

1.1 ..... moves to amend H.F. No. 1638, the first engrossment, as follows:

1.2 Page 4, delete section 2

1.3 Page 40, delete section 25

1.4 Page 45, after line 19, insert:

1.5 "Sec. .... Minnesota Statutes 2014, section 256B.762, is amended to read:

1.6 **256B.762 REIMBURSEMENT FOR HEALTH CARE SERVICES.**

1.7 (a) Effective for services provided on or after October 1, 2005, payment rates  
1.8 for the following services shall be increased by five percent over the rates in effect on  
1.9 September 30, 2005, when these services are provided as home health services under  
1.10 section 256B.0625, subdivision 6a:

- 1.11 (1) skilled nursing visit;
- 1.12 (2) physical therapy visit;
- 1.13 (3) occupational therapy visit;
- 1.14 (4) speech therapy visit; and
- 1.15 (5) home health aide visit.

1.16 (b) Effective for services provided on or after July 1, 2015, payment rates for  
1.17 managed care and fee-for-service visits for the following services shall be increased by  
1.18 ten percent over the rates in effect on June 30, 2015, when these services are provided as  
1.19 home health services under section 256B.0625, subdivision 6a:

- 1.20 (1) physical therapy;
- 1.21 (2) occupational therapy; and
- 1.22 (3) speech therapy.

1.23 The commissioner shall adjust managed care and county-based purchasing plan capitation  
1.24 rates to reflect the payment rates under this paragraph."

1.25 Page 55, delete section 1

1.26 Page 69, delete section 18

2.1 Page 70, delete section 19

2.2 Page 71, line 22, delete "and" and after "subdivision 5" delete the comma and insert "  
2.3 ; and 256.01, subdivision 35,"

2.4 Page 105, after line 30, insert:

2.5 "Sec. .... Minnesota Statutes 2014, section 256B.0916, subdivision 2, is amended to  
2.6 read:

2.7 Subd. 2. **Distribution of funds; partnerships.** (a) Beginning with fiscal year 2000,  
2.8 the commissioner shall distribute all funding available for home and community-based  
2.9 waiver services for persons with developmental disabilities to individual counties or to  
2.10 groups of counties that form partnerships to jointly plan, administer, and authorize funding  
2.11 for eligible individuals. The commissioner shall encourage counties to form partnerships  
2.12 that have a sufficient number of recipients and funding to adequately manage the risk  
2.13 and maximize use of available resources.

2.14 (b) Counties must submit a request for funds and a plan for administering the  
2.15 program as required by the commissioner. The plan must identify the number of clients to  
2.16 be served, their ages, and their priority listing based on:

2.17 (1) requirements in Minnesota Rules, part 9525.1880; and

2.18 (2) statewide priorities identified in section 256B.092, subdivision 12.

2.19 The plan must also identify changes made to improve services to eligible persons and to  
2.20 improve program management.

2.21 (c) In allocating resources to counties, priority must be given to groups of counties  
2.22 that form partnerships to jointly plan, administer, and authorize funding for eligible  
2.23 individuals and to counties determined by the commissioner to have sufficient waiver  
2.24 capacity to maximize resource use.

2.25 (d) Within 30 days after receiving the county request for funds and plans, the  
2.26 commissioner shall provide a written response to the plan that includes the level of  
2.27 resources available to serve additional persons.

2.28 (e) Counties are eligible to receive medical assistance administrative reimbursement  
2.29 for administrative costs under criteria established by the commissioner.

2.30 (f) The commissioner shall manage waiver allocations in such a manner as to fully  
2.31 use available state and federal waiver appropriations.

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

2.33 Sec. .... Minnesota Statutes 2014, section 256B.0916, subdivision 11, is amended to  
2.34 read:

3.1 Subd. 11. **Excess spending.** County and tribal agencies are responsible for spending  
 3.2 in excess of the allocation made by the commissioner. In the event a county or tribal agency  
 3.3 spends in excess of the allocation made by the commissioner for a given allocation period,  
 3.4 they must submit a corrective action plan to the commissioner for approval. The plan must  
 3.5 state the actions the agency will take to correct their overspending for the year two years  
 3.6 following the period when the overspending occurred. ~~Failure to correct overspending~~  
 3.7 ~~shall result in recoupment of spending in excess of the allocation.~~ The commissioner  
 3.8 shall recoup spending in excess of the allocation only in cases where statewide spending  
 3.9 exceeds the appropriation designated for the home and community-based services waivers.  
 3.10 Nothing in this subdivision shall be construed as reducing the county's responsibility to  
 3.11 offer and make available feasible home and community-based options to eligible waiver  
 3.12 recipients within the resources allocated to them for that purpose.

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

3.14 Sec. .... Minnesota Statutes 2014, section 256B.0916, is amended by adding a  
 3.15 subdivision to read:

3.16 Subd. 12. **Use of waiver allocations.** County and tribal agencies are responsible  
 3.17 for spending the annual allocation made by the commissioner. In the event a county or  
 3.18 tribal agency spends less than 97 percent of the allocation, while maintaining a list of  
 3.19 persons waiting for waiver services, the county or tribal agency must submit a corrective  
 3.20 action plan to the commissioner for approval. The commissioner may determine a plan is  
 3.21 unnecessary given the size of the allocation and capacity for new enrollment. The plan  
 3.22 must state the actions the agency will take to assure reasonable and timely access to  
 3.23 home and community-based waiver services for persons waiting for services. If a county  
 3.24 or tribe does not submit a plan when required or implement the changes required, the  
 3.25 commissioner shall assure access to waiver services within the county or tribe's available  
 3.26 allocation and take other actions needed to assure that all waiver participants in that county  
 3.27 or tribe are receiving appropriate waiver services to meet their needs.

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

3.29 Page 109, after line 32, insert:

3.30 "Sec. .... Minnesota Statutes 2014, section 256B.49, subdivision 26, is amended to read:

3.31 Subd. 26. **Excess allocations.** (a) Effective through June 30, 2018, county and  
 3.32 tribal agencies will be responsible for authorizations in excess of the annual allocation  
 3.33 made by the commissioner. In the event a county or tribal agency authorizes in excess  
 3.34 of the allocation made by the commissioner for a given allocation period, the county or

4.1 tribal agency must submit a corrective action plan to the commissioner for approval.  
4.2 The plan must state the actions the agency will take to correct their overspending for  
4.3 the year two years following the period when the overspending occurred. ~~Failure to~~  
4.4 ~~correct overauthorizations shall result in recoupment of authorizations in excess of the~~  
4.5 ~~allocation.~~ The commissioner shall recoup funds spent in excess of the allocation only  
4.6 in cases where statewide spending exceeds the appropriation designated for the home  
4.7 and community-based services waivers. Nothing in this subdivision shall be construed  
4.8 as reducing the county's responsibility to offer and make available feasible home and  
4.9 community-based options to eligible waiver recipients within the resources allocated  
4.10 to them for that purpose. If a county or tribe does not submit a plan when required or  
4.11 implement the changes required, the commissioner shall assure access to waiver services  
4.12 within the county or tribe's available allocation and take other actions needed to assure  
4.13 that all waiver participants in that county or tribe are receiving appropriate waiver services  
4.14 to meet their needs.

4.15 (b) Effective July 1, 2018, county and tribal agencies will be responsible for  
4.16 spending in excess of the annual allocation made by the commissioner. In the event a  
4.17 county or tribal agency spends in excess of the allocation made by the commissioner for a  
4.18 given allocation period, the county or tribal agency must submit a corrective action plan to  
4.19 the commissioner for approval. The plan must state the actions the agency will take to  
4.20 correct its overspending for the two years following the period when the overspending  
4.21 occurred. The commissioner shall recoup funds spent in excess of the allocation only  
4.22 in cases when statewide spending exceeds the appropriation designated for the home  
4.23 and community-based services waivers. Nothing in this subdivision shall be construed  
4.24 as reducing the county's responsibility to offer and make available feasible home and  
4.25 community-based options to eligible waiver recipients within the resources allocated to it  
4.26 for that purpose. If a county or tribe does not submit a plan when required or implement  
4.27 the changes required, the commissioner shall assure access to waiver services within  
4.28 the county or tribe's available allocation and take other actions needed to assure that  
4.29 all waiver participants in that county or tribe are receiving appropriate waiver services  
4.30 to meet their needs.

4.31 Sec. .... Minnesota Statutes 2014, section 256B.49, is amended by adding a subdivision  
4.32 to read:

4.33 Subd. 27. Use of waiver allocations. (a) Effective until June 30, 2018, county  
4.34 and tribal agencies are responsible for authorizing the annual allocation made by the  
4.35 commissioner. In the event a county or tribal agency authorizes less than 97 percent of

5.1 the allocation, while maintaining a list of persons waiting for waiver services, the county  
5.2 or tribal agency must submit a corrective action plan to the commissioner for approval.  
5.3 The commissioner may determine a plan is unnecessary given the size of the allocation  
5.4 and capacity for new enrollment. The plan must state the actions the agency will take  
5.5 to assure reasonable and timely access to home and community-based waiver services  
5.6 for persons waiting for services.

5.7 (b) Effective July 1, 2018, county and tribal agencies are responsible for spending  
5.8 the annual allocation made by the commissioner. In the event a county or tribal agency  
5.9 spends less than 97 percent of the allocation, while maintaining a list of persons waiting  
5.10 for waiver services, the county or tribal agency must submit a corrective action plan to the  
5.11 commissioner for approval. The commissioner may determine a plan is unnecessary given  
5.12 the size of the allocation and capacity for new enrollment. The plan must state the actions  
5.13 the agency will take to assure reasonable and timely access to home and community-based  
5.14 waiver services for persons waiting for services.

5.15 Sec. .... Minnesota Statutes 2014, section 256B.4913, subdivision 4a, is amended to  
5.16 read:

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

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

5.26 (1) for a day service recipient who was not authorized to receive these waiver  
5.27 services prior to January 1, 2014; added a new service or services on or after January 1,  
5.28 2014; or changed providers on or after January 1, 2014, the historical rate must be the  
5.29 authorized rate for the provider in the county of service, effective December 1, 2013; or

5.30 (2) for a unit-based service with programming or a unit-based service without  
5.31 programming recipient who was not authorized to receive these waiver services prior to  
5.32 January 1, 2014; added a new service or services on or after January 1, 2014; or changed  
5.33 providers on or after January 1, 2014, the historical rate must be the weighted average  
5.34 authorized rate for each provider number in the county of service, effective December 1,  
5.35 2013; or

6.1 (3) for residential service recipients who change providers on or after January 1,  
6.2 2014, the historical rate must be set by each lead agency within their county aggregate  
6.3 budget using their respective methodology for residential services effective December 1,  
6.4 2013, for determining the provider rate for a similarly situated recipient being served by  
6.5 that provider.

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

6.8 (1) 0.5 percent from the historical rate for the implementation period;

6.9 (2) 0.5 percent from the rate in effect in clause (1), for the 12-month period  
6.10 immediately following the time period of clause (1);

6.11 (3) ~~1.0~~ 0.5 percent from the rate in effect in clause (2), for the 12-month period  
6.12 immediately following the time period of clause (2);

6.13 (4) 1.0 percent from the rate in effect in clause (3), for the 12-month period  
6.14 immediately following the time period of clause (3); ~~and~~

6.15 (5) 1.0 percent from the rate in effect in clause (4), for the 12-month period  
6.16 immediately following the time period of clause (4); and

6.17 (6) no adjustment to the rate in effect in clause (5) for the 12-month period  
6.18 immediately following the time period of clause (5). During this banding rate period, the  
6.19 commissioner shall not enforce any rate decrease or increase that would otherwise result  
6.20 from the end of the banding period. The commissioner shall, upon enactment, seek federal  
6.21 approval for the addition of this banding period.

6.22 (d) The commissioner shall review all changes to rates that were in effect on  
6.23 December 1, 2013, to verify that the rates in effect produce the equivalent level of spending  
6.24 and service unit utilization on an annual basis as those in effect on October 31, 2013.

