

**HOUSE OF REPRESENTATIVES****EIGHTY-NINTH SESSION****H. F. No. 3467**

03/23/2016 Authored by Dean, M., and Albright

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

03/31/2016 Adoption of Report: Re-referred to the Committee on Health and Human Services Finance

04/18/2016 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

04/25/2016 Adoption of Report: Placed on the General Register as Amended  
Read Second Time

## A bill for an act

1.1 relating to state government; modifying provisions related to continuing care,  
 1.2 health care, MNsure, Health Department, chemical and mental health, children  
 1.3 and families, health-related licensing, human services forecast adjustments,  
 1.4 health and human services appropriations, state government appropriations, state  
 1.5 government, and public safety; making technical changes; adjusting rates for  
 1.6 nursing facilities in border cities; limiting appropriations and transfers to MNsure;  
 1.7 creating licenses relating to orthotics and genetic counselors; modifying fees;  
 1.8 canceling part of the senate carryforward account to the general fund; requiring  
 1.9 savings from reducing salaries in the executive branch, instituting a hiring  
 1.10 freeze, and limiting nonessential travel and advertising; requiring receipts from  
 1.11 examinations by the state auditor be credited to the general fund; transferring  
 1.12 funds in the state auditor enterprise fund to the general fund; suspending the  
 1.13 public subsidy program for state elections to the end of fiscal year 2017; requiring  
 1.14 the legislative auditor to participate in preparing fiscal notes, revenue estimates,  
 1.15 and local impact notes; requiring county payments and political subdivision  
 1.16 payments for state auditor costs be deposited in the general fund; requiring a  
 1.17 centralized tracking list of agency projects over \$100,000; limiting fee or fine  
 1.18 increases; requiring disclosure to the legislative auditor on potential federal  
 1.19 penalties for the purchase or sale of state bonds; requiring legislature be notified  
 1.20 of certain costs in state construction projects; requiring approval for certain state  
 1.21 building projects; requiring termination of state grant agreement if recipient is  
 1.22 convicted of a criminal offense related to the grant agreement; prohibiting fees for  
 1.23 general fund grant administration; requiring audit of delegated authority; adding  
 1.24 a provision for targeted group business; limiting number of full-time employees;  
 1.25 changing provisions in the Veterans Preference Act; changing a provision for the  
 1.26 IRRRB; changing payments from the manufactured home relocation trust fund;  
 1.27 requiring a public hearing if a proposed interim ordinance deals with housing;  
 1.28 modifying health insurance provisions related to school districts and certain  
 1.29 self-insurance pools; requiring reports; designating parking ramp financing;  
 1.30 establishing Legislative Surrogacy Commission; requiring a study; increasing  
 1.31 fine for certain traffic violations around school buses; enhancing penalties and  
 1.32 establishing minimum fines for repeat violations of driving without a license;  
 1.33 allowing alcohol use by sensory testing services; extending funding for avian  
 1.34 influenza and agricultural emergency response; authorizing commissioner of  
 1.35 corrections to negotiate for facility to house offenders; providing for a fund  
 1.36 transfer from the correctional industries revolving fund to the general fund;  
 1.37 appropriating money; amending Minnesota Statutes 2014, sections 3.3005,  
 1.38 subdivisions 3, 3b, 4, 5, 6, by adding subdivisions; 3.971, by adding a subdivision;  
 1.39

2.1 3.98; 3.987, subdivision 1; 6.56, subdivision 2; 6.581, subdivision 4; 16A.103, by  
 2.2 adding a subdivision; 16A.1283; 16B.335, subdivision 1; 16C.03, subdivision 16;  
 2.3 16C.16, subdivision 5; 16E.0466; 16E.21, subdivision 2, by adding subdivisions;  
 2.4 62J.495, subdivision 4; 62J.496, subdivision 1; 62V.04, subdivisions 2, 3, 4;  
 2.5 62V.05, subdivision 2, by adding subdivisions; 62V.11, by adding a subdivision;  
 2.6 119B.13, subdivision 1; 144.05, by adding a subdivision; 144.293, subdivision  
 2.7 2; 144A.071, subdivisions 4c, 4d; 144A.073, subdivisions 13, 14, by adding a  
 2.8 subdivision; 144A.471, subdivision 9; 144A.611, subdivisions 1, 2, by adding a  
 2.9 subdivision; 144A.75, subdivisions 5, 6, 8, by adding a subdivision; 145.4716,  
 2.10 subdivision 2, by adding a subdivision; 149A.50, subdivision 2; 157.15,  
 2.11 subdivision 14; 169.444, subdivision 2; 171.24; 197.455, subdivision 1; 245.99,  
 2.12 subdivision 2; 254B.03, subdivision 4; 254B.04, subdivision 2a; 254B.06,  
 2.13 subdivision 2, by adding a subdivision; 256.01, by adding a subdivision;  
 2.14 256B.042, by adding a subdivision; 256B.0621, subdivision 10; 256B.0625, by  
 2.15 adding subdivisions; 256B.0644; 256B.0924, by adding a subdivision; 256B.15,  
 2.16 subdivisions 1a, 2, by adding a subdivision; 256D.051, subdivision 6b; 256L.02,  
 2.17 by adding a subdivision; 298.22, subdivision 1; 299A.41, subdivision 3; 327.14,  
 2.18 subdivision 8; 327C.03, subdivision 6; 327C.095, subdivisions 12, 13; 353.01,  
 2.19 subdivision 43; 462.355, subdivision 4; 471.6161, subdivision 8; 471.617,  
 2.20 subdivision 2; 518.175, subdivision 5; 518A.34; 518A.36; 609.3241; 626.558,  
 2.21 subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2015 Supplement,  
 2.22 sections 6.481, subdivision 6; 62V.03, subdivision 2; 144A.75, subdivision 13;  
 2.23 145.4131, subdivision 1; 149A.92, subdivision 1; 197.46; 245.735, subdivisions  
 2.24 3, 4; 256B.059, subdivision 5; 256B.0625, subdivisions 17a, 18a, 20; 256B.431,  
 2.25 subdivision 36; 256B.441, subdivisions 13, 53, 66; 256B.76, subdivision 2;  
 2.26 256B.766; 518A.26, subdivision 14; 518A.39, subdivision 2; Laws 2015, chapter  
 2.27 65, article 1, section 18; Laws 2015, chapter 71, article 1, section 125; article 14,  
 2.28 sections 2, subdivision 5, as amended; 4, subdivisions 1, 3, 5, 10, 11; 9; Laws  
 2.29 2015, chapter 77, article 1, section 11, subdivision 4; proposing coding for new  
 2.30 law in Minnesota Statutes, chapters 16A; 16B; 43A; 45; 62V; 144; 145; 148;  
 2.31 245A; 254B; 256B; 325E; 518A; proposing coding for new law as Minnesota  
 2.32 Statutes, chapters 147F; 153B; repealing Minnesota Statutes 2014, sections 3.886;  
 2.33 6.581, subdivision 1; 62V.01; 62V.02; 62V.03, subdivisions 1, 3; 62V.04; 62V.05,  
 2.34 subdivisions 1, 2, 3, 4, 5, 9, 10; 62V.06; 62V.07; 62V.08; 62V.09; 62V.10; 62V.11,  
 2.35 subdivisions 1, 2, 4; 144.058; 149A.92, subdivision 11; 179A.50; 179A.51;  
 2.36 179A.52; 179A.53; Minnesota Statutes 2015 Supplement, sections 62V.03,  
 2.37 subdivision 2; 62V.05, subdivisions 6, 7, 8, 11; 62V.051; Minnesota Rules,  
 2.38 parts 7700.0010; 7700.0020; 7700.0030; 7700.0040; 7700.0050; 7700.0060;  
 2.39 7700.0070; 7700.0080; 7700.0090; 7700.0100; 7700.0101; 7700.0105.

2.40 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.41 **ARTICLE 1**

2.42 **CONTINUING CARE**

2.43 **Section 1. [62V.055] ADDITIONAL NOTICE TO APPLICANTS.**

2.44 The board, in consultation with the commissioner of human services, shall include in  
 2.45 the combined application for medical assistance, MinnesotaCare, and qualified health plan  
 2.46 coverage available through the MNsure portal, information and notice on the following:

2.47 (1) that when an applicant submits the combined application, eligibility for  
 2.48 subsidized coverage will be determined in the following order:

2.49 (i) medical assistance;

- 3.1           (ii) MinnesotaCare;  
3.2           (iii) advanced premium tax credits and cost-sharing subsidies; and  
3.3           (iv) qualified health plan coverage without a subsidy;  
3.4           (2) persons eligible for medical assistance are not eligible for MinnesotaCare, and  
3.5           persons eligible for medical assistance or MinnesotaCare are not eligible for advanced  
3.6           premium tax credits and cost-sharing subsidies; and  
3.7           (3) if a person enrolls in medical assistance, the state may claim repayment for the  
3.8           cost of medical care or premiums paid for that care from the person's estate.

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

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

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

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

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

3.27           (3) to license and certify a new 60-bed facility in Austin, provided that: (i) 45 of  
3.28           the new beds are transferred from a 45-bed facility in Austin under common ownership  
3.29           that is closed and 15 of the new beds are transferred from a 182-bed facility in Albert Lea  
3.30           under common ownership; (ii) the commissioner of human services is authorized by the  
3.31           2004 legislature to negotiate budget-neutral planned nursing facility closures; and (iii)  
3.32           money is available from planned closures of facilities under common ownership to make  
3.33           implementation of this clause budget-neutral to the state. The bed capacity of the Albert  
3.34           Lea facility shall be reduced to 167 beds following the transfer. Of the 60 beds at the

4.1 new facility, 20 beds shall be used for a special care unit for persons with Alzheimer's  
4.2 disease or related dementias;

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

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

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

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

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

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

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

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

5.1 (6) to consolidate and relocate nursing facility beds to a new site in Goodhue County  
5.2 and to integrate these services with other community-based programs and services under a  
5.3 communities for a lifetime pilot program and comprehensive plan to create innovative  
5.4 responses to the aging of its population. ~~Eighty beds in the city of Red Wing shall be~~  
5.5 ~~transferred from the downsizing and relocation of an existing 84-bed, hospital-owned~~  
5.6 ~~nursing facility and the entire closure or downsizing of beds from a 65-bed nonprofit~~  
5.7 ~~nursing facility in the community resulting in the delicensure of 69 beds in the two~~  
5.8 ~~existing facilities~~ Two nursing facilities, one for 84 beds and one for 65 beds, in the city of  
5.9 Red Wing licensed on July 1, 2015, shall be consolidated into a newly renovated 64-bed  
5.10 nursing facility resulting in the delicensure of 85 beds. Notwithstanding the carryforward  
5.11 of the approval authority in section 144A.073, subdivision 11, the funding approved in  
5.12 April 2009 by the commissioner of health for a project in Goodhue County shall not carry  
5.13 forward. The closure of the ~~69~~ 85 beds shall not be eligible for a planned closure rate  
5.14 adjustment under section 256B.437. The construction project permitted in this clause shall  
5.15 not be eligible for a threshold project rate adjustment under section 256B.434, subdivision  
5.16 4f. The ~~property~~ payment rate for the first three years of operation of external fixed costs for  
5.17 the new facility shall be increased by an amount as calculated according to items (i) to (vi):  
5.18 (i) compute the estimated decrease in medical assistance residents served by both  
5.19 nursing facilities by multiplying the difference between the occupied beds of the two  
5.20 nursing facilities for the reporting year ending September 30, 2009, and the projected  
5.21 occupancy of the facility at 95 percent occupancy by the historical percentage of medical  
5.22 assistance resident days;  
5.23 (ii) compute the annual savings to the medical assistance program from the  
5.24 delicensure by multiplying the anticipated decrease in the medical assistance residents,  
5.25 determined in item (i), by the hospital-owned nursing facility weighted average payment  
5.26 rate multiplied by 365;  
5.27 (iii) compute the anticipated annual costs for community-based services by  
5.28 multiplying the anticipated decrease in medical assistance residents served by the  
5.29 facilities, determined in item (i), by the average monthly elderly waiver service costs for  
5.30 individuals in Goodhue County multiplied by 12;  
5.31 (iv) subtract the amount in item (iii) from the amount in item (ii);  
5.32 (v) multiply the amount in item (iv) by ~~48.5~~ 57.2 percent; and  
5.33 (vi) divide the difference of the amount in item (iv) and the amount in item (v) by an  
5.34 amount equal to the relocated nursing facility's occupancy factor under section 256B.431,  
5.35 subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance  
5.36 resident days.

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

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

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

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

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

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

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

6.28 (3) the property payment rate for external fixed costs for a remaining facility or  
6.29 facilities shall be increased by an amount equal to 65 percent of the projected net cost  
6.30 savings to the state calculated in paragraph (b), divided by the state's medical assistance  
6.31 percentage of medical assistance dollars, and then divided by estimated medical assistance  
6.32 resident days, as determined in paragraph (c), of the remaining nursing facility or facilities  
6.33 in the request in this paragraph. The rate adjustment is effective on the later of the first  
6.34 day of the month following completion of the construction upgrades in the consolidation  
6.35 plan or the first day of the month following the complete closure of a facility designated

7.1 for closure in the consolidation plan. If more than one facility is receiving upgrades in  
7.2 the consolidation plan, each facility's date of construction completion must be evaluated  
7.3 separately.

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

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

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

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

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

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

7.16 (6) the savings from not paying planned closure rate adjustments that the facilities  
7.17 would otherwise be eligible for under section 256B.437; and

7.18 (7) the savings from not paying ~~property~~ external fixed costs payment rate  
7.19 adjustments from submission of renovation costs that would otherwise be eligible as  
7.20 threshold projects under section 256B.434, subdivision 4f.

7.21 (c) For purposes of the calculation in paragraph (a), clause (3), the estimated medical  
7.22 assistance resident days of the remaining facility or facilities shall be computed assuming  
7.23 95 percent occupancy multiplied by the historical percentage of medical assistance  
7.24 resident days of the remaining facility or facilities, as reported on the facility's or facilities'  
7.25 most recent nursing facility statistical and cost report filed before the plan of closure  
7.26 is submitted, multiplied by 365.

7.27 (d) For purposes of net cost of savings to the state in paragraph (b), the average  
7.28 occupancy percentages will be those reported on the facility's or facilities' most recent  
7.29 nursing facility statistical and cost report filed before the plan of closure is submitted, and  
7.30 the average payment rates shall be calculated based on the approved payment rates in  
7.31 effect at the time the consolidation request is submitted.

7.32 (e) To qualify for the ~~property~~ external fixed costs payment rate adjustment under  
7.33 this ~~provision~~ subdivision, the closing facilities shall:

7.34 (1) submit an application for closure according to section 256B.437, subdivision  
7.35 3; and

7.36 (2) follow the resident relocation provisions of section 144A.161.

8.1 (f) The county or counties in which a facility or facilities are closed under this  
8.2 subdivision shall not be eligible for designation as a hardship area under section 144A.071,  
8.3 subdivision 3, for five years from the date of the approval of the proposed consolidation.  
8.4 The applicant shall notify the county of this limitation and the county shall acknowledge  
8.5 this in a letter of support.

8.6 **EFFECTIVE DATE.** This section is effective for rate years beginning on or after  
8.7 January 1, 2017.

8.8 Sec. 4. Minnesota Statutes 2014, section 144A.073, subdivision 13, is amended to read:

8.9 Subd. 13. **Moratorium exception funding.** In fiscal year 2013, the commissioner  
8.10 of health may approve moratorium exception projects under this section for which the  
8.11 full annualized state share of medical assistance costs does not exceed \$1,000,000 plus  
8.12 any carryover of previous appropriations for this purpose.

8.13 Sec. 5. Minnesota Statutes 2014, section 144A.073, subdivision 14, is amended to read:

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

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

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

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

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

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

9.2 Subd. 2. **Nursing assistants Reimbursement for training program and**  
9.3 **competency evaluation costs.** A nursing assistant who has completed an approved  
9.4 competency evaluation or an approved training program and competency evaluation  
9.5 shall be reimbursed by the nursing home or certified boarding care home for actual costs  
9.6 of tuition and textbooks and reasonable expenses for the competency evaluation or the  
9.7 training program and competency evaluation 90 days after the date of employment, or  
9.8 upon completion of the approved training program, whichever is later.

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

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

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

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

9.20 (b) For purposes of this subdivision, adult basic education components of a nursing  
9.21 assistant training program must include the following, if needed: training in mathematics,  
9.22 vocabulary, literacy skills, workplace skills, resume writing, and job interview skills.

9.23 Reimbursement provided under this subdivision shall not exceed 30 percent of the cost of  
9.24 tuition, textbooks, and competency evaluation.

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

9.29 **EFFECTIVE DATE.** This section is effective for costs incurred on or after October  
9.30 1, 2016.

9.31 Sec. 10. Minnesota Statutes 2014, section 256B.042, is amended by adding a  
9.32 subdivision to read:

9.33 Subd. 1a. **Additional notice to applicants.** An application for medical assistance  
9.34 must include a statement, prominently displayed, that if any person on the application

10.1 enrolls in medical assistance, the state may claim repayment for the cost of medical care  
10.2 or premiums paid for care from that person's estate.

10.3 Sec. 11. Minnesota Statutes 2015 Supplement, section 256B.059, subdivision 5,  
10.4 is amended to read:

10.5 Subd. 5. **Asset availability.** (a) At the time of initial determination of eligibility for  
10.6 medical assistance benefits following the first continuous period of institutionalization on  
10.7 or after October 1, 1989, assets considered available to the institutionalized spouse shall  
10.8 be the total value of all assets in which either spouse has an ownership interest, reduced by  
10.9 the following amount for the community spouse:

10.10 (1) prior to July 1, 1994, the greater of:

10.11 (i) \$14,148;

10.12 (ii) the lesser of the spousal share or \$70,740; or

10.13 (iii) the amount required by court order to be paid to the community spouse;

10.14 (2) for persons whose date of initial determination of eligibility for medical

10.15 assistance following their first continuous period of institutionalization occurs on or after  
10.16 July 1, 1994, the greater of:

10.17 (i) \$20,000;

10.18 (ii) the lesser of the spousal share or \$70,740; or

10.19 (iii) the amount required by court order to be paid to the community spouse.

10.20 The value of assets transferred for the sole benefit of the community spouse under section  
10.21 256B.0595, subdivision 4, in combination with other assets available to the community  
10.22 spouse under this section, cannot exceed the limit for the community spouse asset  
10.23 allowance determined under subdivision 3 or 4. Assets that exceed this allowance shall  
10.24 be considered available to the institutionalized spouse. If the community spouse asset  
10.25 allowance has been increased under subdivision 4, then the assets considered available to  
10.26 the institutionalized spouse under this subdivision shall be further reduced by the value of  
10.27 additional amounts allowed under subdivision 4.

10.28 (b) An institutionalized spouse may be found eligible for medical assistance even  
10.29 though assets in excess of the allowable amount are found to be available under paragraph  
10.30 (a) if the assets are owned jointly or individually by the community spouse, and the  
10.31 institutionalized spouse cannot use those assets to pay for the cost of care without the  
10.32 consent of the community spouse, and if:

10.33 (i) the institutionalized spouse assigns to the commissioner the right to support from  
10.34 the community spouse under section 256B.14, subdivision 3;

11.1 (ii) the institutionalized spouse lacks the ability to execute an assignment due to a  
11.2 physical or mental impairment; ~~or~~

11.3 (iii) the denial of eligibility would cause an imminent threat to the institutionalized  
11.4 spouse's health and well-being; or

11.5 (iv) the assets in excess of the amount under paragraph (a) are assets owned by the  
11.6 community spouse, and the denial of eligibility would cause an undue hardship to the  
11.7 family due to the loss of retirement funds for the community spouse or funds protected for  
11.8 the postsecondary education of a child under age 25. For purposes of this clause, only  
11.9 retirement assets held by the community spouse in a tax-deferred retirement account,  
11.10 including a defined benefit plan, defined contribution plan, an employer-sponsored  
11.11 individual retirement arrangement, or individually purchased individual retirement  
11.12 arrangement are protected, and are only protected until the community spouse is eligible to  
11.13 withdraw retirement funds from any or all accounts without penalty. For purposes of this  
11.14 clause, only funds in a plan designated under section 529 of the Internal Revenue Code  
11.15 on behalf of a child of either or both spouses who is under the age of 25 are protected.  
11.16 There shall not be an assignment of spousal support to the commissioner or a cause of  
11.17 action against the individual's spouse under section 256B.14, subdivision 3, for the funds  
11.18 in the protected retirement and college savings accounts.

11.19 (c) After the month in which the institutionalized spouse is determined eligible for  
11.20 medical assistance, during the continuous period of institutionalization, no assets of the  
11.21 community spouse are considered available to the institutionalized spouse, unless the  
11.22 institutionalized spouse has been found eligible under paragraph (b).

11.23 (d) Assets determined to be available to the institutionalized spouse under this  
11.24 section must be used for the health care or personal needs of the institutionalized spouse.

11.25 (e) For purposes of this section, assets do not include assets excluded under the  
11.26 Supplemental Security Income program.

11.27 **EFFECTIVE DATE.** This section is effective June 1, 2016.

11.28 Sec. 12. Minnesota Statutes 2014, section 256B.15, subdivision 1a, is amended to read:

11.29 Subd. 1a. **Estates subject to claims.** (a) If a person receives any medical assistance  
11.30 hereunder, on the person's death, if single, or on the death of the survivor of a married  
11.31 couple, either or both of whom received medical assistance, or as otherwise provided  
11.32 for in this section, the total amount paid for medical assistance rendered for the person  
11.33 and spouse shall be filed as a claim against the estate of the person or the estate of the  
11.34 surviving spouse in the court having jurisdiction to probate the estate or to issue a decree  
11.35 of descent according to sections 525.31 to 525.313.

12.1 (b) For the purposes of this section, the person's estate must consist of:

12.2 (1) the person's probate estate;

12.3 (2) all of the person's interests or proceeds of those interests in real property the  
12.4 person owned as a life tenant or as a joint tenant with a right of survivorship at the time of  
12.5 the person's death;

12.6 (3) all of the person's interests or proceeds of those interests in securities the person  
12.7 owned in beneficiary form as provided under sections 524.6-301 to 524.6-311 at the time  
12.8 of the person's death, to the extent the interests or proceeds of those interests become part  
12.9 of the probate estate under section 524.6-307;

12.10 (4) all of the person's interests in joint accounts, multiple-party accounts, and  
12.11 pay-on-death accounts, brokerage accounts, investment accounts, or the proceeds of  
12.12 those accounts, as provided under sections 524.6-201 to 524.6-214 at the time of the  
12.13 person's death to the extent the interests become part of the probate estate under section  
12.14 524.6-207; and

12.15 (5) assets conveyed to a survivor, heir, or assign of the person through survivorship,  
12.16 living trust, or other arrangements.

12.17 (c) For the purpose of this section and recovery in a surviving spouse's estate for  
12.18 medical assistance paid for a predeceased spouse, the estate must consist of all of the legal  
12.19 title and interests the deceased individual's predeceased spouse had in jointly owned or  
12.20 marital property at the time of the spouse's death, as defined in subdivision 2b, and the  
12.21 proceeds of those interests, that passed to the deceased individual or another individual, a  
12.22 survivor, an heir, or an assign of the predeceased spouse through a joint tenancy, tenancy  
12.23 in common, survivorship, life estate, living trust, or other arrangement. A deceased  
12.24 recipient who, at death, owned the property jointly with the surviving spouse shall have  
12.25 an interest in the entire property.

12.26 (d) For the purpose of recovery in a single person's estate or the estate of a survivor  
12.27 of a married couple, "other arrangement" includes any other means by which title to all or  
12.28 any part of the jointly owned or marital property or interest passed from the predeceased  
12.29 spouse to another including, but not limited to, transfers between spouses which are  
12.30 permitted, prohibited, or penalized for purposes of medical assistance.

12.31 (e) A claim shall be filed if medical assistance was rendered for either or both  
12.32 persons under one of the following circumstances:

12.33 (1) the person was over 55 years of age, and received services under this chapter  
12.34 prior to January 1, 2014;

12.35 (2) the person resided in a medical institution for six months or longer, received  
12.36 services under this chapter, and, at the time of institutionalization or application for

13.1 medical assistance, whichever is later, the person could not have reasonably been expected  
 13.2 to be discharged and returned home, as certified in writing by the person's treating  
 13.3 physician. For purposes of this section only, a "medical institution" means a skilled  
 13.4 nursing facility, intermediate care facility, intermediate care facility for persons with  
 13.5 developmental disabilities, nursing facility, or inpatient hospital; ~~or~~

13.6 (3) the person received general assistance medical care services under chapter  
 13.7 256D; or

13.8 (4) the person was 55 years of age or older and received medical assistance  
 13.9 services on or after January 1, 2014, that consisted of nursing facility services, home and  
 13.10 community-based services, or related hospital and prescription drug benefits.

13.11 (f) The claim shall be considered an expense of the last illness of the decedent for  
 13.12 the purpose of section 524.3-805. Notwithstanding any law or rule to the contrary, a  
 13.13 state or county agency with a claim under this section must be a creditor under section  
 13.14 524.6-307. Any statute of limitations that purports to limit any county agency or the state  
 13.15 agency, or both, to recover for medical assistance granted hereunder shall not apply to any  
 13.16 claim made hereunder for reimbursement for any medical assistance granted hereunder.  
 13.17 Notice of the claim shall be given to all heirs and devisees of the decedent, and to other  
 13.18 persons with an ownership interest in the real property owned by the decedent at the time  
 13.19 of the decedent's death, whose identity can be ascertained with reasonable diligence. The  
 13.20 notice must include procedures and instructions for making an application for a hardship  
 13.21 waiver under subdivision 5; time frames for submitting an application and determination;  
 13.22 and information regarding appeal rights and procedures. Counties are entitled to one-half  
 13.23 of the nonfederal share of medical assistance collections from estates that are directly  
 13.24 attributable to county effort. Counties are entitled to ten percent of the collections for  
 13.25 alternative care directly attributable to county effort.

13.26 **EFFECTIVE DATE.** This section is effective upon federal approval and applies  
 13.27 retroactively to services rendered on or after January 1, 2014.

13.28 Sec. 13. Minnesota Statutes 2014, section 256B.15, is amended by adding a  
 13.29 subdivision to read:

13.30 **Subd. 11. Amending notices or liens arising out of notice.** (a) State agencies must  
 13.31 amend notices of potential claims and liens arising from the notices, if the notice was filed  
 13.32 after January 1, 2014, for medical assistance services rendered on or after January 1, 2014,  
 13.33 to a recipient who at the time services were rendered was 55 years of age or older and who  
 13.34 was not institutionalized as described in subdivision 1a, paragraph (e).

14.1 (b) The notices identified in paragraph (a) must be amended by removing the  
14.2 amount of medical assistance rendered that did not consist of nursing facility services,  
14.3 home and community-based services, as defined in subdivision 1a and related hospital  
14.4 and prescription drug services.

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

14.6 Sec. 14. Minnesota Statutes 2014, section 256B.15, subdivision 2, is amended to read:

14.7 Subd. 2. **Limitations on claims.** (a) For services rendered prior to January 1, 2014,  
14.8 the claim shall include only the total amount of medical assistance rendered after age 55 or  
14.9 during a period of institutionalization described in subdivision 1a, paragraph (e), and the  
14.10 total amount of general assistance medical care rendered, and shall not include interest.

14.11 (b) For services rendered on or after January 1, 2014, the claim shall include only:

14.12 (1) the amount of medical assistance rendered to recipients 55 years of age or older  
14.13 and that consisted of nursing facility services, home and community-based services, and  
14.14 related hospital and prescription drug services; and

14.15 (2) the total amount of medical assistance rendered during a period of  
14.16 institutionalization described in subdivision 1a, paragraph (e).

14.17 The claim shall not include interest. For the purposes of this section, "home and  
14.18 community-based services" has the same meaning it has when used in United States Code,  
14.19 title 42, section 1396p, subsection (b), paragraph (1), subparagraph (B), clause (i).

14.20 (c) Claims that have been allowed but not paid shall bear interest according to  
14.21 section 524.3-806, paragraph (d). A claim against the estate of a surviving spouse who did  
14.22 not receive medical assistance, for medical assistance rendered for the predeceased spouse,  
14.23 shall be payable from the full value of all of the predeceased spouse's assets and interests  
14.24 which are part of the surviving spouse's estate under subdivisions 1a and 2b. Recovery of  
14.25 medical assistance expenses in the nonrecipient surviving spouse's estate is limited to the  
14.26 value of the assets of the estate that were marital property or jointly owned property at any  
14.27 time during the marriage. The claim is not payable from the value of assets or proceeds of  
14.28 assets in the estate attributable to a predeceased spouse whom the individual married after  
14.29 the death of the predeceased recipient spouse for whom the claim is filed or from assets  
14.30 and the proceeds of assets in the estate which the nonrecipient decedent spouse acquired  
14.31 with assets which were not marital property or jointly owned property after the death of  
14.32 the predeceased recipient spouse. Claims for alternative care shall be net of all premiums  
14.33 paid under section 256B.0913, subdivision 12, on or after July 1, 2003, and shall be

15.1 limited to services provided on or after July 1, 2003. Claims against marital property shall  
15.2 be limited to claims against recipients who died on or after July 1, 2009.

15.3 **EFFECTIVE DATE.** This section is effective upon federal approval and applies to  
15.4 services rendered on or after January 1, 2014.

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

15.7 Subd. 36. **Employee scholarship costs and training in English as a second**  
15.8 **language.** (a) For the period between July 1, 2001, and June 30, 2003, the commissioner  
15.9 shall provide to each nursing facility reimbursed under this section, section 256B.434,  
15.10 or any other section, a scholarship per diem of 25 cents to the total operating payment  
15.11 rate. For the 27-month period beginning October 1, 2015, through December 31, 2017,  
15.12 the commissioner shall allow a scholarship per diem of up to 25 cents for each nursing  
15.13 facility with no scholarship per diem that is requesting a scholarship per diem to be added  
15.14 to the external fixed payment rate to be used:

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

15.16 (i) scholarships are available to all employees who work an average of at least  
15.17 ten hours per week at the facility except the administrator, and to reimburse student  
15.18 loan expenses for newly hired and recently graduated registered nurses and licensed  
15.19 practical nurses, and training expenses for nursing assistants as ~~defined~~ specified in section  
15.20 144A.611, ~~subdivision~~ subdivisions 2 and 4, who are newly hired and have graduated  
15.21 within the last 12 months; and

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

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

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

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

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

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

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

16.7 Subd. 13. **External fixed costs.** "External fixed costs" means costs related to the  
16.8 nursing home surcharge under section 256.9657, subdivision 1; licensure fees under  
16.9 section 144.122; family advisory council fee under section 144A.33; scholarships under  
16.10 section 256B.431, subdivision 36; planned closure rate adjustments under section  
16.11 256B.437; consolidation rate adjustments under section 144A.071, subdivisions 4c,  
16.12 paragraph (a), clauses (5) and (6), and 4d; single bed room incentives under section  
16.13 256B.431, subdivision 42; property taxes, assessments, and payments in lieu of taxes;  
16.14 employer health insurance costs; quality improvement incentive payment rate adjustments  
16.15 under subdivision 46c; performance-based incentive payments under subdivision 46d;  
16.16 special dietary needs under subdivision 51b; and PERA.

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

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

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

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

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

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

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

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

17.1 ~~(f)~~ (g) The single bed room incentives shall be as determined under section  
17.2 256B.431, subdivision 42.

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

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

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

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

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

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

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

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

17.20 Subd. 66. **Nursing facilities in border cities.** (a) Rate increases under this section  
17.21 for a facility located in Breckenridge are effective for the rate year beginning January 1,  
17.22 2016, and annually thereafter; Rate increases under this section for a facility located in  
17.23 Moorhead are effective for the rate year beginning January 1, 2020, and annually thereafter.

17.24 (b) Operating payment rates of a nonprofit nursing facility that exists on January  
17.25 1, 2015, is located anywhere within the boundaries of the ~~city~~ cities of Breckenridge or  
17.26 Moorhead, and is reimbursed under this section, section 256B.431, or section 256B.434,  
17.27 shall be adjusted to be equal to the median RUG's rates, including comparable rate  
17.28 components as determined by the commissioner, for the equivalent RUG's weight of the  
17.29 nonprofit nursing facility or facilities located in an adjacent city in another state and in  
17.30 cities contiguous to the adjacent city. The commissioner must make the comparison  
17.31 required under this subdivision on October 1 of each year. The adjustment under this  
17.32 subdivision applies to the rates effective on the following January 1.

17.33 (c) The Minnesota facility's operating payment rate with a weight of 1.0 shall be  
17.34 computed by dividing the adjacent city's nursing facilities median operating payment rate  
17.35 with a weight of 1.02 by 1.02. ~~If the adjustments under this subdivision result in a rate that~~

18.1 ~~exceeds the limits in subdivisions 50 and 51 in a given rate year, the facility's rate shall~~  
18.2 ~~not be subject to those limits for that rate year. If a facility's rate is increased under this~~  
18.3 ~~subdivision, the facility is not subject to the total care-related limit in subdivision 50 and is~~  
18.4 ~~not limited to the other operating price established in subdivision 51. This subdivision~~  
18.5 ~~shall apply only if it results in a higher operating payment rate than would otherwise be~~  
18.6 ~~determined under this section, section 256B.431, or section 256B.434.~~

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

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

18.15 (b) Dakota County shall be:

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

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

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

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

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

18.33 (3) "employment support services" defined as individualized services and supports  
18.34 that assist people with maintaining competitive, integrated employment by providing a  
18.35 broad range of training, coaching, and support strategies that not only assist individuals

19.1 and workgroups employed in paid job positions, but also support people working in  
19.2 self-employment opportunities and microenterprise businesses with all aspects of effective  
19.3 business operations. Employment support services must be provided in integrated  
19.4 community settings.

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

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

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

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

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

19.19 **ARTICLE 2**

19.20 **HEALTH CARE**

19.21 **Section 1. [256B.0562] IMPROVED OVERSIGHT OF MNSURE ELIGIBILITY**  
19.22 **DETERMINATIONS.**

19.23 Subdivision 1. **Implementation of OLA findings.** (a) The commissioner shall  
19.24 ensure that medical assistance and MinnesotaCare eligibility determinations through the  
19.25 MNsurre information technology system and through agency eligibility determination  
19.26 systems fully implement the recommendations made by the Office of the Legislative  
19.27 Auditor (OLA) in Report 14-22 – Oversight of MNsure Eligibility Determinations  
19.28 for Public Health Care Programs and Report 16-02 Oversight of MNsure Eligibility  
19.29 Determinations for Public Health Care Programs – Internal Controls and Compliance Audit.

19.30 (b) The commissioner may contract with a vendor to provide technical assistance to  
19.31 the commissioner in fully implementing the OLA report findings.

19.32 (c) The commissioner shall coordinate implementation of this section with the  
19.33 periodic data matching required under section 256B.0561.

20.1 (d) The commissioner shall implement this section using existing resources.

20.2 Subd. 2. **Duties of the commissioner.** (a) In fully implementing the OLA report  
20.3 recommendations, the commissioner shall:

20.4 (1) adequately verify that persons enrolled in public health care programs through  
20.5 MNsure are eligible for those programs;

20.6 (2) provide adequate controls to ensure the accurate and complete transfer of  
20.7 recipient data from MNsure to the Department of Human Services' medical payment  
20.8 system, and to detect whether Office of MN.IT Services staff inappropriately access  
20.9 recipients' personal information;

20.10 (3) provide county human service eligibility workers with sufficient training on  
20.11 MNsure;

20.12 (4) reverify that medical assistance and MinnesotaCare enrollees who enroll through  
20.13 MNsure remain eligible for the program within the required time frames established  
20.14 in federal and state laws;

20.15 (5) establish an effective process to resolve discrepancies with Social Security  
20.16 numbers, citizenship or immigration status, or household income that MNsure identifies  
20.17 as needing further verification;

20.18 (6) eliminate payment of medical assistance and MinnesotaCare benefits for  
20.19 recipients whose income exceeds federal and state program limits;

20.20 (7) verify household size and member relationships when determining eligibility;

20.21 (8) ensure that applicants and recipients are enrolled in the correct public health  
20.22 care program;

20.23 (9) eliminate payment of benefits for MinnesotaCare recipients who are also  
20.24 enrolled in Medicare;

20.25 (10) verify that newborns turning age one remain eligible for medical assistance;

20.26 (11) correct MinnesotaCare billing errors, ensure that enrollees pay their premiums,  
20.27 and terminate coverage for failure to pay premiums; and

20.28 (12) take all other steps necessary to fully implement the recommendations.

