wilder Foundation for the African American  
336.2 Babies Coalition initiative. The base for this  
336.3 appropriation is \$520,000 in fiscal year 2026  
336.4 and \$0 in fiscal year 2027. Any appropriation  
336.5 in fiscal year 2026 is available until June 30,  
336.6 2027. This paragraph expires on June 30,  
336.7 2027.

336.8 **(y) Health professional education loan**  
336.9 **forgiveness.** \$2,780,000 in fiscal year 2024  
336.10 is from the general fund for eligible mental  
336.11 health professional loan forgiveness under  
336.12 Minnesota Statutes, section 144.1501. This is  
336.13 a onetime appropriation. The commissioner  
336.14 may use up to ten percent of this appropriation  
336.15 for administration.

336.16 **(z) Primary care residency expansion grant**  
336.17 **program.** \$400,000 in fiscal year 2024 and  
336.18 \$400,000 in fiscal year 2025 are from the  
336.19 general fund for a psychiatry resident under  
336.20 Minnesota Statutes, section 144.1506.

336.21 **(aa) Pediatric primary care mental health**  
336.22 **training grant program.** \$1,000,000 in fiscal  
336.23 year 2024 and \$1,000,000 in fiscal year 2025  
336.24 are from the general fund for grants under  
336.25 Minnesota Statutes, section 144.1509. The  
336.26 commissioner may use up to ten percent of  
336.27 this appropriation for administration.

336.28 **(bb) Mental health cultural community**  
336.29 **continuing education grant program.**  
336.30 \$500,000 in fiscal year 2024 and \$500,000 in  
336.31 fiscal year 2025 are from the general fund for  
336.32 grants under Minnesota Statutes, section  
336.33 144.1511. The commissioner may use up to  
336.34 ten percent of this appropriation for  
336.35 administration.



337.1 **(cc) Labor trafficking services grant**  
337.2 **program.** \$500,000 in fiscal year 2024 and  
337.3 \$500,000 in fiscal year 2025 are from the  
337.4 general fund for grants under Minnesota  
337.5 Statutes, section 144.3885.

337.6 **(dd) Palliative Care Advisory Council.**  
337.7 ~~\$40,000~~ \$44,000 in fiscal year 2024 and  
337.8 ~~\$40,000~~ \$44,000 in fiscal year 2025 are from  
337.9 the general fund for ~~grants~~ administration  
337.10 under Minnesota Statutes, section 144.059.

337.11 **(ee) Analysis of a universal health care**  
337.12 **financing system.** \$1,815,000 in fiscal year  
337.13 2024 and \$580,000 in fiscal year 2025 are  
337.14 from the general fund to the commissioner to  
337.15 contract for an analysis of the benefits and  
337.16 costs of a legislative proposal for a universal  
337.17 health care financing system and a similar  
337.18 analysis of the current health care financing  
337.19 system. The base for this appropriation is  
337.20 \$580,000 in fiscal year 2026 and \$0 in fiscal  
337.21 year 2027. This appropriation is available until  
337.22 June 30, 2027.

337.23 **(ff) Charitable assets public interest review.**  
337.24 (1) The appropriations under this paragraph  
337.25 are contingent upon legislative enactment of  
337.26 2023 House File 402 by the 93rd Legislature.

337.27 (2) \$1,584,000 in fiscal year 2024 and  
337.28 \$769,000 in fiscal year 2025 are from the  
337.29 general fund to review certain health care  
337.30 entity transactions; to conduct analyses of the  
337.31 impacts of health care transactions on health  
337.32 care cost, quality, and competition; and to  
337.33 issue public reports on health care transactions  
337.34 in Minnesota and their impacts. The base for

338.1 this appropriation is \$710,000 in fiscal year  
338.2 2026 and \$710,000 in fiscal year 2027.

338.3 **(gg) Study of the development of a statewide**  
338.4 **registry for provider orders for**  
338.5 **life-sustaining treatment.** \$365,000 in fiscal  
338.6 year 2024 and \$365,000 in fiscal year 2025  
338.7 are from the general fund for a study of the  
338.8 development of a statewide registry for  
338.9 provider orders for life-sustaining treatment.  
338.10 This is a onetime appropriation.

338.11 **(hh) Task Force on Pregnancy Health and**  
338.12 **Substance Use Disorders.** \$199,000 in fiscal  
338.13 year 2024 and \$100,000 in fiscal year 2025  
338.14 are from the general fund for the Task Force  
338.15 on Pregnancy Health and Substance Use  
338.16 Disorders. This is a onetime appropriation and  
338.17 is available until June 30, 2025.