6.25 (e) By December 31, 2014, the commissioner shall complete the review in paragraph  
6.26 (d), adjust rates to provide equivalent annual spending, and make appropriate adjustments.

6.27 (f) During the banding period, the Medicaid Management Information System  
6.28 (MMIS) service agreement rate must be adjusted to account for change in an individual's  
6.29 need. The commissioner shall adjust the Medicaid Management Information System  
6.30 (MMIS) service agreement rate by:

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

6.33 (2) calculating a service rate under section 256B.4914, subdivision 6, 7, 8, or  
6.34 9, for the individual with variables reflecting the updated level of service at the time  
6.35 of application; and

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

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

7.6 Sec. .... Minnesota Statutes 2014, section 256B.4913, subdivision 5, is amended to read:

7.7 Subd. 5. **Stakeholder consultation and county training.** (a) The commissioner  
7.8 shall continue consultation on regular intervals with the existing stakeholder group  
7.9 established as part of the rate-setting methodology process and others, to gather input,  
7.10 concerns, and data, to assist in the full implementation of the new rate payment system and  
7.11 to make pertinent information available to the public through the department's Web site.

7.12 (b) The commissioner shall offer training at least annually for county personnel  
7.13 responsible for administering the rate-setting framework in a manner consistent with this  
7.14 section and section 256B.4914.

7.15 (c) The commissioner shall maintain an online instruction manual explaining the  
7.16 rate-setting framework. The manual shall be consistent with this section and section  
7.17 256B.4914, and shall be accessible to all stakeholders including recipients, representatives  
7.18 of recipients, county, tribal agencies, and license holders.

7.19 (d) The commissioner shall not defer to the county or tribal agency on matters of  
7.20 technical application of the rate-setting framework, and a county or tribal agency shall not  
7.21 set rates in a manner that conflicts with this section or section 256B.4914.

7.22 Sec. .... Minnesota Statutes 2014, section 256B.4914, subdivision 2, is amended to read:

7.23 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
7.24 meanings given them, unless the context clearly indicates otherwise.

7.25 (b) "Commissioner" means the commissioner of human services.

7.26 (c) "Component value" means underlying factors that are part of the cost of providing  
7.27 services that are built into the waiver rates methodology to calculate service rates.

7.28 (d) "Customized living tool" means a methodology for setting service rates that  
7.29 delineates and documents the amount of each component service included in a recipient's  
7.30 customized living service plan.

7.31 (e) "Disability waiver rates system" means a statewide system that establishes rates  
7.32 that are based on uniform processes and captures the individualized nature of waiver  
7.33 services and recipient needs.

8.1 (f) "Individual staffing" means the time spent as a one-to-one interaction specific to  
8.2 an individual recipient by staff ~~brought in solely~~ to provide direct support and assistance  
8.3 with activities of daily living, instrumental activities of daily living, and training to  
8.4 participants, and is based on the requirements in each individual's coordinated service and  
8.5 support plan under section 245D.02, subdivision 4b; any coordinated service and support  
8.6 plan addendum under section 245D.02, subdivision 4c; and an assessment tool; and  
8.7 Provider observation of an individual's needs must also be considered.

8.8 (g) "Lead agency" means a county, partnership of counties, or tribal agency charged  
8.9 with administering waived services under sections 256B.092 and 256B.49.

8.10 (h) "Median" means the amount that divides distribution into two equal groups,  
8.11 one-half above the median and one-half below the median.

8.12 (i) "Payment or rate" means reimbursement to an eligible provider for services  
8.13 provided to a qualified individual based on an approved service authorization.

8.14 (j) "Rates management system" means a Web-based software application that uses  
8.15 a framework and component values, as determined by the commissioner, to establish  
8.16 service rates.

8.17 (k) "Recipient" means a person receiving home and community-based services  
8.18 funded under any of the disability waivers.

8.19 (l) "Shared staffing" means time spent by employees, not defined under paragraph  
8.20 (f), providing or available to provide more than one individual with direct support and  
8.21 assistance with activities of daily living as defined under section 256B.0659, subdivision 1,  
8.22 paragraph (b); instrumental activities of daily living as defined under section 256B.0659,  
8.23 subdivision 1, paragraph (i); ancillary activities needed to support individual services; and  
8.24 training to participants, and is based on the requirements in each individual's coordinated  
8.25 service and support plan under section 245D.02, subdivision 4b; any coordinated service  
8.26 and support plan addendum under section 245D.02, subdivision 4c; an assessment tool; and  
8.27 provider observation of an individual's service need. Total shared staffing hours are divided  
8.28 proportionally by the number of individuals who receive the shared service provisions.

8.29 (m) "Staffing ratio" means the number of recipients a service provider employee  
8.30 supports during a unit of service based on a uniform assessment tool, provider observation,  
8.31 case history, and the recipient's services of choice, and not based on the staffing ratios  
8.32 under section 245D.31.

8.33 (n) "Unit of service" means the following:

8.34 (1) for residential support services under subdivision 6, a unit of service is a day.  
8.35 Any portion of any calendar day, within allowable Medicaid rules, where an individual  
8.36 spends time in a residential setting is billable as a day;



- 9.1 (2) for day services under subdivision 7:
- 9.2 (i) for day training and habilitation services, a unit of service is either:
- 9.3 (A) a day unit of service is defined as six or more hours of time spent providing
- 9.4 direct services and transportation; or
- 9.5 (B) a partial day unit of service is defined as fewer than six hours of time spent
- 9.6 providing direct services and transportation; and
- 9.7 (C) for new day service recipients after January 1, 2014, 15 minute units of
- 9.8 service must be used for fewer than six hours of time spent providing direct services
- 9.9 and transportation;
- 9.10 (ii) for adult day and structured day services, a unit of service is a day or 15 minutes.
- 9.11 A day unit of service is six or more hours of time spent providing direct services;
- 9.12 (iii) for prevocational services, a unit of service is a day or an hour. A day unit of
- 9.13 service is six or more hours of time spent providing direct service;
- 9.14 (3) for unit-based services with programming under subdivision 8:
- 9.15 (i) for supported living services, a unit of service is a day or 15 minutes. When a
- 9.16 day rate is authorized, any portion of a calendar day where an individual receives services
- 9.17 is billable as a day; and
- 9.18 (ii) for all other services, a unit of service is 15 minutes; and
- 9.19 (4) for unit-based services without programming under subdivision 9:
- 9.20 (i) for respite services, a unit of service is a day or 15 minutes. When a day rate is
- 9.21 authorized, any portion of a calendar day when an individual receives services is billable
- 9.22 as a day; and
- 9.23 (ii) for all other services, a unit of service is 15 minutes."

9.24 Page 111, after line 23, insert:

9.25 "Sec. .... Minnesota Statutes 2014, section 256B.4914, subdivision 8, is amended to

9.26 read:

9.27 **Subd. 8. Payments for unit-based services with programming.** Payments for

9.28 unit-based ~~with program~~ services with programming, including behavior programming,

9.29 housing access coordination, in-home family support, independent living skills training,

9.30 hourly supported living services, and supported employment provided to an individual

9.31 outside of any day or residential service plan must be calculated as follows, unless the

9.32 services are authorized separately under subdivision 6 or 7:

- 9.33 (1) determine the number of units of service to meet a recipient's needs;
- 9.34 (2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics
- 9.35 Minnesota-specific rates or rates derived by the commissioner as provided in subdivision 5;

10.1 (3) for a recipient requiring customization for deaf and hard-of-hearing language  
10.2 accessibility under subdivision 12, add the customization rate provided in subdivision 12  
10.3 to the result of clause (2). This is defined as the customized direct-care rate;

10.4 (4) multiply the number of direct staff hours by the appropriate staff wage in  
10.5 subdivision 5, paragraph (a), or the customized direct-care rate;

10.6 (5) multiply the number of direct staff hours by the product of the supervision span  
10.7 of control ratio in subdivision 5, paragraph (e), clause (1), and the appropriate supervision  
10.8 wage in subdivision 5, paragraph (a), clause (16);

10.9 (6) combine the results of clauses (4) and (5), and multiply the result by one plus  
10.10 the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (e),  
10.11 clause (2). This is defined as the direct staffing rate;

10.12 (7) for program plan support, multiply the result of clause (6) by one plus the  
10.13 program plan supports ratio in subdivision 5, paragraph (e), clause (4);

10.14 (8) for employee-related expenses, multiply the result of clause (7) by one plus the  
10.15 employee-related cost ratio in subdivision 5, paragraph (e), clause (3);

10.16 (9) for client programming and supports, multiply the result of clause (8) by one plus  
10.17 the client programming and supports ratio in subdivision 5, paragraph (e), clause (5);

10.18 (10) this is the subtotal rate;

10.19 (11) sum the standard general and administrative rate, the program-related expense  
10.20 ratio, and the absence and utilization factor ratio;

10.21 (12) divide the result of clause (10) by one minus the result of clause (11). This is  
10.22 the total payment amount;

10.23 (13) for supported employment provided in a shared manner, divide the total  
10.24 payment amount in clause (12) by the number of service recipients, not to exceed three.  
10.25 For independent living skills training provided in a shared manner, divide the total  
10.26 payment amount in clause (12) by the number of service recipients, not to exceed two; and

10.27 (14) adjust the result of clause (13) by a factor to be determined by the commissioner  
10.28 to adjust for regional differences in the cost of providing services.

10.29 Sec. .... Minnesota Statutes 2014, section 256B.4914, subdivision 10, is amended to  
10.30 read:

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

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

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

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

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

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

11.18 (d) No later than July 1, 2014, the commissioner, in consultation with stakeholders,  
11.19 shall begin the review and evaluation of the following values already in subdivisions 6 to  
11.20 9, or issues that impact all services, including, but not limited to:

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

11.22 (2) values for transportation rates in residential services;

11.23 (3) values for services where monitoring technology replaces staff time;

11.24 (4) values for indirect services;

11.25 (5) values for nursing;

11.26 (6) component values for independent living skills;

11.27 (7) component values for family foster care that reflect licensing requirements;

11.28 (8) adjustments to other components to replace the budget neutrality factor;

11.29 (9) remote monitoring technology for nonresidential services;

11.30 (10) values for basic and intensive services in residential services;

11.31 (11) ~~values for the facility use rate in day services~~ the weightings used in the day  
11.32 service ratios and adjustments to those weightings;

11.33 (12) values for workers' compensation as part of employee-related expenses;

11.34 (13) values for unemployment insurance as part of employee-related expenses;

12.1 (14) a component value to reflect costs for individuals with rates previously adjusted  
12.2 for the inclusion of group residential housing rate 3 costs, only for any individual enrolled  
12.3 as of December 31, 2013; and

12.4 (15) any changes in state or federal law with an impact on the underlying cost of  
12.5 providing home and community-based services.

12.6 (e) The commissioner shall report to the chairs and the ranking minority members of  
12.7 the legislative committees and divisions with jurisdiction over health and human services  
12.8 policy and finance with the information and data gathered under paragraphs (b) to (d)  
12.9 on the following dates:

12.10 (1) January 15, 2015, with preliminary results and data;

12.11 (2) January 15, 2016, with a status implementation update, and additional data  
12.12 and summary information;

12.13 (3) January 15, 2017, with the full report; and

12.14 (4) January 15, 2019, with another full report, and a full report once every four  
12.15 years thereafter.

12.16 (f) Based on the commissioner's evaluation of the information and data collected in  
12.17 paragraphs (b) to (d), the commissioner shall make recommendations to the legislature by  
12.18 January 15, 2015, to address any issues identified during the first year of implementation.  
12.19 After January 15, 2015, the commissioner may make recommendations to the legislature  
12.20 to address potential issues.

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

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

12.28 (1) calculation values including derived wage rates and related employee and  
12.29 administrative factors;

12.30 (2) service utilization;

12.31 (3) county and tribal allocation changes; and

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

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

12.35 (i) No later than July 1, 2016, the commissioner shall develop and implement, in  
12.36 consultation with stakeholders, a methodology sufficient to determine the shared staffing

13.1 levels necessary to meet, at a minimum, health and welfare needs of individuals who will  
 13.2 be living together in shared residential settings, and the required shared staffing activities  
 13.3 described in section 256B.4914, subdivision 2, paragraph (1). This determination  
 13.4 methodology must ensure staffing levels are adaptable to meet the needs and desired  
 13.5 outcomes for current and prospective residents in shared residential settings.