20.29 (b) The commissioner shall implement the OLA recommendations for medical  
20.30 assistance and MinnesotaCare applications and renewals submitted on or after July 1, 2016.

20.31 The commissioner shall present quarterly reports to the OLA and the chairs and ranking  
20.32 minority members of the legislative committees with jurisdiction over health and human

20.33 services policy and finance, beginning October 1, 2016, and each quarter thereafter. The

20.34 quarterly report submitted October 1, 2016, must include a timetable for fully implementing  
20.35 the OLA recommendations. Each quarterly report must include information on:

20.36 (1) progress in implementing the OLA recommendations;

21.1 (2) the number of medical assistance and MinnesotaCare applicants and enrollees  
21.2 whose eligibility status was affected by implementation of the OLA recommendations,  
21.3 reported quarterly, beginning with the July 1, 2016 through September 30, 2016 calendar  
21.4 quarter; and

21.5 (3) savings to the state from implementing the OLA recommendations.

21.6 Subd. 3. **Office of Legislative Auditor.** The legislative auditor shall review each  
21.7 quarterly report submitted by the commissioner of human services under subdivision 2  
21.8 for accuracy and shall review compliance by the Department of Human Services with the  
21.9 OLA report recommendations. The legislative auditor shall notify the chairs and ranking  
21.10 minority members of the legislative committees with jurisdiction over health and human  
21.11 services policy and finance on whether or not these requirements are met.

21.12 Subd. 4. **Special revenue account; use of savings.** (a) A medical assistance  
21.13 audit special revenue account is established in the general fund. The commissioner  
21.14 shall deposit into this account all savings achieved from implementing this section for  
21.15 applications and renewals submitted on or after July 1, 2016, and all savings achieved  
21.16 from implementation of periodic data matching under section 256B.0561 that are above  
21.17 the forecasted savings for that initiative.

21.18 (b) Once the medical assistance audit special revenue account fund balance has  
21.19 reached a sufficient level, the commissioner shall provide a onetime, five percent increase  
21.20 in medical assistance payment rates for intermediate care facilities for persons with  
21.21 developmental disabilities and the long-term care and community-based providers listed  
21.22 in Laws 2014, chapter 312, article 27, section 75, paragraph (b). The increase shall be  
21.23 limited to a 12-month period.

21.24 (c) Any further expenditures from the medical assistance audit special revenue  
21.25 account are subject to legislative authorization.

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

21.27 Sec. 2. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 17a,  
21.28 is amended to read:

21.29 Subd. 17a. **Payment for ambulance services.** (a) Medical assistance covers  
21.30 ambulance services. Providers shall bill ambulance services according to Medicare  
21.31 criteria. Nonemergency ambulance services shall not be paid as emergencies. Effective  
21.32 for services rendered on or after July 1, 2001, medical assistance payments for ambulance  
21.33 services shall be paid at the Medicare reimbursement rate or at the medical assistance  
21.34 payment rate in effect on July 1, 2000, whichever is greater.

22.1 (b) Effective for services provided on or after July 1, 2016, medical assistance  
22.2 payment rates for ambulance services identified in this paragraph are increased by five  
22.3 percent. Capitation payments made to managed care plans and county-based purchasing  
22.4 plans for ambulance services provided on or after January 1, 2017, shall be adjusted to  
22.5 reflect this rate increase. The increased rate described in this paragraph applies to:

22.6 (1) an ambulance service provider whose base of operations, as defined in section  
22.7 144E.10, is located outside the metropolitan counties listed in section 473.121, subdivision  
22.8 4, and outside the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

22.9 (2) an ambulance service provider whose base of operations, as defined in section  
22.10 144E.10, is located within a municipality with a population of less than 1,000.

22.11 Sec. 3. Minnesota Statutes 2014, section 256B.0625, is amended by adding a  
22.12 subdivision to read:

22.13 Subd. 60a. **Community emergency medical technician services.** (a) Medical  
22.14 assistance covers services provided by a community emergency medical technician  
22.15 (CEMT) who is certified under section 144E.275, subdivision 7, when the services are  
22.16 provided in accordance with this subdivision.

22.17 (b) A CEMT may provide a posthospital discharge visit when ordered by a treating  
22.18 physician. The posthospital discharge visit includes:

22.19 (1) verbal or visual reminders of discharge orders;

22.20 (2) recording and reporting of vital signs to the patient's primary care provider;

22.21 (3) medication access confirmation;

22.22 (4) food access confirmation; and

22.23 (5) identification of home hazards.

22.24 (c) Individuals who have repeat ambulance calls due to falls, have been discharged  
22.25 from a nursing home, or have been identified by their primary care provider as at risk  
22.26 for nursing home placement may receive a safety evaluation visit from a CEMT when  
22.27 ordered by a primary care provider in accordance with the individual's care plan. A safety  
22.28 evaluation visit includes:

22.29 (1) medication access confirmation;

22.30 (2) food access confirmation; and

22.31 (3) identification of home hazards.

22.32 (d) A CEMT shall be paid at \$9.75 per 15-minute increment. A safety evaluation visit  
22.33 may not be billed for the same day as a posthospital discharge visit for the same recipient.

22.34 **EFFECTIVE DATE.** This section is effective January 1, 2017, or upon federal  
22.35 approval, whichever is later.

23.1 Sec. 4. Minnesota Statutes 2014, section 256B.0644, is amended to read:

23.2 **256B.0644 REIMBURSEMENT UNDER OTHER STATE HEALTH CARE**  
23.3 **PROGRAMS.**

23.4 (a) A vendor of medical care, as defined in section 256B.02, subdivision 7, and a  
23.5 health maintenance organization, as defined in chapter 62D, must participate as a provider  
23.6 or contractor in the medical assistance program and MinnesotaCare as a condition of  
23.7 participating as a provider in health insurance plans and programs or contractor for state  
23.8 employees established under section 43A.18, the public employees insurance program  
23.9 under section 43A.316, for health insurance plans offered to local statutory or home  
23.10 rule charter city, county, and school district employees, the workers' compensation  
23.11 system under section 176.135, and insurance plans provided through the Minnesota  
23.12 Comprehensive Health Association under sections 62E.01 to 62E.19. The limitations  
23.13 on insurance plans offered to local government employees shall not be applicable in  
23.14 geographic areas where provider participation is limited by managed care contracts  
23.15 with the Department of Human Services. This section does not apply to dental service  
23.16 providers providing dental services outside the seven-county metropolitan area.

23.17 (b) For providers other than health maintenance organizations, participation in the  
23.18 medical assistance program means that:

23.19 (1) the provider accepts new medical assistance and MinnesotaCare patients;

23.20 (2) for providers other than dental service providers, at least 20 percent of the  
23.21 provider's patients are covered by medical assistance and MinnesotaCare as their primary  
23.22 source of coverage; or

23.23 (3) for dental service providers providing dental services in the seven-county  
23.24 metropolitan area, at least ten percent of the provider's patients are covered by medical  
23.25 assistance and MinnesotaCare as their primary source of coverage, or the provider accepts  
23.26 new medical assistance and MinnesotaCare patients who are children with special health  
23.27 care needs. For purposes of this section, "children with special health care needs" means  
23.28 children up to age 18 who: (i) require health and related services beyond that required  
23.29 by children generally; and (ii) have or are at risk for a chronic physical, developmental,  
23.30 behavioral, or emotional condition, including: bleeding and coagulation disorders;  
23.31 immunodeficiency disorders; cancer; endocrinopathy; developmental disabilities;  
23.32 epilepsy, cerebral palsy, and other neurological diseases; visual impairment or deafness;  
23.33 Down syndrome and other genetic disorders; autism; fetal alcohol syndrome; and other  
23.34 conditions designated by the commissioner after consultation with representatives of  
23.35 pediatric dental providers and consumers.

24.1 (c) Patients seen on a volunteer basis by the provider at a location other than  
24.2 the provider's usual place of practice may be considered in meeting the participation  
24.3 requirement in this section. The commissioner shall establish participation requirements  
24.4 for health maintenance organizations. The commissioner shall provide lists of participating  
24.5 medical assistance providers on a quarterly basis to the commissioner of management and  
24.6 budget, the commissioner of labor and industry, and the commissioner of commerce. Each  
24.7 of the commissioners shall develop and implement procedures to exclude as participating  
24.8 providers in the program or programs under their jurisdiction those providers who do  
24.9 not participate in the medical assistance program. The commissioner of management  
24.10 and budget shall implement this section through contracts with participating health and  
24.11 dental carriers.

24.12 (d) A volunteer dentist who has signed a volunteer agreement under section  
24.13 256B.0625, subdivision 9a, shall not be considered to be participating in medical  
24.14 assistance or MinnesotaCare for the purpose of this section.

24.15 Sec. 5. Minnesota Statutes 2015 Supplement, section 256B.76, subdivision 2, is  
24.16 amended to read:

24.17 Subd. 2. **Dental reimbursement.** (a) Effective for services rendered on or after  
24.18 October 1, 1992, the commissioner shall make payments for dental services as follows:

24.19 (1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25  
24.20 percent above the rate in effect on June 30, 1992; and

24.21 (2) dental rates shall be converted from the 50th percentile of 1982 to the 50th  
24.22 percentile of 1989, less the percent in aggregate necessary to equal the above increases.

24.23 (b) Beginning October 1, 1999, the payment for tooth sealants and fluoride treatments  
24.24 shall be the lower of (1) submitted charge, or (2) 80 percent of median 1997 charges.

24.25 (c) Effective for services rendered on or after January 1, 2000, payment rates for  
24.26 dental services shall be increased by three percent over the rates in effect on December  
24.27 31, 1999.

24.28 (d) Effective for services provided on or after January 1, 2002, payment for  
24.29 diagnostic examinations and dental x-rays provided to children under age 21 shall be the  
24.30 lower of (1) the submitted charge, or (2) 85 percent of median 1999 charges.

24.31 (e) The increases listed in paragraphs (b) and (c) shall be implemented January 1,  
24.32 2000, for managed care.

24.33 (f) Effective for dental services rendered on or after October 1, 2010, by a  
24.34 state-operated dental clinic, payment shall be paid on a reasonable cost basis that is based  
24.35 on the Medicare principles of reimbursement. This payment shall be effective for services

25.1 rendered on or after January 1, 2011, to recipients enrolled in managed care plans or  
25.2 county-based purchasing plans.

25.3 (g) Beginning in fiscal year 2011, if the payments to state-operated dental clinics  
25.4 in paragraph (f), including state and federal shares, are less than \$1,850,000 per fiscal  
25.5 year, a supplemental state payment equal to the difference between the total payments  
25.6 in paragraph (f) and \$1,850,000 shall be paid from the general fund to state-operated  
25.7 services for the operation of the dental clinics.

25.8 (h) If the cost-based payment system for state-operated dental clinics described in  
25.9 paragraph (f) does not receive federal approval, then state-operated dental clinics shall be  
25.10 designated as critical access dental providers under subdivision 4, paragraph (b), and shall  
25.11 receive the critical access dental reimbursement rate as described under subdivision 4,  
25.12 paragraph (a).

25.13 (i) Effective for services rendered on or after September 1, 2011, through June 30,  
25.14 2013, payment rates for dental services shall be reduced by three percent. This reduction  
25.15 does not apply to state-operated dental clinics in paragraph (f).

25.16 (j) Effective for services rendered on or after January 1, 2014, payment rates for  
25.17 dental services shall be increased by five percent from the rates in effect on December  
25.18 31, 2013. This increase does not apply to state-operated dental clinics in paragraph (f),  
25.19 federally qualified health centers, rural health centers, and Indian health services. Effective  
25.20 January 1, 2014, payments made to managed care plans and county-based purchasing  
25.21 plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the payment increase  
25.22 described in this paragraph.

25.23 (k) Effective for services rendered on or after July 1, 2015, through December  
25.24 31, 2016, the commissioner shall increase payment rates for services furnished by  
25.25 dental providers located outside of the seven-county metropolitan area by the maximum  
25.26 percentage possible above the rates in effect on June 30, 2015, while remaining within  
25.27 the limits of funding appropriated for this purpose. This increase does not apply to  
25.28 state-operated dental clinics in paragraph (f), federally qualified health centers, rural health  
25.29 centers, and Indian health services. Effective January 1, 2016, through December 31,  
25.30 2016, payments to managed care plans and county-based purchasing plans under sections  
25.31 256B.69 and 256B.692 shall reflect the payment increase described in this paragraph. The  
25.32 commissioner shall require managed care and county-based purchasing plans to pass on  
25.33 the full amount of the increase, in the form of higher payment rates to dental providers  
25.34 located outside of the seven-county metropolitan area.

25.35 (l) Effective for services provided on or after January 1, 2017, the commissioner  
25.36 shall increase payment rates by 9.65 percent above the rates in effect on June 30, 2015,

26.1 for dental services provided outside of the seven-county metropolitan area. This increase  
26.2 does not apply to state-operated dental clinics in paragraph (f), federally qualified health  
26.3 centers, rural health centers, or Indian health services. Effective January 1, 2017,  
26.4 payments to managed care plans and county-based purchasing plans under sections  
26.5 256B.69 and 256B.692 shall reflect the payment increase described in this paragraph.

26.6 Sec. 6. Minnesota Statutes 2015 Supplement, section 256B.766, is amended to read:

26.7 **256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES.**

26.8 (a) Effective for services provided on or after July 1, 2009, total payments for basic  
26.9 care services, shall be reduced by three percent, except that for the period July 1, 2009,  
26.10 through June 30, 2011, total payments shall be reduced by 4.5 percent for the medical  
26.11 assistance and general assistance medical care programs, prior to third-party liability and  
26.12 spenddown calculation. Effective July 1, 2010, the commissioner shall classify physical  
26.13 therapy services, occupational therapy services, and speech-language pathology and  
26.14 related services as basic care services. The reduction in this paragraph shall apply to  
26.15 physical therapy services, occupational therapy services, and speech-language pathology  
26.16 and related services provided on or after July 1, 2010.

26.17 (b) Payments made to managed care plans and county-based purchasing plans shall  
26.18 be reduced for services provided on or after October 1, 2009, to reflect the reduction  
26.19 effective July 1, 2009, and payments made to the plans shall be reduced effective October  
26.20 1, 2010, to reflect the reduction effective July 1, 2010.

26.21 (c) Effective for services provided on or after September 1, 2011, through June 30,  
26.22 2013, total payments for outpatient hospital facility fees shall be reduced by five percent  
26.23 from the rates in effect on August 31, 2011.

26.24 (d) Effective for services provided on or after September 1, 2011, through June  
26.25 30, 2013, total payments for ambulatory surgery centers facility fees, medical supplies  
26.26 and durable medical equipment not subject to a volume purchase contract, prosthetics  
26.27 and orthotics, renal dialysis services, laboratory services, public health nursing services,  
26.28 physical therapy services, occupational therapy services, speech therapy services,  
26.29 eyeglasses not subject to a volume purchase contract, hearing aids not subject to a volume  
26.30 purchase contract, and anesthesia services shall be reduced by three percent from the  
26.31 rates in effect on August 31, 2011.

26.32 (e) Effective for services provided on or after September 1, 2014, payments  
26.33 for ambulatory surgery centers facility fees, hospice services, renal dialysis services,  
26.34 laboratory services, public health nursing services, eyeglasses not subject to a volume  
26.35 purchase contract, and hearing aids not subject to a volume purchase contract shall be

27.1 increased by three percent and payments for outpatient hospital facility fees shall be  
27.2 increased by three percent. Payments made to managed care plans and county-based  
27.3 purchasing plans shall not be adjusted to reflect payments under this paragraph.

27.4 (f) Payments for medical supplies and durable medical equipment not subject to a  
27.5 volume purchase contract, and prosthetics and orthotics, provided on or after July 1, 2014,  
27.6 through June 30, 2015, shall be decreased by .33 percent. Payments for medical supplies  
27.7 and durable medical equipment not subject to a volume purchase contract, and prosthetics  
27.8 and orthotics, provided on or after July 1, 2015, shall be increased by three percent from  
27.9 the rates as determined under paragraph (i).

27.10 (g) Effective for services provided on or after July 1, 2015, payments for outpatient  
27.11 hospital facility fees, medical supplies and durable medical equipment not subject to a  
27.12 volume purchase contract, prosthetics and orthotics, and laboratory services to a hospital  
27.13 meeting the criteria specified in section 62Q.19, subdivision 1, paragraph (a), clause (4),  
27.14 shall be increased by 90 percent from the rates in effect on June 30, 2015. Payments made  
27.15 to managed care plans and county-based purchasing plans shall not be adjusted to reflect  
27.16 payments under this paragraph.

27.17 (h) This section does not apply to physician and professional services, inpatient  
27.18 hospital services, family planning services, mental health services, dental services,  
27.19 prescription drugs, medical transportation, federally qualified health centers, rural health  
27.20 centers, Indian health services, and Medicare cost-sharing.

27.21 (i) ~~Effective July 1, 2015, the medical assistance payment rate for durable medical~~  
27.22 ~~equipment, prosthetics, orthotics, or supplies shall be restored to the January 1, 2008,~~  
27.23 ~~medical assistance fee schedule, updated to include subsequent rate increases in the~~  
27.24 ~~Medicare and medical assistance fee schedules, and including following categories of~~  
27.25 durable medical equipment shall be individually priced items for the following categories:  
27.26 enteral nutrition and supplies, customized and other specialized tracheostomy tubes and  
27.27 supplies, electric patient lifts, and durable medical equipment repair and service. This  
27.28 paragraph does not apply to medical supplies and durable medical equipment subject to  
27.29 a volume purchase contract, products subject to the preferred diabetic testing supply  
27.30 program, and items provided to dually eligible recipients when Medicare is the primary  
27.31 payer for the item. The commissioner shall not apply any medical assistance rate  
27.32 reductions to durable medical equipment as a result of Medicare competitive bidding.

27.33 (j) Effective July 1, 2015, medical assistance payment rates for durable medical  
27.34 equipment, prosthetics, orthotics, or supplies shall be increased as follows:

28.1 (1) payment rates for durable medical equipment, prosthetics, orthotics, or supplies  
28.2 that were subject to the Medicare 2008 competitive bid shall be increased by 9.5 percent;  
28.3 and

28.4 (2) payment rates for durable medical equipment, prosthetics, orthotics, or supplies  
28.5 on the medical assistance fee schedule, whether or not subject to the Medicare 2008  
28.6 competitive bid, shall be increased by 2.94 percent, with this increase being applied after  
28.7 calculation of any increased payment rate under clause (1).

28.8 This paragraph does not apply to medical supplies and durable medical equipment subject  
28.9 to a volume purchase contract, products subject to the preferred diabetic testing supply  
28.10 program, items provided to dually eligible recipients when Medicare is the primary payer  
28.11 for the item, and individually priced items identified in paragraph (i). Payments made to  
28.12 managed care plans and county-based purchasing plans shall not be adjusted to reflect the  
28.13 rate increases in this paragraph.

28.14 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2015.

### 28.15 **ARTICLE 3**

#### 28.16 **MNSURE**

28.17 Section 1. **[45.0131] LEGISLATIVE ENACTMENT REQUIRED.**

28.18 Subdivision 1. **Agency agreements.** The commissioner of commerce shall not  
28.19 enter into or renew any interagency agreement or service level agreement with a value of  
28.20 more than \$100,000 a year, or related agreements with a cumulative value of more than  
28.21 \$100,000 a year, with a state department, state agency, or the Office of MN.IT Services,  
28.22 unless the specific agreement is authorized by enactment of a new law. If an agreement,  
28.23 including an agreement in effect as of the effective date of this section, does not have a  
28.24 specific expiration date, the agreement shall expire two years from the effective date of  
28.25 this section or the effective date of the agreement, whichever is later, unless the specific  
28.26 agreement is authorized by enactment of a new law.

28.27 Subd. 2. **Transfers.** Notwithstanding section 16A.285, the commissioner shall not  
28.28 transfer appropriations and funds in amounts over \$100,000 across agency accounts or  
28.29 programs, unless the specific transfer is authorized by enactment of a new law.

28.30 Subd. 3. **Definitions.** For purposes of this section, "state department" has the  
28.31 meaning provided in section 15.01, and "state agency" has the meaning provided in  
28.32 section 15.012.

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

29.1 Sec. 2. Minnesota Statutes 2015 Supplement, section 62V.03, subdivision 2, is  
29.2 amended to read:

29.3 Subd. 2. **Application of other law.** (a) MNSure must be reviewed by the legislative  
29.4 auditor under section 3.971. The legislative auditor shall audit the books, accounts, and  
29.5 affairs of MNSure once each year or less frequently as the legislative auditor's funds and  
29.6 personnel permit. Upon the audit of the financial accounts and affairs of MNSure, MNSure  
29.7 is liable to the state for the total cost and expenses of the audit, including the salaries paid  
29.8 to the examiners while actually engaged in making the examination. The legislative  
29.9 auditor may bill MNSure either monthly or at the completion of the audit. All collections  
29.10 received for the audits must be deposited in the general fund and are appropriated to  
29.11 the legislative auditor. Pursuant to section 3.97, subdivision 3a, the Legislative Audit  
29.12 Commission is requested to direct the legislative auditor to report by March 1, 2014, to  
29.13 the legislature on any duplication of services that occurs within state government as a  
29.14 result of the creation of MNSure. The legislative auditor may make recommendations on  
29.15 consolidating or eliminating any services deemed duplicative. The board shall reimburse  
29.16 the legislative auditor for any costs incurred in the creation of this report.

29.17 (b) Board members of MNSure are subject to sections 10A.07 and 10A.09. Board  
29.18 members and the personnel of MNSure are subject to section 10A.071.

29.19 (c) All meetings of the board and of the Minnesota Eligibility System Executive  
29.20 Steering Committee established under section 62V.056 shall comply with the open  
29.21 meeting law in chapter 13D.

29.22 (d) The board and the Web site are exempt from chapter 60K. Any employee of  
29.23 MNSure who sells, solicits, or negotiates insurance to individuals or small employers must  
29.24 be licensed as an insurance producer under chapter 60K.

29.25 (e) Section 3.3005 applies to any federal funds received by MNSure.

29.26 (f) A MNSure decision that requires a vote of the board, other than a decision that  
29.27 applies only to hiring of employees or other internal management of MNSure, is an  
29.28 "administrative action" under section 10A.01, subdivision 2.

29.29 Sec. 3. Minnesota Statutes 2014, section 62V.04, subdivision 2, is amended to read:

29.30 Subd. 2. **Appointment.** (a) Board membership of MNSure consists of the following:

29.31 (1) three members appointed by the governor with the advice and consent of both the  
29.32 senate and the house of representatives acting separately in accordance with paragraph (d),  
29.33 with one member representing the interests of individual consumers eligible for individual  
29.34 market coverage, one member representing individual consumers eligible for public health

30.1 care program coverage, and one member representing small employers. Members are  
30.2 appointed to serve four-year terms following the initial staggered-term lot determination;

30.3 (2) three members appointed by the governor with the advice and consent of both the  
30.4 senate and the house of representatives acting separately in accordance with paragraph (d)  
30.5 who have demonstrated expertise, leadership, and innovation in the following areas: one  
30.6 member representing the areas of health administration, health care finance, health plan  
30.7 purchasing, and health care delivery systems; one member representing the areas of public  
30.8 health, health disparities, public health care programs, and the uninsured; and one member  
30.9 representing health policy issues related to the small group and individual markets.

30.10 Members are appointed to serve four-year terms following the initial staggered-term lot  
30.11 determination; and

30.12 (3) ~~the commissioner of human services or a designee~~ one member representing the  
30.13 interests of the general public, appointed by the governor with the advice and consent of  
30.14 both the senate and the house of representatives acting in accordance with paragraph (d).  
30.15 A member appointed under this clause shall serve a four-year term.

30.16 (b) Section 15.0597 shall apply to all appointments, ~~except for the commissioner.~~

30.17 (c) The governor shall make appointments to the board that are consistent with  
30.18 federal law and regulations regarding its composition and structure. All board members  
30.19 appointed by the governor must be legal residents of Minnesota.

30.20 (d) Upon appointment by the governor, a board member shall exercise duties of  
30.21 office immediately. If both the house of representatives and the senate vote not to confirm  
30.22 an appointment, the appointment terminates on the day following the vote not to confirm  
30.23 in the second body to vote.

30.24 (e) Initial appointments shall be made by April 30, 2013.

30.25 (f) One of the six members appointed under paragraph (a), clause (1) or (2), must  
30.26 have experience in representing the needs of vulnerable populations and persons with  
30.27 disabilities.

30.28 (g) Membership on the board must include representation from outside the  
30.29 seven-county metropolitan area, as defined in section 473.121, subdivision 2.

30.30 Sec. 4. Minnesota Statutes 2014, section 62V.04, subdivision 3, is amended to read:

30.31 Subd. 3. **Terms.** (a) Board members may serve no more than two consecutive  
30.32 terms, ~~except for the commissioner or the commissioner's designee, who shall serve~~  
30.33 ~~until replaced by the governor.~~

30.34 (b) A board member may resign at any time by giving written notice to the board.

31.1 (c) The appointed members under subdivision 2, paragraph (a), clauses (1) and (2),  
31.2 shall have an initial term of two, three, or four years, determined by lot by the secretary of  
31.3 state.

31.4 Sec. 5. Minnesota Statutes 2014, section 62V.04, subdivision 4, is amended to read:

31.5 Subd. 4. **Conflicts of interest.** (a) Within one year prior to or at any time during  
31.6 their appointed term, board members appointed under subdivision 2, paragraph (a),  
31.7 ~~clauses (1) and (2)~~, shall not be employed by, be a member of the board of directors of, or  
31.8 otherwise be a representative of a health carrier, institutional health care provider or other  
31.9 entity providing health care, navigator, insurance producer, or other entity in the business  
31.10 of selling items or services of significant value to or through MNsure. For purposes of this  
31.11 paragraph, "health care provider or entity" does not include an academic institution.

31.12 (b) Board members must recuse themselves from discussion of and voting on an  
31.13 official matter if the board member has a conflict of interest. A conflict of interest means  
31.14 an association including a financial or personal association that has the potential to bias or  
31.15 have the appearance of biasing a board member's decisions in matters related to MNsure  
31.16 or the conduct of activities under this chapter.

31.17 (c) No board member shall have a spouse who is an executive of a health carrier.

31.18 (d) No member of the board may currently serve as a lobbyist, as defined under  
31.19 section 10A.01, subdivision 21.

31.20 Sec. 6. Minnesota Statutes 2014, section 62V.05, subdivision 2, is amended to read:

31.21 Subd. 2. **Operations funding.** (a) ~~Prior to January 1, 2015, MNsure shall retain or~~  
31.22 ~~collect up to 1.5 percent of total premiums for individual and small group market health~~  
31.23 ~~plans and dental plans sold through MNsure to fund the cash reserves of MNsure, but~~  
31.24 ~~the amount collected shall not exceed a dollar amount equal to 25 percent of the funds~~  
31.25 ~~collected under section 62E.11, subdivision 6, for calendar year 2012.~~

31.26 (b) ~~Beginning January 1, 2015, MNsure shall retain or collect up to 3.5 percent of~~  
31.27 ~~total premiums for individual and small group market health plans and dental plans sold~~  
31.28 ~~through MNsure to fund the operations of MNsure, but the amount collected shall not~~  
31.29 ~~exceed a dollar amount equal to 50 percent of the funds collected under section 62E.11,~~  
31.30 ~~subdivision 6, for calendar year 2012.~~

31.31 (e) Beginning January 1, 2016, through December 31, 2016, MNsure shall retain or  
31.32 collect up to 3.5 percent of total premiums for individual and small group market health  
31.33 plans and dental plans sold through MNsure to fund the operations of MNsure, ~~but the~~

32.1 ~~amount collected may never exceed a dollar amount greater than 100 percent of the funds~~  
32.2 ~~collected under section 62E.11, subdivision 6, for calendar year 2012.~~

32.3 ~~(d) For fiscal years 2014 and 2015, the commissioner of management and budget is~~  
32.4 ~~authorized to provide cash flow assistance of up to \$20,000,000 from the special revenue~~  
32.5 ~~fund or the statutory general fund under section 16A.671, subdivision 3, paragraph (a),~~  
32.6 ~~to MNsure. Any funds provided under this paragraph shall be repaid, with interest, by~~  
32.7 ~~June 30, 2015.~~

32.8 (b) Beginning January 1, 2017, through December 31, 2017, MNsure shall retain or  
32.9 collect up to 1.75 percent of total premiums for individual and small group market health  
32.10 plans and dental plans sold through MNsure to fund the operation of MNsure.

32.11 (c) If an independent third party makes the certification specified in this paragraph,  
32.12 MNsure shall retain or collect up to 1.75 percent of total premiums for individual and small  
32.13 group market health plans and dental plans sold through MNsure to fund the operations of  
32.14 MNsure. This paragraph applies to a calendar year beginning on or after January 1, 2018,  
32.15 if in the previous calendar year the independent third party certified that MNsure met all  
32.16 of the following operational and technological benchmarks for the previous calendar year:

32.17 (1) on a daily basis, MNsure successfully transferred to health carriers data in the  
32.18 EDI 834 format that were complete and accurate according to industry standards and that  
32.19 allowed the health carrier to enroll the consumer in the qualified health plan chosen by  
32.20 the consumer;

32.21 (2) MNsure automatically processed enrollment renewals in qualified health plans  
32.22 and in public health care programs;

32.23 (3) MNsure automatically processed invoices for and payments of MinnesotaCare  
32.24 premiums;

32.25 (4) MNsure provided self-service functionality for account changes and changes  
32.26 necessitated by qualifying life events, including adding or removing household members,  
32.27 making changes to address or income, canceling coverage, and accessing online proof of  
32.28 coverage forms required by federal law;

32.29 (5) MNsure transmitted 1095-A forms to enrollees by January 31 each year, or  
32.30 earlier if required by federal law; and

32.31 (6) MNsure call center response and resolution times met or exceeded industry  
32.32 standards.

32.33 (d) Beginning January 1, 2018, for any calendar year for which the independent  
32.34 third party did not make the certification specified in paragraph (c) for the previous  
32.35 calendar year, MNsure shall retain or collect up to 1.5 percent of total premiums for

33.1 individual and small group market health plans and dental plans sold through MNsure to  
33.2 fund the operation of MNsure.

33.3 (e) Funding for the operations of MNsure shall cover any compensation provided to  
33.4 navigators participating in the navigator program.

33.5 (f) The amount collected by MNsure in a calendar year under this subdivision shall  
33.6 not exceed a dollar amount greater than 60 percent of the funds collected under section  
33.7 62E.11, subdivision 6, for calendar year 2012.

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

33.9 Sec. 7. Minnesota Statutes 2014, section 62V.05, is amended by adding a subdivision  
33.10 to read:

33.11 **Subd. 12. Legislative enactment required.** (a) The MNsure board shall not enter  
33.12 into or renew any interagency agreement or service level agreement with a value of  
33.13 more than \$100,000 a year, or related agreements with a cumulative value of more than  
33.14 \$100,000 a year, with a state department, state agency, or the Office of MN.IT Services,  
33.15 unless the specific agreement is authorized by enactment of a new law. If an agreement,  
33.16 including an agreement in effect as of the effective date of this subdivision, does not have  
33.17 an expiration date, the agreement shall expire two years from the effective date of this  
33.18 subdivision or the effective date of the agreement, whichever is later, unless the specific  
33.19 agreement is authorized by enactment of a new law.

33.20 (b) Notwithstanding section 16A.285, the board shall not transfer appropriations and  
33.21 funds in amounts over \$100,000 across agency accounts or programs unless the specific  
33.22 transfer is authorized by enactment of a new law.

33.23 (c) For purposes of this subdivision, "state department" has the meaning provided in  
33.24 section 15.01, and "state agency" has the meaning provided in section 15.012.

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

33.26 Sec. 8. Minnesota Statutes 2014, section 62V.05, is amended by adding a subdivision  
33.27 to read:

33.28 **Subd. 13. Limitation on appropriations and transfers.** Notwithstanding any other  
33.29 law to the contrary, effective July 1, 2016, no money in or from the general fund, health  
33.30 care access fund, or any other state fund or account, may be: (1) appropriated or made  
33.31 available to MNsure; or (2) transferred or otherwise provided to MNsure by any other  
33.32 state agency or entity of state government, unless the appropriation, transfer, or transaction  
33.33 is specifically authorized through the enactment of a new law.

34.1       Sec. 9. **[62V.056] MINNESOTA ELIGIBILITY SYSTEM EXECUTIVE**  
34.2 **STEERING COMMITTEE.**

34.3       Subdivision 1. **Definition; Minnesota eligibility system.** For purposes of this  
34.4 section, "Minnesota eligibility system" means the system that supports eligibility  
34.5 determinations using a modified adjusted gross income methodology for medical  
34.6 assistance under section 256B.056, subdivision 1a, paragraph (b), clause (1);  
34.7 MinnesotaCare under chapter 256L; and qualified health plan enrollment under section  
34.8 62V.05, subdivision 5, paragraph (c).

34.9       Subd. 2. **Establishment; committee membership.** The Minnesota Eligibility  
34.10 System Executive Steering Committee is established to govern and administer the  
34.11 Minnesota eligibility system. The steering committee shall be composed of one member  
34.12 appointed by the commissioner of human services, one member appointed by the  
34.13 board, one member appointed jointly by the Association of Minnesota Counties and  
34.14 the Minnesota Inter-County Association, and one nonvoting member appointed by the  
34.15 commissioner of MN.IT services who shall serve as the committee chairperson. Steering  
34.16 committee costs must be paid from the budgets of the Department of Human Services, the  
34.17 Office of MN.IT Services, and MNsure.

34.18       Subd. 3. **Duties.** (a) The Minnesota Eligibility System Executive Steering  
34.19 Committee shall establish an overall governance structure for the Minnesota eligibility  
34.20 system and shall be responsible for the overall governance of the system, including setting  
34.21 system goals and priorities, allocating the system's resources, making major system  
34.22 decisions, and tracking total funding and expenditures for the system from all sources.  
34.23 The steering committee shall also report to the Legislative Oversight Committee on a  
34.24 quarterly basis on Minnesota eligibility system funding and expenditures, including  
34.25 amounts received in the most recent quarter by funding source and expenditures made in  
34.26 the most recent quarter by funding source.

34.27       (b) The steering committee shall adopt bylaws, policies, and interagency agreements  
34.28 necessary to administer the Minnesota eligibility system.

34.29       (c) In making decisions, the steering committee shall give particular attention to the  
34.30 parts of the system with the largest enrollments and the greatest risks.

34.31       Subd. 4. **Meetings.** (a) All meetings of the steering committee must:

34.32       (1) be held in the State Office Building; and

34.33       (2) whenever possible, be available on the legislature's Web site for live streaming  
34.34 and downloading over the Internet.

34.35       (b) The steering committee must:

35.1 (1) as part of every steering committee meeting, provide the opportunity for oral  
35.2 and written public testimony and comments on steering committee governance of the  
35.3 Minnesota eligibility system; and

35.4 (2) provide documents under discussion or review by the steering committee to be  
35.5 electronically posted on the legislature's Web site. Documents must be provided and  
35.6 posted prior to the meeting at which the documents are scheduled for review or discussion.

35.7 (c) All votes of the steering committee must be recorded, with each member's vote  
35.8 identified.