338.18 **(ii) 988 Suicide and crisis lifeline.** \$4,000,000  
338.19 in fiscal year 2024 is from the general fund  
338.20 for 988 national suicide prevention lifeline  
338.21 grants under Minnesota Statutes, section  
338.22 145.561. This is a onetime appropriation.

338.23 **(jj) Equitable Health Care Task Force.**  
338.24 \$779,000 in fiscal year 2024 and \$749,000 in  
338.25 fiscal year 2025 are from the general fund for  
338.26 the Equitable Health Care Task Force. This is  
338.27 a onetime appropriation.

338.28 **(kk) Psychedelic Medicine Task Force.**  
338.29 \$338,000 in fiscal year 2024 and \$171,000 in  
338.30 fiscal year 2025 are from the general fund for  
338.31 the Psychedelic Medicine Task Force. This is  
338.32 a onetime appropriation.

338.33 **(ll) Medical education and research costs.**  
338.34 \$300,000 in fiscal year 2024 and \$300,000 in

339.1 fiscal year 2025 are from the general fund for  
339.2 the medical education and research costs  
339.3 program under Minnesota Statutes, section  
339.4 62J.692.

339.5 **(mm) Special Guerilla Unit Veterans grant**  
339.6 **program.** \$250,000 in fiscal year 2024 and  
339.7 \$250,000 in fiscal year 2025 are from the  
339.8 general fund for a grant to the Special  
339.9 Guerrilla Units Veterans and Families of the  
339.10 United States of America to offer  
339.11 programming and culturally specific and  
339.12 specialized assistance to support the health  
339.13 and well-being of Special Guerilla Unit  
339.14 Veterans. The base for this appropriation is  
339.15 \$500,000 in fiscal year 2026 and \$0 in fiscal  
339.16 year 2027. Any amount appropriated in fiscal  
339.17 year 2026 is available until June 30, 2027.  
339.18 This paragraph expires June 30, 2027.

339.19 **(nn) Safe harbor regional navigator.**  
339.20 \$300,000 in fiscal year 2024 and \$300,000 in  
339.21 fiscal year 2025 are for a regional navigator  
339.22 in northwestern Minnesota. The commissioner  
339.23 may use up to ten percent of this appropriation  
339.24 for administration.

339.25 **(oo) Network adequacy.** \$798,000 in fiscal  
339.26 year 2024 and \$491,000 in fiscal year 2025  
339.27 are from the general fund for reviews of  
339.28 provider networks under Minnesota Statutes,  
339.29 section 62K.10, to determine network  
339.30 adequacy.

339.31 **(pp) Grants to Minnesota Alliance for**  
339.32 **Volunteer Advancement.** \$278,000 in fiscal  
339.33 year 2024 is from the general fund for a grant  
339.34 to the Minnesota Alliance for Volunteer  
339.35 Advancement to administer needs-based

340.1 volunteerism subgrants targeting  
340.2 underresourced nonprofit organizations in  
340.3 greater Minnesota. Subgrants must be used to  
340.4 support the ongoing efforts of selected  
340.5 organizations to address and minimize  
340.6 disparities in access to human services through  
340.7 increased volunteerism. Subgrant applicants  
340.8 must demonstrate that the populations to be  
340.9 served by the subgrantee are underserved or  
340.10 suffer from or are at risk of homelessness,  
340.11 hunger, poverty, lack of access to health care,  
340.12 or deficits in education. The Minnesota  
340.13 Alliance for Volunteer Advancement must  
340.14 give priority to organizations that are serving  
340.15 the needs of vulnerable populations. This is a  
340.16 onetime appropriation and is available until  
340.17 June 30, 2025.

340.18 ~~(pp)(1)~~(qq)(1) **TANF Appropriations.** TANF  
340.19 funds must be used as follows:

340.20 (i) \$3,579,000 in fiscal year 2024 and  
340.21 \$3,579,000 in fiscal year 2025 are from the  
340.22 TANF fund for home visiting and nutritional  
340.23 services listed under Minnesota Statutes,  
340.24 section 145.882, subdivision 7, clauses (6) and  
340.25 (7). Funds must be distributed to community  
340.26 health boards according to Minnesota Statutes,  
340.27 section 145A.131, subdivision 1;

340.28 (ii) \$2,000,000 in fiscal year 2024 and  
340.29 \$2,000,000 in fiscal year 2025 are from the  
340.30 TANF fund for decreasing racial and ethnic  
340.31 disparities in infant mortality rates under  
340.32 Minnesota Statutes, section 145.928,  
340.33 subdivision 7;

340.34 (iii) \$4,978,000 in fiscal year 2024 and  
340.35 \$4,978,000 in fiscal year 2025 are from the