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

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

13.12 Sec. .... Minnesota Statutes 2014, section 256B.4914, subdivision 14, is amended to  
 13.13 read:

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

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

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

13.25 (1) an individual has service needs that cannot be met through additional units  
 13.26 of service; or

13.27 (2) an individual's rate determined under subdivisions 6, 7, 8, and 9 results is so  
 13.28 insufficient that it has resulted in an individual being discharged receiving a notice of  
 13.29 discharge from the individual's provider; or

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

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

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

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

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

14.5 (4) ~~the duration of the rate exception; and~~

14.6 ~~(5) any contingencies for approval.~~

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

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

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

14.20 (h) The individual disability waiver recipient may appeal any denial of an exception  
14.21 request by either the lead agency or the commissioner, pursuant to sections 256.045 and  
14.22 256.0451. When the denial of an exception request results in the proposed demission of a  
14.23 waiver recipient from a residential or day habilitation program, the commissioner shall  
14.24 issue a temporary stay of demission, when requested by the disability waiver recipient,  
14.25 consistent with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c).  
14.26 The temporary stay shall remain in effect until the lead agency can provide an informed  
14.27 choice of appropriate, alternative services to the disability waiver.

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

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

14.33 (k) The commissioner shall track all exception requests received and their  
14.34 dispositions. The commissioner shall issue quarterly public exceptions statistical reports,  
14.35 including the number of exception requests received and the numbers granted, denied,

15.1 withdrawn, and pending. The report shall include the average amount of time required to  
 15.2 process exceptions.

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

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

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

15.14 Sec. .... Minnesota Statutes 2014, section 256B.4914, subdivision 15, is amended to  
 15.15 read:

15.16 Subd. 15. **County or tribal allocations.** (a) Upon implementation of the disability  
 15.17 waiver rates management system on January 1, 2014, the commissioner shall establish  
 15.18 a method of tracking and reporting the fiscal impact of the disability waiver rates  
 15.19 management system on individual lead agencies.

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

15.24 ~~(c) During the first two years of implementation under section 256B.4913,~~  
 15.25 ~~Lead agencies exceeding their allocations shall be subject to the provisions under~~  
 15.26 ~~sections 256B.092 and 256B.49 shall only be held liable for spending in excess of their~~  
 15.27 ~~allocations after a reallocation of resources by the commissioner under paragraph (b). The~~  
 15.28 ~~commissioner shall reallocate resources under sections 256B.092, subdivision 12, and~~  
 15.29 ~~256B.49, subdivision 11a. The commissioner shall notify lead agencies of this process by~~  
 15.30 ~~July 1, 2014."~~

15.31 Page 126, after line 10, insert:

15.32 "Sec. .... **DIRECTION TO COMMISSIONER; REPORT REQUIRED.**

15.33 The commissioner of human services shall develop and submit a report to the chairs  
 15.34 and ranking minority members of the house of representatives and senate committees and  
 15.35 divisions with jurisdiction over health and human services policy and finance on the

16.1 implementation of Minnesota Statutes, sections 256B.0916, subdivisions 2, 11, and 12,  
 16.2 and 256B.49, subdivisions 26 and 27. The commissioner shall submit two reports, one by  
 16.3 February 15, 2018, and the second report by February 15, 2019.

16.4 Sec. .... **DIRECTION TO COMMISSIONER; DAY TRAINING AND**  
 16.5 **HABILITATION.**

16.6 For service agreements renewed or entered into on or after January 1, 2016, the  
 16.7 commissioner of human services shall calculate the transportation portion of the payment  
 16.8 for day training and habilitation programs using payments factors found in Minnesota  
 16.9 Statutes, section 256B.4914, subdivision 7, clauses (16) and (17).

16.10 Sec. .... **HOME AND COMMUNITY-BASED SERVICES INCENTIVE POOL.**

16.11 The commissioner of human services shall develop an initiative to provide  
 16.12 incentives for innovation in achieving integrated competitive employment, living in  
 16.13 the most integrated setting, and other outcomes determined by the commissioner. The  
 16.14 commissioner shall seek requests for proposals and shall contract with one or more entities  
 16.15 to provide incentive payments for meeting identified outcomes. The initial requests for  
 16.16 proposals must be issued by October 1, 2015."

16.17 Page 162, after line 35, insert:

16.18 "Sec. ...Minnesota Statutes 2014, section 256B.441, is amended by adding a  
 16.19 subdivision to read:

16.20 Subd. 66. **Nursing facilities in border cities.** Effective for the rate year beginning  
 16.21 January 1, 2016, and annually thereafter, operating payment rates of a nonprofit nursing  
 16.22 facility that exists on January 1, 2015, is located anywhere within the boundaries of the  
 16.23 city of Breckenridge, and is reimbursed under this section, section 256B.431, or section  
 16.24 256B.434, shall be adjusted to be equal to the median RUG's rates, including comparable  
 16.25 rate components as determined by the commissioner, for the equivalent RUG's weight of  
 16.26 the nonprofit nursing facility or facilities located in an adjacent city in another state and  
 16.27 in cities contiguous to the adjacent city. The Minnesota facility's operating payment rate  
 16.28 with a weight of 1.0 shall be computed by dividing the adjacent city's nursing facilities  
 16.29 median operating payment rate with a weight of 1.02 by 1.02. If the adjustments under  
 16.30 this subdivision result in a rate that exceeds the limits in subdivisions 50 and 51 in a given  
 16.31 rate year, the facility's rate shall not be subject to those limits for that rate year. This  
 16.32 subdivision shall apply only if it results in a rate increase."

16.33 Page 167, after line 22, insert:

16.34 "Sec. .... Minnesota Statutes 2014, section 103I.205, subdivision 4, is amended to read:



17.1 Subd. 4. **License required.** (a) Except as provided in paragraph (b), (c), (d), or (e),  
17.2 section 103I.401, subdivision 2, or section 103I.601, subdivision 2, a person may not  
17.3 drill, construct, repair, or seal a well or boring unless the person has a well contractor's  
17.4 license in possession.

17.5 (b) A person may construct, repair, and seal a monitoring well if the person:

17.6 (1) is a professional engineer licensed under sections 326.02 to 326.15 in the  
17.7 branches of civil or geological engineering;

17.8 (2) is a hydrologist or hydrogeologist certified by the American Institute of  
17.9 Hydrology;

17.10 (3) is a professional geoscientist licensed under sections 326.02 to 326.15;

17.11 (4) is a geologist certified by the American Institute of Professional Geologists; or

17.12 (5) meets the qualifications established by the commissioner in rule.

17.13 A person must register with the commissioner as a monitoring well contractor on  
17.14 forms provided by the commissioner.

17.15 (c) A person may do the following work with a limited well/boring contractor's  
17.16 license in possession. A separate license is required for each of the six activities:

17.17 (1) installing or repairing well screens or pitless units or pitless adaptors and well  
17.18 casings from the pitless adaptor or pitless unit to the upper termination of the well casing;

17.19 (2) constructing, repairing, and sealing drive point wells or dug wells;

17.20 (3) installing well pumps or pumping equipment;

17.21 (4) sealing wells;

17.22 (5) constructing, repairing, or sealing dewatering wells; or

17.23 (6) constructing, repairing, or sealing bored geothermal heat exchangers.

17.24 (d) A person may construct, repair, and seal an elevator boring with an elevator  
17.25 boring contractor's license.

17.26 (e) Notwithstanding other provisions of this chapter requiring a license or  
17.27 registration, a license or registration is not required for a person who complies with the  
17.28 other provisions of this chapter if the person is:

17.29 (1) an individual who constructs a well on land that is owned or leased by the  
17.30 individual and is used by the individual for farming or agricultural purposes or as the  
17.31 individual's place of abode;

17.32 (2) an individual who performs labor or services for a contractor licensed or  
17.33 registered under the provisions of this chapter in connection with the construction, sealing,  
17.34 or repair of a well or boring at the direction and under the personal supervision of a  
17.35 contractor licensed or registered under the provisions of this chapter; or

18.1 (3) a licensed plumber who is repairing submersible pumps or water pipes associated  
18.2 with well water systems if:

18.3 (i) the repair location is within an area where there is no licensed or registered  
18.4 well contractor within 25 50 miles; and

18.5 (ii) the licensed plumber complies with all of the requirements of this chapter and all  
18.6 relevant sections of the plumbing code."

18.7 Page 169, after line 7, insert:

18.8 "Sec. .... Minnesota Statutes 2014, section 144.293, subdivision 5, is amended to read:

18.9 Subd. 5. **Exceptions to consent requirement.** (a) This section does not prohibit the  
18.10 release of health records:

18.11 (1) for a medical emergency when the provider is unable to obtain the patient's  
18.12 consent due to the patient's condition or the nature of the medical emergency;

18.13 (2) to other providers within related health care entities when necessary for the  
18.14 current treatment of the patient; or

18.15 (3) to a health care facility licensed by this chapter, chapter 144A, or to the same  
18.16 types of health care facilities licensed by this chapter and chapter 144A that are licensed  
18.17 in another state when a patient:

18.18 (i) is returning to the health care facility and unable to provide consent; or

18.19 (ii) who resides in the health care facility, has services provided by an outside  
18.20 resource under Code of Federal Regulations, title 42, section 483.75(h), and is unable  
18.21 to provide consent.

18.22 (b) A provider may release a deceased patient's health care records to another provider  
18.23 for the purposes of diagnosing or treating the deceased patient's surviving adult child.

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

18.25 Page 170, line 29, delete "without a prescription" and insert "pursuant to this section"

18.26 Page 184, after line 17, insert:

18.27 "Sec. .... Minnesota Statutes 2014, section 245C.03, is amended by adding a  
18.28 subdivision to read:

18.29 Subd. 10. **Providers of group residential housing or supplementary services.**

18.30 The commissioner shall conduct background studies on any individual required under  
18.31 section 256I.04 to have a background study completed under this chapter.

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

18.33 Sec. .... Minnesota Statutes 2014, section 245C.10, is amended by adding a subdivision  
18.34 to read:

19.1 Subd. 11. **Providers of group residential housing or supplementary services.**

19.2 The commissioner shall recover the cost of background studies initiated by providers of  
19.3 group residential housing or supplementary services under section 256I.04 through a fee  
19.4 of no more than \$20 per study. The fees collected under this subdivision are appropriated  
19.5 to the commissioner for the purpose of conducting background studies.

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

19.7 Sec. .... Minnesota Statutes 2014, section 256.01, is amended by adding a subdivision  
19.8 to read:

19.9 Subd. 12a. **Department of Human Services child fatality and near fatality**  
19.10 **review team.** The commissioner shall establish a Department of Human Services child  
19.11 fatality and near fatality review team to review child fatalities and near fatalities due to  
19.12 child maltreatment and child fatalities and near fatalities that occur in licensed facilities  
19.13 and are not due to natural causes. The review team shall assess the entire child protection  
19.14 services process from the point of a mandated reporter reporting the alleged maltreatment  
19.15 through the ongoing case management process. Department staff shall lead and conduct  
19.16 on-site local reviews and utilize supervisors from local county and tribal child welfare  
19.17 agencies as peer reviewers. The review process must focus on critical elements of the case  
19.18 and on the involvement of the child and family with the county or tribal child welfare  
19.19 agency. The review team shall identify necessary program improvement planning to  
19.20 address any practice issues identified and training and technical assistance needs of  
19.21 the local agency. Summary reports of each review shall be provided to the state child  
19.22 mortality review panel when completed.

19.23 Sec. .... Minnesota Statutes 2014, section 256.01, is amended by adding a subdivision  
19.24 to read:

19.25 Subd. 14c. **Early intervention support and services for at-risk American Indian**  
19.26 **families.** (a) The commissioner shall authorize grants to tribal child welfare agencies and  
19.27 urban Indian organizations for the purpose of providing early intervention support and  
19.28 services to prevent child maltreatment for at-risk American Indian families.