35.9 Subd. 5. **Administrative structure.** The Office of MN.IT Services shall  
35.10 be responsible for the design, build, maintenance, operation, and upgrade of the  
35.11 information technology for the Minnesota eligibility system. The office shall carry out its  
35.12 responsibilities under the governance of the steering committee, this section, and chapter  
35.13 16E.

35.14 Sec. 10. Minnesota Statutes 2014, section 62V.11, is amended by adding a subdivision  
35.15 to read:

35.16 Subd. 5. **Review of Minnesota eligibility system funding and expenditures.** The  
35.17 committee shall review quarterly reports submitted by the Minnesota Eligibility System  
35.18 Executive Steering Committee under section 62V.055, subdivision 3, regarding Minnesota  
35.19 eligibility system funding and expenditures.

35.20 Sec. 11. Minnesota Statutes 2014, section 144.05, is amended by adding a subdivision  
35.21 to read:

35.22 Subd. 6. **Legislative enactment required.** (a) The commissioner of health shall not  
35.23 enter into or renew any interagency agreement or service level agreement with a value of  
35.24 more than \$100,000 a year, or related agreements with a cumulative value of more than  
35.25 \$100,000 a year, with a state department, state agency, or the Office of MN.IT Services,  
35.26 unless the specific agreement is authorized by enactment of a new law. If an agreement,  
35.27 including an agreement in effect as of the effective date of this subdivision, does not have  
35.28 an expiration date, the agreement shall expire two years from the effective date of this  
35.29 subdivision or the effective date of the agreement, whichever is later, unless the specific  
35.30 agreement is authorized by enactment of a new law.

35.31 (b) Notwithstanding section 16A.285, the commissioner shall not transfer  
35.32 appropriations and funds in amounts over \$100,000 across agency accounts or programs  
35.33 unless the specific transfer is authorized by enactment of a new law.

36.1 (c) For purposes of this subdivision, "state department" has the meaning provided in  
36.2 section 15.01, and "state agency" has the meaning provided in section 15.012.

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

36.4 Sec. 12. Minnesota Statutes 2014, section 256.01, is amended by adding a subdivision  
36.5 to read:

36.6 Subd. 41. **Legislative enactment required.** (a) The commissioner of human  
36.7 services shall not enter into or renew any interagency agreement or service level agreement  
36.8 with a value of more than \$100,000 a year, or related agreements with a cumulative value  
36.9 of more than \$100,000 a year, with a state department, state agency, or the Office of  
36.10 MN.IT Services, unless the specific agreement is authorized by enactment of a new law. If  
36.11 an agreement, including an agreement in effect as of the effective date of this subdivision,  
36.12 does not have an expiration date, the agreement shall expire two years from the effective  
36.13 date of this subdivision or the effective date of the agreement, whichever is later, unless  
36.14 the specific agreement is authorized by enactment of a new law.

36.15 (b) Notwithstanding section 16A.285, the commissioner shall not transfer  
36.16 appropriations and funds in amounts over \$100,000 across agency accounts or programs  
36.17 unless the specific transfer is authorized by enactment of a new law.

36.18 (c) For purposes of this subdivision, "state department" has the meaning provided in  
36.19 section 15.01, and "state agency" has the meaning provided in section 15.012.

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

36.21 Sec. 13. Minnesota Statutes 2014, section 256L.02, is amended by adding a subdivision  
36.22 to read:

36.23 Subd. 7. **Federal waiver.** The commissioner shall apply for an innovation waiver  
36.24 under section 1332 of the Affordable Care Act, or any other applicable federal waiver, to  
36.25 allow persons eligible for MinnesotaCare the option of declining MinnesotaCare coverage  
36.26 and instead accessing advanced premium tax credits and cost-sharing reductions through  
36.27 the purchase of qualified health plans through MNsure or outside of MNsure directly from  
36.28 health plan companies. The commissioner shall submit this federal waiver request within  
36.29 nine months of the effective date of this subdivision. The commissioner shall coordinate  
36.30 this waiver request with the waiver request required by Laws 2015, chapter 71, article 12,  
36.31 section 8. The commissioner shall submit a draft waiver proposal to the MNsure board and  
36.32 the chairs and ranking minority members of the legislative committees with jurisdiction  
36.33 over health and human services policy and finance at least 30 days before submitting a final

37.1 waiver proposal to the federal government. The commissioner shall notify the board and  
37.2 the chairs and ranking minority members of any federal decision or action related to the  
37.3 proposal. If federal approval is granted, the commissioner shall submit to the legislature  
37.4 draft legislation and fiscal estimates necessary to implement the approved proposal.

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

37.6 Sec. 14. **FEDERAL-STATE ELIGIBILITY DETERMINATION AND**  
37.7 **ENROLLMENT SYSTEM FOR INSURANCE AFFORDABILITY PROGRAMS.**

37.8 Subdivision 1. **Waiver request.** (a) The commissioner of human services, in  
37.9 consultation with the MNsure board, commissioner of commerce, and commissioner  
37.10 of health, shall apply for an innovation waiver under section 1332 of the Affordable  
37.11 Care Act, or any other applicable federal waiver, to establish and operate a federal-state  
37.12 eligibility determination and enrollment system for state insurance affordability programs  
37.13 for coverage beginning January 1, 2018. The federal-state eligibility determination and  
37.14 enrollment system shall take the place of MNsure established under Minnesota Statutes,  
37.15 chapter 62V. Under the federal-state eligibility determination and enrollment system:

37.16 (1) eligibility determinations and enrollment for persons applying for or renewing  
37.17 coverage under medical assistance and MinnesotaCare shall be conducted by the  
37.18 commissioner of human services; and

37.19 (2) enrollment in qualified health plans and eligibility determinations for any  
37.20 applicable advanced premium tax credits and cost-sharing reductions shall be conducted  
37.21 by the federally facilitated marketplace.

37.22 (b) For purposes of this section, "state insurance affordability programs" means  
37.23 medical assistance, MinnesotaCare, and qualified health plan coverage with any applicable  
37.24 advanced premium tax credits and cost-sharing reductions.

37.25 (c) The federal-state eligibility determination and enrollment system must  
37.26 incorporate an asset test for adults without children who qualify for medical assistance  
37.27 under Minnesota Statutes, section 256B.055, subdivision 15, or MinnesotaCare under  
37.28 Minnesota Statutes, chapter 256L, under which a household of two or more persons must  
37.29 not own more than \$20,000 in total net assets and a household of one person must not  
37.30 own more than \$10,000 in total net assets.

37.31 Subd. 2. **Requirements of waiver application.** In designing the federal-state  
37.32 eligibility determination and enrollment system and developing the waiver application,  
37.33 the commissioner shall:

38.1 (1) seek to incorporate, where appropriate and cost-effective, elements of  
38.2 the MNsure eligibility determination system and eligibility determination systems  
38.3 administered by the commissioner of human services;

38.4 (2) coordinate the waiver request with the waiver requests required by Minnesota  
38.5 Statutes, section 256L.02, subdivision 7, if enacted, and with the waiver request required  
38.6 by Laws 2015, chapter 71, article 12, section 8;

38.7 (3) regularly consult with stakeholder groups, including but not limited to  
38.8 representatives of state and county agencies, health care providers, health plan companies,  
38.9 brokers, and consumers; and

38.10 (4) seek all available federal grants and funds for state planning and development  
38.11 costs.

38.12 Subd. 3. **Vendor contract; use of existing resources.** The commissioner of  
38.13 human services, in consultation with the chief information officer of MN.IT, may contract  
38.14 with a vendor to provide technical assistance in developing the waiver request. The  
38.15 commissioner shall develop the waiver request and enter into any contract for technical  
38.16 assistance using existing resources.

38.17 Subd. 4. **Reports to legislative committees.** The commissioner of human services  
38.18 shall report to the chairs and ranking minority members of the legislative committees with  
38.19 jurisdiction over commerce and health and human services policy and finance by January  
38.20 1, 2017, on progress in seeking the waiver required by this section, and shall notify these  
38.21 chairs and ranking minority members of any federal decision related to the waiver request.

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

38.23 Sec. 15. **REVISOR'S INSTRUCTION.**

38.24 The revisor of statutes shall change cross-references to sections in Minnesota  
38.25 Statutes and Minnesota Rules that are repealed in this article when appropriate. The  
38.26 revisor may make technical and other necessary changes to sentence structure to preserve  
38.27 the meaning of the text.

38.28 Sec. 16. **REPEALER.**

38.29 (a) Minnesota Statutes 2014, sections 62V.01; 62V.02; 62V.03, subdivisions 1 and 3;  
38.30 62V.04; 62V.05, subdivisions 1, 2, 3, 4, 5, 9, and 10; 62V.06; 62V.07; 62V.08; 62V.09;  
38.31 62V.10; and 62V.11, subdivisions 1, 2, and 4, are repealed.

38.32 (b) Minnesota Statutes 2015 Supplement, sections 62V.03, subdivision 2; 62V.05,  
38.33 subdivisions 6, 7, 8, and 11; and 62V.051, are repealed.

39.1 (c) Minnesota Rules, parts 7700.0010; 7700.0020; 7700.0030; 7700.0040;  
39.2 7700.0050; 7700.0060; 7700.0070; 7700.0080; 7700.0090; 7700.0100; 7700.0101; and  
39.3 7700.0105, are repealed.

39.4 **EFFECTIVE DATE.** This section is effective upon approval of the waiver request  
39.5 to establish and operate a federal-state eligibility determination and enrollment system, or  
39.6 January 1, 2018, whichever is later. The commissioner of human services shall notify the  
39.7 revisor of statutes when the waiver request is approved.

## 39.8 **ARTICLE 4**

### 39.9 **HEALTH DEPARTMENT**

39.10 Section 1. Minnesota Statutes 2014, section 62J.495, subdivision 4, is amended to read:

39.11 Subd. 4. **Coordination with national HIT activities.** (a) The commissioner,  
39.12 in consultation with the e-Health Advisory Committee, shall update the statewide  
39.13 implementation plan required under subdivision 2 and released June 2008, to be consistent  
39.14 with the updated Federal HIT Strategic Plan released by the Office of the National  
39.15 Coordinator in accordance with section 3001 of the HITECH Act. The statewide plan  
39.16 shall meet the requirements for a plan required under section 3013 of the HITECH Act.

39.17 (b) The commissioner, in consultation with the e-Health Advisory Committee,  
39.18 shall work to ensure coordination between state, regional, and national efforts to support  
39.19 and accelerate efforts to effectively use health information technology to improve the  
39.20 quality and coordination of health care and the continuity of patient care among health  
39.21 care providers, to reduce medical errors, to improve population health, to reduce health  
39.22 disparities, and to reduce chronic disease. The commissioner's coordination efforts shall  
39.23 include but not be limited to:

39.24 (1) assisting in the development and support of health information technology  
39.25 regional extension centers established under section 3012(c) of the HITECH Act to  
39.26 provide technical assistance and disseminate best practices; ~~and~~

39.27 (2) providing supplemental information to the best practices gathered by regional  
39.28 centers to ensure that the information is relayed in a meaningful way to the Minnesota  
39.29 health care community;

39.30 (3) providing financial and technical support to Minnesota health care providers to  
39.31 encourage implementation of admission, discharge, and transfer alerts and care summary  
39.32 document exchange transactions, and to evaluate the impact of health information  
39.33 technology on cost and quality of care. Communications about available financial and  
39.34 technical support shall include clear information about the interoperable electronic health

40.1 record requirements in subdivision 1, including a separate statement in boldface type  
40.2 clarifying the exceptions to those requirements;

40.3 (4) providing educational resources and technical assistance to health care providers  
40.4 and patients related to state and national privacy, security, and consent laws governing  
40.5 clinical health information, including the requirements of sections 144.291 to 144.298. In  
40.6 carrying out these activities, the commissioner's technical assistance does not constitute  
40.7 legal advice; and

40.8 (5) assessing Minnesota's legal, financial, and regulatory framework for health  
40.9 information exchange, including the requirements of sections 144.291 to 144.298, and  
40.10 making recommendations for modifications that would strengthen the ability of Minnesota  
40.11 health care providers to securely exchange data in compliance with patient preferences  
40.12 and in a way that is efficient and financially sustainable.

40.13 (c) The commissioner, in consultation with the e-Health Advisory Committee, shall  
40.14 monitor national activity related to health information technology and shall coordinate  
40.15 statewide input on policy development. The commissioner shall coordinate statewide  
40.16 responses to proposed federal health information technology regulations in order to ensure  
40.17 that the needs of the Minnesota health care community are adequately and efficiently  
40.18 addressed in the proposed regulations. The commissioner's responses may include, but  
40.19 are not limited to:

40.20 (1) reviewing and evaluating any standard, implementation specification, or  
40.21 certification criteria proposed by the national HIT standards committee;

40.22 (2) reviewing and evaluating policy proposed by the national HIT policy committee  
40.23 relating to the implementation of a nationwide health information technology infrastructure;

40.24 (3) monitoring and responding to activity related to the development of quality  
40.25 measures and other measures as required by section 4101 of the HITECH Act. Any  
40.26 response related to quality measures shall consider and address the quality efforts required  
40.27 under chapter 62U; and

40.28 (4) monitoring and responding to national activity related to privacy, security, and  
40.29 data stewardship of electronic health information and individually identifiable health  
40.30 information.

40.31 (d) To the extent that the state is either required or allowed to apply, or designate an  
40.32 entity to apply for or carry out activities and programs under section 3013 of the HITECH  
40.33 Act, the commissioner of health, in consultation with the e-Health Advisory Committee  
40.34 and the commissioner of human services, shall be the lead applicant or sole designating  
40.35 authority. The commissioner shall make such designations consistent with the goals and  
40.36 objectives of sections 62J.495 to 62J.497 and 62J.50 to 62J.61.

41.1 (e) The commissioner of human services shall apply for funding necessary to  
41.2 administer the incentive payments to providers authorized under title IV of the American  
41.3 Recovery and Reinvestment Act.

41.4 (f) The commissioner shall include in the report to the legislature information on the  
41.5 activities of this subdivision and provide recommendations on any relevant policy changes  
41.6 that should be considered in Minnesota.

41.7 Sec. 2. Minnesota Statutes 2014, section 62J.496, subdivision 1, is amended to read:

41.8 Subdivision 1. **Account establishment.** (a) An account is established to:

41.9 (1) finance the purchase of certified electronic health records or qualified electronic  
41.10 health records as defined in section 62J.495, subdivision 1a;

41.11 (2) enhance the utilization of electronic health record technology, which may include  
41.12 costs associated with upgrading the technology to meet the criteria necessary to be a  
41.13 certified electronic health record or a qualified electronic health record;

41.14 (3) train personnel in the use of electronic health record technology; and

41.15 (4) improve the secure electronic exchange of health information.

41.16 (b) Amounts deposited in the account, including any grant funds obtained through  
41.17 federal or other sources, loan repayments, and interest earned on the amounts shall  
41.18 be used only for awarding loans or loan guarantees, as a source of reserve and security  
41.19 for leveraged loans, for activities authorized in section 62J.495, subdivision 4, or for  
41.20 the administration of the account.

41.21 (c) The commissioner may accept contributions to the account from private sector  
41.22 entities subject to the following provisions:

41.23 (1) the contributing entity may not specify the recipient or recipients of any loan  
41.24 issued under this subdivision;

41.25 (2) the commissioner shall make public the identity of any private contributor to the  
41.26 loan fund, as well as the amount of the contribution provided;

41.27 (3) the commissioner may issue letters of commendation or make other awards that  
41.28 have no financial value to any such entity; and

41.29 (4) a contributing entity may not specify that the recipient or recipients of any loan  
41.30 use specific products or services, nor may the contributing entity imply that a contribution  
41.31 is an endorsement of any specific product or service.

41.32 (d) The commissioner may use the loan funds to reimburse private sector entities  
41.33 for any contribution made to the loan fund. Reimbursement to private entities may not  
41.34 exceed the principle amount contributed to the loan fund.

42.1 (e) The commissioner may use funds deposited in the account to guarantee, or  
 42.2 purchase insurance for, a local obligation if the guarantee or purchase would improve  
 42.3 credit market access or reduce the interest rate applicable to the obligation involved.

42.4 (f) The commissioner may use funds deposited in the account as a source of revenue  
 42.5 or security for the payment of principal and interest on revenue or general obligation  
 42.6 bonds issued by the state if the proceeds of the sale of the bonds will be deposited into  
 42.7 the loan fund.

42.8 (h) The commissioner shall not award new loans or loan guarantees after July 1, 2016.

42.9 Sec. 3. [144.1912] GREATER MINNESOTA FAMILY MEDICINE RESIDENCY  
 42.10 GRANT PROGRAM.

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

42.13 (b) "Commissioner" means the commissioner of health.

42.14 (c) "Eligible family medicine residency program" means a program that meets the  
 42.15 following criteria:

42.16 (1) is located in Minnesota outside the seven-county metropolitan area as defined in  
 42.17 section 473.121, subdivision 4;

42.18 (2) is accredited as a family medicine residency program or is a candidate for  
 42.19 accreditation;

42.20 (3) is focused on the education and training of family medicine physicians to serve  
 42.21 communities outside the metropolitan area; and

42.22 (4) demonstrates that over the most recent three years, at least 25 percent of its  
 42.23 graduates practice in Minnesota communities outside the metropolitan area.

42.24 Subd. 2. Program administration. (a) The commissioner shall award family  
 42.25 medicine residency grants to existing, eligible, not-for-profit family medicine residency  
 42.26 programs to support current and new residency positions. Funds shall be allocated first to  
 42.27 proposed new family medicine residency positions, and remaining funds shall be allocated  
 42.28 proportionally based on the number of existing residents in eligible programs. The  
 42.29 commissioner may fund a new residency position for up to three years.

42.30 (b) Grant funds awarded may only be spent to cover the costs of:

42.31 (1) establishing, maintaining, or expanding training for family medicine residents;

42.32 (2) recruitment, training, and retention of residents and faculty;

42.33 (3) travel and lodging for residents; and

42.34 (4) faculty, resident, and preceptor salaries.

43.1 (c) Grant funds shall not be used to supplant any other government or private funds  
43.2 available for these purposes.

43.3 Subd. 3. **Applications.** Eligible family medicine residency programs seeking a  
43.4 grant must apply to the commissioner. The application must include objectives, a related  
43.5 work plan and budget, a description of the number of new and existing residency positions  
43.6 that will be supported using grant funds, and additional information the commissioner  
43.7 determines to be necessary. The commissioner shall determine whether applications are  
43.8 complete and responsive and may require revisions or additional information before  
43.9 awarding a grant.

43.10 Subd. 4. **Program oversight.** The commissioner may require and collect from  
43.11 family medicine residency programs receiving grants any information necessary to  
43.12 administer and evaluate the program.

43.13 Sec. 4. Minnesota Statutes 2014, section 144.293, subdivision 2, is amended to read:

43.14 Subd. 2. **Patient consent to release of records.** (a) A provider, or a person who  
43.15 receives health records from a provider, may not release a patient's health records to a  
43.16 person without:

43.17 (1) a signed and dated consent from the patient or the patient's legally authorized  
43.18 representative authorizing the release;

43.19 (2) specific authorization in law; or

43.20 (3) a representation from a provider that holds a signed and dated consent from the  
43.21 patient authorizing the release.

43.22 (b) Any consent form signed by a patient must include an option to indicate "yes" or  
43.23 "no" to individual items for which the provider is requesting consent. The provider may not  
43.24 condition the patient's receipt of treatment on the patient's willingness to release records.

43.25 Sec. 5. [144.7011] **PRESCRIPTION DRUG PRICE REPORTING.**

43.26 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions  
43.27 apply.

43.28 (b) "Available discount" means any reduction in the usual and customary price  
43.29 offered for a 30-day supply of a prescription drug to individuals in Minnesota regardless  
43.30 of their health insurance coverage.

43.31 (c) "Retail pharmacy" means any pharmacy licensed under section 151.19, and in  
43.32 the community/outpatient category under Minnesota Rules, part 6800.0350, that has a  
43.33 physical presence in Minnesota.

44.1 (d) "Retail price" means the price maintained by pharmacies as the usual and  
44.2 customary price offered for a 30-day supply to individuals in Minnesota regardless of  
44.3 the individual's health insurance coverage.

44.4 Subd. 2. **Prescription drug price information reporting.** By July 1, 2017, the  
44.5 commissioner of health shall establish an interactive Web site that allows retail pharmacies,  
44.6 on a voluntary basis, to list retail prices and available discounts for one or more of the 150  
44.7 most commonly dispensed prescription drugs in Minnesota. The Web site must report the  
44.8 retail prices for prescription drugs by participating pharmacy and any time period restriction  
44.9 on an available discount. The Web site must allow consumers to search for prescription  
44.10 drug retail prices by drug name and class, by available discount level, and by city, county,  
44.11 and zip code. The commissioner shall consult annually with the commissioner of human  
44.12 services to determine the list of the 150 most commonly filled prescription drugs, based on  
44.13 prescription drug utilization in the medical assistance and MinnesotaCare programs.

44.14 Subd. 3. **Pharmacy duties.** Beginning on June 1, 2017, and on a monthly basis  
44.15 thereafter, all participating retail pharmacies shall submit retail prices and available  
44.16 discounts to the commissioner using a form developed by the commissioner. A  
44.17 retail pharmacy may opt out of the reporting system at any time, but shall notify the  
44.18 commissioner at least 60 days prior to opting out.

44.19 Subd. 4. **External vendors.** In carrying out the duties of this section, the  
44.20 commissioner may contract with an outside vendor for collection of data from pharmacies,  
44.21 and may also contract with an outside vendor for development and hosting of the  
44.22 interactive application, if this contract complies with the requirements of section 16E.016,  
44.23 paragraph (c).

44.24 Sec. 6. Minnesota Statutes 2014, section 144A.471, subdivision 9, is amended to read:

44.25 **Subd. 9. Exclusions from home care licensure.** The following are excluded from  
44.26 home care licensure and are not required to provide the home care bill of rights:

44.27 (1) an individual or business entity providing only coordination of home care that  
44.28 includes one or more of the following:

44.29 (i) determination of whether a client needs home care services, or assisting a client  
44.30 in determining what services are needed;

44.31 (ii) referral of clients to a home care provider;

44.32 (iii) administration of payments for home care services; or

44.33 (iv) administration of a health care home established under section 256B.0751;

44.34 (2) an individual who is not an employee of a licensed home care provider if the  
44.35 individual:

- 45.1 (i) only provides services as an independent contractor to one or more licensed  
45.2 home care providers;
- 45.3 (ii) provides no services under direct agreements or contracts with clients; and  
45.4 (iii) is contractually bound to perform services in compliance with the contracting  
45.5 home care provider's policies and service plans;
- 45.6 (3) a business that provides staff to home care providers, such as a temporary  
45.7 employment agency, if the business:
- 45.8 (i) only provides staff under contract to licensed or exempt providers;  
45.9 (ii) provides no services under direct agreements with clients; and  
45.10 (iii) is contractually bound to perform services under the contracting home care  
45.11 provider's direction and supervision;
- 45.12 (4) any home care services conducted by and for the adherents of any recognized  
45.13 church or religious denomination for its members through spiritual means, or by prayer  
45.14 for healing;
- 45.15 (5) an individual who only provides home care services to a relative;
- 45.16 (6) an individual not connected with a home care provider that provides assistance  
45.17 with basic home care needs if the assistance is provided primarily as a contribution and  
45.18 not as a business;
- 45.19 (7) an individual not connected with a home care provider that shares housing with  
45.20 and provides primarily housekeeping or homemaking services to an elderly or disabled  
45.21 person in return for free or reduced-cost housing;
- 45.22 (8) an individual or provider providing home-delivered meal services;
- 45.23 (9) an individual providing senior companion services and other older American  
45.24 volunteer programs (OAVP) established under the Domestic Volunteer Service Act of  
45.25 1973, United States Code, title 42, chapter 66;
- 45.26 (10) an employee of a nursing home or home care provider licensed under this  
45.27 chapter or an employee of a boarding care home licensed under sections 144.50 to 144.56  
45.28 who responds to occasional emergency calls from individuals residing in a residential  
45.29 setting that is attached to or located on property contiguous to the nursing home or  
45.30 boarding care home, or location where home care services are also provided;
- 45.31 (11) an employee of a nursing home or home care provider licensed under this  
45.32 chapter or an employee of a boarding care home licensed under sections 144.50 to  
45.33 144.56 who provides occasional minor services free of charge to individuals residing in  
45.34 a residential setting that is attached to or located on property contiguous to the nursing  
45.35 home, boarding care home, or location where home care services are also provided, for the  
45.36 occasional minor services provided free of charge;

46.1           ~~(11)~~ (12) a member of a professional corporation organized under chapter 319B that  
46.2 does not regularly offer or provide home care services as defined in section 144A.43,  
46.3 subdivision 3;

46.4           ~~(12)~~ (13) the following organizations established to provide medical or surgical  
46.5 services that do not regularly offer or provide home care services as defined in section  
46.6 144A.43, subdivision 3: a business trust organized under sections 318.01 to 318.04,  
46.7 a nonprofit corporation organized under chapter 317A, a partnership organized under  
46.8 chapter 323, or any other entity determined by the commissioner;

46.9           ~~(13)~~ (14) an individual or agency that provides medical supplies or durable medical  
46.10 equipment, except when the provision of supplies or equipment is accompanied by a  
46.11 home care service;

46.12           ~~(14)~~ (15) a physician licensed under chapter 147;

46.13           ~~(15)~~ (16) an individual who provides home care services to a person with a  
46.14 developmental disability who lives in a place of residence with a family, foster family, or  
46.15 primary caregiver;

46.16           ~~(16)~~ (17) a business that only provides services that are primarily instructional and  
46.17 not medical services or health-related support services;

46.18           ~~(17)~~ (18) an individual who performs basic home care services for no more than  
46.19 14 hours each calendar week to no more than one client;

46.20           ~~(18)~~ (19) an individual or business licensed as hospice as defined in sections 144A.75  
46.21 to 144A.755 who is not providing home care services independent of hospice service;

46.22           ~~(19)~~ (20) activities conducted by the commissioner of health or a community health  
46.23 board as defined in section 145A.02, subdivision 5, including communicable disease  
46.24 investigations or testing; or

46.25           ~~(20)~~ (21) administering or monitoring a prescribed therapy necessary to control or  
46.26 prevent a communicable disease, or the monitoring of an individual's compliance with a  
46.27 health directive as defined in section 144.4172, subdivision 6.

46.28           Sec. 7. Minnesota Statutes 2014, section 144A.75, subdivision 5, is amended to read:

46.29           Subd. 5. **Hospice provider.** "Hospice provider" means an individual, organization,  
46.30 association, corporation, unit of government, or other entity that is regularly engaged  
46.31 in the delivery, directly or by contractual arrangement, of hospice services for a fee to  
46.32 terminally ill hospice patients. A hospice must provide all core services.

46.33           Sec. 8. Minnesota Statutes 2014, section 144A.75, subdivision 6, is amended to read:

47.1 Subd. 6. **Hospice patient.** "Hospice patient" means an individual ~~who has been~~  
47.2 ~~diagnosed as terminally ill, with a probable life expectancy of under one year, as whose~~  
47.3 illness has been documented by the individual's attending physician and hospice medical  
47.4 director, who alone or, when unable, through the individual's family has voluntarily  
47.5 consented to and received admission to a hospice provider, and who:

47.6 (1) has been diagnosed as terminally ill, with a probable life expectancy of under  
47.7 one year; or

47.8 (2) is 21 years of age or younger; has been diagnosed with a chronic, complex, and  
47.9 life-threatening illness contributing to a shortened life expectancy; and is not expected  
47.10 to survive to adulthood.

47.11 Sec. 9. Minnesota Statutes 2014, section 144A.75, subdivision 8, is amended to read:

47.12 Subd. 8. **Hospice services; hospice care.** "Hospice services" or "hospice care"  
47.13 means palliative and supportive care and other services provided by an interdisciplinary  
47.14 team under the direction of an identifiable hospice administration to ~~terminally ill~~ hospice  
47.15 patients and their families to meet the physical, nutritional, emotional, social, spiritual,  
47.16 and special needs experienced during the final stages of illness, dying, and bereavement,  
47.17 or during a chronic, complex, and life-threatening illness contributing to a shortened life  
47.18 expectancy. These services are provided through a centrally coordinated program that  
47.19 ensures continuity and consistency of home and inpatient care that is provided directly  
47.20 or through an agreement.

47.21 Sec. 10. Minnesota Statutes 2015 Supplement, section 144A.75, subdivision 13,  
47.22 is amended to read:

47.23 Subd. 13. **Residential hospice facility.** (a) "Residential hospice facility" means a  
47.24 facility that resembles a single-family home modified to address life safety, accessibility,  
47.25 and care needs, located in a residential area that directly provides 24-hour residential  
47.26 and support services in a home-like setting for hospice patients as an integral part of the  
47.27 continuum of home care provided by a hospice and that houses:

47.28 (1) no more than eight hospice patients; or

47.29 (2) at least nine and no more than 12 hospice patients with the approval of the local  
47.30 governing authority, notwithstanding section 462.357, subdivision 8.

47.31 (b) Residential hospice facility also means a facility that directly provides 24-hour  
47.32 residential and support services for hospice patients and that:

47.33 (1) houses no more than 21 hospice patients;

48.1 (2) meets hospice certification regulations adopted pursuant to title XVIII of the  
48.2 federal Social Security Act, United States Code, title 42, section 1395, et seq.; and

48.3 (3) is located on St. Anthony Avenue in St. Paul, Minnesota, and was licensed as a  
48.4 40-bed non-Medicare certified nursing home as of January 1, 2015.

48.5 Sec. 11. Minnesota Statutes 2014, section 144A.75, is amended by adding a  
48.6 subdivision to read:

48.7 Subd. 13a. **Respite care.** "Respite care" means short-term care in an inpatient  
48.8 facility, such as a residential hospice facility, when necessary to relieve the hospice  
48.9 patient's family or other persons caring for the patient. Respite care may be provided on  
48.10 an occasional basis.

48.11 Sec. 12. Minnesota Statutes 2015 Supplement, section 145.4131, subdivision 1,  
48.12 is amended to read:

48.13 Subdivision 1. **Forms.** (a) Within 90 days of July 1, 1998, the commissioner shall  
48.14 prepare a reporting form for use by physicians or facilities performing abortions. A copy  
48.15 of this section shall be attached to the form. A physician or facility performing an abortion  
48.16 shall obtain a form from the commissioner.

48.17 (b) The form shall require the following information:

48.18 (1) the number of abortions performed by the physician in the previous calendar  
48.19 year, reported by month;

48.20 (2) the method used for each abortion;

48.21 (3) the approximate gestational age expressed in one of the following increments:

48.22 (i) less than nine weeks;

48.23 (ii) nine to ten weeks;

48.24 (iii) 11 to 12 weeks;

48.25 (iv) 13 to 15 weeks;

48.26 (v) 16 to 20 weeks;

48.27 (vi) 21 to 24 weeks;

48.28 (vii) 25 to 30 weeks;

48.29 (viii) 31 to 36 weeks; or

48.30 (ix) 37 weeks to term;

48.31 (4) the age of the woman at the time the abortion was performed;

48.32 (5) the specific reason for the abortion, including, but not limited to, the following:

48.33 (i) the pregnancy was a result of rape;

48.34 (ii) the pregnancy was a result of incest;

- 49.1 (iii) economic reasons;
- 49.2 (iv) the woman does not want children at this time;
- 49.3 (v) the woman's emotional health is at stake;
- 49.4 (vi) the woman's physical health is at stake;
- 49.5 (vii) the woman will suffer substantial and irreversible impairment of a major bodily
- 49.6 function if the pregnancy continues;
- 49.7 (viii) the pregnancy resulted in fetal anomalies; or
- 49.8 (ix) unknown or the woman refused to answer;
- 49.9 (6) the number of prior induced abortions;
- 49.10 (7) the number of prior spontaneous abortions;
- 49.11 (8) whether the abortion was paid for by:
- 49.12 (i) private coverage;
- 49.13 (ii) public assistance health coverage; or
- 49.14 (iii) self-pay;
- 49.15 (9) whether coverage was under:
- 49.16 (i) a fee-for-service plan;
- 49.17 (ii) a capitated private plan; or
- 49.18 (iii) other;
- 49.19 (10) complications, if any, for each abortion and for the aftermath of each abortion.
- 49.20 Space for a description of any complications shall be available on the form;
- 49.21 (11) the medical specialty of the physician performing the abortion; ~~and~~
- 49.22 (12) if the abortion was performed via telemedicine, the facility code for the patient
- 49.23 and the facility code for the physician; and
- 49.24 ~~(12)~~ (13) whether the abortion resulted in a born alive infant, as defined in section
- 49.25 145.423, subdivision 4, and:
- 49.26 (i) any medical actions taken to preserve the life of the born alive infant;
- 49.27 (ii) whether the born alive infant survived; and
- 49.28 (iii) the status of the born alive infant, should the infant survive, if known.

49.29 **EFFECTIVE DATE.** This section is effective January 1, 2017.

49.30 Sec. 13. Minnesota Statutes 2014, section 145.4716, subdivision 2, is amended to read:

49.31 Subd. 2. **Duties of director.** The director of child sex trafficking prevention is

49.32 responsible for the following:

- 49.33 (1) developing and providing comprehensive training on sexual exploitation of
- 49.34 youth for social service professionals, medical professionals, public health workers, and
- 49.35 criminal justice professionals;

50.1 (2) collecting, organizing, maintaining, and disseminating information on sexual  
 50.2 exploitation and services across the state, including maintaining a list of resources on the  
 50.3 Department of Health Web site;

50.4 (3) monitoring and applying for federal funding for antitrafficking efforts that may  
 50.5 benefit victims in the state;

50.6 (4) managing grant programs established under sections 145.4716 to 145.4718  
 50.7 and 609.3241, paragraph (c), clause (3);

50.8 (5) managing the request for proposals for grants for comprehensive services,  
 50.9 including trauma-informed, culturally specific services;

50.10 (6) identifying best practices in serving sexually exploited youth, as defined in  
 50.11 section 260C.007, subdivision 31;

50.12 (7) providing oversight of and technical support to regional navigators pursuant to  
 50.13 section 145.4717;

50.14 (8) conducting a comprehensive evaluation of the statewide program for safe harbor  
 50.15 of sexually exploited youth; and

50.16 (9) developing a policy consistent with the requirements of chapter 13 for sharing  
 50.17 data related to sexually exploited youth, as defined in section 260C.007, subdivision 31,  
 50.18 among regional navigators and community-based advocates.

50.19 Sec. 14. Minnesota Statutes 2014, section 145.4716, is amended by adding a  
 50.20 subdivision to read:

50.21 Subd. 3. **Youth eligible for services.** Youth 24 years of age or younger shall be  
 50.22 eligible for all services, support, and programs provided under this section and section  
 50.23 145.4717, and all shelter, housing beds, and services provided by the commissioner of  
 50.24 human services to sexually exploited youth and youth at risk of sexual exploitation.

50.25 Sec. 15. **[145.908] GRANT PROGRAM; SCREENING AND TREATMENT FOR**  
 50.26 **PRE- AND POSTPARTUM MOOD AND ANXIETY DISORDERS.**

50.27 Subdivision 1. **Grant program established.** Within the limits of federal funds  
 50.28 available specifically for this purpose, the commissioner of health shall establish a grant  
 50.29 program to provide culturally competent programs to screen and treat pregnant women  
 50.30 and women who have given birth in the preceding 12 months for pre- and postpartum  
 50.31 mood and anxiety disorders. Organizations may use grant funds to establish new screening  
 50.32 or treatment programs, or expand or maintain existing screening or treatment programs. In  
 50.33 establishing the grant program, the commissioner shall prioritize expanding or enhancing

51.1 screening for pre- and postpartum mood and anxiety disorders in primary care settings.