341.1 TANF fund for the family home visiting grant  
341.2 program under Minnesota Statutes, section  
341.3 145A.17. \$4,000,000 of the funding in fiscal  
341.4 year 2024 and \$4,000,000 in fiscal year 2025  
341.5 must be distributed to community health  
341.6 boards under Minnesota Statutes, section  
341.7 145A.131, subdivision 1. \$978,000 of the  
341.8 funding in fiscal year 2024 and \$978,000 in  
341.9 fiscal year 2025 must be distributed to Tribal  
341.10 governments under Minnesota Statutes, section  
341.11 145A.14, subdivision 2a;  
  
341.12 (iv) \$1,156,000 in fiscal year 2024 and  
341.13 \$1,156,000 in fiscal year 2025 are from the  
341.14 TANF fund for sexual and reproductive health  
341.15 services grants under Minnesota Statutes,  
341.16 section 145.925; and  
  
341.17 (v) the commissioner may use up to 6.23  
341.18 percent of the funds appropriated from the  
341.19 TANF fund each fiscal year to conduct the  
341.20 ongoing evaluations required under Minnesota  
341.21 Statutes, section 145A.17, subdivision 7, and  
341.22 training and technical assistance as required  
341.23 under Minnesota Statutes, section 145A.17,  
341.24 subdivisions 4 and 5.  
  
341.25 **(2) TANF Carryforward.** Any unexpended  
341.26 balance of the TANF appropriation in the first  
341.27 year does not cancel but is available in the  
341.28 second year.  
  
341.29 ~~(qq)~~ **(rr) Base level adjustments.** The general  
341.30 fund base is \$197,644,000 in fiscal year 2026  
341.31 and \$195,714,000 in fiscal year 2027. The  
341.32 health care access fund base is \$53,354,000  
341.33 in fiscal year 2026 and \$50,962,000 in fiscal  
341.34 year 2027.

342.1 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
 342.2 **paragraph (pp) is effective retroactively from July 1, 2023.**

342.3 Sec. 12. Laws 2023, chapter 70, article 20, section 12, as amended by Laws 2023, chapter  
 342.4 75, section 13, is amended to read:

342.5 Sec. 12. **COMMISSIONER OF**  
 342.6 **MANAGEMENT AND BUDGET** \$ 12,932,000 \$ 3,412,000

342.7 **(a) Outcomes and evaluation consultation.**  
 342.8 \$450,000 in fiscal year 2024 and \$450,000 in  
 342.9 fiscal year 2025 are for outcomes and  
 342.10 evaluation consultation requirements.

342.11 **(b) Department of Children, Youth, and**  
 342.12 **Families.** \$11,931,000 in fiscal year 2024 and  
 342.13 \$2,066,000 in fiscal year 2025 are to establish  
 342.14 the Department of Children, Youth, and  
 342.15 Families. This is a onetime appropriation.

342.16 ~~(c) Keeping Nurses at the Bedside Act~~  
 342.17 ~~impact evaluation; contingent~~  
 342.18 ~~appropriation.~~ \$232,000 in fiscal year 2025  
 342.19 ~~is for the Keeping Nurses at the Bedside Act~~  
 342.20 ~~impact evaluation. This appropriation is~~  
 342.21 ~~contingent upon legislative enactment by the~~  
 342.22 ~~93rd Legislature of a provision substantially~~  
 342.23 ~~similar to the impact evaluation provision in~~  
 342.24 ~~2023 S.F. No. 2995, the third engrossment,~~  
 342.25 ~~article 3, section 22. This is a onetime~~  
 342.26 ~~appropriation and is available until June 30,~~  
 342.27 ~~2029.~~

342.28 ~~(d)~~ **(c) Health care subcabinet.** \$551,000 in  
 342.29 fiscal year 2024 and \$664,000 in fiscal year  
 342.30 2025 are to hire an executive director for the  
 342.31 health care subcabinet and to provide staffing  
 342.32 and administrative support for the health care  
 342.33 subcabinet.

343.1 ~~(e)~~ **(d) Base level adjustment.** The general  
343.2 fund base is \$1,114,000 in fiscal year 2026  
343.3 and \$1,114,000 in fiscal year 2027.

343.4 Sec. 13. **REPEALER.**

343.5 (a) Laws 2023, chapter 70, article 20, section 2, subdivision 31, as amended by Laws  
343.6 2023, chapter 75, section 12, is repealed.

343.7 (b) Laws 2023, chapter 75, section 10, is repealed.

343.8 **EFFECTIVE DATE.** Paragraph (b) is effective the day following final enactment."

343.9 Amend the title accordingly