19.29 (b) The commissioner is authorized to develop program eligibility criteria, early  
19.30 intervention service delivery procedures, and reporting requirements for agencies and  
19.31 organizations receiving grants.

19.32 Sec. .... Minnesota Statutes 2014, section 256.017, subdivision 1, is amended to read:

20.1 Subdivision 1. **Authority and purpose.** The commissioner shall administer a  
 20.2 compliance system for the Minnesota family investment program, the food stamp or food  
 20.3 support program, emergency assistance, general assistance, medical assistance, emergency  
 20.4 general assistance, Minnesota supplemental assistance, group residential housing,  
 20.5 preadmission screening, alternative care grants, the child care assistance program, and  
 20.6 all other programs administered by the commissioner or on behalf of the commissioner  
 20.7 under the powers and authorities named in section 256.01, subdivision 2. The purpose of  
 20.8 the compliance system is to permit the commissioner to supervise the administration of  
 20.9 public assistance programs and to enforce timely and accurate distribution of benefits,  
 20.10 completeness of service and efficient and effective program management and operations,  
 20.11 to increase uniformity and consistency in the administration and delivery of public  
 20.12 assistance programs throughout the state, and to reduce the possibility of sanctions and  
 20.13 fiscal disallowances for noncompliance with federal regulations and state statutes. The  
 20.14 commissioner, or the commissioner's representative, may issue administrative subpoenas  
 20.15 as needed in administering the compliance system.

20.16 The commissioner shall utilize training, technical assistance, and monitoring  
 20.17 activities, as specified in section 256.01, subdivision 2, to encourage county agency  
 20.18 compliance with written policies and procedures."

20.19 Page 186, after line 15, insert:

20.20 "Sec. 16. [256E.28] CHILD PROTECTION GRANTS TO ADDRESS CHILD  
 20.21 WELFARE DISPARITIES.

20.22 Subdivision 1. Child welfare disparities grant program established. The  
 20.23 commissioner may award grants to eligible entities for the development, implementation,  
 20.24 and evaluation of activities to address racial disparities and disproportionality in the child  
 20.25 welfare system by:

20.26 (1) identifying and addressing structural factors that contribute to inequities in  
 20.27 outcomes;

20.28 (2) identifying and implementing strategies to reduce racial disparities in treatment  
 20.29 and outcomes;

20.30 (3) using cultural values, beliefs, and practices of families, communities, and tribes  
 20.31 for case planning, service design, and decision-making processes;

20.32 (4) using placement and reunification strategies to maintain and support relationships  
 20.33 and connections between parents, siblings, children, kin, significant others, and tribes; and

20.34 (5) supporting families in the context of their communities and tribes to safely divert  
 20.35 them from the child welfare system, whenever possible.

21.1 Subd. 2. **State-community partnerships; plan.** The commissioner, in partnership  
21.2 with the culturally based community organizations; the Indian Affairs Council under  
21.3 section 3.922; the Council on Affairs of Chicano/Latino People under section 3.9223;  
21.4 the Council on Black Minnesotans under section 3.9225; the Council on Asian-Pacific  
21.5 Minnesotans under section 3.9226; the American Indian Child Welfare Advisory Council  
21.6 under section 260.835; counties; and tribal governments, shall develop and implement a  
21.7 comprehensive, coordinated plan to award funds under this section for the priority areas  
21.8 identified in subdivision 1. In developing and implementing this plan, the commissioner  
21.9 shall consult with the legislative task force on child protection.

21.10 Subd. 3. **Measurable outcomes.** The commissioner, in consultation with the  
21.11 community partners listed in subdivision 2 and the legislative task force on child protection,  
21.12 shall establish measurable outcomes to achieve the goals specified in subdivision 1 and to  
21.13 determine the effectiveness of the grants and other activities funded under this section in  
21.14 reducing disparities identified in subdivision 1. The development of measurable outcomes  
21.15 must be completed before any funds are distributed under this section.

21.16 Subd. 4. **Process.** (a) The commissioner, in consultation with the community  
21.17 partners listed in subdivision 2 and the legislative task force on child protection, shall  
21.18 develop the criteria and procedures to allocate competitive grants under this section. In  
21.19 developing the criteria, the commissioner shall establish an administrative cost limit for  
21.20 grant recipients. A county awarded a grant shall not spend more than three percent of the  
21.21 grant on administrative costs. When a grant is awarded, the commissioner must provide a  
21.22 grant recipient with information on the outcomes established according to subdivision 3.

21.23 (b) A grant recipient must coordinate its activities with other entities receiving funds  
21.24 under this section that are in the grant recipient's service area.

21.25 (c) Grant funds must not be used to supplant any state or federal funds received  
21.26 for child welfare services.

21.27 Subd. 5. **Grant program criteria.** (a) The commissioner, in consultation with  
21.28 the legislative task force on child protection, shall award competitive grants to eligible  
21.29 applicants for local or regional projects and initiatives directed at reducing disparities in  
21.30 the child welfare system.

21.31 (b) The commissioner may award up to 20 percent of the funds available as planning  
21.32 grants. Planning grants must be used to address such areas as community assessment,  
21.33 coordination activities, and development of community supported strategies.

21.34 (c) Eligible applicants may include, but are not limited to, faith-based organizations,  
21.35 social service organizations, community nonprofit organizations, counties, and tribal  
21.36 governments. Applicants must submit proposals to the commissioner. A proposal must

22.1 specify the strategies to be implemented to address one or more of the priority areas in  
 22.2 subdivision 1 and must be targeted to achieve the outcomes established according to  
 22.3 subdivision 3.

22.4 (d) The commissioner shall give priority to applicants who demonstrate that their  
 22.5 proposed project or initiative:

22.6 (1) is supported by the community the applicant will serve;

22.7 (2) is evidence-based;

22.8 (3) is designed to complement other related community activities;

22.9 (4) utilizes strategies that positively impact priority areas;

22.10 (5) reflects culturally appropriate approaches; or

22.11 (6) will be implemented through or with community-based organizations that reflect  
 22.12 the culture of the population to be reached.

22.13 Subd. 6. **Evaluation.** (a) Using the outcomes established according to subdivision  
 22.14 3, the commissioner shall conduct a biennial evaluation of the grant program funded under  
 22.15 this section. Grant recipients shall cooperate with the commissioner in the evaluation and  
 22.16 shall provide the commissioner with the information needed to conduct the evaluation.

22.17 (b) The commissioner shall consult with the legislative task force on child protection  
 22.18 during the evaluation process and shall submit a biennial evaluation report to the task  
 22.19 force and to the chairs and ranking minority members of the house and senate committees  
 22.20 with jurisdiction over child protection funding.

22.21 Subd. 7. **American Indian child welfare projects.** Of the amount appropriated for  
 22.22 purposes of this section, the commissioner shall award \$75,000 to each tribe authorized to  
 22.23 provide tribal delivery of child welfare services under section 256.01, subdivision 14b.  
 22.24 To receive funds under this subdivision, a participating tribe is not required to apply to  
 22.25 the commissioner for grant funds. Participating tribes are also eligible for competitive  
 22.26 grant funds under this section."

22.27 Page 188, after line 9, insert:

22.28 "Sec. .... Minnesota Statutes 2014, section 256I.03, subdivision 3, is amended to read:

22.29 Subd. 3. **Group residential housing.** "Group residential housing" means a group  
 22.30 living situation that provides at a minimum room and board to unrelated persons who  
 22.31 meet the eligibility requirements of section 256I.04. ~~This definition includes foster care~~  
 22.32 ~~settings or community residential settings for a single adult.~~ To receive payment for a  
 22.33 group residence rate, the residence must meet the requirements under section 256I.04,  
 22.34 ~~subdivision~~ subdivisions 2a to 2f.

22.35 Sec. .... Minnesota Statutes 2014, section 256I.03, subdivision 7, is amended to read:

23.1 Subd. 7. **Countable income.** "Countable income" means all income received by  
 23.2 an applicant or recipient less any applicable exclusions or disregards. For a recipient of  
 23.3 any cash benefit from the SSI program, countable income means the SSI benefit limit in  
 23.4 effect at the time the person is ~~in a GRH~~ a recipient of group residential housing, less the  
 23.5 medical assistance personal needs allowance under section 256B.35. If the SSI limit  
 23.6 ~~has been~~ or benefit is reduced for a person due to events ~~occurring prior to the persons~~  
 23.7 ~~entering the GRH setting~~ other than receipt of additional income, countable income means  
 23.8 actual income less any applicable exclusions and disregards.

23.9 Sec. .... Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision  
 23.10 to read:

23.11 Subd. 9. **Direct contact.** "Direct contact" means providing face-to-face care,  
 23.12 training, supervision, counseling, consultation, or medication assistance to recipients of  
 23.13 group residential housing.

23.14 Sec. .... Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision  
 23.15 to read:

23.16 Subd. 10. **Habitability inspection.** "Habitability inspection" means an inspection to  
 23.17 determine whether the housing occupied by an individual meets the habitability standards  
 23.18 specified by the commissioner. The standards must be provided to the applicant in writing  
 23.19 and posted on the Department of Human Services Web site.

23.20 Sec. .... Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision  
 23.21 to read:

23.22 Subd. 11. **Long-term homelessness.** "Long-term homelessness" means lacking a  
 23.23 permanent place to live:

23.24 (1) continuously for one year or more; or

23.25 (2) at least four times in the past three years.

23.26 Sec. .... Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision  
 23.27 to read:

23.28 Subd. 12. **Professional certification.** "Professional certification" means a statement  
 23.29 about an individual's illness, injury, or incapacity that is signed by a qualified professional.  
 23.30 The statement must specify that the individual has an illness or incapacity which limits the  
 23.31 individual's ability to work and provide self-support. The statement must also specify that

24.1 the individual needs assistance to access or maintain housing, as evidenced by the need  
24.2 for two or more of the following services:

24.3 (1) tenancy supports to assist an individual with finding the individual's own  
24.4 home, landlord negotiation, securing furniture and household supplies, understanding  
24.5 and maintaining tenant responsibilities, conflict negotiation, and budgeting and financial  
24.6 education;

24.7 (2) supportive services to assist with basic living and social skills, household  
24.8 management, monitoring of overall well-being, and problem solving;

24.9 (3) employment supports to assist with maintaining or increasing employment,  
24.10 increasing earnings, understanding and utilizing appropriate benefits and services,  
24.11 improving physical or mental health, moving toward self-sufficiency, and achieving  
24.12 personal goals; or

24.13 (4) health supervision services to assist in the preparation and administration of  
24.14 medications other than injectables, the provision of therapeutic diets, taking vital signs, or  
24.15 providing assistance in dressing, grooming, bathing, or with walking devices.

24.16 Sec. .... Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision  
24.17 to read:

24.18 Subd. 13. **Prospective budgeting.** "Prospective budgeting" means estimating the  
24.19 amount of monthly income a person will have in the payment month.

24.20 Sec. .... Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision  
24.21 to read:

24.22 Subd. 14. **Qualified professional.** "Qualified professional" means an individual as  
24.23 defined in section 256J.08, subdivision 73a, or Minnesota Rules, part 9530.6450, subpart  
24.24 3, 4, or 5; or an individual approved by the director of human services or a designee  
24.25 of the director.

24.26 Sec. .... Minnesota Statutes 2014, section 256I.03, is amended by adding a subdivision  
24.27 to read:

24.28 Subd. 15. **Supportive housing.** "Supportive housing" means housing with support  
24.29 services according to the continuum of care coordinated assessment system established  
24.30 under Code of Federal Regulations, title 24, section 578.3.

24.31 Sec. .... Minnesota Statutes 2014, section 256I.04, is amended to read:

24.32 **256I.04 ELIGIBILITY FOR GROUP RESIDENTIAL HOUSING PAYMENT.**



25.1 Subdivision 1. **Individual eligibility requirements.** An individual is eligible for  
25.2 and entitled to a group residential housing payment to be made on the individual's behalf  
25.3 if the agency has approved the individual's residence in a group residential housing setting  
25.4 and the individual meets the requirements in paragraph (a) or (b).