51.2 The commissioner shall determine the types of organizations eligible for grants.

51.3 Subd. 2. **Allowable uses of funds.** Grant funds awarded by the commissioner  
51.4 under this section:

51.5 (1) must be used to provide health care providers with appropriate training  
51.6 and relevant resources on screening, treatment, follow-up support, and links to  
51.7 community-based resources for pre- and postpartum mood and anxiety disorders; and

51.8 (2) may be used to:

51.9 (i) enable health care providers to provide or receive psychiatric consultations to  
51.10 treat eligible women for pre- and postpartum mood and anxiety disorders;

51.11 (ii) conduct a public awareness campaign;

51.12 (iii) fund startup costs for telephone lines, Web sites, and other resources to collect  
51.13 and disseminate information about screening and treatment for pre- and postpartum mood  
51.14 and anxiety disorders; or

51.15 (iv) establish connections between community-based resources.

51.16 Subd. 3. **Federal funds.** The commissioner shall apply for any available grant funds  
51.17 from the federal Department of Health and Human Services for this program.

51.18 Sec. 16. Minnesota Statutes 2014, section 149A.50, subdivision 2, is amended to read:

51.19 Subd. 2. **Requirements for funeral establishment.** A funeral establishment  
51.20 licensed under this section must:

51.21 (1) ~~contain a~~ comply with preparation and embalming room requirements as  
51.22 described in section 149A.92;

51.23 (2) contain office space for making arrangements; and

51.24 (3) comply with applicable local and state building codes, zoning laws, and  
51.25 ordinances.

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

51.27 Sec. 17. Minnesota Statutes 2015 Supplement, section 149A.92, subdivision 1, is  
51.28 amended to read:

51.29 Subdivision 1. **Establishment update.** ~~(a) Notwithstanding subdivision 11, a~~  
51.30 ~~funeral establishment with other establishment locations that uses one preparation and~~  
51.31 ~~embalming room for all establishment locations has until July 1, 2017, to bring the other~~  
51.32 ~~establishment locations that are not used for preparation or embalming into compliance~~  
51.33 ~~with this section so long as the preparation and embalming room that is used complies~~  
51.34 ~~with the minimum standards in this section.~~

52.1 ~~(b) At the time that ownership of a funeral establishment changes, the physical~~  
 52.2 ~~location of the establishment changes, or the building housing the funeral establishment or~~  
 52.3 ~~business space of the establishment is remodeled the existing preparation and embalming~~  
 52.4 ~~room must be brought into compliance with the minimum standards in this section and in~~  
 52.5 ~~accordance with subdivision 11.~~

52.6 (a) Any room used by a funeral establishment for preparation and embalming must  
 52.7 comply with the minimum standards of this section. A funeral establishment where no  
 52.8 preparation and embalming is performed, but which conducts viewings, visitations, and  
 52.9 services, or which holds human remains while awaiting final disposition, need not comply  
 52.10 with the minimum standards of this section.

52.11 (b) Each funeral establishment must have a preparation and embalming room that  
 52.12 complies with the minimum standards of this section, except that a funeral establishment  
 52.13 that operates branch locations need only have one compliant preparation and embalming  
 52.14 room for all locations.

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

52.16 Sec. 18. Minnesota Statutes 2014, section 157.15, subdivision 14, is amended to read:

52.17 Subd. 14. **Special event food stand.** "Special event food stand" means a food and  
 52.18 beverage service establishment which is used in conjunction with celebrations and special  
 52.19 events, and which operates ~~no more than three times annually~~ for no more than ten total  
 52.20 days within the applicable license period.

52.21 Sec. 19. Minnesota Statutes 2014, section 327.14, subdivision 8, is amended to read:

52.22 Subd. 8. **Recreational camping area.** "Recreational camping area" means any area,  
 52.23 whether privately or publicly owned, used on a daily, nightly, weekly, or longer basis for  
 52.24 the accommodation of five or more tents or recreational camping vehicles free of charge  
 52.25 or for compensation. "Recreational camping area" excludes:

52.26 (1) children's camps;

52.27 (2) industrial camps;

52.28 (3) migrant labor camps, as defined in Minnesota Statutes and state commissioner  
 52.29 of health rules;

52.30 (4) United States Forest Service camps;

52.31 (5) state forest service camps;

52.32 (6) state wildlife management areas or state-owned public access areas which are  
 52.33 restricted in use to picnicking and boat landing; ~~and~~

53.1 (7) temporary holding areas for self-contained recreational camping vehicles  
53.2 created by and adjacent to motor sports facilities, if the chief law enforcement officer of  
53.3 an affected jurisdiction determines that it is in the interest of public safety to provide a  
53.4 temporary holding area; and

53.5 (8) a privately owned area used for camping no more than once a year and for no  
53.6 longer than seven consecutive days by members of a private club where the members pay  
53.7 annual dues to belong to the club.

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

53.9 Sec. 20. Minnesota Statutes 2014, section 609.3241, is amended to read:

53.10 **609.3241 PENALTY ASSESSMENT AUTHORIZED.**

53.11 (a) When a court sentences an adult convicted of violating section 609.322 or  
53.12 609.324, while acting other than as a prostitute, the court shall impose an assessment of  
53.13 not less than \$500 and not more than \$750 for a violation of section 609.324, subdivision  
53.14 2, or a misdemeanor violation of section 609.324, subdivision 3; otherwise the court shall  
53.15 impose an assessment of not less than \$750 and not more than \$1,000. The assessment  
53.16 shall be distributed as provided in paragraph (c) and is in addition to the surcharge  
53.17 required by section 357.021, subdivision 6.

53.18 (b) The court may not waive payment of the minimum assessment required by  
53.19 this section. If the defendant qualifies for the services of a public defender or the court  
53.20 finds on the record that the convicted person is indigent or that immediate payment of  
53.21 the assessment would create undue hardship for the convicted person or that person's  
53.22 immediate family, the court may reduce the amount of the minimum assessment to not  
53.23 less than \$100. The court also may authorize payment of the assessment in installments.

53.24 (c) The assessment collected under paragraph (a) must be distributed as follows:

53.25 (1) 40 percent of the assessment shall be forwarded to the political subdivision that  
53.26 employs the arresting officer for use in enforcement, training, and education activities  
53.27 related to combating sexual exploitation of youth, or if the arresting officer is an employee  
53.28 of the state, this portion shall be forwarded to the commissioner of public safety for those  
53.29 purposes identified in clause (3);

53.30 (2) 20 percent of the assessment shall be forwarded to the prosecuting agency that  
53.31 handled the case for use in training and education activities relating to combating sexual  
53.32 exploitation activities of youth; and

53.33 (3) 40 percent of the assessment must be forwarded to the commissioner of ~~public~~  
53.34 ~~safety~~ health to be deposited in the safe harbor for youth account in the special revenue

54.1 fund and are appropriated to the commissioner for distribution to crime victims services  
54.2 organizations that provide services to sexually exploited youth, as defined in section  
54.3 260C.007, subdivision 31.

54.4 (d) A safe harbor for youth account is established as a special account in the state  
54.5 treasury.

54.6 Sec. 21. **EXPANDING ELIGIBILITY FOR DESIGNATION AS A CRITICAL**  
54.7 **ACCESS HOSPITAL.**

54.8 (a) The commissioner of health is encouraged to contact Minnesota's federal elected  
54.9 officials and pursue all necessary changes to the Medicare rural hospital flexibility  
54.10 program established in United States Code, title 42, section 1395i-4 to expand the number  
54.11 of rural hospitals that are eligible for designation as a critical access hospital. In the  
54.12 request for program changes, the commissioner shall seek authority to designate any  
54.13 hospital that applies for designation as a critical access hospital if the hospital:

54.14 (1) is located in a Minnesota county that is a rural area as defined in United States  
54.15 Code, title 42, section 1395ww(d)(2)(D). A hospital is not required to be located 35 miles  
54.16 from another hospital, or 15 miles from another hospital if located in mountainous terrain  
54.17 or in an area with only secondary roads; and

54.18 (2) is licensed under sections 144.50 to 144.56 and is certified to participate in the  
54.19 Medicare program.

54.20 (b) The commissioner shall determine other eligibility criteria for which program  
54.21 changes should be requested, in order to expand eligibility for designation as a critical  
54.22 access hospital to the greatest number of rural hospitals in the state. The commissioner  
54.23 shall report to the chairs and ranking minority members of the legislative committees  
54.24 with jurisdiction over health care finance and policy by January 1, 2017, on the status of  
54.25 the request for program changes.

54.26 Sec. 22. **REPEALER.**

54.27 Minnesota Statutes 2014, section 149A.92, subdivision 11, is repealed the day  
54.28 following final enactment.

54.29 **ARTICLE 5**

54.30 **CHEMICAL AND MENTAL HEALTH**

54.31 Section 1. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 3,  
54.32 is amended to read:

55.1 Subd. 3. ~~Reform projects~~ Certified community behavioral health clinics. (a) The  
 55.2 commissioner shall establish ~~standards for~~ a state certification of clinics as process for  
 55.3 certified community behavioral health clinics, in accordance (CCBHCs) to be eligible for  
 55.4 the prospective payment system in paragraph (f). Entities that choose to be CCBHCs must:

55.5 (1) comply with the CCBHC criteria published on or before September 1, 2015, by  
 55.6 the United States Department of Health and Human Services. Certification standards  
 55.7 established by the commissioner shall require that:

55.8 ~~(1)~~ (2) employ or contract for clinic staff who have backgrounds in diverse  
 55.9 disciplines, include including licensed mental health professionals, and staff who are  
 55.10 culturally and linguistically trained to serve the needs of the clinic's patient population;

55.11 ~~(2)~~ (3) ensure that clinic services are available and accessible to patients of all ages  
 55.12 and genders and that crisis management services are available 24 hours per day;

55.13 ~~(3)~~ (4) establish fees for clinic services are established for non-medical assistance  
 55.14 patients using a sliding fee scale and that ensures that services to patients are not denied  
 55.15 or limited due to a patient's inability to pay for services;

55.16 ~~(4) clinics provide coordination of care across settings and providers to ensure~~  
 55.17 ~~seamless transitions for patients across the full spectrum of health services, including~~  
 55.18 ~~acute, chronic, and behavioral needs. Care coordination may be accomplished through~~  
 55.19 ~~partnerships or formal contracts with federally qualified health centers, inpatient~~  
 55.20 ~~psychiatric facilities, substance use and detoxification facilities, community-based mental~~  
 55.21 ~~health providers, and other community services, supports, and providers including~~  
 55.22 ~~schools, child welfare agencies, juvenile and criminal justice agencies, Indian Health~~  
 55.23 ~~Services clinics, tribally licensed health care and mental health facilities, urban Indian~~  
 55.24 ~~health clinics, Department of Veterans Affairs medical centers, outpatient clinics, drop-in~~  
 55.25 ~~centers, acute care hospitals, and hospital outpatient clinics;~~

55.26 (5) comply with quality assurance reporting requirements and other reporting  
 55.27 requirements, including any required reporting of encounter data, clinical outcomes data,  
 55.28 and quality data;

55.29 ~~(5) services provided by clinics include~~ (6) provide crisis mental health services,  
 55.30 withdrawal management services, emergency crisis intervention services, and stabilization  
 55.31 services; screening, assessment, and diagnosis services, including risk assessments and  
 55.32 level of care determinations; patient-centered treatment planning; outpatient mental  
 55.33 health and substance use services; targeted case management; psychiatric rehabilitation  
 55.34 services; peer support and counselor services and family support services; and intensive  
 55.35 community-based mental health services, including mental health services for members of  
 55.36 the armed forces and veterans; and

56.1 ~~(6) clinics comply with quality assurance reporting requirements and other reporting~~  
56.2 ~~requirements, including any required reporting of encounter data, clinical outcomes data,~~  
56.3 ~~and quality data.~~

56.4 (7) provide coordination of care across settings and providers to ensure seamless  
56.5 transitions for patients across the full spectrum of health services, including acute, chronic,  
56.6 and behavioral needs. Care coordination may be accomplished through partnerships  
56.7 or formal contracts with:

56.8 (i) counties, health plans, pharmacists, pharmacies, rural health clinics, federally  
56.9 qualified health centers, inpatient psychiatric facilities, substance use and detoxification  
56.10 facilities, and community-based mental health providers; and

56.11 (ii) other community services, supports, and providers including schools, child  
56.12 welfare agencies, juvenile and criminal justice agencies, Indian Health Services clinics,  
56.13 tribally licensed health care and mental health facilities, urban Indian health clinics,  
56.14 Department of Veterans Affairs medical centers, outpatient clinics, drop-in centers, acute  
56.15 care hospitals, and hospital outpatient clinics;

56.16 (8) be certified as mental health clinics under section 245.69, subdivision 2;

56.17 (9) comply with standards relating to integrated treatment for co-occurring mental  
56.18 illness and substance use disorders in adults or children under Minnesota Rules, chapter  
56.19 9533;

56.20 (10) comply with standards relating to mental health services in Minnesota Rules,  
56.21 parts 9505.0370 to 9505.0372;

56.22 (11) be licensed to provide chemical dependency treatment under Minnesota Rules,  
56.23 parts 9530.6405 to 9530.6505;

56.24 (12) be certified to provide children's therapeutic services and supports under  
56.25 section 256B.0943;

56.26 (13) be certified to provide adult rehabilitative mental health services under section  
56.27 256B.0623;

56.28 (14) be enrolled to provide mental health crisis response services under section  
56.29 256B.0624;

56.30 (15) be enrolled to provide mental health targeted case management under section  
56.31 256B.0625, subdivision 20;

56.32 (16) comply with standards relating to mental health case management in Minnesota  
56.33 Rules, parts 9520.0900 to 9520.0926; and

56.34 (17) provide services that comply with the evidence-based practices described in  
56.35 paragraph (e).

57.1 (b) If an entity is unable to provide one or more of the services listed in paragraph  
57.2 (a), clauses (6) to (17), the commissioner may certify the entity as a CCBHC, if the entity  
57.3 has a current contract with another entity that has the required authority to provide that  
57.4 service and that meets federal CCBHC criteria as a designated collaborating organization,  
57.5 or, to the extent allowed by the federal CCBHC criteria, the commissioner may approve a  
57.6 referral arrangement. The CCBHC must meet federal requirements regarding the type and  
57.7 scope of services to be provided directly by the CCBHC.

57.8 (c) Notwithstanding other law that requires a county contract or other form of county  
57.9 approval for certain services listed in paragraph (a), clause (6), a clinic that otherwise  
57.10 meets CCBHC requirements may receive the prospective payment under paragraph (f)  
57.11 for those services without a county contract or county approval. There is no county  
57.12 share when medical assistance pays the CCBHC prospective payment. As part of the  
57.13 certification process in paragraph (a), the commissioner shall require a letter of support  
57.14 from the CCBHC's host county confirming that the CCBHC and the counties it serves  
57.15 have an ongoing relationship to facilitate access and continuity of care, especially for  
57.16 individuals who are uninsured or who may go on and off medical assistance.

57.17 (d) In situations where the standards in paragraph (a) or other applicable standards  
57.18 conflict or address similar issues in duplicative or incompatible ways, the commissioner  
57.19 may grant variances to state requirements as long as the variances do not conflict with  
57.20 federal requirements. In situations where standards overlap, the commissioner may decide  
57.21 to substitute all or a part of a licensure or certification that is substantially the same as  
57.22 another licensure or certification. The commissioner shall consult with stakeholders, as  
57.23 described in subdivision 4, before granting variances under this provision.

57.24 (e) The commissioner shall issue a list of required and recommended evidence-based  
57.25 practices to be delivered by CCBHCs. The commissioner may update the list to reflect  
57.26 advances in outcomes research and medical services for persons living with mental  
57.27 illnesses or substance use disorders. The commissioner shall take into consideration the  
57.28 adequacy of evidence to support the efficacy of the practice, the quality of workforce  
57.29 available, and the current availability of the practice in the state. At least 30 days before  
57.30 issuing the initial list and any revisions, the commissioner shall provide stakeholders  
57.31 with an opportunity to comment.

57.32 ~~(b)~~ (f) The commissioner shall establish standards and methodologies for a  
57.33 prospective payment system for medical assistance payments for mental health services  
57.34 delivered by certified community behavioral health clinics, in accordance with guidance  
57.35 issued on or before September 1, 2015, by the Centers for Medicare and Medicaid  
57.36 Services. During the operation of the demonstration project, payments shall comply with

58.1 federal requirements for ~~a 90 percent~~ an enhanced federal medical assistance percentage.  
58.2 The commissioner may include quality bonus payments in the prospective payment  
58.3 system based on federal criteria and on a clinic's provision of the evidence-based practices  
58.4 in paragraph (e). The prospective payments system does not apply to MinnesotaCare.  
58.5 Implementation of the prospective payment system is effective July 1, 2017, or upon  
58.6 federal approval, whichever is later.

58.7 (g) The commissioner shall seek federal approval to continue federal financial  
58.8 participation in payment for CCBHC services after the federal demonstration period  
58.9 ends for clinics that were certified as CCBHCs during the demonstration period and  
58.10 that continue to meet the CCBHC certification standards in paragraph (a). Payment  
58.11 for CCBHC services shall cease effective July 1, 2019, if continued federal financial  
58.12 participation for the payment of CCBHC services cannot be obtained.

58.13 (h) To the extent allowed by federal law, the commissioner may limit the number of  
58.14 certified clinics so that the projected claims for certified clinics will not exceed the funds  
58.15 budgeted for this purpose. The commissioner shall give preference to clinics that:

58.16 (1) are located in both rural and urban areas, with at least one in each, as defined  
58.17 by federal criteria;

58.18 (2) provide a comprehensive range of services and evidence-based practices for all  
58.19 age groups, with services being fully coordinated and integrated; and

58.20 (3) enhance the state's ability to meet the federal priorities to be selected as a  
58.21 CCBHC demonstration state.

58.22 (i) The commissioner shall recertify CCBHCs at least every three years. The  
58.23 commissioner shall establish a process for decertification and shall require corrective  
58.24 action, medical assistance repayment, or decertification of a CCBHC that no longer  
58.25 meets the requirements in this section or that fails to meet the standards provided by the  
58.26 commissioner in the application and certification process.

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

58.28 Sec. 2. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 4, is  
58.29 amended to read:

58.30 Subd. 4. **Public participation.** In developing ~~the projects~~ and implementing  
58.31 certified community behavioral health clinics under subdivision 3, the commissioner shall  
58.32 consult, collaborate, and partner with stakeholders, including but not limited to mental  
58.33 health providers, substance use disorder treatment providers, advocacy organizations,  
58.34 licensed mental health professionals, counties, tribes, hospitals, other health care

59.1 providers, and Minnesota public health care program enrollees who receive mental health  
59.2 services and their families.

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

59.4 Sec. 3. Minnesota Statutes 2014, section 245.99, subdivision 2, is amended to read:

59.5 Subd. 2. **Rental assistance.** The program shall pay up to 90 days of housing  
59.6 assistance for persons with a serious ~~and persistent~~ mental illness who require inpatient or  
59.7 residential care for stabilization. The commissioner of human services may extend the  
59.8 length of assistance on a case-by-case basis.

59.9 Sec. 4. Minnesota Statutes 2014, section 254B.03, subdivision 4, is amended to read:

59.10 Subd. 4. **Division of costs.** (a) Except for services provided by a county under  
59.11 section 254B.09, subdivision 1, or services provided under section 256B.69 or 256D.03,  
59.12 subdivision 4, paragraph (b), the county shall, out of local money, pay the state for 22.95  
59.13 percent of the cost of chemical dependency services, including those services provided to  
59.14 persons eligible for medical assistance under chapter 256B and general assistance medical  
59.15 care under chapter 256D. Counties may use the indigent hospitalization levy for treatment  
59.16 and hospital payments made under this section. 22.95 percent of any state collections from  
59.17 private or third-party pay, less 15 percent for the cost of payment and collections, must be  
59.18 distributed to the county that paid for a portion of the treatment under this section.

59.19 (b) For fiscal year 2017 only, the county percent of cost of chemical dependency  
59.20 services shall be reduced from 22.95 percent to 15 percent.

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

59.22 Sec. 5. Minnesota Statutes 2014, section 254B.04, subdivision 2a, is amended to read:

59.23 Subd. 2a. **Eligibility for treatment in residential settings.** Notwithstanding  
59.24 provisions of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's  
59.25 discretion in making placements to residential treatment settings, a person eligible for  
59.26 services under this section must score at level 4 on assessment dimensions related to  
59.27 relapse, continued use, or recovery environment in order to be assigned to services with a  
59.28 room and board component reimbursed under this section. Whether a treatment facility  
59.29 has been designated an institution for mental diseases under United States Code, title 42,  
59.30 section 1396d, shall not be a factor in making placements.

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

60.1 Sec. 6. Minnesota Statutes 2014, section 254B.06, subdivision 2, is amended to read:

60.2 Subd. 2. **Allocation of collections.** (a) The commissioner shall allocate all federal  
60.3 financial participation collections to a special revenue account. The commissioner shall  
60.4 allocate 77.05 percent of patient payments and third-party payments to the special revenue  
60.5 account and 22.95 percent to the county financially responsible for the patient.

60.6 (b) For fiscal year 2017 only, the commissioner's allocation to the special revenue  
60.7 account shall be increased from 77.05 percent to 85 percent and the county financial  
60.8 responsibility shall be reduced from 22.95 percent to 15 percent.

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

60.10 Sec. 7. Minnesota Statutes 2014, section 254B.06, is amended by adding a subdivision  
60.11 to read:

60.12 Subd. 4. **Reimbursement for institutions for mental diseases.** The commissioner  
60.13 shall not deny reimbursement to a program designated as an institution for mental diseases  
60.14 under United States Code, title 42, section 1396d, due to a reduction in federal financial  
60.15 participation and the addition of new residential beds.

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

60.17 Sec. 8. **[254B.15] PILOT PROJECTS; TREATMENT FOR PREGNANT AND**  
60.18 **POSTPARTUM WOMEN WITH SUBSTANCE USE DISORDER.**

60.19 Subdivision 1. **Pilot projects established.** (a) Within the limits of federal funds  
60.20 available specifically for this purpose, the commissioner of human services shall establish  
60.21 pilot projects to provide substance use disorder treatment and services to pregnant and  
60.22 postpartum women with a primary diagnosis of substance use disorder, including opioid  
60.23 use disorder. Pilot projects funded under this section must:

60.24 (1) promote flexible uses of funds to provide treatment and services to pregnant and  
60.25 postpartum women with substance use disorders;

60.26 (2) fund family-based treatment and services for pregnant and postpartum women  
60.27 with substance use disorders;

60.28 (3) identify gaps in services along the continuum of care that are provided to  
60.29 pregnant and postpartum women with substance use disorders; and

60.30 (4) encourage new approaches to service delivery and service delivery models.

60.31 (b) A pilot project funded under this section must provide at least a portion of its  
60.32 treatment and services to women who receive services on an outpatient basis.

61.1            Subd. 2. **Federal funds.** The commissioner shall apply for any available grant funds  
61.2 from the federal Center for Substance Abuse Treatment for these pilot projects.

61.3            Sec. 9. Minnesota Statutes 2014, section 256B.0621, subdivision 10, is amended to read:

61.4            Subd. 10. **Payment rates.** The commissioner shall set payment rates for targeted  
61.5 case management under this subdivision. Case managers may bill according to the  
61.6 following criteria:

61.7            (1) for relocation targeted case management, case managers may bill for direct case  
61.8 management activities, including face-to-face ~~and~~<sub>2</sub> telephone contacts, and interactive  
61.9 video contact in accordance with section 256B.0924, subdivision 4a, in the lesser of:

61.10            (i) 180 days preceding an eligible recipient's discharge from an institution; or

61.11            (ii) the limits and conditions which apply to federal Medicaid funding for this service;

61.12            (2) for home care targeted case management, case managers may bill for direct case  
61.13 management activities, including face-to-face and telephone contacts; and

61.14            (3) billings for targeted case management services under this subdivision shall not  
61.15 duplicate payments made under other program authorities for the same purpose.

61.16            Sec. 10. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 20,  
61.17 is amended to read:

61.18            Subd. 20. **Mental health case management.** (a) To the extent authorized by rule  
61.19 of the state agency, medical assistance covers case management services to persons with  
61.20 serious and persistent mental illness and children with severe emotional disturbance.

61.21 Services provided under this section must meet the relevant standards in sections 245.461  
61.22 to 245.4887, the Comprehensive Adult and Children's Mental Health Acts, Minnesota  
61.23 Rules, parts 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

61.24            (b) Entities meeting program standards set out in rules governing family community  
61.25 support services as defined in section 245.4871, subdivision 17, are eligible for medical  
61.26 assistance reimbursement for case management services for children with severe  
61.27 emotional disturbance when these services meet the program standards in Minnesota  
61.28 Rules, parts 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

61.29            (c) Medical assistance and MinnesotaCare payment for mental health case  
61.30 management shall be made on a monthly basis. In order to receive payment for an eligible  
61.31 child, the provider must document at least a face-to-face contact with the child, the child's  
61.32 parents, or the child's legal representative. To receive payment for an eligible adult, the  
61.33 provider must document:

62.1 (1) at least a face-to-face contact with the adult or the adult's legal representative or a  
62.2 contact by interactive video that meets the requirements of subdivision 20b; or

62.3 (2) at least a telephone contact with the adult or the adult's legal representative  
62.4 and document a face-to-face contact or a contact by interactive video that meets the  
62.5 requirements of subdivision 20b with the adult or the adult's legal representative within  
62.6 the preceding two months.

62.7 (d) Payment for mental health case management provided by county or state staff  
62.8 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,  
62.9 paragraph (b), with separate rates calculated for child welfare and mental health, and  
62.10 within mental health, separate rates for children and adults.

62.11 (e) Payment for mental health case management provided by Indian health services  
62.12 or by agencies operated by Indian tribes may be made according to this section or other  
62.13 relevant federally approved rate setting methodology.

62.14 (f) Payment for mental health case management provided by vendors who contract  
62.15 with a county or Indian tribe shall be based on a monthly rate negotiated by the host county  
62.16 or tribe. The negotiated rate must not exceed the rate charged by the vendor for the same  
62.17 service to other payers. If the service is provided by a team of contracted vendors, the  
62.18 county or tribe may negotiate a team rate with a vendor who is a member of the team. The  
62.19 team shall determine how to distribute the rate among its members. No reimbursement  
62.20 received by contracted vendors shall be returned to the county or tribe, except to reimburse  
62.21 the county or tribe for advance funding provided by the county or tribe to the vendor.

62.22 (g) If the service is provided by a team which includes contracted vendors, tribal  
62.23 staff, and county or state staff, the costs for county or state staff participation in the team  
62.24 shall be included in the rate for county-provided services. In this case, the contracted  
62.25 vendor, the tribal agency, and the county may each receive separate payment for services  
62.26 provided by each entity in the same month. In order to prevent duplication of services,  
62.27 each entity must document, in the recipient's file, the need for team case management and  
62.28 a description of the roles of the team members.

62.29 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs  
62.30 for mental health case management shall be provided by the recipient's county of  
62.31 responsibility, as defined in sections 256G.01 to 256G.12, from sources other than federal  
62.32 funds or funds used to match other federal funds. If the service is provided by a tribal  
62.33 agency, the nonfederal share, if any, shall be provided by the recipient's tribe. When this  
62.34 service is paid by the state without a federal share through fee-for-service, 50 percent of  
62.35 the cost shall be provided by the recipient's county of responsibility.

63.1 (i) Notwithstanding any administrative rule to the contrary, prepaid medical  
63.2 assistance, general assistance medical care, and MinnesotaCare include mental health case  
63.3 management. When the service is provided through prepaid capitation, the nonfederal  
63.4 share is paid by the state and the county pays no share.

63.5 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a  
63.6 provider that does not meet the reporting or other requirements of this section. The county  
63.7 of responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal  
63.8 agency, is responsible for any federal disallowances. The county or tribe may share this  
63.9 responsibility with its contracted vendors.

63.10 (k) The commissioner shall set aside a portion of the federal funds earned for county  
63.11 expenditures under this section to repay the special revenue maximization account under  
63.12 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

- 63.13 (1) the costs of developing and implementing this section; and  
63.14 (2) programming the information systems.

63.15 (l) Payments to counties and tribal agencies for case management expenditures  
63.16 under this section shall only be made from federal earnings from services provided  
63.17 under this section. When this service is paid by the state without a federal share through  
63.18 fee-for-service, 50 percent of the cost shall be provided by the state. Payments to  
63.19 county-contracted vendors shall include the federal earnings, the state share, and the  
63.20 county share.

63.21 (m) Case management services under this subdivision do not include therapy,  
63.22 treatment, legal, or outreach services.

63.23 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or  
63.24 hospital, and the recipient's institutional care is paid by medical assistance, payment for  
63.25 case management services under this subdivision is limited to the lesser of:

- 63.26 (1) the last 180 days of the recipient's residency in that facility and may not exceed  
63.27 more than six months in a calendar year; or  
63.28 (2) the limits and conditions which apply to federal Medicaid funding for this service.

63.29 (o) Payment for case management services under this subdivision shall not duplicate  
63.30 payments made under other program authorities for the same purpose.

63.31 (p) If the recipient is receiving care in a hospital, nursing facility, or a residential  
63.32 setting licensed under chapter 245A or 245D that is staffed 24 hours per day, seven  
63.33 days per week, mental health targeted case management services must actively support  
63.34 identification of community alternatives and discharge planning for the recipient.

64.1 Sec. 11. Minnesota Statutes 2014, section 256B.0625, is amended by adding a  
64.2 subdivision to read:

64.3 Subd. 20b. **Mental health targeted case management through interactive video.**

64.4 (a) Subject to federal approval, contact made for targeted case management by interactive  
64.5 video shall be eligible for payment under section 256B.0924, subdivision 6, if:

64.6 (1) the person receiving targeted case management services is residing in:

64.7 (i) a hospital;

64.8 (ii) a nursing facility; or

64.9 (iii) a residential setting licensed under chapter 245A or 245D, or a boarding and

64.10 lodging establishment or a lodging establishment that provides supportive services or

64.11 health supervision services according to section 157.17, that is staffed 24 hours per day,

64.12 seven days per week;

64.13 (2) interactive video is in the best interests of the person and is deemed appropriate

64.14 by the person receiving targeted case management or the person's legal guardian, the case

64.15 management provider, and the provider operating the setting where the person is residing;

64.16 (3) the use of interactive video is approved as part of the person's written personal

64.17 service or case plan taking into consideration the person's vulnerability and active personal

64.18 relationships; and

64.19 (4) interactive video is used for up to, but not more than, 50 percent of the minimum

64.20 required face-to-face contacts.

64.21 (b) The person receiving targeted case management or the person's legal guardian

64.22 has the right to choose and consent to the use of interactive video under this subdivision

64.23 and has the right to refuse the use of interactive video at any time.

64.24 (c) The commissioner shall establish criteria that a targeted case management

64.25 provider must attest to in order to demonstrate the safety or efficacy of delivering the service

64.26 via interactive video. The attestation may include that the case management provider has:

64.27 (1) written policies and procedures specific to interactive video services that are

64.28 regularly reviewed and updated;

64.29 (2) policies and procedures that adequately address client safety before, during, and

64.30 after the interactive video services are rendered;

64.31 (3) established protocols addressing how and when to discontinue interactive video

64.32 services; and

64.33 (4) established a quality assurance process related to interactive video services.

64.34 (d) As a condition of payment, the targeted case management provider must

64.35 document the following for each occurrence of targeted case management provided by

64.36 interactive video:

- 65.1 (1) the time the service began and the time the service ended, including an a.m. and  
65.2 p.m. designation;
- 65.3 (2) the basis for determining that interactive video is an appropriate and effective  
65.4 means for delivering the service to the person receiving case management services;
- 65.5 (3) the mode of transmission of the interactive video services and records evidencing  
65.6 that a particular mode of transmission was utilized;
- 65.7 (4) the location of the originating site and the distant site; and
- 65.8 (5) compliance with the criteria attested to by the targeted case management provider  
65.9 as provided in paragraph (c).

65.10 Sec. 12. Minnesota Statutes 2014, section 256B.0924, is amended by adding a  
65.11 subdivision to read:

65.12 Subd. 4a. **Targeted case management through interactive video.** (a) Subject to  
65.13 federal approval, contact made for targeted case management by interactive video shall be  
65.14 eligible for payment under subdivision 6 if:

- 65.15 (1) the person receiving targeted case management services is residing in:
- 65.16 (i) a hospital;
- 65.17 (ii) a nursing facility;
- 65.18 (iii) a residential setting licensed under chapter 245A or 245D, or a boarding and  
65.19 lodging establishment or a lodging establishment that provides supportive services or  
65.20 health supervision services according to section 157.17, that is staffed 24 hours per day,  
65.21 seven days per week;
- 65.22 (2) interactive video is in the best interests of the person and is deemed appropriate  
65.23 by the person receiving targeted case management or the person's legal guardian, the case  
65.24 management provider, and the provider operating the setting where the person is residing;
- 65.25 (3) the use of interactive video is approved as part of the person's written personal  
65.26 service or case plan; and
- 65.27 (4) interactive video is used for up to, but not more than, 50 percent of the minimum  
65.28 required face-to-face contacts.

65.29 (b) The person receiving targeted case management or the person's legal guardian  
65.30 has the right to choose and consent to the use of interactive video under this subdivision  
65.31 and has the right to refuse the use of interactive video at any time.

65.32 (c) The commissioner shall establish criteria that a targeted case management  
65.33 provider must attest to in order to demonstrate the safety or efficacy of delivering the service  
65.34 via interactive video. The attestation may include that the case management provider has:

66.1 (1) written policies and procedures specific to interactive video services that are  
 66.2 regularly reviewed and updated;

66.3 (2) policies and procedures that adequately address client safety before, during, and  
 66.4 after the interactive video services are rendered;

66.5 (3) established protocols addressing how and when to discontinue interactive video  
 66.6 services; and

66.7 (4) established a quality assurance process related to interactive video services.

66.8 (d) As a condition of payment, the targeted case management provider must  
 66.9 document the following for each occurrence of targeted case management provided by  
 66.10 interactive video:

66.11 (1) the time the service began and the time the service ended, including an a.m. and  
 66.12 p.m. designation;

66.13 (2) the basis for determining that interactive video is an appropriate and effective  
 66.14 means for delivering the service to the person receiving case management services;

66.15 (3) the mode of transmission of the interactive video services and records evidencing  
 66.16 that a particular mode of transmission was utilized;

66.17 (4) the location of the originating site and the distant site; and

66.18 (5) compliance with the criteria attested to by the targeted case management provider  
 66.19 as provided in paragraph (c).

66.20 **Sec. 13. COMMISSIONER DUTY TO SEEK FEDERAL APPROVAL.**

66.21 The commissioner of human services shall seek federal approval that is necessary  
 66.22 to implement Minnesota Statutes, sections 256B.0621, subdivision 10, and 256B.0625,  
 66.23 subdivision 20, for interactive video contact.

66.24 **Sec. 14. RURAL DEMONSTRATION PROJECT.**

66.25 (a) Children's mental health collaboratives under Minnesota Statutes, section  
 66.26 245.493, are eligible to apply for grant funding under this section. The commissioner shall  
 66.27 solicit proposals and select the proposal that best meets the requirements under paragraph  
 66.28 (c). Only one demonstration project may be funded under this section.

66.29 (b) The demonstration project must:

66.30 (1) support youth served to achieve, within their potential, their personal goals  
 66.31 in employment, education, living situation, personal effectiveness, and community life  
 66.32 functioning;

66.33 (2) build on and streamline transition services by identifying rural youth ages 15 to  
 66.34 25 currently in the mental health system or with emerging mental health conditions;

- 67.1 (3) provide individualized motivational coaching;  
 67.2 (4) build needed social supports;  
 67.3 (5) demonstrate how services can be enhanced for youth to successfully navigate the  
 67.4 complexities associated with their unique needs;  
 67.5 (6) utilize all available funding streams;  
 67.6 (7) evaluate the effectiveness of the project; and  
 67.7 (8) compare differences in outcomes and costs to youth without previous access  
 67.8 to this project.