25.5 (a) The individual is aged, blind, or is over 18 years of age and disabled as  
25.6 determined under the criteria used by the title II program of the Social Security Act, and  
25.7 meets the resource restrictions and standards of section 256P.02, and the individual's  
25.8 countable income after deducting the (1) exclusions and disregards of the SSI program,  
25.9 (2) the medical assistance personal needs allowance under section 256B.35, and (3) an  
25.10 amount equal to the income actually made available to a community spouse by an elderly  
25.11 waiver participant under the provisions of sections 256B.0575, paragraph (a), clause  
25.12 (4), and 256B.058, subdivision 2, is less than the monthly rate specified in the agency's  
25.13 agreement with the provider of group residential housing in which the individual resides.

25.14 (b) The individual meets a category of eligibility under section 256D.05, subdivision  
25.15 1, paragraph (a), clauses (1), (3), (5) to (9), and (14), and paragraph (b), if applicable, and  
25.16 the individual's resources are less than the standards specified by section 256P.02, and  
25.17 the individual's countable income as determined under sections 256D.01 to 256D.21, less  
25.18 the medical assistance personal needs allowance under section 256B.35 is less than the  
25.19 monthly rate specified in the agency's agreement with the provider of group residential  
25.20 housing in which the individual resides.

25.21 Subd. 1a. **County approval.** (a) A county agency may not approve a group  
25.22 residential housing payment for an individual in any setting with a rate in excess of the  
25.23 MSA equivalent rate for more than 30 days in a calendar year unless the ~~county agency~~  
25.24 ~~has developed or approved~~ individual has a plan for the individual which specifies that:

25.25 ~~(1) the individual has an illness or incapacity which prevents the person from living~~  
25.26 ~~independently in the community; and~~

25.27 ~~(2) the individual's illness or incapacity requires the services which are available in~~  
25.28 ~~the group residence.~~

25.29 ~~The plan must be signed or countersigned by any of the following employees of the~~  
25.30 ~~county of financial responsibility: the director of human services or a designee of the~~  
25.31 ~~director; a social worker; or a case aide~~ professional certification under section 256I.03,  
25.32 subdivision 12.

25.33 (b) If a county agency determines that an applicant is ineligible due to not meeting  
25.34 eligibility requirements under this section, a county agency may accept a signed personal  
25.35 statement from the applicant in lieu of documentation verifying ineligibility.

26.1 (c) Effective July 1, 2016, to be eligible for supplementary service payments,  
 26.2 providers must enroll in the provider enrollment system identified by the commissioner.

26.3 Subd. 1b. **Optional state supplements to SSI.** Group residential housing payments  
 26.4 made on behalf of persons eligible under subdivision 1, paragraph (a), are optional state  
 26.5 supplements to the SSI program.

26.6 Subd. 1c. **Interim assistance.** Group residential housing payments made on behalf  
 26.7 of persons eligible under subdivision 1, paragraph (b), are considered interim assistance  
 26.8 payments to applicants for the federal SSI program.

26.9 Subd. 2. **Date of eligibility.** An individual who has met the eligibility requirements  
 26.10 of subdivision 1, shall have a group residential housing payment made on the individual's  
 26.11 behalf from the first day of the month in which a signed application form is received by  
 26.12 a county agency, or the first day of the month in which all eligibility factors have been  
 26.13 met, whichever is later.

26.14 Subd. 2a. **License required; staffing qualifications.** ~~A county~~ (a) Except  
 26.15 as provided in paragraph (b), an agency may not enter into an agreement with an  
 26.16 establishment to provide group residential housing unless:

26.17 (1) the establishment is licensed by the Department of Health as a hotel and  
 26.18 restaurant; a board and lodging establishment; ~~a residential care home;~~ a boarding care  
 26.19 home before March 1, 1985; or a supervised living facility, and the service provider  
 26.20 for residents of the facility is licensed under chapter 245A. However, an establishment  
 26.21 licensed by the Department of Health to provide lodging need not also be licensed to  
 26.22 provide board if meals are being supplied to residents under a contract with a food vendor  
 26.23 who is licensed by the Department of Health;

26.24 (2) the residence is: (i) licensed by the commissioner of human services under  
 26.25 Minnesota Rules, parts 9555.5050 to 9555.6265; (ii) certified by a county human services  
 26.26 agency prior to July 1, 1992, using the standards under Minnesota Rules, parts 9555.5050  
 26.27 to 9555.6265; (iii) ~~a residence~~ licensed by the commissioner under Minnesota Rules, parts  
 26.28 2960.0010 to 2960.0120, with a variance under section 245A.04, subdivision 9; or (iv)  
 26.29 licensed under section 245D.02, subdivision 4a, as a community residential setting by  
 26.30 the commissioner of human services; or

26.31 (3) the establishment is registered under chapter 144D and provides three meals a  
 26.32 day, or is an establishment voluntarily registered under section 144D.025 as a supportive  
 26.33 housing establishment; ~~or~~

26.34 ~~(4) an establishment voluntarily registered under section 144D.025, other than~~  
 26.35 ~~a supportive housing establishment under clause (3), is not eligible to provide group~~  
 26.36 ~~residential housing.~~

27.1 (b) The requirements under elauses (1) to (4) paragraph (a) do not apply to  
27.2 establishments exempt from state licensure because they are:

27.3 (1) located on Indian reservations and subject to tribal health and safety  
27.4 requirements; or

27.5 (2) a supportive housing establishment that has an approved habitability inspection  
27.6 and an individual lease agreement and that serves people who have experienced long-term  
27.7 homelessness and were referred through a coordinated assessment in section 256I.03,  
27.8 subdivision 15.

27.9 (c) Supportive housing establishments and emergency shelters must participate in  
27.10 the homeless management information system.

27.11 (d) Effective July 1, 2016, an agency shall not have an agreement with a provider  
27.12 of group residential housing or supplementary services unless all staff members who  
27.13 have direct contact with recipients:

27.14 (1) have skills and knowledge acquired through one or more of the following:

27.15 (i) a course of study in a health- or human services-related field leading to a bachelor  
27.16 of arts, bachelor of science, or associate's degree;

27.17 (ii) one year of experience with the target population served;

27.18 (iii) experience as a certified peer specialist according to section 256B.0615; or

27.19 (iv) meeting the requirements for unlicensed personnel under sections 144A.43  
27.20 to 144A.483;

27.21 (2) hold a current Minnesota driver's license appropriate to the vehicle driven  
27.22 if transporting recipients;

27.23 (3) complete training on vulnerable adults mandated reporting and child  
27.24 maltreatment mandated reporting, where applicable; and

27.25 (4) complete group residential housing orientation training offered by the  
27.26 commissioner.

27.27 **Subd. 2b. Group residential housing agreements.** (a) Agreements between  
27.28 county agencies and providers of group residential housing must be in writing on a  
27.29 form developed and approved by the commissioner and must specify the name and  
27.30 address under which the establishment subject to the agreement does business and under  
27.31 which the establishment, or service provider, if different from the group residential  
27.32 housing establishment, is licensed by the Department of Health or the Department of  
27.33 Human Services; the specific license or registration from the Department of Health or the  
27.34 Department of Human Services held by the provider and the number of beds subject to  
27.35 that license; the address of the location or locations at which group residential housing is  
27.36 provided under this agreement; the per diem and monthly rates that are to be paid from

28.1 group residential housing funds for each eligible resident at each location; the number  
 28.2 of beds at each location which are subject to the group residential housing agreement;  
 28.3 whether the license holder is a not-for-profit corporation under section 501(c)(3) of the  
 28.4 Internal Revenue Code; and a statement that the agreement is subject to the provisions of  
 28.5 sections 256I.01 to 256I.06 and subject to any changes to those sections.

28.6 (b) Providers are required to verify the following minimum requirements in the  
 28.7 agreement:

28.8 (1) current license or registration, including authorization if managing or monitoring  
 28.9 medications;

28.10 (2) all staff who have direct contact with recipients meet the staff qualifications;

28.11 (3) the provision of group residential housing;

28.12 (4) the provision of supplementary services, if applicable;

28.13 (5) reports of adverse events, including recipient death or serious injury; and

28.14 (6) submission of residency requirements that could result in recipient eviction.

28.15 ~~Group residential housing~~ (c) Agreements may be terminated with or without cause by  
 28.16 either the county commissioner, the agency, or the provider with two calendar months prior  
 28.17 notice. The commissioner may immediately terminate an agreement under subdivision 2d.

28.18 ~~Subd. 2c. **Crisis shelters Background study requirements.** Secure crisis shelters~~  
 28.19 ~~for battered women and their children designated by the Minnesota Department of~~  
 28.20 ~~Corrections are not group residences under this chapter. (a) Effective July 1, 2016, a~~  
 28.21 ~~provider of group residential housing or supplementary services must initiate background~~  
 28.22 ~~studies in accordance with chapter 245C of the following individuals:~~

28.23 (1) controlling individuals as defined in section 245A.02;

28.24 (2) managerial officials as defined in section 245A.02; and

28.25 (3) all employees and volunteers of the establishment who have direct contact  
 28.26 with recipients, or who have unsupervised access to recipients, their personal property,  
 28.27 or their private data.

28.28 (b) The provider of group residential housing or supplementary services must  
 28.29 maintain compliance with all requirements established for entities initiating background  
 28.30 studies under chapter 245C.

28.31 (c) Effective July 1, 2017, a provider of group residential housing or supplementary  
 28.32 services must demonstrate that all individuals required to have a background study  
 28.33 according to paragraph (a) have a notice stating either that:

28.34 (1) the individual is not disqualified under section 245C.14; or

28.35 (2) the individual is disqualified, but the individual has been issued a set-aside of  
 28.36 the disqualification for that setting under section 245C.22.

29.1            Subd. 2d. **Conditions of payment; commissioner's right to suspend or terminate**  
29.2 **agreement.** (a) Group residential housing or supplementary services must be provided  
29.3 to the satisfaction of the commissioner, as determined at the sole discretion of the  
29.4 commissioner's authorized representative, and in accordance with all applicable federal,  
29.5 state, and local laws, ordinances, rules, and regulations, including business registration  
29.6 requirements of the Office of the Secretary of State. A provider shall not receive payment  
29.7 for services or housing found by the commissioner to be performed or provided in  
29.8 violation of federal, state, or local law, ordinance, rule, or regulation.

29.9            (b) The commissioner has the right to suspend or terminate the agreement  
29.10 immediately when the commissioner determines the health or welfare of the housing or  
29.11 service recipients is endangered, or when the commissioner has reasonable cause to believe  
29.12 that the provider has breached a material term of the agreement under subdivision 2b.

29.13            (c) Notwithstanding paragraph (b), if the commissioner learns of a curable material  
29.14 breach of the agreement by the provider, the commissioner shall provide the provider  
29.15 with a written notice of the breach and allow ten days to cure the breach. If the provider  
29.16 does not cure the breach within the time allowed, the provider shall be in default of the  
29.17 agreement and the commissioner may terminate the agreement immediately thereafter. If  
29.18 the provider has breached a material term of the agreement and cure is not possible, the  
29.19 commissioner may immediately terminate the agreement.

29.20            Subd. 2e. **Providers holding health or human services licenses.** (a) Except  
29.21 for facilities with only a board and lodging license, when group residential housing or  
29.22 supplementary service staff are also operating under a license issued by the Department of  
29.23 Health or the Department of Human Services, the minimum staff qualification requirements  
29.24 for the setting shall be the qualifications listed under the related licensing standards.

29.25            (b) A background study completed for the licensed service must also satisfy the  
29.26 background study requirements under this section, if the provider has established the  
29.27 background study contact person according to chapter 245C and as directed by the  
29.28 Department of Human Services.