67.9 (c) The commissioner shall report to the chairs and ranking minority members of  
 67.10 the house of representatives and senate committees with jurisdiction over mental health  
 67.11 issues on the status and outcomes of the demonstration project by January 15, 2019. The  
 67.12 children's mental health collaboratives administering the demonstration project shall  
 67.13 collect and report outcome data, per guidelines approved by the commissioner, to support  
 67.14 the development of this report.

## 67.15 **ARTICLE 6**

### 67.16 **CHILDREN AND FAMILIES**

67.17 Section 1. Minnesota Statutes 2014, section 119B.13, subdivision 1, is amended to read:

67.18 Subdivision 1. **Subsidy restrictions.** (a) Beginning February 3, 2014, the maximum  
 67.19 rate paid for child care assistance in any county or county price cluster under the child  
 67.20 care fund shall be the greater of the 25th percentile of the 2011 child care provider rate  
 67.21 survey or the maximum rate effective November 28, 2011. For a child care provider  
 67.22 located inside the boundaries of a city located in two or more counties, the maximum rate  
 67.23 paid for child care assistance shall be equal to the maximum rate paid in the county with  
 67.24 the highest maximum reimbursement rates or the provider's charge, whichever is less. The  
 67.25 commissioner may: (1) assign a county with no reported provider prices to a similar price  
 67.26 cluster; and (2) consider county level access when determining final price clusters.

67.27 (b) A rate which includes a special needs rate paid under subdivision 3 may be in  
 67.28 excess of the maximum rate allowed under this subdivision.

67.29 (c) The department shall monitor the effect of this paragraph on provider rates. The  
 67.30 county shall pay the provider's full charges for every child in care up to the maximum  
 67.31 established. The commissioner shall determine the maximum rate for each type of care  
 67.32 on an hourly, full-day, and weekly basis, including special needs and disability care. The  
 67.33 maximum payment to a provider for one day of care must not exceed the daily rate. The  
 67.34 maximum payment to a provider for one week of care must not exceed the weekly rate.

68.1 (d) Child care providers receiving reimbursement under this chapter must not be  
68.2 paid activity fees or an additional amount above the maximum rates for care provided  
68.3 during nonstandard hours for families receiving assistance.

68.4 (e) When the provider charge is greater than the maximum provider rate allowed,  
68.5 the parent is responsible for payment of the difference in the rates in addition to any  
68.6 family co-payment fee.

68.7 (f) All maximum provider rates changes shall be implemented on the Monday  
68.8 following the effective date of the maximum provider rate.

68.9 (g) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum  
68.10 registration fees in effect on January 1, 2013, shall remain in effect.

68.11 **EFFECTIVE DATE.** This section is effective September 11, 2017.

68.12 Sec. 2. **[245A.043] ELECTRONIC APPLICATION; INFORMATION.**

68.13 (a) The commissioner, in consultation with child care providers, shall conduct a  
68.14 feasibility study regarding the development of a single, easily accessible Web site that  
68.15 complies with the requirements contained in the federal reauthorization of the federal  
68.16 Child Care Development Fund. In conducting the study, the commissioner shall review  
68.17 current child care licensing processes and regulations in order to determine methods by  
68.18 which the commissioner can streamline processes for current and prospective child care  
68.19 providers including but not limited to applications for licensure, license renewals, and  
68.20 provider record keeping. As part of this review, the commissioner must evaluate the  
68.21 feasibility of developing an online system that would allow child care providers and  
68.22 prospective child care providers to:

68.23 (1) access a guide on how to start a child care business;

68.24 (2) access all applicable statutes, administrative rules, and agency policies and  
68.25 procedures, including training requirements;

68.26 (3) access up-to-date contact information for state and county agency licensing staff;

68.27 (4) access information on the availability of grant programs and other resources  
68.28 for providers;

68.29 (5) use an online reimbursement tool for payment under the child care assistance  
68.30 programs; and

68.31 (6) submit a single electronic application and license renewal, including all  
68.32 supporting documentation required by the commissioner, information related to child  
68.33 care assistance program registration, and application for rating in the quality rating and  
68.34 improvement system.

69.1 (b) The commissioner shall submit the feasibility study to the chairs and ranking  
69.2 minority members of the house of representatives and senate committees with jurisdiction  
69.3 over child care by September 30, 2016.

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

69.5 **Sec. 3. [245A.055] NOTIFICATION TO PROVIDER.**

69.6 (a) When the county employee responsible for family child care and group family  
69.7 child care licensing conducts a licensing inspection or conducts a home visit, the employee  
69.8 must provide, prior to departure from the residence or facility, a written notification to  
69.9 the licensee of any potential licensing violations noted. The notification must include  
69.10 the condition that constitutes the violation, the action that must be taken to correct the  
69.11 condition, and the time allowed to correct the violation.

69.12 (b) Providing this notification to the licensee does not relieve the county employee  
69.13 from notifying the commissioner of the violation as required by statute and administrative  
69.14 rule.

69.15 **Sec. 4. [245A.23] POSITIVE SUPPORT STRATEGIES.**

69.16 (a) The commissioner of human services, in conjunction with licensed programs that  
69.17 provide group family day care and family day care under Minnesota Rules, chapter 9502,  
69.18 and child care centers licensed under Minnesota Rules, chapter 9503, must review and  
69.19 evaluate the applicability of Minnesota Rules, chapter 9544, the positive support strategies  
69.20 and restrictive interventions rules, to child care programs. The commissioner must  
69.21 consider the undue hardship, including increased cost and reduction in child care services,  
69.22 experienced by child care providers and child care centers as a result of the application  
69.23 of Minnesota Rules, chapter 9544. The commissioner must determine which rules must  
69.24 apply to each type of program, to what extent each rule must apply, and consider granting  
69.25 variances to the requirements to programs that submit a request for a variance. The  
69.26 commissioner must complete this review and evaluation process of the applicability of  
69.27 Minnesota Rules, chapter 9544, to child care programs no later than December 31, 2016.  
69.28 The commissioner must submit a written plan to modify application of rules for child care  
69.29 programs to the house of representatives and senate committees with jurisdiction over  
69.30 child care no later than January 15, 2017.

69.31 (b) Until the commissioner has completed the review and evaluation process and  
69.32 submitted a written plan to the legislature required under paragraph (a), programs licensed  
69.33 as family day care and group family day care facilities under Minnesota Rules, chapter

70.1 9502, and programs licensed as child care centers under Minnesota Rules, chapter 9503,  
 70.2 are exempt from the following rules:

70.3 (1) Minnesota Rules, part 9544.0040, functional behavior assessment, unless the  
 70.4 child has a case manager under section 256B.092, subdivision 1a, paragraph (e); and

70.5 (2) Minnesota Rules, part 9544.0090, staff qualifications and training.

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

70.7 **Sec. 5. [245A.55] TRAINING FOR COUNTY LICENSING STAFF ON FAMILY**  
 70.8 **CHILD CARE AND GROUP FAMILY CHILD CARE REQUIREMENTS;**  
 70.9 **SUPERVISION.**

70.10 (a) Within the first two months of employment, county staff who license and inspect  
 70.11 family child care and group family child care programs must complete at least eight hours  
 70.12 of training on state statutes, administrative rules, and department policies related to the  
 70.13 licensing and regulation of family child care and group family child care programs. The  
 70.14 department must develop the training curriculum to ensure that all county staff who perform  
 70.15 licensing and inspection functions receive uniform training. This training must include:

70.16 (1) explicit instructions that county staff who license and perform inspections  
 70.17 must apply only state statutes, administrative rules, and Department of Human Services  
 70.18 policies in the performance of their duties. Training must reinforce that county staff are  
 70.19 prohibited from imposing standards or requirements that are not imposed by statute, rule,  
 70.20 or approved state policy;

70.21 (2) the rights of license holders, including their grievance and appeal rights. This  
 70.22 training must include information on the responsibility of the county staff to inform license  
 70.23 holders of their rights, including grievance and appeal rights; and

70.24 (3) the procedure for county staff to seek clarification from the Department of  
 70.25 Human Services prior to issuing a correction order or other notice of violation to a license  
 70.26 holder if there is a dispute between the license holder and the county licensor regarding  
 70.27 the applicability of a statute or rule to the alleged violation.

70.28 (b) To ensure consistency among all licensing staff, the commissioner must develop  
 70.29 a procedure by which the department will implement increased training and oversight of  
 70.30 county staff who perform licensing functions related to family child care licensing. This  
 70.31 procedure must ensure that the commissioner conducts at least biennial reviews of county  
 70.32 licensing performance.

70.33 (c) Each calendar year, county agency staff who license and regulate family child  
 70.34 care providers and group family child care providers and their supervisors must receive  
 70.35 notice from the commissioner on new laws enacted or adopted in the previous 12-month

71.1 period relating to family child care providers and group family child care providers. The  
71.2 commissioner shall provide the notices each year to include information on new laws and  
71.3 disseminate the notices to county agencies.

71.4 Sec. 6. Minnesota Statutes 2014, section 256D.051, subdivision 6b, is amended to read:

71.5 Subd. 6b. **Federal reimbursement.** (a) Federal financial participation from  
71.6 the United States Department of Agriculture for food stamp employment and training  
71.7 expenditures that are eligible for reimbursement through the food stamp employment and  
71.8 training program are dedicated funds and are annually appropriated to the commissioner  
71.9 of human services for the operation of the food stamp employment and training program.

71.10 (b) The appropriation must be used for skill attainment through employment,  
71.11 training, and support services for food stamp participants. By February 15, 2017, the  
71.12 commissioner shall report to the chairs and ranking minority members of the legislative  
71.13 committees having jurisdiction over the food stamp program on the progress of securing  
71.14 additional federal reimbursement dollars under this program.

71.15 (c) Federal financial participation for the nonstate portion of food stamp employment  
71.16 and training costs must be paid to the county agency or service provider that incurred  
71.17 the costs.

71.18 Sec. 7. Minnesota Statutes 2014, section 518.175, subdivision 5, is amended to read:

71.19 Subd. 5. **Modification of parenting plan or order for parenting time.** (a) If  
71.20 a parenting plan or an order granting parenting time cannot be used to determine the  
71.21 number of overnights or overnight equivalents the child has with each parent, the court  
71.22 shall modify the parenting plan or order granting parenting time so that the number of  
71.23 overnights or overnight equivalents the child has with each parent can be determined. For  
71.24 purposes of this section, "overnight equivalents" has the meaning provided in section  
71.25 518A.36, subdivision 1.

71.26 (b) If modification would serve the best interests of the child, the court shall modify  
71.27 the decision-making provisions of a parenting plan or an order granting or denying  
71.28 parenting time, if the modification would not change the child's primary residence.  
71.29 Consideration of a child's best interest includes a child's changing developmental needs.

71.30 ~~(b)~~ (c) Except as provided in section 631.52, the court may not restrict parenting  
71.31 time unless it finds that:

71.32 (1) parenting time is likely to endanger the child's physical or emotional health or  
71.33 impair the child's emotional development; or

72.1 (2) the parent has chronically and unreasonably failed to comply with court-ordered  
72.2 parenting time.

72.3 A modification of parenting time which increases a parent's percentage of parenting time  
72.4 to an amount that is between 45.1 to 54.9 percent parenting time is not a restriction of  
72.5 the other parent's parenting time.

72.6 ~~(e)~~ (d) If a parent makes specific allegations that parenting time by the other  
72.7 parent places the parent or child in danger of harm, the court shall hold a hearing at  
72.8 the earliest possible time to determine the need to modify the order granting parenting  
72.9 time. Consistent with subdivision 1a, the court may require a third party, including the  
72.10 local social services agency, to supervise the parenting time or may restrict a parent's  
72.11 parenting time if necessary to protect the other parent or child from harm. If there is an  
72.12 existing order for protection governing the parties, the court shall consider the use of an  
72.13 independent, neutral exchange location for parenting time.

72.14 **EFFECTIVE DATE.** This section is effective August 1, 2018.

72.15 Sec. 8. Minnesota Statutes 2015 Supplement, section 518A.26, subdivision 14, is  
72.16 amended to read:

72.17 Subd. 14. **Obligor.** "Obligor" means a person obligated to pay maintenance or  
72.18 support. For purposes of ordering medical support under section 518A.41, a parent who  
72.19 has primary physical custody of a child may be an obligor subject to a payment agreement  
72.20 under section 518A.69. If a parent has more than 55 percent court-ordered parenting time,  
72.21 there is a rebuttable presumption that the parent shall have a zero-dollar basic support  
72.22 obligation. A party seeking to overcome this presumption must show, and the court must  
72.23 consider, the following:

72.24 (1) a significant income disparity, which may include potential income determined  
72.25 under section 518A.32;

72.26 (2) the benefit and detriment to the child and the ability of each parent to meet  
72.27 the needs of the child; and

72.28 (3) whether the application of the presumption would have an unjust or inappropriate  
72.29 result.

72.30 The presumption of a zero-dollar basic support obligation does not eliminate that parent's  
72.31 obligation to pay child support arrears pursuant to section 518A.60.

72.32 **EFFECTIVE DATE.** This section is effective August 1, 2018.

73.1 Sec. 9. Minnesota Statutes 2014, section 518A.34, is amended to read:

73.2 **518A.34 COMPUTATION OF CHILD SUPPORT OBLIGATIONS.**

73.3 (a) To determine the presumptive child support obligation of a parent, the court shall  
73.4 follow the procedure set forth in this section.

73.5 (b) To determine the obligor's basic support obligation, the court shall:

73.6 (1) determine the gross income of each parent under section 518A.29;

73.7 (2) calculate the parental income for determining child support (PICS) of each  
73.8 parent, by subtracting from the gross income the credit, if any, for each parent's nonjoint  
73.9 children under section 518A.33;

73.10 (3) determine the percentage contribution of each parent to the combined PICS by  
73.11 dividing the combined PICS into each parent's PICS;

73.12 (4) determine the combined basic support obligation by application of the guidelines  
73.13 in section 518A.35;

73.14 (5) determine ~~the obligor's~~ each parent's share of the combined basic support  
73.15 obligation by multiplying the percentage figure from clause (3) by the combined basic  
73.16 support obligation in clause (4); and

73.17 (6) ~~determine the parenting expense adjustment, if any, as apply the parenting~~  
73.18 ~~expense adjustment formula provided in section 518A.36, and adjust the obligor's basic~~  
73.19 ~~support obligation accordingly to determine the obligor's basic support obligation. If the~~  
73.20 ~~parenting time of the parties is presumed equal, section 518A.36, subdivision 3, applies~~  
73.21 ~~to the calculation of the basic support obligation and a determination of which parent~~  
73.22 ~~is the obligor.~~

73.23 (c) If the parents have split custody of the joint children, child support shall be  
73.24 calculated for each joint child as follows:

73.25 (1) the court shall determine each parent's basic support obligation under paragraph  
73.26 (b) and shall include the amount of each parent's obligation in the court order. If the basic  
73.27 support calculation results in each parent owing support to the other, the court shall offset  
73.28 the higher basic support obligation with the lower basic support obligation to determine  
73.29 the amount to be paid by the parent with the higher obligation to the parent with the  
73.30 lower obligation. For the purpose of the cost-of-living adjustment required under section  
73.31 518A.75, the adjustment must be based on each parent's basic support obligation prior to  
73.32 offset. For the purposes of this paragraph, "split custody" means that there are two or more  
73.33 joint children and each parent has at least one joint child more than 50 percent of the time;

73.34 (2) if each parent pays all child care expenses for at least one joint child, the court  
73.35 shall calculate child care support for each joint child as provided in section 518A.40. The  
73.36 court shall determine each parent's child care support obligation and include the amount of

74.1 each parent's obligation in the court order. If the child care support calculation results in  
 74.2 each parent owing support to the other, the court shall offset the higher child care support  
 74.3 obligation with the lower child care support obligation to determine the amount to be paid  
 74.4 by the parent with the higher obligation to the parent with the lower obligation; and

74.5 (3) if each parent pays all medical or dental insurance expenses for at least one  
 74.6 joint child, medical support shall be calculated for each joint child as provided in section  
 74.7 518A.41. The court shall determine each parent's medical support obligation and include  
 74.8 the amount of each parent's obligation in the court order. If the medical support calculation  
 74.9 results in each parent owing support to the other, the court shall offset the higher medical  
 74.10 support obligation with the lower medical support obligation to determine the amount to  
 74.11 be paid by the parent with the higher obligation to the parent with the lower obligation.

74.12 Unreimbursed and uninsured medical expenses are not included in the presumptive amount  
 74.13 of support owed by a parent and are calculated and collected as provided in section 518A.41.

74.14 (d) The court shall determine the child care support obligation for the obligor  
 74.15 as provided in section 518A.40.

74.16 ~~(d)~~ (e) The court shall determine the medical support obligation for each parent as  
 74.17 provided in section 518A.41. Unreimbursed and uninsured medical expenses are not  
 74.18 included in the presumptive amount of support owed by a parent and are calculated and  
 74.19 collected as described in section 518A.41.

74.20 ~~(e)~~ (f) The court shall determine each parent's total child support obligation by  
 74.21 adding together each parent's basic support, child care support, and health care coverage  
 74.22 obligations as provided in this section.

74.23 ~~(f)~~ (g) If Social Security benefits or veterans' benefits are received by one parent as a  
 74.24 representative payee for a joint child based on the other parent's eligibility, the court shall  
 74.25 subtract the amount of benefits from the other parent's net child support obligation, if any.

74.26 ~~(g)~~ (h) The final child support order shall separately designate the amount owed for  
 74.27 basic support, child care support, and medical support. If applicable, the court shall use  
 74.28 the self-support adjustment and minimum support adjustment under section 518A.42 to  
 74.29 determine the obligor's child support obligation.

74.30 **EFFECTIVE DATE.** This section is effective August 1, 2018.

74.31 Sec. 10. Minnesota Statutes 2014, section 518A.36, is amended to read:

74.32 **518A.36 PARENTING EXPENSE ADJUSTMENT.**

74.33 Subdivision 1. **General.** (a) The parenting expense adjustment under this section  
 74.34 reflects the presumption that while exercising parenting time, a parent is responsible

75.1 for and incurs costs of caring for the child, including, but not limited to, food, clothing,  
 75.2 transportation, recreation, and household expenses. Every child support order shall specify  
 75.3 the percentage of parenting time granted to or presumed for each parent. For purposes  
 75.4 of this section, the percentage of parenting time means the percentage of time a child is  
 75.5 scheduled to spend with the parent during a calendar year according to a court order  
 75.6 averaged over a two-year period. Parenting time includes time with the child whether it is  
 75.7 designated as visitation, physical custody, or parenting time. The percentage of parenting  
 75.8 time may be determined by calculating the number of overnights or overnight equivalents  
 75.9 that a child parent spends with a parent, or child pursuant to a court order. For purposes of  
 75.10 this section, overnight equivalents are calculated by using a method other than overnights  
 75.11 if the parent has significant time periods on separate days where the child is in the parent's  
 75.12 physical custody and under the direct care of the parent but does not stay overnight. The  
 75.13 court may consider the age of the child in determining whether a child is with a parent  
 75.14 for a significant period of time.

75.15 (b) If there is not a court order awarding parenting time, the court shall determine  
 75.16 the child support award without consideration of the parenting expense adjustment. If a  
 75.17 parenting time order is subsequently issued or is issued in the same proceeding, then the  
 75.18 child support order shall include application of the parenting expense adjustment.

75.19 **Subd. 2. Calculation of parenting expense adjustment.** ~~The obligor is entitled to~~  
 75.20 ~~a parenting expense adjustment calculated as provided in this subdivision. The court shall:~~

75.21 ~~(1) find the adjustment percentage corresponding to the percentage of parenting~~  
 75.22 ~~time allowed to the obligor below:~~

	<u>Percentage Range of Parenting Time</u>	<u>Adjustment Percentage</u>
75.23		
75.24		
75.25	(i) less than 10 percent	no adjustment
75.26	(ii) 10 percent to 45 percent	12 percent
75.27	(iii) 45.1 percent to 50 percent	presume parenting time is equal

75.28 ~~(2) multiply the adjustment percentage by the obligor's basic child support obligation~~  
 75.29 ~~to arrive at the parenting expense adjustment; and~~

75.30 ~~(3) subtract the parenting expense adjustment from the obligor's basic child support~~  
 75.31 ~~obligation. The result is the obligor's basic support obligation after parenting expense~~  
 75.32 ~~adjustment.~~

75.33 (a) For the purposes of this section, the following terms have the meanings given:

75.34 (1) "parent A" means the parent with whom the child or children will spend the least  
 75.35 number of overnights under the court order; and

75.36 (2) "parent B" means the parent with whom the child or children will spend the  
 75.37 greatest number of overnights under the court order.

76.1 (b) The court shall apply the following formula to determine which parent is the  
 76.2 obligor and calculate the basic support obligation:

76.3 (1) raise to the power of three the approximate number of annual overnights the child  
 76.4 or children will likely spend with parent A;

76.5 (2) raise to the power of three the approximate number of annual overnights the child  
 76.6 or children will likely spend with parent B;

76.7 (3) multiply the result of clause (1) times parent B's share of the combined basic  
 76.8 support obligation as determined in section 518A.34, paragraph (b), clause (5);

76.9 (4) multiply the result of clause (2) times parent A's share of the combined basic  
 76.10 support obligation as determined in section 518A.34, paragraph (b), clause (5);

76.11 (5) subtract the result of clause (4) from the result of clause (3); and

76.12 (6) divide the result of clause (5) by the sum of clauses (1) and (2).

76.13 (c) If the result is a negative number, parent A is the obligor, the negative number  
 76.14 becomes its positive equivalent, and the result is the basic support obligation. If the result  
 76.15 is a positive number, parent B is the obligor and the result is the basic support obligation.

76.16 **Subd. 3. Calculation of basic support when parenting time presumed is equal.**

76.17 **(a)** If the parenting time is equal and the parental incomes for determining child support of  
 76.18 the parents also are equal, no basic support shall be paid unless the court determines that  
 76.19 the expenses for the child are not equally shared.

76.20 ~~(b) If the parenting time is equal but the parents' parental incomes for determining~~  
 76.21 ~~child support are not equal, the parent having the greater parental income for determining~~  
 76.22 ~~child support shall be obligated for basic child support, calculated as follows:~~

76.23 ~~(1) multiply the combined basic support calculated under section 518A.34 by 0.75;~~

76.24 ~~(2) prorate the amount under clause (1) between the parents based on each parent's~~  
 76.25 ~~proportionate share of the combined PICS; and~~

76.26 ~~(3) subtract the lower amount from the higher amount.~~

76.27 ~~The resulting figure is the obligation after parenting expense adjustment for the~~  
 76.28 ~~parent with the greater parental income for determining child support.~~

76.29 **EFFECTIVE DATE.** This section is effective August 1, 2018.

76.30 Sec. 11. Minnesota Statutes 2015 Supplement, section 518A.39, subdivision 2, is  
 76.31 amended to read:

76.32 **Subd. 2. Modification.** (a) The terms of an order respecting maintenance or support  
 76.33 may be modified upon a showing of one or more of the following, any of which makes  
 76.34 the terms unreasonable and unfair: (1) substantially increased or decreased gross income  
 76.35 of an obligor or obligee; (2) substantially increased or decreased need of an obligor or

77.1 obligee or the child or children that are the subject of these proceedings; (3) receipt of  
77.2 assistance under the AFDC program formerly codified under sections 256.72 to 256.87  
77.3 or 256B.01 to 256B.40, or chapter 256J or 256K; (4) a change in the cost of living for  
77.4 either party as measured by the Federal Bureau of Labor Statistics; (5) extraordinary  
77.5 medical expenses of the child not provided for under section 518A.41; (6) a change in  
77.6 the availability of appropriate health care coverage or a substantial increase or decrease  
77.7 in health care coverage costs; (7) the addition of work-related or education-related child  
77.8 care expenses of the obligee or a substantial increase or decrease in existing work-related  
77.9 or education-related child care expenses; or (8) upon the emancipation of the child, as  
77.10 provided in subdivision 5.

77.11 (b) It is presumed that there has been a substantial change in circumstances under  
77.12 paragraph (a) and the terms of a current support order shall be rebuttably presumed to be  
77.13 unreasonable and unfair if:

77.14 (1) the application of the child support guidelines in section 518A.35, to the current  
77.15 circumstances of the parties results in a calculated court order that is at least 20 percent  
77.16 and at least \$75 per month higher or lower than the current support order or, if the current  
77.17 support order is less than \$75, it results in a calculated court order that is at least 20  
77.18 percent per month higher or lower;

77.19 (2) the medical support provisions of the order established under section 518A.41  
77.20 are not enforceable by the public authority or the obligee;

77.21 (3) health coverage ordered under section 518A.41 is not available to the child for  
77.22 whom the order is established by the parent ordered to provide;

77.23 (4) the existing support obligation is in the form of a statement of percentage and not  
77.24 a specific dollar amount;

77.25 (5) the gross income of an obligor or obligee has decreased by at least 20 percent  
77.26 through no fault or choice of the party; or

77.27 (6) a deviation was granted based on the factor in section 518A.43, subdivision 1,  
77.28 clause (4), and the child no longer resides in a foreign country or the factor is otherwise no  
77.29 longer applicable.

77.30 (c) A child support order is not presumptively modifiable solely because an obligor  
77.31 or obligee becomes responsible for the support of an additional nonjoint child, which is  
77.32 born after an existing order. Section 518A.33 shall be considered if other grounds are  
77.33 alleged which allow a modification of support.

77.34 (d) If child support was established by applying a parenting expense adjustment  
77.35 or presumed equal parenting time calculation under previously existing child support  
77.36 guidelines and there is no parenting plan or order from which overnights or overnight

78.1 equivalents can be determined, there is a rebuttable presumption that the established  
78.2 adjustment or calculation shall continue after modification so long as the modification is  
78.3 not based on a change in parenting time. In determining an obligation under previously  
78.4 existing child support guidelines, it is presumed that the court shall:

78.5 (1) if a 12 percent parenting expense adjustment was applied, multiply the obligor's  
78.6 share of the combined basic support obligation calculated under section 518A.34,  
78.7 paragraph (b), clause (5), by 0.88; or

78.8 (2) if the parenting time was presumed equal but the parents' parental incomes for  
78.9 determining child support were not equal:

78.10 (i) multiply the combined basic support obligation under section 518A.34, paragraph  
78.11 (b), clause (5), by 0.075;

78.12 (ii) prorate the amount under item (i) between the parents based on each parent's  
78.13 proportionate share of the combined PICS; and

78.14 (iii) subtract the lower amount from the higher amount.

78.15 (e) On a motion for modification of maintenance, including a motion for the  
78.16 extension of the duration of a maintenance award, the court shall apply, in addition to all  
78.17 other relevant factors, the factors for an award of maintenance under section 518.552 that  
78.18 exist at the time of the motion. On a motion for modification of support, the court:

78.19 (1) shall apply section 518A.35, and shall not consider the financial circumstances of  
78.20 each party's spouse, if any; and

78.21 (2) shall not consider compensation received by a party for employment in excess of  
78.22 a 40-hour work week, provided that the party demonstrates, and the court finds, that:

78.23 (i) the excess employment began after entry of the existing support order;

78.24 (ii) the excess employment is voluntary and not a condition of employment;

78.25 (iii) the excess employment is in the nature of additional, part-time employment, or  
78.26 overtime employment compensable by the hour or fractions of an hour;

78.27 (iv) the party's compensation structure has not been changed for the purpose of  
78.28 affecting a support or maintenance obligation;

78.29 (v) in the case of an obligor, current child support payments are at least equal to the  
78.30 guidelines amount based on income not excluded under this clause; and

78.31 (vi) in the case of an obligor who is in arrears in child support payments to the  
78.32 obligee, any net income from excess employment must be used to pay the arrearages  
78.33 until the arrearages are paid in full.

78.34 (e) (f) A modification of support or maintenance, including interest that accrued  
78.35 pursuant to section 548.091, may be made retroactive only with respect to any period  
78.36 during which the petitioning party has pending a motion for modification but only from

79.1 the date of service of notice of the motion on the responding party and on the public  
 79.2 authority if public assistance is being furnished or the county attorney is the attorney of  
 79.3 record, unless the court adopts an alternative effective date under paragraph (l). The  
 79.4 court's adoption of an alternative effective date under paragraph (l) shall not be considered  
 79.5 a retroactive modification of maintenance or support.

79.6 ~~(f)~~ (g) Except for an award of the right of occupancy of the homestead, provided  
 79.7 in section 518.63, all divisions of real and personal property provided by section 518.58  
 79.8 shall be final, and may be revoked or modified only where the court finds the existence  
 79.9 of conditions that justify reopening a judgment under the laws of this state, including  
 79.10 motions under section 518.145, subdivision 2. The court may impose a lien or charge on  
 79.11 the divided property at any time while the property, or subsequently acquired property, is  
 79.12 owned by the parties or either of them, for the payment of maintenance or support money,  
 79.13 or may sequester the property as is provided by section 518A.71.

79.14 ~~(g)~~ (h) The court need not hold an evidentiary hearing on a motion for modification  
 79.15 of maintenance or support.

79.16 ~~(h)~~ (i) Sections 518.14 and 518A.735 shall govern the award of attorney fees for  
 79.17 motions brought under this subdivision.

79.18 ~~(i)~~ (j) Except as expressly provided, an enactment, amendment, or repeal of law does  
 79.19 not constitute a substantial change in the circumstances for purposes of modifying a  
 79.20 child support order.

79.21 ~~(j)~~ MS 2006 [Expired]

79.22 ~~(k)~~ On the first modification ~~under the income shares method of calculation~~  
 79.23 following implementation of amended child support guidelines, the modification of basic  
 79.24 support may be limited if the amount of the full variance would create hardship for either  
 79.25 the obligor or the obligee.

79.26 (l) The court may select an alternative effective date for a maintenance or support  
 79.27 order if the parties enter into a binding agreement for an alternative effective date.

79.28 **EFFECTIVE DATE.** This section is effective August 1, 2018.

79.29 Sec. 12. **[518A.79] CHILD SUPPORT TASK FORCE.**

79.30 Subdivision 1. Establishment; purpose. There is established the Child Support  
 79.31 Task Force for the Department of Human Services. The purpose of the task force is to  
 79.32 advise the commissioner of human services on matters relevant to maintaining effective  
 79.33 and efficient child support guidelines that will best serve the children of Minnesota and  
 79.34 take into account the changing dynamics of families.

79.35 Subd. 2. Members. (a) The task force must consist of:

80.1 (1) two members of the house of representatives, one appointed by the speaker of the  
80.2 house and one appointed by the minority leader;

80.3 (2) two members of the senate, one appointed by the majority leader and one  
80.4 appointed by the minority leader;

80.5 (3) one representative from the Minnesota County Attorneys Association;

80.6 (4) one staff member from the Department of Human Services Child Support  
80.7 Division;

80.8 (5) one representative from a tribe with an approved IV-D program appointed by  
80.9 resolution of the Minnesota Indian Affairs Council;

80.10 (6) one representative from the Minnesota Family Support Recovery Council;

80.11 (7) one child support magistrate, family court referee, or one district court judge or  
80.12 retired judge with experience in child support matters, appointed by the chief justice of  
80.13 the Supreme Court;

80.14 (8) four parents, at least two of whom represent diverse cultural and social  
80.15 communities, appointed by the commissioner with equal representation between custodial  
80.16 and noncustodial parents;

80.17 (9) one representative from the Minnesota Legal Services Coalition; and

80.18 (10) one representative from the Family Law Section of the Minnesota Bar  
80.19 Association.

80.20 (b) Section 15.059 governs the Child Support Task Force.

80.21 (c) Members of the task force shall be compensated as provided in section 15.059,  
80.22 subdivision 3.

80.23 Subd. 3. **Organization.** (a) The commissioner or the commissioner's designee shall  
80.24 convene the first meeting of the task force.

80.25 (b) The members of the task force shall annually elect a chair and other officers  
80.26 as the members deem necessary.

80.27 (c) The task force shall meet at least three times per year, with one meeting devoted  
80.28 to collecting input from the public.

80.29 Subd. 4. **Staff.** The commissioner shall provide support staff, office space, and  
80.30 administrative services for the task force.

80.31 Subd. 5. **Duties of the task force.** (a) General duties of the task force include, but  
80.32 are not limited to:

80.33 (1) serving in an advisory capacity to the commissioner of human services;

80.34 (2) reviewing the effects of implementing the parenting expense adjustment enacted  
80.35 by the 2016 legislature;

81.1 (3) at least every four years, preparing for and advising the commissioner on the  
81.2 development of the quadrennial review report;

81.3 (4) collecting and studying information and data relating to child support awards; and

81.4 (5) conducting a comprehensive review of child support guidelines, economic  
81.5 conditions, and other matters relevant to maintaining effective and efficient child support  
81.6 guidelines.

81.7 (b) The task force must review, address, and make recommendations on the  
81.8 following priority issues:

81.9 (1) the self-support reserve for custodial and noncustodial parents;

81.10 (2) simultaneous child support orders;

81.11 (3) obligors who are subject to child support orders in multiple counties;

81.12 (4) parents with multiple families;

81.13 (5) non-nuclear families, such as grandparents, relatives, and foster parents who  
81.14 are caretakers of children;

81.15 (6) standards to apply for modifications; and

81.16 (7) updating section 518A.35, subdivision 2, the guideline for basic support.

81.17 Subd. 6. **Consultation.** The chair of the task force must consult with the Cultural  
81.18 and Ethnic Communities Leadership Council at least annually on the issues under  
81.19 consideration by the task force.

81.20 Subd. 7. **Report and recommendations.** Beginning February 15, 2018, and  
81.21 biennially thereafter, if the task force is extended by the legislature, the commissioner  
81.22 shall prepare and submit to the chairs and ranking minority members of the committees of  
81.23 the house of representatives and the senate with jurisdiction over child support matters a  
81.24 report that summarizes the activities of the task force, issues identified by the task force,  
81.25 methods taken to address the issues, and recommendations for legislative action, if needed.

81.26 Subd. 8. **Expiration.** The task force expires June 30, 2019, unless extended by  
81.27 the legislature.

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

81.29 Sec. 13. Minnesota Statutes 2014, section 626.558, subdivision 1, is amended to read:

81.30 Subdivision 1. **Establishment of team.** A county shall establish a multidisciplinary  
81.31 child protection team that may include, but not be limited to, the director of the local  
81.32 welfare agency or designees, the county attorney or designees, the county sheriff or  
81.33 designees, representatives of health and education, representatives of mental health or  
81.34 other appropriate human service or community-based agencies, and parent groups. As  
81.35 used in this section, a "community-based agency" may include, but is not limited to,

82.1 schools, social service agencies, family service and mental health collaboratives, children's  
82.2 advocacy centers, early childhood and family education programs, Head Start, or other  
82.3 agencies serving children and families. A member of the team must be designated as the  
82.4 lead person of the team responsible for the planning process to develop standards for its  
82.5 activities with battered women's and domestic abuse programs and services.

82.6 Sec. 14. Minnesota Statutes 2014, section 626.558, subdivision 2, is amended to read:

82.7 Subd. 2. **Duties of team.** A multidisciplinary child protection team may provide  
82.8 public and professional education, develop resources for prevention, intervention, and  
82.9 treatment, and provide case consultation to the local welfare agency or other interested  
82.10 community-based agencies. The community-based agencies may request case consultation  
82.11 from the multidisciplinary child protection team regarding a child or family for whom the  
82.12 community-based agency is providing services. As used in this section, "case consultation"  
82.13 means a case review process in which recommendations are made concerning services to  
82.14 be provided to the identified children and family. Case consultation may be performed by  
82.15 a committee or subcommittee of members representing human services, including mental  
82.16 health and chemical dependency; law enforcement, including probation and parole; the  
82.17 county attorney; a children's advocacy center; health care; education; community-based  
82.18 agencies and other necessary agencies; and persons directly involved in an individual case  
82.19 as designated by other members performing case consultation.