29.29            Subd. 2f. **Required services.** In licensed and registered settings under subdivision  
29.30 2a, providers shall ensure that participants have at a minimum:

29.31            (1) food preparation and service for three nutritional meals a day on site;

29.32            (2) a bed, clothing storage, linen, bedding, laundering, and laundry supplies or  
29.33 service;

29.34            (3) housekeeping, including cleaning and lavatory supplies or service; and

30.1           (4) maintenance and operation of the building and grounds, including heat, water,  
30.2 garbage removal, electricity, telephone for the site, cooling, supplies, and parts and tools  
30.3 to repair and maintain equipment and facilities.

30.4           Subd. 2g. **Crisis shelters.** Secure crisis shelters for battered women and their  
30.5 children designated by the Minnesota Department of Corrections are not group residences  
30.6 under this chapter.

30.7           Subd. 3. **Moratorium on development of group residential housing beds.** (a)  
30.8 County Agencies shall not enter into agreements for new group residential housing beds  
30.9 with total rates in excess of the MSA equivalent rate except:

30.10           (1) for group residential housing establishments licensed under Minnesota Rules,  
30.11 parts 9525.0215 to 9525.0355, provided the facility is needed to meet the census reduction  
30.12 targets for persons with developmental disabilities at regional treatment centers;

30.13           (2) up to 80 beds in a single, specialized facility located in Hennepin County that will  
30.14 provide housing for chronic inebriates who are repetitive users of detoxification centers  
30.15 and are refused placement in emergency shelters because of their state of intoxication,  
30.16 and planning for the specialized facility must have been initiated before July 1, 1991,  
30.17 in anticipation of receiving a grant from the Housing Finance Agency under section  
30.18 462A.05, subdivision 20a, paragraph (b);

30.19           (3) notwithstanding the provisions of subdivision 2a, for up to 190 supportive  
30.20 housing units in Anoka, Dakota, Hennepin, or Ramsey County for homeless adults with a  
30.21 mental illness, a history of substance abuse, or human immunodeficiency virus or acquired  
30.22 immunodeficiency syndrome. For purposes of this section, "homeless adult" means a  
30.23 person who is living on the street or in a shelter or discharged from a regional treatment  
30.24 center, community hospital, or residential treatment program and has no appropriate  
30.25 housing available and lacks the resources and support necessary to access appropriate  
30.26 housing. At least 70 percent of the supportive housing units must serve homeless adults  
30.27 with mental illness, substance abuse problems, or human immunodeficiency virus or  
30.28 acquired immunodeficiency syndrome who are about to be or, within the previous six  
30.29 months, has been discharged from a regional treatment center, or a state-contracted  
30.30 psychiatric bed in a community hospital, or a residential mental health or chemical  
30.31 dependency treatment program. If a person meets the requirements of subdivision 1,  
30.32 paragraph (a), and receives a federal or state housing subsidy, the group residential housing  
30.33 rate for that person is limited to the supplementary rate under section 256I.05, subdivision  
30.34 1a, and is determined by subtracting the amount of the person's countable income that  
30.35 exceeds the MSA equivalent rate from the group residential housing supplementary rate.  
30.36 A resident in a demonstration project site who no longer participates in the demonstration

31.1 program shall retain eligibility for a group residential housing payment in an amount  
31.2 determined under section 256I.06, subdivision 8, using the MSA equivalent rate. Service  
31.3 funding under section 256I.05, subdivision 1a, will end June 30, 1997, if federal matching  
31.4 funds are available and the services can be provided through a managed care entity. If  
31.5 federal matching funds are not available, then service funding will continue under section  
31.6 256I.05, subdivision 1a;

31.7 (4) for an additional two beds, resulting in a total of 32 beds, for a facility located in  
31.8 Hennepin County providing services for recovering and chemically dependent men that  
31.9 has had a group residential housing contract with the county and has been licensed as a  
31.10 board and lodge facility with special services since 1980;

31.11 (5) for a group residential housing provider located in the city of St. Cloud, or a county  
31.12 contiguous to the city of St. Cloud, that operates a 40-bed facility, that received financing  
31.13 through the Minnesota Housing Finance Agency Ending Long-Term Homelessness  
31.14 Initiative and serves chemically dependent clientele, providing 24-hour-a-day supervision;

31.15 (6) for a new 65-bed facility in Crow Wing County that will serve chemically  
31.16 dependent persons, operated by a group residential housing provider that currently  
31.17 operates a 304-bed facility in Minneapolis, and a 44-bed facility in Duluth;

31.18 (7) for a group residential housing provider that operates two ten-bed facilities, one  
31.19 located in Hennepin County and one located in Ramsey County, that provide community  
31.20 support and 24-hour-a-day supervision to serve the mental health needs of individuals  
31.21 who have chronically lived unsheltered; and

31.22 (8) for a group residential facility in Hennepin County with a capacity of up to 48  
31.23 beds that has been licensed since 1978 as a board and lodging facility and that until August  
31.24 1, 2007, operated as a licensed chemical dependency treatment program.

31.25 (b) ~~A county~~ An agency may enter into a group residential housing agreement for  
31.26 beds with rates in excess of the MSA equivalent rate in addition to those currently covered  
31.27 under a group residential housing agreement if the additional beds are only a replacement  
31.28 of beds with rates in excess of the MSA equivalent rate which have been made available  
31.29 due to closure of a setting, a change of licensure or certification which removes the beds  
31.30 from group residential housing payment, or as a result of the downsizing of a group  
31.31 residential housing setting. The transfer of available beds from one ~~county~~ agency to  
31.32 another can only occur by the agreement of both ~~counties~~ agencies.

31.33 Subd. 4. **Rental assistance.** For participants in the Minnesota supportive housing  
31.34 demonstration program under subdivision 3, paragraph (a), clause (5), notwithstanding  
31.35 the provisions of section 256I.06, subdivision 8, the amount of the group residential  
31.36 housing payment for room and board must be calculated by subtracting 30 percent of the

32.1 recipient's adjusted income as defined by the United States Department of Housing and  
 32.2 Urban Development for the Section 8 program from the fair market rent established for the  
 32.3 recipient's living unit by the federal Department of Housing and Urban Development. This  
 32.4 payment shall be regarded as a state housing subsidy for the purposes of subdivision 3.  
 32.5 Notwithstanding the provisions of section 256I.06, subdivision 6, the recipient's countable  
 32.6 income will only be adjusted when a change of greater than \$100 in a month occurs or  
 32.7 upon annual redetermination of eligibility, whichever is sooner. ~~The commissioner is~~  
 32.8 ~~directed to study the feasibility of developing a rental assistance program to serve persons~~  
 32.9 ~~traditionally served in group residential housing settings and report to the legislature by~~  
 32.10 ~~February 15, 1999.~~

32.11 **EFFECTIVE DATE.** Subdivision 1, paragraph (b), is effective September 1, 2015.

32.12 Sec. .... Minnesota Statutes 2014, section 256I.05, subdivision 1c, is amended to read:

32.13 Subd. 1c. **Rate increases.** ~~A county~~ An agency may not increase the rates  
 32.14 negotiated for group residential housing above those in effect on June 30, 1993, except as  
 32.15 provided in paragraphs (a) to (f).

32.16 (a) ~~A county~~ An agency may increase the rates for group residential housing settings  
 32.17 to the MSA equivalent rate for those settings whose current rate is below the MSA  
 32.18 equivalent rate.

32.19 (b) ~~A county~~ An agency may increase the rates for residents in adult foster care  
 32.20 whose difficulty of care has increased. The total group residential housing rate for these  
 32.21 residents must not exceed the maximum rate specified in subdivisions 1 and 1a. ~~County~~  
 32.22 Agencies must not include nor increase group residential housing difficulty of care rates  
 32.23 for adults in foster care whose difficulty of care is eligible for funding by home and  
 32.24 community-based waiver programs under title XIX of the Social Security Act.

32.25 (c) The room and board rates will be increased each year when the MSA equivalent  
 32.26 rate is adjusted for SSI cost-of-living increases by the amount of the annual SSI increase,  
 32.27 less the amount of the increase in the medical assistance personal needs allowance under  
 32.28 section 256B.35.

32.29 (d) When a group residential housing rate is used to pay for an individual's room  
 32.30 and board, or other costs necessary to provide room and board, the rate payable to  
 32.31 the residence must continue for up to 18 calendar days per incident that the person is  
 32.32 temporarily absent from the residence, not to exceed 60 days in a calendar year, if the  
 32.33 absence or absences have received the prior approval of the county agency's social service  
 32.34 staff. Prior approval is not required for emergency absences due to crisis, illness, or injury.



33.1 (e) For facilities meeting substantial change criteria within the prior year. Substantial  
 33.2 change criteria exists if the group residential housing establishment experiences a 25  
 33.3 percent increase or decrease in the total number of its beds, if the net cost of capital  
 33.4 additions or improvements is in excess of 15 percent of the current market value of the  
 33.5 residence, or if the residence physically moves, or changes its licensure, and incurs a  
 33.6 resulting increase in operation and property costs.

33.7 (f) Until June 30, 1994, ~~a county~~ an agency may increase by up to five percent the  
 33.8 total rate paid for recipients of assistance under sections 256D.01 to 256D.21 or 256D.33  
 33.9 to 256D.54 who reside in residences that are licensed by the commissioner of health as  
 33.10 a boarding care home, but are not certified for the purposes of the medical assistance  
 33.11 program. However, an increase under this clause must not exceed an amount equivalent to  
 33.12 65 percent of the 1991 medical assistance reimbursement rate for nursing home resident  
 33.13 class A, in the geographic grouping in which the facility is located, as established under  
 33.14 Minnesota Rules, parts 9549.0050 to 9549.0058.

33.15 Sec. .... Minnesota Statutes 2014, section 256I.05, subdivision 1g, is amended to read:

33.16 Subd. 1g. **Supplementary service rate for certain facilities.** ~~On or after July 1,~~  
 33.17 ~~2005, a county~~ An agency may negotiate a supplementary service rate for recipients of  
 33.18 assistance under section 256I.04, subdivision 1, paragraph (a) or (b), who ~~relocate from a~~  
 33.19 ~~homeless shelter licensed and registered prior to December 31, 1996, by the Minnesota~~  
 33.20 ~~Department of Health under section 157.17, to~~ have experienced long-term homelessness  
 33.21 and who live in a supportive housing establishment developed and funded in whole or in  
 33.22 part with funds provided specifically as part of the plan to end long-term homelessness  
 33.23 required under Laws 2003, chapter 128, article 15, section 9, not to exceed \$456.75 under  
 33.24 section 256I.04, subdivision 2a, paragraph (b), clause (2).

33.25 Sec. .... Minnesota Statutes 2014, section 256I.06, subdivision 2, is amended to read:

33.26 Subd. 2. **Time of payment.** A county agency may make payments to a group  
 33.27 residence in advance for an individual whose stay in the group residence is expected  
 33.28 to last beyond the calendar month for which the payment is made ~~and who does not~~  
 33.29 ~~expect to receive countable earned income during the month for which the payment is~~  
 33.30 ~~made.~~ Group residential housing payments made by a county agency on behalf of an  
 33.31 individual who is not expected to remain in the group residence beyond the month for  
 33.32 which payment is made must be made subsequent to the individual's departure from the  
 33.33 group residence. ~~Group residential housing payments made by a county agency on behalf~~

34.1 ~~of an individual with countable earned income must be made subsequent to receipt of a~~  
 34.2 ~~monthly household report form.~~

34.3 **EFFECTIVE DATE.** This section is effective April 1, 2016.

34.4 Sec. .... Minnesota Statutes 2014, section 256I.06, subdivision 6, is amended to read:

34.5 Subd. 6. **Reports.** Recipients must report changes in circumstances that affect  
 34.6 eligibility or group residential housing payment amounts, other than changes in earned  
 34.7 income, within ten days of the change. Recipients with countable earned income must  
 34.8 complete a ~~monthly~~ household report form at least once every six months. If the report  
 34.9 form is not received before the end of the month in which it is due, the county agency  
 34.10 must terminate eligibility for group residential housing payments. The termination shall  
 34.11 be effective on the first day of the month following the month in which the report was due.  
 34.12 If a complete report is received within the month eligibility was terminated, the individual  
 34.13 is considered to have continued an application for group residential housing payment  
 34.14 effective the first day of the month the eligibility was terminated.

34.15 **EFFECTIVE DATE.** This section is effective April 1, 2016.

34.16 Sec. .... Minnesota Statutes 2014, section 256I.06, subdivision 7, is amended to read:

34.17 Subd. 7. **Determination of rates.** The agency in the county in which a ~~group~~  
 34.18 residence is located ~~with~~ shall determine the amount of group residential housing rate to  
 34.19 be paid on behalf of an individual in the ~~group~~ residence regardless of the individual's  
 34.20 ~~county~~ agency of financial responsibility.

34.21 Sec. .... Minnesota Statutes 2014, section 256I.06, subdivision 8, is amended to read:

34.22 Subd. 8. **Amount of group residential housing payment.** (a) The amount of  
 34.23 a group residential housing payment to be made on behalf of an eligible individual is  
 34.24 determined by subtracting the individual's countable income under section 256I.04,  
 34.25 subdivision 1, for a whole calendar month from the group residential housing charge for  
 34.26 that same month. The group residential housing charge is determined by multiplying the  
 34.27 group residential housing rate times the period of time the individual was a resident or  
 34.28 temporarily absent under section 256I.05, subdivision 1c, paragraph (d).

34.29 (b) For an individual with earned income under paragraph (a), prospective budgeting  
 34.30 must be used to determine the amount of the individual's payment for the following  
 34.31 six-month period. An increase in income shall not affect an individual's eligibility or

35.1 payment amount until the month following the reporting month. A decrease in income shall  
35.2 be effective the first day of the month after the month in which the decrease is reported.

35.3 **EFFECTIVE DATE.** Paragraph (b) is effective April 1, 2016."

35.4 Page 189, after line 5, insert:

35.5 "Sec. .... **[256M.41] CHILD PROTECTION GRANT ALLOCATION.**

35.6 Subdivision 1. **Formula for county staffing funds.** The commissioner shall allocate  
35.7 state funds appropriated under this section to each county board on a calendar year basis  
35.8 in an amount determined according to the following formula:

35.9 (1) 25 percent must be distributed on the basis of the number of screened-out  
35.10 reports of child maltreatment under section 626.556 and 626.5561, and in the county as  
35.11 determined by the most recent data of the commissioner;

35.12 (2) 25 percent must be distributed on the basis of the number of screened-in  
35.13 reports of child maltreatment under sections 626.556 and 626.5561, and in the county as  
35.14 determined by the most recent data of the commissioner; and

35.15 (3) 50 percent must be distributed on the basis of the number of open child  
35.16 protection case management cases in the county as determined by the most recent data of  
35.17 the commissioner.

35.18 Subd. 2. **Prohibition on supplanting existing funds.** Funds received under this  
35.19 section must be used to address staffing for child protection or expand child protection  
35.20 services. Funds must not be used to supplant current county expenditures for these  
35.21 purposes.

35.22 Subd. 3. **Payments based on performance.** (a) The commissioner shall make  
35.23 payments under this section to each county board on a calendar year basis in an amount  
35.24 determined under paragraph (b).

35.25 (b) Calendar year allocations under subdivision 1 shall be paid to counties in the  
35.26 following manner:

35.27 (1) 80 percent of the allocation as determined in subdivision 1 must be paid to  
35.28 counties on or before July 10 of each year;

35.29 (2) ten percent of the allocation shall be withheld until the commissioner determines  
35.30 if the county has met the performance outcome threshold of 90 percent based on  
35.31 face-to-face contact with alleged child victims. In order to receive the performance  
35.32 allocation, the county child protection workers must have a timely face-to-face contact  
35.33 with at least 90 percent of all alleged child victims of screened-in maltreatment reports.  
35.34 The standard requires that each initial face-to-face contact occur consistent with timelines  
35.35 defined in section 626.556, subdivision 10, paragraph (i). The commissioner shall make

36.1 threshold determinations in January of each year and payments to counties meeting the  
 36.2 performance outcome threshold shall occur in February of each year. Any withheld funds  
 36.3 from this appropriation for counties that do not meet this requirement shall be reallocated  
 36.4 by the commissioner to those counties meeting the requirement; and

36.5 (3) ten percent of the allocation shall be withheld until the commissioner determines  
 36.6 that the county has met the performance outcome threshold of 90 percent based on  
 36.7 face-to-face visits by the case manager. In order to receive the performance allocation, the  
 36.8 total number of visits made by caseworkers on a monthly basis to children in foster care  
 36.9 and children receiving child protection services while residing in their home must be at  
 36.10 least 90 percent of the total number of such visits that would occur if every child were  
 36.11 visited once per month. The commissioner shall make such determinations in January  
 36.12 of each year and payments to counties meeting the performance outcome threshold  
 36.13 shall occur in February of each year. Any withheld funds from this appropriation for  
 36.14 counties that do not meet this requirement shall be reallocated by the commissioner to  
 36.15 those counties meeting the requirement.

36.16 (c) The commissioner shall work with stakeholders and the Human Services  
 36.17 Performance Council under section 402A.16 to develop recommendations for specific  
 36.18 outcome measures that counties should meet in order to receive funds withheld under  
 36.19 paragraph (b), and include in those recommendations a determination as to whether  
 36.20 the performance measures under paragraph (b) should be modified or phased out. The  
 36.21 commissioner shall report the recommendations to the legislative committees having  
 36.22 jurisdiction over child protection issues by January 1, 2018."

36.23 Page 189, line 27, delete "3" and insert "2"

36.24 Page 193, after line 13, insert:

36.25 "Sec. .... Minnesota Statutes 2014, section 257.75, subdivision 3, is amended to read:

36.26 Subd. 3. **Effect of recognition.** (a) Subject to subdivision 2 and section 257.55,  
 36.27 subdivision 1, paragraph (g) or (h), the recognition has the force and effect of a judgment or  
 36.28 order determining the existence of the parent and child relationship under section 257.66. If  
 36.29 the conditions in section 257.55, subdivision 1, paragraph (g) or (h), exist, the recognition  
 36.30 creates only a presumption of paternity for purposes of sections 257.51 to 257.74. Once a  
 36.31 recognition has been properly executed and filed with the state registrar of vital statistics,  
 36.32 if there are no competing presumptions of paternity, a judicial or administrative court may  
 36.33 not allow further action to determine parentage regarding the signator of the recognition.  
 36.34 An action to determine custody and parenting time may be commenced pursuant to  
 36.35 chapter 518 without an adjudication of parentage. Until ~~an~~ a temporary or permanent  
 36.36 order is entered granting custody to another, the mother has sole custody.

37.1 (b) Following commencement of an action to determine custody or parenting time  
 37.2 under chapter 518, the court may, pursuant to section 518.131, grant temporary parenting  
 37.3 time rights and temporary custody to either parent.

37.4 (c) The recognition is:

37.5 (1) a basis for bringing an action for the following:

37.6 (i) to award temporary custody or parenting time pursuant to section 518.131;

37.7 (ii) to award permanent custody or parenting time to either parent;

37.8 (iii) establishing a child support obligation which may include up to the two years  
 37.9 immediately preceding the commencement of the action;

37.10 (iv) ordering a contribution by a parent under section 256.87;

37.11 (v) ordering a contribution to the reasonable expenses of the mother's pregnancy and  
 37.12 confinement, as provided under section 257.66, subdivision 3; or

37.13 (vi) ordering reimbursement for the costs of blood or genetic testing, as provided  
 37.14 under section 257.69, subdivision 2;

37.15 (2) determinative for all other purposes related to the existence of the parent and  
 37.16 child relationship; and

37.17 (3) entitled to full faith and credit in other jurisdictions.

37.18 Sec. .... Minnesota Statutes 2014, section 257.75, subdivision 5, is amended to read:

37.19 **Subd. 5. Recognition form.** (a) The commissioner of human services shall prepare  
 37.20 a form for the recognition of parentage under this section. In preparing the form, the  
 37.21 commissioner shall consult with the individuals specified in subdivision 6. The recognition  
 37.22 form must be drafted so that the force and effect of the recognition, the alternatives to  
 37.23 executing a recognition, and the benefits and responsibilities of establishing paternity, and  
 37.24 the limitations of the recognition of parentage for purposes of exercising and enforcing  
 37.25 custody or parenting time are clear and understandable. ~~The form must include a notice~~  
 37.26 ~~regarding the finality of a recognition and the revocation procedure under subdivision~~  
 37.27 ~~2. The form must include a provision for each parent to verify that the parent has read~~  
 37.28 ~~or viewed the educational materials prepared by the commissioner of human services~~  
 37.29 ~~describing the recognition of paternity. The individual providing the form to the parents~~  
 37.30 ~~for execution shall provide oral notice of the rights, responsibilities, and alternatives to~~  
 37.31 ~~executing the recognition. Notice may be provided by audiotape, videotape, or similar~~  
 37.32 ~~means. Each parent must receive a copy of the recognition.~~

37.33 (b) The form must include the following:

37.34 (1) a notice regarding the finality of a recognition and the revocation procedure  
 37.35 under subdivision 2;

38.1 (2) a notice, in large print, that the recognition does not establish an enforceable right  
 38.2 to legal custody, physical custody, or parenting time until such rights are awarded pursuant  
 38.3 to a court action to establish custody and parenting time;

38.4 (3) a notice stating that when a court awards custody and parenting time under  
 38.5 chapter 518, there is no presumption for or against joint physical custody, except when  
 38.6 domestic abuse, as defined in section 518B.01, subdivision 2, paragraph (a), has occurred  
 38.7 between the parties;

38.8 (4) a notice that the recognition of parentage is a basis for:

38.9 (i) bringing a court action to award temporary or permanent custody or parenting time;

38.10 (ii) establishing a child support obligation that may include the two years  
 38.11 immediately preceding the commencement of the action;

38.12 (iii) ordering a contribution by a parent under section 256.87;

38.13 (iv) ordering a contribution to the reasonable expenses of the mother's pregnancy  
 38.14 and confinement, as provided under section 257.66, subdivision 3; and

38.15 (v) ordering reimbursement for the costs of blood or genetic testing, as provided  
 38.16 under section 257.69, subdivision 2; and

38.17 (5) a provision for each parent to verify that the parent has read or viewed the  
 38.18 educational materials prepared by the commissioner of human services describing the  
 38.19 recognition of paternity.

38.20 (c) The individual providing the form to the parents for execution shall provide  
 38.21 oral notice of the rights, responsibilities, and alternatives to executing the recognition.

38.22 Notice may be provided in audio or video format, or by other similar means. Each parent  
 38.23 must receive a copy of the recognition."

38.24 Page 218, after line 25, insert:

38.25 "Sec. .... Minnesota Statutes 2014, section 518A.26, subdivision 14, is amended to read:

38.26 Subd. 14. **Obligor.** "Obligor" means a person obligated to pay maintenance or  
 38.27 support. ~~A person who has primary physical custody of a child is presumed not to be~~  
 38.28 ~~an obligor for purposes of a child support order under section 518A.34, unless section~~  
 38.29 ~~518A.36, subdivision 3, applies or the court makes specific written findings to overcome~~  
 38.30 ~~this presumption.~~ For purposes of ordering medical support under section 518A.41, a  
 38.31 parent who has primary physical custody of a child may be an obligor subject to a payment  
 38.32 agreement under section 518A.69.

38.33 Sec. .... Minnesota Statutes 2014, section 518A.32, subdivision 2, is amended to read:

38.34 Subd. 2. **Methods.** Determination of potential income must be made according  
 38.35 to one of three methods, as appropriate:

39.1 (1) the parent's probable earnings level based on employment potential, recent  
 39.2 work history, and occupational qualifications in light of prevailing job opportunities and  
 39.3 earnings levels in the community;

39.4 (2) if a parent is receiving unemployment compensation or workers' compensation,  
 39.5 that parent's income may be calculated using the actual amount of the unemployment  
 39.6 compensation or workers' compensation benefit received; or

39.7 (3) the amount of income a parent could earn working ~~full-time at 150~~ 30 hours per  
 39.8 week at 100 percent of the current federal or state minimum wage, whichever is higher.