82.20 Sec. 15. Minnesota Statutes 2014, section 626.558, is amended by adding a subdivision  
82.21 to read:

82.22 Subd. 4. **Children's advocacy center; definition.** (a) For purposes of this section,  
82.23 "children's advocacy center" means an organization, using a multidisciplinary team  
82.24 approach, whose primary purpose is to provide children who have been the victims of  
82.25 abuse and their nonoffending family members with:

- 82.26 (1) support and advocacy;  
82.27 (2) specialized medical evaluation;  
82.28 (3) trauma-focused mental health services; and  
82.29 (4) forensic interviews.

82.30 (b) Children's advocacy centers provide multidisciplinary case review and the  
82.31 tracking and monitoring of case progress.

82.32 Sec. 16. Laws 2015, chapter 71, article 1, section 125, is amended to read:

82.33 Sec. 125. **LEGISLATIVE TASK FORCE; CHILD PROTECTION.**

- 83.1 (a) A legislative task force is created to:
- 83.2 (1) review the efforts being made to implement the recommendations of the
- 83.3 Governor's Task Force on the Protection of Children, including a review of the roles and
- 83.4 functions of the Office of Ombudsperson for Families;
- 83.5 (2) expand the efforts into related areas of the child welfare system;
- 83.6 (3) work with the commissioner of human services and community partners to
- 83.7 establish and evaluate child protection grants to address disparities in child welfare
- 83.8 pursuant to Minnesota Statutes, section 256E.28; ~~and~~
- 83.9 (4) identify additional areas within the child welfare system that need to be addressed
- 83.10 by the legislature;
- 83.11 (5) review and recommend alternatives to law enforcement responding to a
- 83.12 maltreatment report by removing the child, and evaluate situations in which it may
- 83.13 be appropriate for a social worker or other child protection worker to remove the child
- 83.14 from the home; and
- 83.15 (6) clarify the definition of "substantial child endangerment," and provide language
- 83.16 in bill form by January 1, 2017.
- 83.17 (b) Members of the legislative task force shall include:
- 83.18 (1) ~~the four legislators who served as members of the Governor's Task Force on~~
- 83.19 ~~the Protection of Children;~~
- 83.20 (2) ~~two~~ four members from the house of representatives appointed by the speaker,
- 83.21 ~~one~~ two from the majority party and ~~one~~ two from the minority party; and
- 83.22 (3) ~~two~~ (2) four members from the senate, including two members appointed by the
- 83.23 senate majority leader, one from the majority party and one from the minority party two
- 83.24 members appointed by the senate minority leader.
- 83.25 Members of the task force shall serve a term that expires on December 31 of the
- 83.26 even-numbered year following the year they are appointed. The speaker and the majority
- 83.27 leader shall each appoint a chair and vice-chair from the membership of the task force.
- 83.28 The ~~gavel~~ chair shall rotate after each meeting; ~~and the house of representatives shall~~
- 83.29 ~~assume the leadership of the task force first.~~ The task force must meet at least quarterly.
- 83.30 (c) The task force may provide oversight and monitoring of:
- 83.31 (1) the efforts by the Department of Human Services, counties, and tribes to
- 83.32 implement laws related to child protection;
- 83.33 (2) efforts by the Department of Human Services, counties, and tribes to implement
- 83.34 the recommendations of the Governor's Task Force on the Protection of Children;
- 83.35 (3) efforts by agencies, including but not limited to the Minnesota Department
- 83.36 of Education, the Minnesota Housing Finance Agency, the Minnesota Department of

84.1 Corrections, and the Minnesota Department of Public Safety, to work with the Department  
84.2 of Human Services to assure safety and well-being for children at risk of harm or children  
84.3 in the child welfare system; and

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

84.7 (d) The task force, in cooperation with the commissioner of human services,  
84.8 shall issue ~~a~~ an annual report to the legislature and governor by February 1, ~~2016~~. The  
84.9 report must contain information on the progress toward implementation of changes to  
84.10 the child protection system, recommendations for additional legislative changes and  
84.11 procedures affecting child protection and child welfare, and funding needs to implement  
84.12 recommended changes.

84.13 ~~(e) The task force shall convene upon the effective date of this section and shall~~  
84.14 ~~continue until the last day of the 2016 legislative session.~~

84.15 (e) This section expires December 31, 2020.

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

84.17 Sec. 17. **CHILD CARE PROVIDER LIAISON AND ADVOCATE.**

84.18 The commissioner of human services must designate a full-time employee of  
84.19 the department to serve as a child care provider liaison and advocate. The child care  
84.20 provider liaison and advocate must be responsive to requests from providers by providing  
84.21 information or assistance in obtaining or renewing licenses, meeting state regulatory  
84.22 requirements, or resolving disputes with state agencies or other political subdivisions.

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

84.24 Sec. 18. **LEGISLATIVE TASK FORCE ON CHILD CARE.**

84.25 Subdivision 1. **Creation.** A legislative task force on child care is created to review  
84.26 the loss of child care providers in the state, assess affordability issues for providers and  
84.27 parents, and identify areas that need to be addressed by the legislature.

84.28 Subd. 2. **Membership.** Task force members shall include:

84.29 (1) four members from the house of representatives appointed by the speaker of the  
84.30 house, two from the majority party and two from the minority party; and

84.31 (2) four members from the senate appointed by the majority leader, two from the  
84.32 majority party and two from the minority party.

84.33 Subd. 3. **Duties.** (a) The task force may:

85.1 (1) evaluate factors that contribute to child care costs for providers and families;

85.2 (2) assess the child care provider shortage in greater Minnesota;

85.3 (3) review the current preservice and in-service training requirements for family

85.4 child care providers and child care center staff. The review shall include training required

85.5 for licensure, including staff credentialing for child care center staff positions and the ways

85.6 in which the training aligns with Minnesota's Career Lattice and Minnesota's Knowledge

85.7 and Competency Framework for Early Childhood and School-Aged Care Practitioners;

85.8 (4) review the availability of training that is in place to meet the training needs of

85.9 providers, including the content of the training, cost, and delivery methods;

85.10 (5) consider creation of a board of child care to be responsible for all matters related

85.11 to licensing of child care providers, both in-home and center-based programs, and to

85.12 employ an advocate for child care providers;

85.13 (6) review the process of issuing and resolving correction orders issued to child

85.14 care providers;

85.15 (7) consider uniform training requirements for county employees and their

85.16 supervisors who perform duties related to licensing;

85.17 (8) review progress being made by the commissioner of human services to streamline

85.18 paperwork and reduce redundancies for child care providers;

85.19 (9) review the time it takes for the department to provide child care assistance

85.20 program reimbursement to providers; and

85.21 (10) consider options for conducting exit interviews with providers who leave the

85.22 child care field or choose not to be relicensed.

85.23 (b) Task force members may receive input from the commissioners of human

85.24 services and economic development, providers, and stakeholders to review all action items.

85.25 Subd. 4. **Recommendations and report.** The task force, in cooperation with the

85.26 commissioner of human services, shall issue a report to the legislature and governor by

85.27 December 31, 2016. The report must contain summary information obtained during

85.28 the task force meetings and recommendations for additional legislative changes and

85.29 procedures affecting child care.

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

85.31 and sunsets on December 31, 2016.

85.32 Sec. 19. **DIRECTION TO COMMISSIONERS; INCOME AND ASSET**

85.33 **EXCLUSION.**

85.34 (a) The commissioner of human services shall not count payments made to families

85.35 by the income and child development in the first three years of life demonstration

86.1 project as income or assets for purposes of determining or redetermining eligibility for  
86.2 child care assistance programs under Minnesota Statutes, chapter 119B; the Minnesota  
86.3 family investment program, work benefit program, or diversionary work program under  
86.4 Minnesota Statutes, chapter 256J, during the duration of the demonstration.

86.5 (b) The commissioner of human services shall not count payments made to families  
86.6 by the income and child development in the first three years of life demonstration project  
86.7 as income for purposes of determining or redetermining eligibility for medical assistance  
86.8 under Minnesota Statutes, chapter 256B, and MinnesotaCare under Minnesota Statutes,  
86.9 chapter 256L.

86.10 (c) For the purposes of this section, "income and child development in the first  
86.11 three years of life demonstration project" means a demonstration project funded by the  
86.12 United States Department of Health and Human Services National Institutes of Health to  
86.13 evaluate whether the unconditional cash payments have a causal effect on the cognitive,  
86.14 socioemotional, and brain development of infants and toddlers.

86.15 (d) This section shall only be implemented if Minnesota is chosen as a site for  
86.16 the child development in the first three years of life demonstration project, and expires  
86.17 January 1, 2022.

86.18 (e) The commissioner of human services shall provide a report to the chairs and  
86.19 ranking minority members of the legislative committees having jurisdiction over human  
86.20 services issues by January 1, 2023, informing the legislature on the progress and outcomes  
86.21 of the demonstration under this section.

86.22 **EFFECTIVE DATE.** Paragraph (b) is effective August 16, 2016, or upon federal  
86.23 approval, whichever is later.

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

86.25 The revisor of statutes, in consultation with the commissioner of human services;  
86.26 the Office of Senate Counsel, Research, and Fiscal Analysis; and House Research, shall  
86.27 recodify the Maltreatment of Minors Act, Minnesota Statutes, section 626.556, and  
86.28 related statutes in order to create internal consistency, eliminate redundant language,  
86.29 separate provisions governing investigations of maltreatment in institutions, and otherwise  
86.30 reorganize the statutes to facilitate interpretation and application of the law. The  
86.31 recodification must be drafted in bill form for introduction in the 2017 session.

86.32 **Sec. 21. REPEALER; HANDS OFF CHILD CARE.**

86.33 Minnesota Statutes 2014, sections 179A.50; 179A.51; 179A.52; and 179A.53, are  
86.34 repealed.

## ARTICLE 7

## HEALTH-RELATED LICENSING

## GENETIC COUNSELORS

Section 1. [147F.01] DEFINITIONS.

Subdivision 1. **Applicability.** For purposes of sections 147F.01 to 147F.17, the terms defined in this section have the meanings given them.

Subd. 2. **ABGC.** "ABGC" means the American Board of Genetic Counseling, a national agency for certification and recertification of genetic counselors, or its successor organization or equivalent.

Subd. 3. **ABMG.** "ABMG" means the American Board of Medical Genetics, a national agency for certification and recertification of genetic counselors, medical geneticists, and Ph.D. geneticists, or its successor organization.

Subd. 4. **ACGC.** "ACGC" means the Accreditation Council for Genetic Counseling, a specialized program accreditation board for educational training programs granting master's degrees or higher in genetic counseling, or its successor organization.

Subd. 5. **Board.** "Board" means the Board of Medical Practice.

Subd. 6. **Eligible status.** "Eligible status" means an applicant who has met the requirements and received approval from the ABGC to sit for the certification examination.

Subd. 7. **Genetic counseling.** "Genetic counseling" means the provision of services described in section 147F.03 to help clients and their families understand the medical, psychological, and familial implications of genetic contributions to a disease or medical condition.

Subd. 8. **Genetic counselor.** "Genetic counselor" means an individual licensed under sections 147F.01 to 147F.17 to engage in the practice of genetic counseling.

Subd. 9. **Licensed physician.** "Licensed physician" means an individual who is licensed to practice medicine under chapter 147.

Subd. 10. **NSGC.** "NSGC" means the National Society of Genetic Counselors, a professional membership association for genetic counselors that approves continuing education programs.

Subd. 11. **Qualified supervisor.** "Qualified supervisor" means any person who is licensed under sections 147F.01 to 147F.17 as a genetic counselor or a physician licensed under chapter 147 to practice medicine in Minnesota.

Subd. 12. **Supervisee.** "Supervisee" means a genetic counselor with a provisional license.

88.1            Subd. 13. **Supervision.** "Supervision" means an assessment of the work of the  
88.2 supervisee, including regular meetings and file review, by a qualified supervisor according  
88.3 to the supervision contract. Supervision does not require the qualified supervisor to be  
88.4 present while the supervisee provides services.

88.5            Sec. 2. **[147F.03] SCOPE OF PRACTICE.**

88.6            The practice of genetic counseling by a licensed genetic counselor includes the  
88.7 following services:

88.8            (1) obtaining and interpreting individual and family medical and developmental  
88.9 histories;

88.10           (2) determining the mode of inheritance and the risk of transmitting genetic  
88.11 conditions and birth defects;

88.12           (3) discussing the inheritance, features, natural history, means of diagnosis, and  
88.13 management of conditions with clients;

88.14           (4) identifying, coordinating, ordering, and explaining the clinical implications of  
88.15 genetic laboratory tests and other laboratory studies;

88.16           (5) assessing psychosocial factors, including social, educational, and cultural issues;

88.17           (6) providing client-centered counseling and anticipatory guidance to the client or  
88.18 family based on their responses to the condition, risk of occurrence, or risk of recurrence;

88.19           (7) facilitating informed decision-making about testing and management;

88.20           (8) identifying and using community resources that provide medical, educational,  
88.21 financial, and psychosocial support and advocacy; and

88.22           (9) providing accurate written medical, genetic, and counseling information for  
88.23 families and health care professionals.

88.24           Sec. 3. **[147F.05] UNLICENSED PRACTICE PROHIBITED; PROTECTED**  
88.25 **TITLES AND RESTRICTIONS ON USE.**

88.26           Subdivision 1. **Protected titles.** No individual may use the title "genetic counselor,"  
88.27 "licensed genetic counselor," "gene counselor," "genetic consultant," "genetic assistant,"  
88.28 "genetic associate," or any words, letters, abbreviations, or insignia indicating or implying  
88.29 that the individual is eligible for licensure by the state as a genetic counselor unless the  
88.30 individual has been licensed as a genetic counselor according to sections 147F.01 to  
88.31 147F.17.

88.32           Subd. 2. **Unlicensed practice prohibited.** Effective January 1, 2018, no individual  
88.33 may practice genetic counseling unless the individual is licensed as a genetic counselor

89.1 sections 147F.01 to 147F.17 except as otherwise provided under sections 147F.01 to  
89.2 147F.17.

89.3 Subd. 3. **Other practitioners.** (a) Nothing in sections 147F.01 to 147F.17 shall be  
89.4 construed to prohibit or restrict the practice of any profession or occupation licensed  
89.5 or registered by the state by an individual duly licensed or registered to practice the  
89.6 profession or occupation or to perform any act that falls within the scope of practice  
89.7 of the profession or occupation.

89.8 (b) Nothing in sections 147F.01 to 147F.17 shall be construed to require a license  
89.9 under sections 147F.01 to 147F.17 for:

89.10 (1) an individual employed as a genetic counselor by the federal government or a  
89.11 federal agency if the individual is providing services under the direction and control of  
89.12 the employer;

89.13 (2) a student or intern, having graduated within the past six months, or currently  
89.14 enrolled in an ACGC-accredited genetic counseling educational program providing  
89.15 genetic counseling services that are an integral part of the student's or intern's course  
89.16 of study, are performed under the direct supervision of a licensed genetic counselor or  
89.17 physician who is on duty in the assigned patient care area, and the student is identified by  
89.18 the title "genetic counseling intern";

89.19 (3) a visiting ABGC- or ABMG-certified genetic counselor working as a consultant  
89.20 in this state who permanently resides outside of the state, or the occasional use of services  
89.21 from organizations from outside of the state that employ ABGC- or ABMG-certified  
89.22 genetic counselors. This is limited to practicing for 30 days total within one calendar year.  
89.23 Certified genetic counselors from outside of the state working as a consultant in this state  
89.24 must be licensed in their state of residence if that credential is available; or

89.25 (4) an individual who is licensed to practice medicine under chapter 147.

89.26 Subd. 4. **Sanctions.** An individual who violates this section is guilty of a  
89.27 misdemeanor and shall be subject to sanctions or actions according to section 214.11.

89.28 Sec. 4. **[147F.07] LICENSURE REQUIREMENTS.**

89.29 Subdivision 1. **General requirements for licensure.** To be eligible for licensure, an  
89.30 applicant, with the exception of those seeking licensure by reciprocity under subdivision  
89.31 2, must submit to the board:

89.32 (1) a completed application on forms provided by the board along with all fees  
89.33 required under section 147F.17. The applicant must include:

89.34 (i) the applicant's name, Social Security number, home address and telephone  
89.35 number, and business address and telephone number if currently employed;

90.1 (ii) the name and location of the genetic counseling or medical program the applicant  
 90.2 completed;

90.3 (iii) a list of degrees received from other educational institutions;

90.4 (iv) a description of the applicant's professional training;

90.5 (v) a list of registrations, certifications, and licenses held in other jurisdictions;

90.6 (vi) a description of any other jurisdiction's refusal to credential the applicant;

90.7 (vii) a description of all professional disciplinary actions initiated against the  
 90.8 applicant in any jurisdiction; and

90.9 (viii) any history of drug or alcohol abuse, and any misdemeanor or felony conviction;

90.10 (2) evidence of graduation from an education program accredited by the ACGC or  
 90.11 its predecessor or successor organization;

90.12 (3) a verified copy of a valid and current certification issued by the ABGC or ABMG  
 90.13 as a certified genetic counselor, or by the ABMG as a certified medical geneticist;

90.14 (4) additional information as requested by the board, including any additional  
 90.15 information necessary to ensure that the applicant is able to practice with reasonable skill  
 90.16 and safety to the public;

90.17 (5) a signed statement verifying that the information in the application is true and  
 90.18 correct to the best of the applicant's knowledge and belief; and

90.19 (6) a signed waiver authorizing the board to obtain access to the applicant's records  
 90.20 in this or any other state in which the applicant completed an educational program or  
 90.21 engaged in the practice of genetic counseling.

90.22 Subd. 2. **Licensure by reciprocity.** To be eligible for licensure by reciprocity,  
 90.23 the applicant must hold a current genetic counselor or medical geneticist registration  
 90.24 or license in another state, the District of Columbia, or a territory of the United States,  
 90.25 whose standards for registration or licensure are at least equivalent to those of Minnesota,  
 90.26 and must:

90.27 (1) submit the application materials and fees as required by subdivision 1, clauses  
 90.28 (1), (2), and (4) to (6);

90.29 (2) provide a verified copy from the appropriate government body of a current  
 90.30 registration or license for the practice of genetic counseling in another jurisdiction that has  
 90.31 initial registration or licensing requirements equivalent to or higher than the requirements  
 90.32 in subdivision 1; and

90.33 (3) provide letters of verification from the appropriate government body in each  
 90.34 jurisdiction in which the applicant holds a registration or license. Each letter must state  
 90.35 the applicant's name, date of birth, registration or license number, date of issuance, a

91.1 statement regarding disciplinary actions, if any, taken against the applicant, and the terms  
91.2 under which the registration or license was issued.

91.3 Subd. 3. **Licensure by equivalency.** (a) The board may grant a license to an  
91.4 individual who does not meet the certification requirements in subdivision 1 but who  
91.5 has been employed as a genetic counselor for a minimum of ten years and provides the  
91.6 following documentation to the board no later than February 1, 2018:

91.7 (1) proof of a master's or higher degree in genetics or related field of study from an  
91.8 accredited educational institution;

91.9 (2) proof that the individual has never failed the ABGC or ABMG certification  
91.10 examination;

91.11 (3) three letters of recommendation, with at least one from an individual eligible for  
91.12 licensure under sections 147F.01 to 147F.17, and at least one from an individual certified  
91.13 as a genetic counselor by the ABGC or ABMG or an individual certified as a medical  
91.14 geneticist by the ABMG. An individual who submits a letter of recommendation must  
91.15 have worked with the applicant in an employment setting during the past ten years and  
91.16 must attest to the applicant's competency; and

91.17 (4) documentation of the completion of 100 hours of NSGC-approved continuing  
91.18 education credits within the past five years.

91.19 (b) This subdivision expires February 1, 2018.

91.20 Subd. 4. **License expiration.** A genetic counselor license shall be valid for one  
91.21 year from the date of issuance.

91.22 Subd. 5. **License renewal.** To be eligible for license renewal, a licensed genetic  
91.23 counselor must submit to the board:

91.24 (1) a renewal application on a form provided by the board;

91.25 (2) the renewal fee required under section 147F.17;

91.26 (3) evidence of compliance with the continuing education requirements in section  
91.27 147F.11; and

91.28 (4) any additional information requested by the board.

91.29 Sec. 5. **[147F.09] BOARD ACTION ON APPLICATIONS FOR LICENSURE.**

91.30 (a) The board shall act on each application for licensure according to paragraphs  
91.31 (b) to (d).

91.32 (b) The board shall determine if the applicant meets the requirements for licensure  
91.33 under section 147F.07. The board may investigate information provided by an applicant to  
91.34 determine whether the information is accurate and complete.

92.1 (c) The board shall notify each applicant in writing of action taken on the application,  
92.2 the grounds for denying licensure if a license is denied, and the applicant's right to review  
92.3 the board's decision under paragraph (d).

92.4 (d) Applicants denied licensure may make a written request to the board, within 30  
92.5 days of the board's notice, to appear before the advisory council and for the advisory  
92.6 council to review the board's decision to deny the applicant's license. After reviewing the  
92.7 denial, the advisory council shall make a recommendation to the board as to whether  
92.8 the denial shall be affirmed. Each applicant is allowed only one request for review per  
92.9 licensure period.

92.10 **Sec. 6. [147F.11] CONTINUING EDUCATION REQUIREMENTS.**

92.11 (a) A licensed genetic counselor must complete a minimum of 25 hours of NSGC-  
92.12 or ABMG-approved continuing education units every two years. If a licensee's renewal  
92.13 term is prorated to be more or less than one year, the required number of continuing  
92.14 education units is prorated proportionately.

92.15 (b) The board may grant a variance to the continuing education requirements  
92.16 specified in this section if a licensee demonstrates to the satisfaction of the board that the  
92.17 licensee is unable to complete the required number of educational units during the renewal  
92.18 term. The board may allow the licensee to complete the required number of continuing  
92.19 education units within a time frame specified by the board. In no case shall the board  
92.20 allow the licensee to complete less than the required number of continuing education units.

92.21 **Sec. 7. [147F.13] DISCIPLINE; REPORTING.**

92.22 For purposes of sections 147F.01 to 147F.17, licensed genetic counselors and  
92.23 applicants are subject to sections 147.091 to 147.162.

92.24 **Sec. 8. [147F.15] LICENSED GENETIC COUNSELOR ADVISORY COUNCIL.**

92.25 Subdivision 1. **Membership.** The board shall appoint a five-member Licensed  
92.26 Genetic Counselor Advisory Council. One member must be a licensed physician with  
92.27 experience in genetics, three members must be licensed genetic counselors, and one  
92.28 member must be a public member.

92.29 Subd. 2. **Organization.** The advisory council shall be organized and administered  
92.30 as provided in section 15.059.

92.31 Subd. 3. **Duties.** The advisory council shall:

92.32 (1) advise the board regarding standards for licensed genetic counselors;

93.1 (2) provide for distribution of information regarding licensed genetic counselor  
 93.2 practice standards;

93.3 (3) advise the board on enforcement of sections 147F.01 to 147F.17;

93.4 (4) review applications and recommend granting or denying licensure or license  
 93.5 renewal;

93.6 (5) advise the board on issues related to receiving and investigating complaints,  
 93.7 conducting hearings, and imposing disciplinary action in relation to complaints against  
 93.8 licensed genetic counselors; and

93.9 (6) perform other duties authorized for advisory councils by chapter 214, as directed  
 93.10 by the board.

93.11 Subd. 4. **Expiration.** Notwithstanding section 15.059, the advisory council does  
 93.12 not expire.

93.13 **Sec. 9. [147F.17] FEES.**

93.14 Subdivision 1. **Fees.** Fees are as follows:

93.15 (1) license application fee, \$200;

93.16 (2) initial licensure and annual renewal, \$150;

93.17 (3) provisional license fee, \$150; and

93.18 (4) late fee, \$75.

93.19 Subd. 2. **Proration of fees.** The board may prorate the initial license fee. All  
 93.20 licensees are required to pay the full fee upon license renewal.

93.21 Subd. 3. **Penalty for late renewals.** An application for registration renewal  
 93.22 submitted after the deadline must be accompanied by a late fee in addition to the required  
 93.23 fees.

93.24 Subd. 4. **Nonrefundable fees.** All fees are nonrefundable.

93.25 Subd. 5. **Deposit.** Fees collected by the board under this section shall be deposited  
 93.26 in the state government special revenue fund.

93.27 **SPOKEN LANGUAGE HEALTH CARE INTERPRETER**

93.28 **Sec. 10. [148.9981] DEFINITIONS.**

93.29 Subdivision 1. **Applicability.** The definitions in this section apply to sections  
 93.30 148.9981 to 148.9987.

93.31 Subd. 2. **Advisory council.** "Advisory council" means the Spoken Language Health  
 93.32 Care Interpreter Advisory Council established in section 148.9986.

94.1 Subd. 3. **Code of ethics.** "Code of ethics" means the National Code of Ethics for  
94.2 Interpreters in Health Care, as published by the National Council on Interpreting in Health  
94.3 Care or its successor, or the International Medical Interpreters Association or its successor.

94.4 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of health.

94.5 Subd. 5. **Common languages.** "Common languages" mean the ten most frequent  
94.6 languages without regard to dialect in Minnesota for which interpreters are listed on  
94.7 the registry.

94.8 Subd. 6. **Interpreting standards of practice.** "Interpreting standards of practice"  
94.9 means the interpreting standards of practice in health care as published by the National  
94.10 Council on Interpreting in Health Care or its successor, or the International Medical  
94.11 Interpreters Association or its successor.

94.12 Subd. 7. **Registry.** "Registry" means a database of spoken language health  
94.13 care interpreters in Minnesota who have met the qualifications described under section  
94.14 148.9982, subdivision 2, 3, 4, or 5, which shall be maintained by the commissioner of  
94.15 health.

94.16 Subd. 8. **Remote interpretation.** "Remote interpretation" means providing spoken  
94.17 language interpreting services via a telephone or by video conferencing.

94.18 Subd. 9. **Spoken language health care interpreter or interpreter.** "Spoken  
94.19 language health care interpreter" or "interpreter" means an individual who receives  
94.20 compensation or other remuneration for providing spoken language interpreter services for  
94.21 patients with limited English proficiency within a medical setting either by face-to-face  
94.22 interpretation or remote interpretation.

94.23 Subd. 10. **Spoken language interpreting services.** "Spoken language interpreting  
94.24 services" means the conversion of one spoken language into another by an interpreter for  
94.25 the purpose of facilitating communication between a patient and a health care provider  
94.26 who do not share a common spoken language.

94.27 Sec. 11. **[148.9982] REGISTRY.**

94.28 Subdivision 1. **Establishment.** (a) By July 1, 2017, the commissioner of health  
94.29 shall establish and maintain a registry for spoken language health care interpreters. The  
94.30 registry shall contain four separate tiers based on different qualification standards for  
94.31 education and training.

94.32 (b) An individual who wants to be listed on the registry must submit an application  
94.33 to the commissioner on a form provided by the commissioner along with all applicable  
94.34 fees required under section 148.9987. The form must include the applicant's name; Social  
94.35 Security number; business address and telephone number, or home address and telephone

95.1 number if the applicant has a home office; the applicant's employer or the agencies with  
95.2 which the applicant is affiliated; the employer's or agencies' addresses and telephone  
95.3 numbers; and the languages the applicant is qualified to interpret.

95.4 (c) Upon receipt of the application, the commissioner shall determine if the applicant  
95.5 meets the requirements for the applicable registry tier. The commissioner may request  
95.6 further information from the applicant if the information provided is not complete or  
95.7 accurate. The commissioner shall notify the applicant of action taken on the application,  
95.8 and if the application is denied, the grounds for denying the application.

95.9 (d) If the commissioner denies an application, the applicant may apply for a lower  
95.10 tier or may reapply for the same tier at a later date. If an applicant applies for a different  
95.11 tier or reapplies for the same tier, the applicant must submit with the new application the  
95.12 applicable fees under section 148.9987.

95.13 (e) Applicants who qualify for different tiers for different languages shall only be  
95.14 required to complete one application and submit with the application the fee associated  
95.15 with the highest tier for which the applicant is applying.

95.16 (f) The commissioner may request, as deemed necessary, additional information  
95.17 from an applicant to determine or verify qualifications or collect information to manage  
95.18 the registry or monitor the field of health care interpreting.

95.19 Subd. 2. **Tier 1 requirements.** The commissioner shall include on the tier 1 registry  
95.20 an applicant who meets the following requirements:

95.21 (1) is at least 18 years of age;

95.22 (2) passes an examination approved by the commissioner on basic medical  
95.23 terminology in English;

95.24 (3) passes an examination approved by the commissioner on interpreter ethics and  
95.25 standards of practice; and

95.26 (4) affirms by signature, including electronic signature, that the applicant has read  
95.27 the code of ethics and interpreting standards of practice identified on the registry Web  
95.28 site and agrees to abide by them.

95.29 Subd. 3. **Tier 2 requirements.** The commissioner shall include on the tier 2 registry  
95.30 an applicant who meets the requirements for tier 1 described under subdivision 2 and who:

95.31 (1) effective July 1, 2017, to June 30, 2018, provides proof of successfully  
95.32 completing a training program for medical interpreters approved by the commissioner that  
95.33 is, at a minimum, 40 hours in length; or

95.34 (2) effective July 1, 2018, provides proof of successfully completing a training  
95.35 program for medical interpreters approved by the commissioner that is equal in length to  
95.36 the number of hours required by the Certification Commission for Healthcare Interpreters

96.1 (CCHI) or National Council on Interpreting in Health Care (NCIHC) or their successors.  
96.2 If the number of hours required by CCHI or its successor and the number of hours required  
96.3 by the NCIHC or its successor differ, the number of hours required to qualify for the  
96.4 registry shall be the greater of the two. A training program of 40 hours or more approved  
96.5 by the commissioner and completed prior to July 1, 2017, may count toward the number  
96.6 of hours required.

96.7 Subd. 4. **Tier 3 requirements.** The commissioner shall include on the tier 3 registry  
96.8 an applicant who meets the requirements for tier 1 described under subdivision 2 and who:

96.9 (1) has a national certification in health care interpreting that does not include a  
96.10 performance examination from a certifying organization approved by the commissioner; or

96.11 (2) provides proof of successfully completing an interpreting certification program  
96.12 from an accredited United States academic institution approved by the commissioner  
96.13 that is, at a minimum, 18 semester credits.

96.14 Subd. 5. **Tier 4 requirements.** (a) The commissioner shall include on the tier 4  
96.15 registry an applicant who meets the requirements for tier 1 described under subdivision 2  
96.16 and who:

96.17 (1) has a national certification from a certifying organization approved by the  
96.18 commissioner in health care interpreting that includes a performance examination in the  
96.19 non-English language in which the interpreter is registering to interpret; or

96.20 (2)(i) has an associate's degree or higher in interpreting from an accredited United  
96.21 States academic institution. The degree and institution must be approved by the  
96.22 commissioner and the degree must include a minimum of three semester credits in medical  
96.23 terminology or medical interpreting; and

96.24 (ii) has achieved a score of "advanced mid" or higher on the American Council on  
96.25 the Teaching of Foreign Languages Oral Proficiency Interview in a non-English language  
96.26 in which the interpreter is registering to interpret.

96.27 (b) The commissioner, in consultation with the advisory council, may approve  
96.28 alternative means of meeting oral proficiency requirements for tier 4 for languages  
96.29 in which the American Council of Teaching of Foreign Languages Oral Proficiency  
96.30 Interview is not available.

96.31 (c) The commissioner, in consultation with the advisory council, may approve a  
96.32 degree from an educational institution from a foreign country as meeting the associate's  
96.33 degree requirement in paragraph (a), clause (2). The commissioner may assess the  
96.34 applicant a fee to cover the cost of foreign credential evaluation services approved by  
96.35 the commissioner, in consultation with the advisory council, and any additional steps

97.1 necessary to process the application. Any assessed fee must be paid by the interpreter  
97.2 before the interpreter will be registered.

97.3 Subd. 6. **Change of name and address.** Registered spoken language health  
97.4 care interpreters who change their name, address, or e-mail address must inform the  
97.5 commissioner in writing of the change within 30 days. All notices or other correspondence  
97.6 mailed to the interpreter's address or e-mail address on file with the commissioner shall  
97.7 be considered as having been received by the interpreter.

97.8 Subd. 7. **Data.** Section 13.41 applies to government data of the commissioner  
97.9 on applicants and registered interpreters.

97.10 Sec. 12. **[148.9983] RENEWAL.**

97.11 Subdivision 1. **Registry period.** Listing on the registry is valid for a one-year  
97.12 period. To renew inclusion on the registry, an interpreter must submit:

97.13 (1) a renewal application on a form provided by the commissioner;

97.14 (2) a continuing education report on a form provided by the commissioner as  
97.15 specified under section 148.9985; and

97.16 (3) the required fees under section 148.9987.

97.17 Subd. 2. **Notice.** (a) Sixty days before the registry expiration date, the commissioner  
97.18 shall send out a renewal notice to the spoken language health care interpreter's last known  
97.19 address or e-mail address on file with the commissioner. The notice must include an  
97.20 application for renewal and the amount of the fee required for renewal. If the interpreter  
97.21 does not receive the renewal notice, the interpreter is still required to meet the deadline for  
97.22 renewal to qualify for continuous inclusion on the registry.

97.23 (b) An application for renewal must be received by the commissioner or postmarked  
97.24 at least 30 calendar days before the registry expiration date.

97.25 Subd. 3. **Late fee.** A renewal application submitted after the renewal deadline  
97.26 date must include the late fee specified in section 148.9987. Fees for late renewal shall  
97.27 not be prorated.

97.28 Subd. 4. **Lapse in renewal.** An interpreter whose registry listing has been expired  
97.29 for a period of one year or longer must submit a new application to be listed on the registry  
97.30 instead of a renewal application.

97.31 Sec. 13. **[148.9984] DISCIPLINARY ACTIONS; OVERSIGHT OF**  
97.32 **COMPLAINTS.**

97.33 Subdivision 1. **Prohibited conduct.** (a) The following conduct is prohibited and is  
97.34 grounds for disciplinary or corrective action:

98.1 (1) failure to provide spoken language interpreting services consistent with the  
98.2 code of ethics and interpreting standards of practice, or performance of the interpretation  
98.3 in an incompetent or negligent manner;

98.4 (2) conviction of a crime, including a finding or verdict of guilt, an admission of  
98.5 guilt, or a no-contest plea, in any court in Minnesota or any other jurisdiction in the United  
98.6 States, demonstrably related to engaging in spoken language health care interpreter  
98.7 services. Conviction includes a conviction for an offense which, if committed in this  
98.8 state, would be deemed a felony;

98.9 (3) conviction of violating any state or federal law, rule, or regulation that directly  
98.10 relates to the practice of spoken language health care interpreters;

98.11 (4) adjudication as mentally incompetent or as a person who is dangerous to self  
98.12 or adjudication pursuant to chapter 253B as chemically dependent, developmentally  
98.13 disabled, mentally ill and dangerous to the public, or as a sexual psychopathic personality  
98.14 or sexually dangerous person;

98.15 (5) violation or failure to comply with an order issued by the commissioner;

98.16 (6) obtaining money, property, services, or business from a client through the use of  
98.17 undue influence, excessive pressure, harassment, duress, deception, or fraud;

98.18 (7) revocation of the interpreter's national certification as a result of disciplinary  
98.19 action brought by the national certifying body;

98.20 (8) failure to perform services with reasonable judgment, skill, or safety due to the  
98.21 use of alcohol or drugs or other physical or mental impairment;

98.22 (9) engaging in conduct likely to deceive, defraud, or harm the public;

98.23 (10) demonstrating a willful or careless disregard for the health, welfare, or safety  
98.24 of a client;

98.25 (11) failure to cooperate with the commissioner or advisory council in an  
98.26 investigation or to provide information in response to a request from the commissioner  
98.27 or advisory council;

98.28 (12) aiding or abetting another person in violating any provision of sections  
98.29 148.9981 to 148.9987; and

98.30 (13) release or disclosure of a health record in violation of sections 144.291 to  
98.31 144.298.

98.32 (b) In disciplinary actions alleging a violation of paragraph (a), clause (2), (3), or  
98.33 (4), a copy of the judgment or proceeding under seal of the court administrator, or of the  
98.34 administrative agency that entered the same, is admissible into evidence without further  
98.35 authentication and constitutes prima facie evidence of its contents.

99.1 Subd. 2. **Complaints.** The commissioner may initiate an investigation upon  
 99.2 receiving a complaint or other oral or written communication that alleges or implies  
 99.3 a violation of subdivision 1. In the receipt, investigation, and hearing of a complaint  
 99.4 that alleges or implies a violation of subdivision 1, the commissioner shall follow the  
 99.5 procedures in section 214.10.

99.6 Subd. 3. **Disciplinary actions.** If the commissioner finds that an interpreter who  
 99.7 is listed on the registry has violated any provision of sections 148.9981 to 148.9987, the  
 99.8 commissioner may take any one or more of the following actions:

99.9 (1) remove the interpreter from the registry;

99.10 (2) impose limitations or conditions on the interpreter's practice, impose  
 99.11 rehabilitation requirements, or require practice under supervision; or

99.12 (3) censure or reprimand the interpreter.

99.13 Subd. 4. **Reinstatement requirements after disciplinary action.** Interpreters  
 99.14 who have been removed from the registry may request and provide justification for  
 99.15 reinstatement. The requirements of sections 148.9981 to 148.9987 for registry renewal  
 99.16 and any other conditions imposed by the commissioner must be met before the interpreter  
 99.17 may be reinstated on the registry.

99.18 Sec. 14. **[148.9985] CONTINUING EDUCATION.**

99.19 Subdivision 1. **Course approval.** The advisory council shall approve continuing  
 99.20 education courses and training. A course that has not been approved by the advisory  
 99.21 council may be submitted, but may be disapproved by the commissioner. If the course  
 99.22 is disapproved, it shall not count toward the continuing education requirement. The  
 99.23 interpreter must complete the following hours of continuing education during each  
 99.24 one-year registry period:

99.25 (1) for tier 2 interpreters, a minimum of four contact hours of continuing education;

99.26 (2) for tier 3 interpreters, a minimum of six contact hours of continuing education; and

99.27 (3) for tier 4 interpreters, a minimum of eight contact hours of continuing education.

99.28 Contact hours shall be prorated for interpreters who are assigned a registry cycle of  
 99.29 less than one year.

99.30 Subd. 2. **Continuing education verification.** Each spoken language health care  
 99.31 interpreter shall submit with a renewal application a continuing education report on a form  
 99.32 provided by the commissioner that indicates that the interpreter has met the continuing  
 99.33 education requirements of this section. The form shall include the following information:

99.34 (1) the title of the continuing education activity;

99.35 (2) a brief description of the activity;

- 100.1 (3) the sponsor, presenter, or author;  
 100.2 (4) the location and attendance dates;  
 100.3 (5) the number of contact hours; and  
 100.4 (6) the interpreter's notarized affirmation that the information is true and correct.

100.5 Subd. 3. **Audit.** The commissioner or advisory council may audit a percentage of  
 100.6 the continuing education reports based on a random selection.

100.7 Sec. 15. **[148.9986] SPOKEN LANGUAGE HEALTH CARE INTERPRETER**  
 100.8 **ADVISORY COUNCIL.**

100.9 Subdivision 1. **Establishment.** The commissioner shall appoint 12 members to a  
 100.10 Spoken Language Health Care Interpreter Advisory Council consisting of the following  
 100.11 members:

100.12 (1) three members who are interpreters listed on the roster prior to July 1, 2017, or  
 100.13 on the registry after July 1, 2017, and who are Minnesota residents. Of these members,  
 100.14 each must be an interpreter for a different language; at least one must have a national  
 100.15 certification credential; and at least one must have been listed on the roster prior to July 1,  
 100.16 2017, or on the registry after July 1, 2017, as an interpreter in a language other than the  
 100.17 common languages and must have completed a training program for medical interpreters  
 100.18 approved by the commissioner that is, at a minimum, 40 hours in length;

100.19 (2) three members representing limited English proficient (LEP) individuals, of  
 100.20 these members, two must represent LEP individuals who are proficient in a common  
 100.21 language and one must represent LEP individuals who are proficient in a language that is  
 100.22 not one of the common languages;

100.23 (3) one member representing a health plan company;

100.24 (4) one member representing a Minnesota health system who is not an interpreter;

100.25 (5) one member representing an interpreter agency;

100.26 (6) one member representing an interpreter training program or postsecondary  
 100.27 educational institution program providing interpreter courses or skills assessment;

100.28 (7) one member who is affiliated with a Minnesota-based or Minnesota chapter of a  
 100.29 national or international organization representing interpreters; and

100.30 (8) one member who is a licensed direct care health provider.

100.31 Subd. 2. **Organization.** The advisory council shall be organized and administered  
 100.32 under section 15.059.

100.33 Subd. 3. **Duties.** The advisory council shall:

100.34 (1) advise the commissioner on issues relating to interpreting skills, ethics, and  
 100.35 standards of practice, including reviewing and recommending changes to the examinations

101.1 identified in section 148.9982, subdivision 2, on basic medical terminology in English  
101.2 and interpreter ethics and interpreter standards of practice;

101.3 (2) advise the commissioner on recommended changes to accepted spoken language  
101.4 health care interpreter qualifications, including degree and training programs and  
101.5 performance examinations;

101.6 (3) address barriers for interpreters to gain access to the registry, including barriers  
101.7 to interpreters of uncommon languages and interpreters in rural areas;

101.8 (4) advise the commissioner on methods for identifying gaps in interpreter services in  
101.9 rural areas and make recommendations to address interpreter training and funding needs;

101.10 (5) inform the commissioner on emerging issues in the spoken language health  
101.11 care interpreter field;

101.12 (6) advise the commissioner on training and continuing education programs;

101.13 (7) provide for distribution of information regarding interpreter standards and  
101.14 resources to help interpreters qualify for higher registry tier levels;

101.15 (8) make recommendations for necessary statutory changes to Minnesota interpreter  
101.16 law;

101.17 (9) compare the annual cost of administering the registry and the annual total  
101.18 collection of registration fees and advise the commissioner, if necessary, to recommend an  
101.19 adjustment to the registration fees;

101.20 (10) identify barriers to meeting tier requirements and make recommendations to the  
101.21 commissioner for addressing these barriers;

101.22 (11) identify and make recommendations to the commissioner for Web distribution  
101.23 of patient and provider education materials on working with an interpreter and on reporting  
101.24 interpreter behavior as identified in section 148.9984; and

101.25 (12) review and update as necessary the process for determining common languages.

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

101.27 Sec. 16. **[148.9987] FEES.**

101.28 **Subdivision 1. Fees.** (a) The initial and renewal application fees for interpreters  
101.29 listed on the registry shall be established by the commissioner not to exceed \$90.

101.30 (b) The renewal late fee for the registry shall be established by the commissioner  
101.31 not to exceed \$30.

101.32 (c) If the commissioner must translate a document to verify whether a foreign degree  
101.33 qualifies for registration for tier 4, the commissioner may assess a fee equal to the actual  
101.34 cost of translation and additional effort necessary to process the application.

101.35 **Subd. 2. Nonrefundable fees.** The fees in this section are nonrefundable.

102.1 Subd. 3. **Deposit.** Fees received under sections 148.9981 to 148.9987 shall be  
 102.2 deposited in the state government special revenue fund.

102.3 Sec. 17. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 18a,  
 102.4 is amended to read:

102.5 Subd. 18a. **Access to medical services.** (a) Medical assistance reimbursement for  
 102.6 meals for persons traveling to receive medical care may not exceed \$5.50 for breakfast,  
 102.7 \$6.50 for lunch, or \$8 for dinner.

102.8 (b) Medical assistance reimbursement for lodging for persons traveling to receive  
 102.9 medical care may not exceed \$50 per day unless prior authorized by the local agency.

102.10 (c) Regardless of the number of employees that an enrolled health care provider may  
 102.11 have, medical assistance covers sign and ~~oral~~ spoken language health care interpreter  
 102.12 services when provided by an enrolled health care provider during the course of providing  
 102.13 a direct, person-to-person covered health care service to an enrolled recipient with limited  
 102.14 English proficiency or who has a hearing loss and uses interpreting services. Coverage  
 102.15 for ~~face-to-face oral language~~ spoken language health care interpreter services shall be  
 102.16 provided only if the ~~oral language~~ spoken language health care interpreter used by the  
 102.17 enrolled health care provider is listed ~~in~~ on the registry ~~or~~ roster established under section  
 102.18 144.058 or the registry established under sections 148.9981 to 148.9987. Beginning July  
 102.19 1, 2018, coverage for spoken language health care interpreter services shall be provided  
 102.20 only if the spoken language health care interpreter used by the enrolled health care  
 102.21 provider is listed on the registry established under sections 148.9981 to 148.9987.

102.22 Sec. 18. **STRATIFIED MEDICAL ASSISTANCE REIMBURSEMENT SYSTEM**  
 102.23 **FOR SPOKEN LANGUAGE HEALTH CARE INTERPRETERS.**

102.24 (a) The commissioner of human services, in consultation with the commissioner  
 102.25 of health, the Spoken Language Health Care Interpreter Advisory Council established  
 102.26 under Minnesota Statutes, section 148.9986, and representatives from the interpreting  
 102.27 stakeholder community at large, shall study and make recommendations for creating a  
 102.28 tiered reimbursement system for the Minnesota public health care programs for spoken  
 102.29 language health care interpreters based on the different tiers of the spoken language health  
 102.30 care interpreters registry established by the commissioner of health under Minnesota  
 102.31 Statutes, sections 148.9981 to 148.9987.

102.32 (b) The commissioner of human services shall submit the proposed reimbursement  
 102.33 system, including the fiscal costs for the proposed system to the chairs and ranking

103.1 minority members of the house of representatives and senate committees with jurisdiction  
103.2 over health and human services policy and finance by January 15, 2017.

103.3 (c) The commissioner of health, in consultation with the Spoken Language Health  
103.4 Care Interpreter Advisory Council, shall review the fees established under Minnesota  
103.5 Statutes, section 148.9987, and make recommendations based on the results of the  
103.6 study and recommendations under paragraph (a) whether the fees are established at an  
103.7 appropriate level, including whether specific fees should be established for each tier of the  
103.8 registry instead of one uniform fee for all tiers. The total fees collected must be sufficient  
103.9 to recover the costs of the spoken language health care registry. If the commissioner  
103.10 recommends different fees for the tier, the commissioner shall submit the proposed fees to  
103.11 the chairs and ranking minority members of the legislative committees with jurisdiction  
103.12 over health and human services policy and finance by January 15, 2018.

103.13 **Sec. 19. INITIAL SPOKEN LANGUAGE HEALTH CARE ADVISORY**  
103.14 **COUNCIL MEETING.**

103.15 The commissioner of health shall convene the first meeting of the Spoken Language  
103.16 Health Care Advisory Council by October 1, 2016.

103.17 **Sec. 20. SPOKEN LANGUAGE HEALTH CARE INTERPRETER REGISTRY**  
103.18 **FEES.**

103.19 Notwithstanding Minnesota Statutes, section 148.9987, paragraph (a), the initial and  
103.20 renewal fees for interpreters listed on the spoken language health care registry shall be \$50  
103.21 between the period of July 1, 2017, through June 30, 2018, and shall be \$70 between the  
103.22 period of July 1, 2018, through June 30, 2019. Beginning July 1, 2019, the fees shall be  
103.23 in accordance with Minnesota Statutes, section 148.9987.

103.24 **Sec. 21. APPROPRIATION.**

103.25 \$357,000 in fiscal year 2017 is appropriated from the state government special  
103.26 revenue fund to the commissioner of health for the spoken language health care interpreter  
103.27 registry. This amount includes \$280,000 for onetime start-up costs for the registry that  
103.28 is available until June 30, 2019. The base for this appropriation is \$241,000 in fiscal  
103.29 year 2018 and \$156,000 in fiscal year 2019.

103.30 \$25,000 in fiscal year 2017 is appropriated from the state government special revenue  
103.31 fund to the commissioner of human services to study and submit a proposed stratified  
103.32 medical assistance reimbursement system for spoken language health care interpreters.

104.1 Sec. 22. **REPEALER.**104.2 Minnesota Statutes 2014, section 144.058, is repealed effective July 1, 2018.104.3 **MINNESOTA ORTHOTIST, PROSTHETIST, AND PEDORTHIST**104.4 **PRACTICE ACT**104.5 Sec. 23. **[153B.10] SHORT TITLE.**104.6 Chapter 153B may be cited as the "Minnesota Orthotist, Prosthetist, and Pedorthist  
104.7 Practice Act."104.8 **EFFECTIVE DATE.** This section is effective July 1, 2016.104.9 Sec. 24. **[153B.15] DEFINITIONS.**104.10 Subdivision 1. **Application.** For purposes of this act, the following words have  
104.11 the meanings given.104.12 Subd. 2. **Advisory council.** "Advisory council" means the Orthotics, Prosthetics,  
104.13 and Pedorthics Advisory Council established under section 153B.25.104.14 Subd. 3. **Board.** "Board" means the Board of Podiatric Medicine.104.15 Subd. 4. **Custom-fabricated device.** "Custom-fabricated device" means an orthosis,  
104.16 prosthesis, or pedorthic device for use by a patient that is fabricated to comprehensive  
104.17 measurements or a mold or patient model in accordance with a prescription and which  
104.18 requires on-site or in-person clinical and technical judgment in its design, fabrication,  
104.19 and fitting.104.20 Subd. 5. **Licensed orthotic-prosthetic assistant.** "Licensed orthotic-prosthetic  
104.21 assistant" or "assistant" means a person, licensed by the board, who is educated and  
104.22 trained to participate in comprehensive orthotic and prosthetic care while under the  
104.23 supervision of a licensed orthotist or licensed prosthetist. Assistants may perform orthotic  
104.24 and prosthetic procedures and related tasks in the management of patient care. The  
104.25 assistant may fabricate, repair, and maintain orthoses and prostheses. The use of the title  
104.26 "orthotic-prosthetic assistant" or representations to the public is limited to a person who is  
104.27 licensed under this chapter as an orthotic-prosthetic assistant.104.28 Subd. 6. **Licensed orthotic fitter.** "Licensed orthotic fitter" or "fitter" means a  
104.29 person licensed by the board who is educated and trained in providing certain orthoses,  
104.30 and is trained to conduct patient assessments, formulate treatment plans, implement  
104.31 treatment plans, perform follow-up, and practice management pursuant to a prescription.  
104.32 An orthotic fitter must be competent to fit certain custom-fitted, prefabricated, and  
104.33 off-the-shelf orthoses as follows:

- 105.1 (1) cervical orthoses, except those used to treat an unstable cervical condition;  
105.2 (2) prefabricated orthoses for the upper and lower extremities, except those used in:  
105.3 (i) the initial or acute treatment of long bone fractures and dislocations;  
105.4 (ii) therapeutic shoes and inserts needed as a result of diabetes; and  
105.5 (iii) functional electrical stimulation orthoses;  
105.6 (3) prefabricated spinal orthoses, except those used in the treatment of scoliosis or  
105.7 unstable spinal conditions, including halo cervical orthoses; and  
105.8 (4) trusses.

105.9 The use of the title "orthotic fitter" or representations to the public is limited to a person  
105.10 who is licensed under this chapter as an orthotic fitter.

105.11 Subd. 7. **Licensed orthotist.** "Licensed orthotist" means a person licensed by  
105.12 the board who is educated and trained to practice orthotics, which includes managing  
105.13 comprehensive orthotic patient care pursuant to a prescription. The use of the title  
105.14 "orthotist" or representations to the public is limited to a person who is licensed under  
105.15 this chapter as an orthotist.

105.16 Subd. 8. **Licensed pedorthist.** "Licensed pedorthist" means a person licensed by  
105.17 the board who is educated and trained to manage comprehensive pedorthic patient care  
105.18 and who performs patient assessments, formulates and implements treatment plans, and  
105.19 performs follow-up and practice management pursuant to a prescription. A pedorthist may  
105.20 fit, fabricate, adjust, or modify devices within the scope of the pedorthist's education and  
105.21 training. Use of the title "pedorthist" or representations to the public is limited to a person  
105.22 who is licensed under this chapter as a pedorthist.

105.23 Subd. 9. **Licensed prosthetist.** "Licensed prosthetist" means a person licensed by  
105.24 the board who is educated and trained to manage comprehensive prosthetic patient care,  
105.25 and who performs patient assessments, formulates and implements treatment plans, and  
105.26 performs follow-up and practice management pursuant to a prescription. Use of the title  
105.27 "prosthetist" or representations to the public is limited to a person who is licensed under  
105.28 this chapter as a prosthetist.

105.29 Subd. 10. **Licensed prosthetist orthotist.** "Licensed prosthetist orthotist" means a  
105.30 person licensed by the board who is educated and trained to manage comprehensive  
105.31 prosthetic and orthotic patient care, and who performs patient assessments, formulates and  
105.32 implements treatment plans, and performs follow-up and practice management pursuant to  
105.33 a prescription. Use of the title "prosthetist orthotist" or representations to the public is  
105.34 limited to a person who is licensed under this chapter as a prosthetist orthotist.

105.35 Subd. 11. **NCOPE.** "NCOPE" means National Commission on Orthotic and  
105.36 Prosthetic Education, an accreditation program that ensures educational institutions and

106.1 residency programs meet the minimum standards of quality to prepare individuals to enter  
106.2 the orthotic, prosthetic, and pedorthic professions.

106.3 Subd. 12. **Orthosis.** "Orthosis" means an external device that is custom-fabricated  
106.4 or custom-fitted to a specific patient based on the patient's unique physical condition and  
106.5 is applied to a part of the body to help correct a deformity, provide support and protection,  
106.6 restrict motion, improve function, or relieve symptoms of a disease, syndrome, injury, or  
106.7 postoperative condition.

106.8 Subd. 13. **Orthotics.** "Orthotics" means the science and practice of evaluating,  
106.9 measuring, designing, fabricating, assembling, fitting, adjusting, or servicing an orthosis  
106.10 pursuant to a prescription. The practice of orthotics includes providing the initial training  
106.11 necessary for fitting an orthotic device for the support, correction, or alleviation of  
106.12 neuromuscular or musculoskeletal dysfunction, disease, injury, or deformity.

106.13 Subd. 14. **Over-the-counter.** "Over-the-counter" means a prefabricated,  
106.14 mass-produced item that is prepackaged, requires no professional advice or judgment in  
106.15 size selection or use, and is currently available at retail stores without a prescription.  
106.16 Over-the-counter items are not regulated by this act.

106.17 Subd. 15. **Off-the-shelf.** "Off-the-shelf" means a prefabricated device sized or  
106.18 modified for the patient's use pursuant to a prescription and which requires changes to be  
106.19 made by a qualified practitioner to achieve an individual fit, such as requiring the item  
106.20 to be trimmed, bent, or molded with or without heat, or requiring any other alterations  
106.21 beyond self adjustment.

106.22 Subd. 16. **Pedorthic device.** "Pedorthic device" means below-the-ankle partial  
106.23 foot prostheses for transmetatarsal and more distal amputations, foot orthoses, and  
106.24 subtalar-control foot orthoses to control the range of motion of the subtalar joint.  
106.25 A prescription is required for any pedorthic device, modification, or prefabricated  
106.26 below-the-knee orthosis addressing a medical condition that originates at the ankle or  
106.27 below. Pedorthic devices do not include nontherapeutic inlays or footwear regardless  
106.28 of method of manufacture; unmodified, nontherapeutic over-the-counter shoes; or  
106.29 prefabricated foot care products.

106.30 Subd. 17. **Pedorthics.** "Pedorthics" means the science and practice of evaluating,  
106.31 measuring, designing, fabricating, assembling, fitting, adjusting, or servicing a pedorthic  
106.32 device pursuant to a prescription for the correction or alleviation of neuromuscular or  
106.33 musculoskeletal dysfunction, disease, injury, or deformity. The practice of pedorthics  
106.34 includes providing patient care and services pursuant to a prescription to prevent or  
106.35 ameliorate painful or disabling conditions of the foot and ankle.

107.1 Subd. 18. **Prescription.** "Prescription" means an order deemed medically necessary  
 107.2 by a physician, podiatric physician, osteopathic physician, or a licensed health care  
 107.3 provider who has authority in this state to prescribe orthotic and prosthetic devices,  
 107.4 supplies, and services.

107.5 Subd. 19. **Prosthesis.** "Prosthesis" means a custom-designed, fabricated, fitted, or  
 107.6 modified device to treat partial or total limb loss for purposes of restoring physiological  
 107.7 function or cosmesis. Prosthesis does not include artificial eyes, ears, fingers, or toes;  
 107.8 dental appliances; external breast prosthesis; or cosmetic devices that do not have a  
 107.9 significant impact on the musculoskeletal functions of the body.

107.10 Subd. 20. **Prosthetics.** "Prosthetics" means the science and practice of evaluating,  
 107.11 measuring, designing, fabricating, assembling, fitting, adjusting, or servicing a prosthesis  
 107.12 pursuant to a prescription. It includes providing the initial training necessary to fit a  
 107.13 prosthesis in order to replace external parts of a human body lost due to amputation,  
 107.14 congenital deformities, or absence.

107.15 Subd. 21. **Resident.** "Resident" means a person who has completed a  
 107.16 NCOPE-approved education program in orthotics or prosthetics and is receiving clinical  
 107.17 training in a residency accredited by NCOPE.

107.18 Subd. 22. **Residency.** "Residency" means a minimum of an NCOPE-approved  
 107.19 program to acquire practical clinical training in orthotics and prosthetics in a patient  
 107.20 care setting.

107.21 Subd. 23. **Supervisor.** "Supervisor" means the licensed orthotist, prosthetist, or  
 107.22 pedorthist who oversees and is responsible for the delivery of appropriate, effective,  
 107.23 ethical, and safe orthotic, prosthetic, or pedorthic patient care.

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

107.25 Sec. 25. **[153B.20] EXCEPTIONS.**

107.26 Nothing in this chapter shall prohibit:

107.27 (1) a physician, osteopathic physician, or podiatric physician licensed by the state of  
 107.28 Minnesota from providing services within the physician's scope of practice;

107.29 (2) a professional regulated in this state, including but not limited to physical  
 107.30 therapists and occupational therapists, from providing services within the professional's  
 107.31 scope of practice;

107.32 (3) the practice of orthotics, prosthetics, or pedorthics by a person who is employed  
 107.33 by the federal government or any bureau, division, or agency of the federal government  
 107.34 while in the discharge of the employee's official duties;

107.35 (4) the practice of orthotics, prosthetics, or pedorthics by:

108.1 (i) a student enrolled in an accredited or approved orthotics, prosthetics, or  
108.2 pedorthics education program who is performing activities required by the program;  
108.3 (ii) a resident enrolled in an NCOPE-accredited residency program; or  
108.4 (iii) a person working in a qualified, supervised work experience or internship who  
108.5 is obtaining the clinical experience necessary for licensure under this chapter; or  
108.6 (5) an orthotist, prosthetist, prosthetist orthotist, pedorthist, assistant, or fitter who is  
108.7 licensed in another state or territory of the United States or in another country that has  
108.8 equivalent licensure requirements as approved by the board from providing services within  
108.9 the professional's scope of practice subject to this paragraph, if the individual is qualified  
108.10 and has applied for licensure under this chapter. The individual shall be allowed to practice  
108.11 for no longer than six months following the filing of the application for licensure, unless  
108.12 the individual withdraws the application for licensure or the board denies the license.

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

108.14 Sec. 26. **[153B.25] ORTHOTICS, PROSTHETICS, AND PEDORTHICS**  
108.15 **ADVISORY COUNCIL.**

108.16 Subdivision 1. **Creation; membership.** (a) There is established an Orthotics,  
108.17 Prosthetics, and Pedorthics Advisory Council which shall consist of seven voting members  
108.18 appointed by the board. Five members shall be licensed and practicing orthotists,  
108.19 prosthetists, or pedorthists. Each profession shall be represented on the advisory council.  
108.20 One member shall be a Minnesota-licensed doctor of podiatric medicine who is also a  
108.21 member of the Board of Podiatric Medicine, and one member shall be a public member.

108.22 (b) The council shall be organized and administered under section 15.059.

108.23 Subd. 2. **Duties.** The advisory council shall:

108.24 (1) advise the board on enforcement of the provisions contained in this chapter;

108.25 (2) review reports of investigations or complaints relating to individuals and make  
108.26 recommendations to the board as to whether a license should be denied or disciplinary  
108.27 action taken against an individual;

108.28 (3) advise the board regarding standards for licensure of professionals under this  
108.29 chapter; and

108.30 (4) perform other duties authorized for advisory councils by chapter 214, as directed  
108.31 by the board.

108.32 Subd. 3. **Chair.** The council must elect a chair from among its members.

108.33 Subd. 4. **Administrative provisions.** The Board of Podiatric Medicine must  
108.34 provide meeting space and administrative services for the council.

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

109.2 Sec. 27. **[153B.30] LICENSURE.**

109.3 Subdivision 1. **Application.** An application for a license shall be submitted to the  
109.4 board in the format required by the board and shall be accompanied by the required fee,  
109.5 which is nonrefundable.

109.6 Subd. 2. **Qualifications.** (a) To be eligible for licensure as an orthotist, prosthetist,  
109.7 or prosthetist orthotist, an applicant shall meet orthotist, prosthetist, or prosthetist orthotist  
109.8 certification requirements of either the American Board for Certification in Orthotics,  
109.9 Prosthetics, and Pedorthics or the Board of Certification/Accreditation requirements in  
109.10 effect at the time of the individual's application for licensure and be in good standing  
109.11 with the certifying board.

109.12 (b) To be eligible for licensure as a pedorthist, an applicant shall meet the pedorthist  
109.13 certification requirements of either the American Board for Certification in Orthotics,  
109.14 Prosthetics, and Pedorthics or the Board of Certification/Accreditation that are in effect  
109.15 at the time of the individual's application for licensure and be in good standing with  
109.16 the certifying board.

109.17 (c) To be eligible for licensure as an orthotic or prosthetic assistant, an applicant shall  
109.18 meet the orthotic or prosthetic assistant certification requirements of the American Board  
109.19 for Certification in Orthotics, Prosthetics, and Pedorthics that are in effect at the time of  
109.20 the individual's application for licensure and be in good standing with the certifying board.

109.21 (d) To be eligible for licensure as an orthotic fitter, an applicant shall meet the  
109.22 orthotic fitter certification requirements of either the American Board for Certification in  
109.23 Orthotics, Prosthetics, and Pedorthics or the Board of Certification/Accreditation that are  
109.24 in effect at the time of the individual's application for licensure and be in good standing  
109.25 with the certifying board.

109.26 Subd. 3. **License term.** A license to practice is valid for a term of up to 24 months  
109.27 beginning on January 1 or commencing after initially fulfilling the license requirements  
109.28 and ending on December 31 of the following year.

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

109.30 Sec. 28. **[153B.35] EMPLOYMENT BY AN ACCREDITED FACILITY; SCOPE**  
109.31 **OF PRACTICE.**

109.32 A licensed orthotist, prosthetist, pedorthist, assistant, or orthotic fitter may provide  
109.33 limited, supervised patient care services beyond their licensed scope of practice if all of  
109.34 the following conditions are met:

110.1 (1) the licensee is employed by a patient care facility that is accredited by a national  
110.2 accrediting organization in orthotics, prosthetics, and pedorthics;

110.3 (2) written objective criteria are documented by the accredited facility to describe  
110.4 the knowledge and skills required by the licensee to demonstrate competency to provide  
110.5 additional specific and limited patient care services that are outside the licensee's scope of  
110.6 practice;

110.7 (3) the licensee provides patient care only at the direction of a supervisor who is  
110.8 licensed as an orthotist, pedorthist, or prosthetist who is employed by the facility to provide  
110.9 the specific patient care or services that are outside the licensee's scope of practice; and

110.10 (4) the supervised patient care occurs in compliance with facility accreditation  
110.11 standards.

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

110.13 Sec. 29. **[153B.40] CONTINUING EDUCATION.**

110.14 Subdivision 1. **Requirement.** Each licensee shall obtain the number of continuing  
110.15 education hours required by the certifying board to maintain certification status pursuant  
110.16 to the specific license category.

110.17 Subd. 2. **Proof of attendance.** A licensee must submit to the board proof of  
110.18 attendance at approved continuing education programs during the license renewal period  
110.19 in which it was attended in the form of a certificate, statement of continuing education  
110.20 credits from the American Board for Certification in Orthotics, Prosthetics, and Pedorthics  
110.21 or the Board of Certification/Accreditation, descriptive receipt, or affidavit. The board  
110.22 may conduct random audits.

110.23 Subd. 3. **Extension of continuing education requirements.** For good cause, a  
110.24 licensee may apply to the board for a six-month extension of the deadline for obtaining  
110.25 the required number of continuing education credits. No more than two consecutive  
110.26 extensions may be granted. For purposes of this subdivision, "good cause" includes  
110.27 unforeseen hardships such as illness, family emergency, or military call-up.

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

110.29 Sec. 30. **[153B.45] LICENSE RENEWAL.**

110.30 Subdivision 1. **Submission of license renewal application.** A licensee must submit  
110.31 to the board a license renewal application on a form provided by the board together with  
110.32 the license renewal fee. The completed form must be postmarked no later than January 1  
110.33 in the year of renewal. The form must be signed by the licensee in the place provided for

111.1 the renewal applicant's signature, include evidence of participation in approved continuing  
111.2 education programs, and any other information as the board may reasonably require.

111.3 Subd. 2. **Renewal application postmarked after January 1.** A renewal application  
111.4 postmarked after January 1 in the renewal year shall be returned to the licensee for addition  
111.5 of the late renewal fee. A license renewal application postmarked after January 1 in the  
111.6 renewal year is not complete until the late renewal fee has been received by the board.

111.7 Subd. 3. **Failure to submit renewal application.** (a) At any time after January 1 of  
111.8 the applicable renewal year, the board shall send notice to a licensee who has failed to  
111.9 apply for license renewal. The notice shall be mailed to the licensee at the last address on  
111.10 file with the board and shall include the following information:

111.11 (1) that the licensee has failed to submit application for license renewal;

111.12 (2) the amount of renewal and late fees;

111.13 (3) information about continuing education that must be submitted in order for  
111.14 the license to be renewed;

111.15 (4) that the licensee must respond within 30 calendar days after the notice was sent  
111.16 by the board; and

111.17 (5) that the licensee may voluntarily terminate the license by notifying the board  
111.18 or may apply for license renewal by sending the board a completed renewal application,  
111.19 license renewal and late fees, and evidence of compliance with continuing education  
111.20 requirements.

111.21 (b) Failure by the licensee to notify the board of the licensee's intent to voluntarily  
111.22 terminate the license or to submit a license renewal application shall result in expiration  
111.23 of the license and termination of the right to practice. The expiration of the license and  
111.24 termination of the right to practice shall not be considered disciplinary action against the  
111.25 licensee.

111.26 (c) A license that has been expired under this subdivision may be reinstated.

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

111.28 Sec. 31. **[153B.50] NAME AND ADDRESS CHANGE.**

111.29 (a) A licensee who has changed names must notify the board in writing within 90  
111.30 days and request a revised license. The board may require official documentation of the  
111.31 legal name change.

111.32 (b) A licensee must maintain with the board a correct mailing address to receive  
111.33 board communications and notices. A licensee who has changed addresses must notify the  
111.34 board in writing within 90 days. Mailing a notice by United States mail to a licensee's last  
111.35 known mailing address constitutes valid mailing.

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

112.2 Sec. 32. **[153B.55] INACTIVE STATUS.**

112.3 (a) A licensee who notifies the board in the format required by the board may elect  
112.4 to place the licensee's credential on inactive status and shall be excused from payment  
112.5 of renewal fees until the licensee notifies the board in the format required by the board  
112.6 of the licensee's plan to return to practice.

112.7 (b) A person requesting restoration from inactive status shall be required to pay the  
112.8 current renewal fee and comply with section 153B.45.

112.9 (c) A person whose license has been placed on inactive status shall not practice in  
112.10 this state.

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

112.12 Sec. 33. **[153B.60] LICENSE LAPSE DUE TO MILITARY SERVICE.**

112.13 A licensee whose license has expired while on active duty in the armed forces of the  
112.14 United States, with the National Guard while called into service or training, or while in  
112.15 training or education preliminary to induction into military service may have the licensee's  
112.16 license renewed or restored without paying a late fee or license restoration fee if the licensee  
112.17 provides verification to the board within two years of the termination of service obligation.

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

112.19 Sec. 34. **[153B.65] ENDORSEMENT.**

112.20 The board may license, without examination and on payment of the required fee,  
112.21 an applicant who is an orthotist, prosthetist, prosthetist orthotist, pedorthist, assistant, or  
112.22 fitter who is certified by the American Board for Certification in Orthotics, Prosthetics,  
112.23 and Pedorthics or a national certification organization with educational, experiential, and  
112.24 testing standards equal to or higher than the licensing requirements in Minnesota.

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

112.26 Sec. 35. **[153B.70] GROUNDS FOR DISCIPLINARY ACTION.**

112.27 (a) The board may refuse to issue or renew a license, revoke or suspend a license, or  
112.28 place on probation or reprimand a licensee for one or any combination of the following:

112.29 (1) making a material misstatement in furnishing information to the board;

112.30 (2) violating or intentionally disregarding the requirements of this chapter;

- 113.1 (3) conviction of a crime, including a finding or verdict of guilt, an admission of  
113.2 guilt, or a no-contest plea, in this state or elsewhere, reasonably related to the practice  
113.3 of the profession. Conviction, as used in this clause, includes a conviction of an offense  
113.4 which, if committed in this state, would be deemed a felony, gross misdemeanor, or  
113.5 misdemeanor, without regard to its designation elsewhere, or a criminal proceeding where  
113.6 a finding or verdict of guilty is made or returned but the adjudication of guilt is either  
113.7 withheld or not entered;
- 113.8 (4) making a misrepresentation in order to obtain or renew a license;
- 113.9 (5) displaying a pattern of practice or other behavior that demonstrates incapacity or  
113.10 incompetence to practice;
- 113.11 (6) aiding or assisting another person in violating the provisions of this chapter;
- 113.12 (7) failing to provide information within 60 days in response to a written request from  
113.13 the board, including documentation of completion of continuing education requirements;
- 113.14 (8) engaging in dishonorable, unethical, or unprofessional conduct;
- 113.15 (9) engaging in conduct of a character likely to deceive, defraud, or harm the public;
- 113.16 (10) inability to practice due to habitual intoxication, addiction to drugs, or mental  
113.17 or physical illness;
- 113.18 (11) being disciplined by another state or territory of the United States, the federal  
113.19 government, a national certification organization, or foreign nation, if at least one of the  
113.20 grounds for the discipline is the same or substantially equivalent to one of the grounds  
113.21 in this section;
- 113.22 (12) directly or indirectly giving to or receiving from a person, firm, corporation,  
113.23 partnership, or association a fee, commission, rebate, or other form of compensation for  
113.24 professional services not actually or personally rendered;
- 113.25 (13) incurring a finding by the board that the licensee, after the licensee has been  
113.26 placed on probationary status, has violated the conditions of the probation;
- 113.27 (14) abandoning a patient or client;
- 113.28 (15) willfully making or filing false records or reports in the course of the licensee's  
113.29 practice including, but not limited to, false records or reports filed with state or federal  
113.30 agencies;
- 113.31 (16) willfully failing to report child maltreatment as required under the Maltreatment  
113.32 of Minors Act, section 626.556; or
- 113.33 (17) soliciting professional services using false or misleading advertising.
- 113.34 (b) A license to practice is automatically suspended if (1) a guardian of a licensee is  
113.35 appointed by order of a court pursuant to sections 524.5-101 to 524.5-502, for reasons  
113.36 other than the minority of the licensee, or (2) the licensee is committed by order of a court

114.1 pursuant to chapter 253B. The license remains suspended until the licensee is restored to  
114.2 capacity by a court and, upon petition by the licensee, the suspension is terminated by the  
114.3 board after a hearing. The licensee may be reinstated to practice, either with or without  
114.4 restrictions, by demonstrating clear and convincing evidence of rehabilitation. The  
114.5 regulated person is not required to prove rehabilitation if the subsequent court decision  
114.6 overturns previous court findings of public risk.