39.9 Sec. .... Minnesota Statutes 2014, section 518A.43, is amended by adding a subdivision  
 39.10 to read:

39.11 Subd. 1a. **Income disparity between parties.** The court may deviate from the  
 39.12 presumptive child support obligation under section 518A.34 and elect not to order a party  
 39.13 who has between ten and 45 percent parenting time to pay basic support where such a  
 39.14 significant disparity of income exists between the parties that an order directing payment  
 39.15 of basic support would be detrimental to the parties' joint child."

39.16 Page 219, after line 17, insert:

39.17 "Sec. .... [518A.685] CONSUMER REPORTING AGENCY; REPORTING  
 39.18 ARREARS.

39.19 (a) If a public authority determines that an obligor has not paid the current monthly  
 39.20 support obligation plus any required arrearage payment for three months, the public  
 39.21 authority must report this information to a consumer reporting agency.

39.22 (b) Before reporting that an obligor is in arrears for court-ordered child support,  
 39.23 the public authority must:

39.24 (1) provide written notice to the obligor that the public authority intends to report the  
 39.25 arrears to a consumer reporting agency; and

39.26 (2) mail the written notice to the obligor's last known mailing address at least 30  
 39.27 days before the public authority reports the arrears to a consumer reporting agency.

39.28 (c) The obligor may, within 21 days of receipt of the notice, do the following to  
 39.29 prevent the public authority from reporting the arrears to a consumer reporting agency:

39.30 (1) pay the arrears in full; or

39.31 (2) request an administrative review. An administrative review is limited to issues  
 39.32 of mistaken identity, a pending legal action involving the arrears, or an incorrect arrears  
 39.33 balance.

39.34 (d) If the public authority has reported that an obligor is in arrears for court-ordered  
 39.35 child support and subsequently determines that the obligor has paid the court-ordered

40.1 child support arrears in full, or is paying the current monthly support obligation plus any  
 40.2 required arrearage payment, the public authority must report to the consumer reporting  
 40.3 agency that the obligor is currently paying child support as ordered by the court.

40.4 (e) A public authority that reports arrearage information under this section must  
 40.5 make monthly reports to a consumer reporting agency. The monthly report must be  
 40.6 consistent with credit reporting industry standards for child support.

40.7 (f) For purposes of this section, "consumer reporting agency" has the meaning given  
 40.8 in section 13C.001, subdivision 4, and United States Code, title 15, section 1681a (f)."

40.9 Page 252, after line 12, insert:

40.10 "Sec. .... **INSTRUCTIONS TO THE COMMISSIONER; CHILD**  
 40.11 **MALTREATMENT SCREENING GUIDELINES.**

40.12 (a) No later than August 1, 2015, the commissioner of human services shall update the  
 40.13 child maltreatment screening guidelines to require agencies to consider prior reports that  
 40.14 were not screened in when determining whether a new report will or will not be screened  
 40.15 in. The updated guidelines must emphasize that intervention and prevention efforts are to  
 40.16 focus on child safety and the ongoing risk of child abuse or neglect, and that the health and  
 40.17 safety of children are of paramount concern. The commissioner shall work with a diverse  
 40.18 group of community representatives who are experts on limiting cultural and ethnic bias  
 40.19 when developing the updated guidelines. The guidelines must be developed with special  
 40.20 sensitivity to reducing system bias with regard to screening and assessment tools.

40.21 (b) No later than September 30, 2015, the commissioner shall publish and distribute  
 40.22 the updated guidelines and ensure that all agency staff have received training on the  
 40.23 updated guidelines.

40.24 (c) Agency staff must implement the guidelines by October 1, 2015.

40.25 Sec. .... **COMMISSIONER'S DUTY TO PROVIDE TRAINING TO CHILD**  
 40.26 **PROTECTION SUPERVISORS.**

40.27 The commissioner shall establish requirements for competency-based initial training,  
 40.28 support, and continuing education for child protection supervisors. This would include  
 40.29 developing a set of competencies specific to child protection supervisor knowledge, skills,  
 40.30 and attitudes based on the Minnesota Child Welfare Practice Model. Competency-based  
 40.31 training of supervisors must advance continuous emphasis and improvement in skills that  
 40.32 promote the use of the client's culture as a resource and the ability to integrate the client's  
 40.33 traditions, customs, values, and faith into service delivery.

40.34 Sec. .... **CHILD PROTECTION UPDATED FORMULA.**



41.1 The commissioner of human services shall evaluate the formulas in Minnesota  
41.2 Statutes, section 256M.41, and recommend an updated equitable distribution formula  
41.3 beginning in fiscal year 2018, for funding child protection staffing and expanded services  
41.4 to counties and tribes, taking into consideration any relief to counties and tribes for child  
41.5 welfare and foster care costs, additional tribes delivering social services, and any other  
41.6 relevant information that should be considered in developing a new distribution formula.  
41.7 The commissioner shall report to the legislative committees having jurisdiction over child  
41.8 protection issues by December 15, 2016.

41.9 Section .... **LEGISLATIVE TASK FORCE; CHILD PROTECTION.**

41.10 (a) A legislative task force is created to:

41.11 (1) review the efforts being made to implement the recommendations of the  
41.12 Governor's Task Force on the Protection of Children;

41.13 (2) expand the efforts into related areas of the child welfare system;

41.14 (3) work with the commissioner and community partners to establish and evaluate  
41.15 child protection grants to address disparities in child welfare pursuant to section 256E.28;  
41.16 and

41.17 (4) identify additional areas within the child welfare system that need to be addressed  
41.18 by the legislature.

41.19 (b) The four legislative members of the governor's task force shall be the members  
41.20 of the legislative task force. They may appoint up to eight legislators as ex officio  
41.21 members of the task force.

41.22 (c) The task force may provide oversight and monitoring of:

41.23 (1) the efforts by the Department of Human Services, counties, and tribes to  
41.24 implement laws related to child protection;

41.25 (2) efforts by the Department of Human Services, counties, and tribes to implement  
41.26 the recommendations of the Governor's Task Force on the Protection of Children;

41.27 (3) efforts by agencies, including but not limited to, the Minnesota Department  
41.28 of Education, the Minnesota Housing Finance Agency, the Minnesota Department of  
41.29 Corrections, and the Minnesota Department of Public Safety, to work with the Department  
41.30 of Human Services to assure safety and well-being for children at risk of harm or children  
41.31 in the child welfare system;

41.32 (4) efforts by the Department of Human Services, other agencies, counties, and  
41.33 tribes to implement best practices to ensure every child is protected from maltreatment  
41.34 and neglect and to ensure every child has the opportunity for healthy development.

42.1 (d) The task force, in cooperation with the commissioner of human services, shall  
 42.2 issue a report to the legislature and governor February 1, 2016, and each February 1  
 42.3 thereafter. The report must contain information on the progress toward implementation  
 42.4 of changes to the child protection system, recommendations for additional legislative  
 42.5 changes, and procedures affecting child protection and child welfare; and funding needs to  
 42.6 implement recommended changes.

42.7 (e) The task force shall convene upon enactment of this act and shall continue until  
 42.8 the last day of the 2017 legislative session."

42.9 Page 347, line 14, delete "6,566,880,000" and insert "6,769,547,000" and delete "  
 42.10 6,810,134,000" and insert "6,819,003,000"

42.11 Page 347, line 17, delete "5,512,542,000" and insert "5,519,209,000" and delete "  
 42.12 5,933,299,000" and insert "5,942,168,000"

42.13 Page 347, line 20, delete "773,037,000" and insert "969,037,000"

42.14 Page 351, delete subdivisions 2 and 3

42.15 Page 352, line 5, delete "87,378,000" and insert "87,842,000" and delete "  
 42.16 82,619,000" and insert "82,809,000"

42.17 Page 353, line 5, delete "6,681,000" and insert "8,476,000" and delete "6,649,000"  
 42.18 and insert "8,267,000"

42.19 Page 354, line 2, delete "16,346,000" and insert "15,932,000" and delete "  
 42.20 19,964,000" and insert "20,036,000"

42.21 Page 354, line 6, delete "25,661,000" and insert "25,786,000"

42.22 Page 354, after line 8, insert:

42.23 "**Nursing Facilities.** \$890,000 in fiscal year  
 42.24 2016 is from the general fund for the nursing  
 42.25 facility property rate setting appraisals and  
 42.26 study. This is a onetime appropriation."

42.27 Page 355, line 6, delete "156,027,000" and insert "155,753,000" and delete "  
 42.28 168,021,000" and insert "167,194,000"

42.29 Page 355, line 13, delete "4,188,973,000" and insert "4,180,159,000" and delete "  
 42.30 4,573,183,000" and insert "4,565,620,000"

42.31 Page 355, line 14, delete "496,374,000" and insert "692,374,000"

42.32 Page 355, delete lines 15 to 18 and insert:

42.33 "**Contingent Rate Reductions.** If the  
 42.34 commissioner determines that contract  
 42.35 negotiations to reduce managed care and  
 42.36 county-based purchasing plan administrative

43.1 costs, and implementation of statewide  
43.2 competitive bidding, will not achieve a state  
43.3 general fund savings of \$150,000,000 for  
43.4 the biennium beginning July 1, 2015, the  
43.5 commissioner shall calculate an estimate  
43.6 of the shortfall in savings, and, for the  
43.7 fiscal year beginning July 1, 2016, shall  
43.8 reduce medical assistance provider payment  
43.9 rates, including but not limited to rates to  
43.10 individual health care providers and provider  
43.11 agencies, hospitals, other residential settings,  
43.12 and capitation rates provided to managed  
43.13 care and county-based purchasing plans, but  
43.14 excluding nursing facilities, by the amount  
43.15 necessary to recoup the shortfall in savings  
43.16 over that fiscal year.

43.17 **Base adjustment.** The health care  
43.18 access fund base for medical assistance  
43.19 is \$476,236,000 in fiscal year 2018 and  
43.20 \$\$275,118,000 for fiscal year 2019."

43.21 Page 356, line 7, delete "14,015,000" and insert "27,925,000" and delete "13,665,000" and insert "27,575,000"

43.23 Page 358, line 31, delete "1,725,000" and insert "3,069,000"

43.24 Page 363, line 13, delete "156,130,000" and insert "156,186,000" and delete "154,270,000" and insert "154,326,000"

43.26 Page 363, line 16, delete "89,295,000" and insert "89,351,000" and delete "88,022,000" and insert "88,078,000"

43.28 Page 363, line 26, delete "69,956,000" and insert "70,012,000" and delete "68,691,000" and insert "68,747,000"

43.30 Page 365, delete lines 16 to 21, and insert:

43.31 "(i) \$250,000 in fiscal year 2016 is from  
43.32 the general fund for a grant to a community  
43.33 health center to partner with a nonprofit  
43.34 organization that helps Somali women do the  
43.35 following:

- 44.1 (1) choose a primary care physician;
- 44.2 (2) provide high quality, compassionate, and  
 44.3 ethically sound health care services to all;
- 44.4 (3) engage in dialogue with patients to  
 44.5 determine their care expectations;
- 44.6 (4) counsel patients regarding the benefits of  
 44.7 preventative health care and early screening,  
 44.8 intervention, and treatment; and
- 44.9 (5) advocate for increased public awareness  
 44.10 of the benefits of preventative health care  
 44.11 and early screening and intervention.
- 44.12 The community health center shall report  
 44.13 the progress of the nonprofit organization to  
 44.14 the commissioner by July 1, 2016. This is a  
 44.15 onetime appropriation."
- 44.16 Page 366, delete lines 14 to 22 and 29 to 35
- 44.17 Page 367, delete lines 1 to 5
- 44.18 Page 371, line 21, delete "These funds shall be used to pay costs in the  
 44.19 MinnesotaCare"
- 44.20 Page 371, delete line 22
- 44.21 Reletter the paragraphs in sequence
- 44.22 Renumber the sections in sequence and correct the internal references
- 44.23 Amend the title accordingly