114.7 (c) If the board has probable cause to believe that a licensee or applicant has violated  
114.8 paragraph (a), clause (10), it may direct the person to submit to a mental or physical  
114.9 examination. For the purpose of this section, every person is deemed to have consented to  
114.10 submit to a mental or physical examination when directed in writing by the board and to  
114.11 have waived all objections to the admissibility of the examining physician's testimony or  
114.12 examination report on the grounds that the testimony or report constitutes a privileged  
114.13 communication. Failure of a regulated person to submit to an examination when directed  
114.14 constitutes an admission of the allegations against the person, unless the failure was due to  
114.15 circumstances beyond the person's control, in which case a default and final order may be  
114.16 entered without the taking of testimony or presentation of evidence. A regulated person  
114.17 affected under this paragraph shall at reasonable intervals be given an opportunity to  
114.18 demonstrate that the person can resume the competent practice of the regulated profession  
114.19 with reasonable skill and safety to the public. In any proceeding under this paragraph,  
114.20 neither the record of proceedings nor the orders entered by the board shall be used against  
114.21 a regulated person in any other proceeding.

114.22 (d) In addition to ordering a physical or mental examination, the board may,  
114.23 notwithstanding section 13.384 or 144.293, or any other law limiting access to medical or  
114.24 other health data, obtain medical data and health records relating to a licensee or applicant  
114.25 without the person's or applicant's consent if the board has probable cause to believe that a  
114.26 licensee is subject to paragraph (a), clause (10). The medical data may be requested  
114.27 from a provider as defined in section 144.291, subdivision 2, paragraph (i), an insurance  
114.28 company, or a government agency, including the Department of Human Services. A  
114.29 provider, insurance company, or government agency shall comply with any written request  
114.30 of the board under this subdivision and is not liable in any action for damages for releasing  
114.31 the data requested by the board if the data are released pursuant to a written request under  
114.32 this subdivision, unless the information is false and the provider giving the information  
114.33 knew, or had reason to know, the information was false. Information obtained under this  
114.34 subdivision is private data on individuals as defined in section 13.02.

114.35 (e) If the board issues an order of immediate suspension of a license, a hearing must  
114.36 be held within 30 days of the suspension and completed without delay.

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

115.2 Sec. 36. **[153B.75] INVESTIGATION; NOTICE AND HEARINGS.**

115.3 The board has the authority to investigate alleged violations of this chapter, conduct  
115.4 hearings, and impose corrective or disciplinary action as provided in section 214.103.

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

115.6 Sec. 37. **[153B.80] UNLICENSED PRACTICE.**

115.7 Subdivision 1. **License required.** Effective January 1, 2018, no individual shall  
115.8 practice as an orthotist, prosthetist, prosthetist orthotist, pedorthist, orthotic or prosthetic  
115.9 assistant, or orthotic fitter, unless the individual holds a valid license issued by the board  
115.10 under this chapter, except as permitted under section 153B.20 or 153B.35.

115.11 Subd. 2. **Designation.** No individual shall represent themselves to the public as  
115.12 a licensed orthotist, prosthetist, prosthetist orthotist, pedorthist, orthotic or prosthetic  
115.13 assistant, or an orthotic fitter, unless the individual is licensed under this chapter.

115.14 Subd. 3. **Penalties.** Any individual who violates this section is guilty of a  
115.15 misdemeanor. The board shall have the authority to seek a cease and desist order against  
115.16 any individual who is engaged in the unlicensed practice of a profession regulated by the  
115.17 board under this chapter.

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

115.19 Sec. 38. **[153B.85] FEES.**

115.20 (a) The application fee for initial licensure shall not exceed \$600.

115.21 (b) The biennial renewal fee for a license to practice as an orthotist, prosthetist,  
115.22 prosthetist orthotist, or pedorthist shall not exceed \$600.

115.23 (c) The biennial renewal fee for a license to practice as an assistant or a fitter shall  
115.24 not exceed \$300.

115.25 (d) For the first renewal period following initial licensure, the renewal fee is the fee  
115.26 specified in paragraph (b) or (c), prorated to the nearest dollar that is represented by the  
115.27 ratio of the number of days the license is held in the initial licensure period to 730 days.

115.28 (e) The fee for license restoration shall not exceed \$600.

115.29 (f) The fee for late license renewal is the license renewal fee in effect at the time of  
115.30 renewal plus \$100.

115.31 (g) The fee for license verification shall not exceed \$30.

115.32 (h) The fee to obtain a list of licensees shall not exceed \$25.

116.1 (i) No fee may be refunded for any reason.

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

116.3 Sec. 39. **FIRST APPOINTMENTS, FIRST MEETING, AND FIRST CHAIR OF**  
 116.4 **THE ORTHOTICS, PROSTHETICS, AND PEDORTHICS ADVISORY COUNCIL.**

116.5 The Board of Podiatric Medicine shall make its first appointments authorized  
 116.6 under Minnesota Statutes, section 153B.25, to the Orthotics, Prosthetics, and Pedorthics  
 116.7 Advisory Council, by September 1, 2016. The board shall designate four of its first  
 116.8 appointees to serve terms that are coterminous with the governor. The chair of the Board  
 116.9 of Podiatric Medicine or the chair's designee shall convene the first meeting of the council  
 116.10 by November 1, 2016. The council must elect a chair from among its members at the first  
 116.11 meeting of the council.

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

116.13 **ARTICLE 8**

116.14 **HUMAN SERVICES FORECAST ADJUSTMENTS**

116.15 Section 1. **HUMAN SERVICES APPROPRIATION.**

116.16 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 116.17 in parentheses, subtracted from the appropriations in Laws 2015, chapter 71, article 13,  
 116.18 from the general fund or any fund named to the Department of Human Services for the  
 116.19 purposes specified in this article, to be available for the fiscal year indicated for each  
 116.20 purpose. The figures "2016" and "2017" used in this article mean that the appropriations  
 116.21 listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017,  
 116.22 respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017.  
 116.23 "The biennium" is fiscal years 2016 and 2017.

	<b><u>APPROPRIATIONS</u></b>
	<b><u>Available for the Year</u></b>
	<b><u>Ending June 30</u></b>
	<b><u>2016</u>                      <u>2017</u></b>

116.28 Sec. 2. **COMMISSIONER OF HUMAN**  
 116.29 **SERVICES**

116.30 Subdivision 1. **Total Appropriation**                      \$    **(615,912,000)** \$    **(518,891,000)**

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
<u>General Fund</u>	<u>(307,806,000)</u>	<u>(246,029,000)</u>

117.1	<u>Health Care Access</u>		
117.2	<u>Fund</u>	<u>(289,770,000)</u>	<u>(277,101,000)</u>
117.3	<u>Federal TANF</u>	<u>(18,336,000)</u>	<u>4,239,000</u>
117.4	<b><u>Subd. 2. Forecasted Programs</u></b>		
117.5	<b><u>(a) MFIP/DWP</u></b>		
117.6	<u>Appropriations by Fund</u>		
117.7	<u>General Fund</u>	<u>9,833,000</u>	<u>(8,799,000)</u>
117.8	<u>Federal TANF</u>	<u>(20,225,000)</u>	<u>4,212,000</u>
117.9	<b><u>(b) MFIP Child Care Assistance</u></b>	<u>(23,094,000)</u>	<u>(7,760,000)</u>
117.10	<b><u>(c) General Assistance</u></b>	<u>(2,120,000)</u>	<u>(1,078,000)</u>
117.11	<b><u>(d) Minnesota Supplemental Aid</u></b>	<u>(1,613,000)</u>	<u>(1,650,000)</u>
117.12	<b><u>(e) Group Residential Housing</u></b>	<u>(8,101,000)</u>	<u>(7,954,000)</u>
117.13	<b><u>(f) Northstar Care for Children</u></b>	<u>2,231,000</u>	<u>4,496,000</u>
117.14	<b><u>(g) MinnesotaCare</u></b>	<u>(227,821,000)</u>	<u>(230,027,000)</u>
117.15	<u>These appropriations are from the health care</u>		
117.16	<u>access fund.</u>		
117.17	<b><u>(h) Medical Assistance</u></b>		
117.18	<u>Appropriations by Fund</u>		
117.19	<u>General Fund</u>	<u>(294,773,000)</u>	<u>(243,700,000)</u>
117.20	<u>Health Care Access</u>		
117.21	<u>Fund</u>	<u>(61,949,000)</u>	<u>(47,074,000)</u>
117.22	<b><u>(i) Alternative Care Program</u></b>	<u>-0-</u>	<u>-0-</u>
117.23	<b><u>(j) CCDTF Entitlements</u></b>	<u>9,831,000</u>	<u>20,416,000</u>
117.24	<b><u>Subd. 3. Technical Activities</u></b>	<u>1,889,000</u>	<u>27,000</u>
117.25	<u>These appropriations are from the federal</u>		
117.26	<u>TANF fund.</u>		

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

117.28 **ARTICLE 9**

117.29 **HEALTH AND HUMAN SERVICES APPROPRIATIONS**

117.30 Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

118.1 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 118.2 in parentheses, subtracted from the appropriations in Laws 2015, chapter 71, article 14, to  
 118.3 the agencies and for the purposes specified in this article. The appropriations are from the  
 118.4 general fund or other named fund and are available for the fiscal years indicated for each  
 118.5 purpose. The figures "2016" and "2017" used in this article mean that the addition to or  
 118.6 subtraction from the appropriation listed under them is available for the fiscal year ending  
 118.7 June 30, 2016, or June 30, 2017, respectively. Supplemental appropriations and reductions  
 118.8 to appropriations for the fiscal year ending June 30, 2016, are effective the day following  
 118.9 final enactment unless a different effective date is explicit.

118.10		<b>APPROPRIATIONS</b>	
118.11		<b>Available for the Year</b>	
118.12		<b>Ending June 30</b>	
118.13		<b><u>2016</u></b>	<b><u>2017</u></b>

118.14 **Sec. 2. COMMISSIONER OF HUMAN**  
 118.15 **SERVICES**

118.16 **Subdivision 1. Total Appropriation** **-0-** **(9,626,000)**

118.17	<u>Appropriations by Fund</u>		
118.18		<u>2016</u>	<u>2017</u>
118.19	<u>General</u>	<u>-0-</u>	<u>(2,355,000)</u>
118.20	<u>State Government</u>		
118.21	<u>Special Revenue</u>	<u>-0-</u>	<u>25,000</u>
118.22	<u>Health Care Access</u>	<u>-0-</u>	<u>(7,296,000)</u>
118.23	<u>Federal TANF</u>	<u>-0-</u>	<u>-0-</u>

118.24 **Subd. 2. Central Office Operations**

118.25 **(a) Operations** **-0-** **(11,179,000)**

118.26 **Base Adjustment.** The general fund base is  
 118.27 reduced by \$12,026,000 in fiscal year 2018  
 118.28 and \$12,028,000 in fiscal year 2019.

118.29 **(b) Children and Families** **-0-** **-0-**

118.30 **(c) Health Care**

118.31	<u>Appropriations by Fund</u>		
118.32	<u>General</u>	<u>-0-</u>	<u>162,000</u>
118.33	<u>State Government</u>		
118.34	<u>Special Revenue</u>	<u>-0-</u>	<u>25,000</u>
118.35	<u>Health Care Access</u>	<u>-0-</u>	<u>(4,239,000)</u>

119.1 **Spoken Language Health Care**

119.2 **Interpreters.** \$25,000 in fiscal year 2017

119.3 from the state government special revenue

119.4 fund is for the commissioner of human

119.5 services to study and submit a proposed

119.6 stratified medical assistance reimbursement

119.7 system for spoken language health care

119.8 interpreters.

119.9 **Waiver to Allow MinnesotaCare-Eligible**

119.10 **Persons to Purchase Coverage Through**

119.11 **Qualified Health Plans.** \$213,000 in fiscal

119.12 year 2017 from the health care access fund is

119.13 for the commissioner to request a waiver to

119.14 allow persons eligible for MinnesotaCare to

119.15 instead purchase coverage from a qualified

119.16 health plan and access advanced premium

119.17 tax credits and cost-sharing reductions. This

119.18 is a onetime appropriation.

119.19 **Base Adjustment.** The general fund base is

119.20 increased by \$142,000 in fiscal years 2018

119.21 and 2019. The health care access fund base

119.22 is reduced by \$4,112,000 in fiscal years 2018

119.23 and 2019.

119.24 **(d) Continuing Care**

-0-

201,000

119.25 **Long-Term Care Simulation Model.** (a)

119.26 \$200,000 in fiscal year 2017 is for the

119.27 commissioner of human services to develop a

119.28 Minnesota-specific long-term care financing

119.29 microsimulation model. This is a onetime

119.30 appropriation. The commissioner shall

119.31 ensure that the model:

119.32 (1) predicts the needs and future utilization

119.33 of long-term care services and supports for

119.34 Minnesotans based on demographic and

119.35 economic factors; and

120.1 (2) estimates the costs of care under various  
 120.2 funding scenarios, including voluntary  
 120.3 programs, to determine the impact of  
 120.4 various financing options on state funds,  
 120.5 out-of-pocket expenses, Medicare, and other  
 120.6 insurance and financing products.

120.7 (b) The commissioner shall use the  
 120.8 appropriation in paragraph (a) to create and  
 120.9 implement the model to:

120.10 (1) predict the cost of long-term care under  
 120.11 various public and private financing options,  
 120.12 including voluntary programs; and

120.13 (2) determine the most appropriate options  
 120.14 for the state.

120.15 (c) The commissioner shall report by January  
 120.16 15, 2018, to the chairs and ranking minority  
 120.17 members of the legislative committees and  
 120.18 divisions with jurisdiction over health and  
 120.19 human services policy and finance on the  
 120.20 development of the long-term care simulation  
 120.21 model.

120.22 (d) Notwithstanding any contrary provision  
 120.23 in this article, paragraphs (a) to (c) expire  
 120.24 January 15, 2018.

120.25 **Base Adjustment.** The general fund base is  
 120.26 increased by \$2,000 in fiscal year 2018 and  
 120.27 \$4,000 in fiscal year 2019.

120.28 **(e) Community Supports** -0- 74,000

120.29 **Base Adjustment.** The general fund base  
 120.30 is increased by \$543,000 in fiscal year 2018  
 120.31 and \$503,000 in fiscal year 2019.

120.32 **Subd. 3. Forecasted Programs**

120.33 **(a) MFIP/DWP**

121.1	<u>Appropriations by Fund</u>		
121.2	<u>General</u>		<u>-0-</u>
121.3	<u>Federal TANF</u>		<u>-0-</u>
121.4	<u>(b) MFIP Child Care Assistance</u>		<u>-0-</u> <u>-0-</u>
121.5	<u>(c) General Assistance</u>		<u>-0-</u> <u>-0-</u>
121.6	<u>(d) MN Supplemental Assistance</u>		<u>-0-</u> <u>-0-</u>
121.7	<u>(e) Group Residential Housing</u>		<u>-0-</u> <u>-0-</u>
121.8	<u>(f) Northstar Care for Children</u>		<u>-0-</u> <u>-0-</u>
121.9	<u>(g) MinnesotaCare</u>		<u>-0-</u> <u>58,000</u>
121.10	<u>These appropriations are from the health care</u>		
121.11	<u>access fund.</u>		
121.12	<u>(h) Medical Assistance</u>		
121.13	<u>Appropriations by Fund</u>		
121.14	<u>General</u>	<u>-0-</u>	<u>252,000</u>
121.15	<u>Health Care Access</u>	<u>-0-</u>	<u>-0-</u>
121.16	<u>(i) Alternative Care</u>		<u>-0-</u> <u>-0-</u>
121.17	<u>(j) CD Treatment Fund</u>		<u>-0-</u> <u>3,792,000</u>
121.18	<u><b>Transfer.</b> Notwithstanding Minnesota</u>		
121.19	<u>Statutes, section 254B.06, subdivision 1, the</u>		
121.20	<u>commissioner shall transfer up to \$2,000,000,</u>		
121.21	<u>if available, in fiscal year 2017 only, from the</u>		
121.22	<u>consolidated chemical dependency treatment</u>		
121.23	<u>fund administrative account in the special</u>		
121.24	<u>revenue fund to the general fund.</u>		
121.25	<u>Subd. 4. <b>Grant Programs</b></u>		
121.26	<u>(a) Support Services Grants</u>		<u>-0-</u> <u>-0-</u>
121.27	<u>(b) BSF Child Care Assistance Grants</u>		<u>-0-</u> <u>-0-</u>
121.28	<u><b>Base Adjustment.</b> The general fund base</u>		
121.29	<u>is increased by \$174,000 in fiscal year 2018</u>		
121.30	<u>and \$232,000 in fiscal year 2019.</u>		
121.31	<u>(c) Child Care Development Grants</u>		<u>-0-</u> <u>-0-</u>

122.1	<b><u>(d) Child Support Enforcement Grants</u></b>	-0-	-0-
122.2	<b><u>(e) Children's Services Grants</u></b>	-0-	-0-
122.3	<b><u>(f) Children and Community Service Grants</u></b>	-0-	<u>1,400,000</u>
122.4	<b><u>White Earth Band of Ojibwe Human</u></b>		
122.5	<b><u>Services Initiative Project. \$1,400,000</u></b>		
122.6	<u>in fiscal year 2017 is for a grant to the</u>		
122.7	<u>White Earth Band of Ojibwe for the direct</u>		
122.8	<u>implementation and administrative costs of</u>		
122.9	<u>the White Earth Human Services Initiative</u>		
122.10	<u>Project authorized under Laws 2011, First</u>		
122.11	<u>Special Session chapter 9, article 9, section</u>		
122.12	<u>18. This is a onetime appropriation.</u>		
122.13	<b><u>(g) Children and Economic Support Grants</u></b>	-0-	<u>934,000</u>
122.14	<b><u>Safe Harbor. \$934,000 in fiscal year 2017</u></b>		
122.15	<u>from the general fund is for emergency shelter</u>		
122.16	<u>and transitional and long-term housing beds</u>		
122.17	<u>for sexually exploited youth and youth at</u>		
122.18	<u>risk of sexual exploitation, and for statewide</u>		
122.19	<u>youth outreach workers to connect sexually</u>		
122.20	<u>exploited youth with shelter and services.</u>		
122.21	<b><u>(h) Health Care Grants</u></b>		
122.22	<u>Appropriations by Fund</u>		
122.23	<u>General</u>	-0-	-0-
122.24	<u>Health Care Access</u>	-0-	<u>(3,115,000)</u>
122.25	<b><u>Base Adjustment. The health care access</u></b>		
122.26	<u>fund base is reduced by \$3,115,000 in fiscal</u>		
122.27	<u>years 2018 and 2019.</u>		
122.28	<b><u>(i) Other Long-Term Care Grants</u></b>	-0-	-0-
122.29	<b><u>(j) Aging and Adult Services Grants</u></b>	-0-	<u>40,000</u>
122.30	<b><u>Advanced In-Home Activity Monitoring</u></b>		
122.31	<b><u>Systems. \$40,000 in fiscal year 2017 from the</u></b>		
122.32	<u>general fund is for a grant to a local research</u>		
122.33	<u>organization with expertise in identifying</u>		

123.1 current and potential support systems and  
 123.2 examining the capacity of those systems to  
 123.3 meet the needs of the growing population of  
 123.4 elderly persons, to conduct a comprehensive  
 123.5 assessment of current literature, past  
 123.6 research, and an environmental scan of the  
 123.7 field related to advanced in-home activity  
 123.8 monitoring systems for elderly persons.  
 123.9 The commissioner must report the results  
 123.10 of the assessment by January 15, 2017, to  
 123.11 the legislative committees and divisions with  
 123.12 jurisdiction over health and human services  
 123.13 policy and finance.

123.14 **Base Adjustment.** The general fund base  
 123.15 is increased by \$40,000 in fiscal years 2018  
 123.16 and 2019.

123.17 **(k) Deaf and Hard-of-Hearing Grants** -0-                      -0-

123.18 **(l) Disabilities Grants** -0-                      -0-

123.19 **(m) Adult Mental Health Grants** -0-                      394,000

123.20 **Mental Health Pilot Project.** \$394,000  
 123.21 in fiscal year 2017 from the general fund  
 123.22 is for a grant to the Zumbro Valley Health  
 123.23 Center. The grant shall be used to continue a  
 123.24 pilot project to test an integrated behavioral  
 123.25 health care coordination model. The grant  
 123.26 recipient must report measurable outcomes  
 123.27 to the commissioner of human services by  
 123.28 December 1, 2018. This appropriation does  
 123.29 not expire and is available through June 30,  
 123.30 2018.

123.31 **(n) Child Mental Health Grants** -0-                      600,000

123.32 **Children's Mental Health Collaboratives.**  
 123.33 \$600,000 in fiscal year 2017 from the general  
 123.34 fund is for a children's mental health grant

124.1 under Minnesota Statutes, section 245.4889,  
 124.2 for a rural demonstration project to assist  
 124.3 transition-aged youth and young adults  
 124.4 with emotional behavioral disturbance or  
 124.5 mental illnesses in making a successful  
 124.6 transition into adulthood. This is a onetime  
 124.7 appropriation.

124.8 **(o) Chemical Dependency Treatment Support**  
 124.9 **Grants**

-0-

975,000

124.10 **Peer Specialists.** \$800,000 in fiscal year  
 124.11 2017 from the general fund is for grants  
 124.12 to recovery community organizations to  
 124.13 train, hire, and supervise peer specialists  
 124.14 to work with underserved populations as  
 124.15 part of the continuum of care for substance  
 124.16 use disorders. Recovery community  
 124.17 organizations located in Rochester,  
 124.18 Moorhead, and the Twin Cities metropolitan  
 124.19 area are eligible to receive grant funds.

124.20 **Recovery Community Organizations.**  
 124.21 \$175,000 in fiscal year 2017 from the  
 124.22 general fund is for a grant to recovery  
 124.23 community organizations to create and  
 124.24 implement a public relations campaign  
 124.25 specific to reducing the stigma associated  
 124.26 with substance use disorders. Recovery  
 124.27 community organizations located in  
 124.28 Rochester, Moorhead, and the Twin Cities  
 124.29 metropolitan area are eligible to receive grant  
 124.30 funds.

124.31 **Base Adjustment.** The general fund base is  
 124.32 increased by \$800,000 in fiscal years 2018  
 124.33 and 2019.

124.34 **Subd. 5. DCT State-Operated Services**

125.1	<b><u>(a) DCT State-Operated Services Mental</u></b>			
125.2	<b><u>Health</u></b>		<u>-0-</u>	<u>-0-</u>
125.3	<b><u>(b) DCT State-Operated Services Enterprise</u></b>			
125.4	<b><u>Services</u></b>		<u>-0-</u>	<u>-0-</u>
125.5	<b><u>(c) DCT State-Operated Services Minnesota</u></b>			
125.6	<b><u>Security Hospital</u></b>		<u>-0-</u>	<u>-0-</u>
125.7	<b><u>Subd. 6. DCT Minnesota Sex Offender</u></b>			
125.8	<b><u>Program</u></b>		<u>-0-</u>	<u>-0-</u>
125.9	<b><u>Subd. 7. Technical Activities</u></b>		<u>-0-</u>	<u>-0-</u>
125.10	<b><u>Sec. 3. COMMISSIONER OF HEALTH</u></b>			
125.11	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$</b>	<b><u>-0-</u></b>	<b><u>\$ 8,296,000</u></b>
125.12	<b><u>Appropriations by Fund</u></b>			
125.13		<u>2016</u>	<u>2017</u>	
125.14	<b><u>General</u></b>	<u>-0-</u>	<u>523,000</u>	
125.15	<b><u>Health Care Access</u></b>	<u>-0-</u>	<u>7,411,000</u>	
125.16	<b><u>State Government</u></b>			
125.17	<b><u>Special Revenue</u></b>	<u>-0-</u>	<u>362,000</u>	
125.18	<b><u>The appropriation modifications for each</u></b>			
125.19	<b><u>purpose are shown in subdivisions 2 and 3.</u></b>			
125.20	<b><u>Subd. 2. Health Improvement</u></b>			
125.21	<b><u>Appropriations by Fund</u></b>			
125.22	<b><u>General</u></b>	<u>-0-</u>	<u>523,000</u>	
125.23	<b><u>Health Care Access</u></b>	<u>-0-</u>	<u>7,411,000</u>	
125.24	<b><u>Greater Minnesota Family Medicine</u></b>			
125.25	<b><u>Residency Grant Program. \$3,705,000</u></b>			
125.26	<b><u>in fiscal year 2017 from the health care</u></b>			
125.27	<b><u>access fund is for the commissioner of health</u></b>			
125.28	<b><u>to award grants for the greater Minnesota</u></b>			
125.29	<b><u>family medicine residency grant program.</u></b>			
125.30	<b><u>Medical Education. \$3,706,000 in fiscal</u></b>			
125.31	<b><u>year 2017 from the health care access fund</u></b>			
125.32	<b><u>is for the medical education program under</u></b>			
125.33	<b><u>Minnesota Statutes, section 62J.692.</u></b>			
125.34	<b><u>Reporting on Health Care Costs and</u></b>			
125.35	<b><u>Volume. \$202,000 in fiscal year 2017 from</u></b>			

126.1 the general fund is for the commissioner of  
126.2 health to expand public reporting on average  
126.3 cost and volume information for those health  
126.4 care procedures, tests, and services that  
126.5 the commissioner determines most impact  
126.6 quality of care and patient outcomes. This  
126.7 funding does not cancel and is available  
126.8 through June 30, 2019. The commissioner  
126.9 shall identify these procedures, tests, and  
126.10 services through an analysis of commercial  
126.11 health plan and government health program  
126.12 data sources for services provided in  
126.13 Minnesota and border communities, and by  
126.14 consulting with stakeholder groups. The  
126.15 expanded reporting must include the average  
126.16 payment amount and volume for:  
126.17 (1) select specialty-based physician  
126.18 procedures;  
126.19 (2) select outpatient facility-based  
126.20 procedures;  
126.21 (3) select physician and outpatient  
126.22 facility-based tests;  
126.23 (4) select non-physician professional and  
126.24 outpatient facility services, such as physical  
126.25 therapy, occupational therapy, home care,  
126.26 and durable medical equipment; and  
126.27 (5) other episode-based or bundled services.  
126.28 The expanded reporting must be implemented  
126.29 by July 1, 2019. The commissioner may  
126.30 contract with an external vendor to identify  
126.31 the procedures, tests, and services, and to  
126.32 report cost and volume information for these  
126.33 procedures, tests, and services.

127.1 **Base Adjustments.** The general fund base is  
 127.2 increased by \$2,267,000 in fiscal year 2018  
 127.3 and \$2,472,000 in fiscal year 2019. The  
 127.4 health care access fund base is increased  
 127.5 by \$7,085,000 in fiscal year 2018 and  
 127.6 \$7,074,000 in fiscal year 2019.

127.7 **Subd. 3. Health Protection** -0- 362,000

127.8 These appropriations are from the state  
 127.9 government special revenue fund.

127.10 **Spoken Language Health Care Interpreter**

127.11 **Registry.** \$357,000 in fiscal year 2017  
 127.12 from the state government special revenue  
 127.13 fund is for the spoken language health care  
 127.14 interpreter registry. This amount includes  
 127.15 \$280,000 for onetime start-up costs for the  
 127.16 registry that is available until June 30, 2019.

127.17 **Sec. 4. HEALTH-RELATED BOARDS**

127.18 **Subdivision 1. Total Appropriation** \$ -0- \$ 97,000

127.19 This appropriation is from the state  
 127.20 government special revenue fund.

127.21 **Subd. 2. Board of Medical Practice** -0- 22,000

127.22 **Subd. 3. Board of Podiatric Medicine** -0- 75,000

127.23 **Sec. 5. EMS REGULATORY BOARD** \$ 70,000 \$ 55,000

127.24 **EMS Technology.** Of these appropriations:

127.25 (1) \$34,000 in fiscal year 2016 and  
 127.26 \$34,000 in fiscal year 2017 are for annual  
 127.27 support, maintenance, and hosting of the  
 127.28 comprehensive electronic licensing and  
 127.29 agency operations software solution;  
 127.30 (2) \$21,000 in fiscal year 2016 and \$21,000  
 127.31 in fiscal year 2017 are for annual support,

128.1 maintenance, and housing of the MNSTAR  
 128.2 prehospital patient care report database; and  
 128.3 (3) \$15,000 in fiscal year 2016 is for the  
 128.4 board to purchase four 800-megahertz  
 128.5 handheld radios to be used by field staff to  
 128.6 meet board responsibilities for emergency  
 128.7 communications during a regional or  
 128.8 statewide emergency.

128.9 This provision is effective the day following  
 128.10 final enactment.

128.11 **Sec. 6. OMBUDSMAN FOR MENTAL**  
 128.12 **HEALTH AND DEVELOPMENTAL**  
 128.13 **DISABILITIES**

**\$                      -0- \$                      250,000**

128.14 These funds are for two positions for the  
 128.15 Jensen Settlement and Minnesota's Olmstead  
 128.16 Plan System Division, for oversight and  
 128.17 systematic monitoring for the Jensen and  
 128.18 Olmstead implementation plans and to fulfill  
 128.19 the duties as a consultant to the court and all  
 128.20 parties, as appointed by the federal court.

128.21        Sec. 7. Laws 2015, chapter 71, article 14, section 2, subdivision 5, as amended by  
 128.22 Laws 2015, First Special Session chapter 6, section 1, is amended to read:

128.23 **Subd. 5. Grant Programs**

128.24 The amounts that may be spent from this  
 128.25 appropriation for each purpose are as follows:

128.26 **(a) Support Services Grants**

128.27	Appropriations by Fund		
128.28	General	13,133,000	8,715,000
128.29	Federal TANF	96,311,000	96,311,000

128.30	<b>(b) Basic Sliding Fee Child Care Assistance</b>		
128.31	<b>Grants</b>	48,439,000	51,559,000

128.32 **Basic Sliding Fee Waiting List Allocation.**  
 128.33 Notwithstanding Minnesota Statutes, section

129.1 119B.03, \$5,413,000 in fiscal year 2016 is to  
 129.2 reduce the basic sliding fee program waiting  
 129.3 list as follows:

129.4 (1) The calendar year 2016 allocation shall  
 129.5 be increased to serve families on the waiting  
 129.6 list. To receive funds appropriated for this  
 129.7 purpose, a county must have:

129.8 (i) a waiting list in the most recent published  
 129.9 waiting list month;

129.10 (ii) an average of at least ten families on the  
 129.11 most recent six months of published waiting  
 129.12 list; and

129.13 (iii) total expenditures in calendar year  
 129.14 2014 that met or exceeded 80 percent of the  
 129.15 county's available final allocation.

129.16 (2) Funds shall be distributed proportionately  
 129.17 based on the average of the most recent six  
 129.18 months of published waiting lists to counties  
 129.19 that meet the criteria in clause (1).

129.20 (3) Allocations in calendar years 2017  
 129.21 and beyond shall be calculated using the  
 129.22 allocation formula in Minnesota Statutes,  
 129.23 section 119B.03.

129.24 (4) The guaranteed floor for calendar year  
 129.25 2017 shall be based on the revised calendar  
 129.26 year 2016 allocation.

129.27 **Base Level Adjustment.** The general fund  
 129.28 base is increased by \$810,000 in fiscal year  
 129.29 2018 and increased by \$821,000 in fiscal  
 129.30 year 2019.

129.31	(c) <b>Child Care Development Grants</b>	1,737,000	1,737,000
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129.32	(d) <b>Child Support Enforcement Grants</b>	50,000	50,000
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129.33 (e) **Children's Services Grants**

130.1	Appropriations by Fund		
130.2	General	39,015,000	38,665,000
130.3	Federal TANF	140,000	140,000

130.4 **Safe Place for Newborns.** \$350,000 from  
 130.5 the general fund in fiscal year 2016 is to  
 130.6 distribute information on the Safe Place  
 130.7 for Newborns law in Minnesota to increase  
 130.8 public awareness of the law. This is a  
 130.9 onetime appropriation.

130.10 **Child Protection.** \$23,350,000 in fiscal  
 130.11 year 2016 and \$23,350,000 in fiscal year  
 130.12 2017 are to address child protection staffing  
 130.13 and services under Minnesota Statutes,  
 130.14 section 256M.41. \$1,650,000 in fiscal year  
 130.15 2016 and \$1,650,000 in fiscal year 2017  
 130.16 are for child protection grants to address  
 130.17 child welfare disparities under Minnesota  
 130.18 Statutes, section 256E.28. Of the fiscal  
 130.19 year 2017 appropriation to address child  
 130.20 protection staffing and services in 2017 only,  
 130.21 \$1,600,000 is for a grant to the White Earth  
 130.22 Band of Ojibwe for purposes of delivering  
 130.23 child welfare services.

130.24 **Title IV-E Adoption Assistance.** Additional  
 130.25 federal reimbursement to the state as a result  
 130.26 of the Fostering Connections to Success  
 130.27 and Increasing Adoptions Act's expanded  
 130.28 eligibility for title IV-E adoption assistance  
 130.29 is appropriated to the commissioner  
 130.30 for postadoption services, including a  
 130.31 parent-to-parent support network.

130.32 **Adoption Assistance Incentive Grants.**  
 130.33 Federal funds available during fiscal years  
 130.34 2016 and 2017 for adoption incentive  
 130.35 grants are appropriated to the commissioner

131.1 for postadoption services, including a  
 131.2 parent-to-parent support network.

131.3 **(f) Children and Community Service Grants** 56,301,000 56,301,000

131.4 **(g) Children and Economic Support Grants** 26,778,000 26,966,000

131.5 **Mobile Food Shelf Grants.** (a) \$1,000,000  
 131.6 in fiscal year 2016 and \$1,000,000 in  
 131.7 fiscal year 2017 are for a grant to Hunger  
 131.8 Solutions. This is a onetime appropriation  
 131.9 and is available until June 30, 2017.

131.10 (b) Hunger Solutions shall award grants of  
 131.11 up to \$75,000 on a competitive basis. Grant  
 131.12 applications must include:

131.13 (1) the location of the project;

131.14 (2) a description of the mobile program,  
 131.15 including size and scope;

131.16 (3) evidence regarding the unserved or  
 131.17 underserved nature of the community in  
 131.18 which the project is to be located;

131.19 (4) evidence of community support for the  
 131.20 project;

131.21 (5) the total cost of the project;

131.22 (6) the amount of the grant request and how  
 131.23 funds will be used;

131.24 (7) sources of funding or in-kind  
 131.25 contributions for the project that will  
 131.26 supplement any grant award;

131.27 (8) a commitment to mobile programs by the  
 131.28 applicant and an ongoing commitment to  
 131.29 maintain the mobile program; and

131.30 (9) any additional information requested by  
 131.31 Hunger Solutions.

131.32 (c) Priority may be given to applicants who:

- 132.1 (1) serve underserved areas;
- 132.2 (2) create a new or expand an existing mobile  
132.3 program;
- 132.4 (3) serve areas where a high amount of need  
132.5 is identified;
- 132.6 (4) provide evidence of strong support for the  
132.7 project from citizens and other institutions in  
132.8 the community;
- 132.9 (5) leverage funding for the project from  
132.10 other private and public sources; and
- 132.11 (6) commit to maintaining the program on a  
132.12 multilayer basis.
- 132.13 **Homeless Youth Act.** At least \$500,000 of  
132.14 the appropriation for the Homeless Youth  
132.15 Act must be awarded to providers in greater  
132.16 Minnesota, with at least 25 percent of this  
132.17 amount for new applicant providers. The  
132.18 commissioner shall provide outreach and  
132.19 technical assistance to greater Minnesota  
132.20 providers and new providers to encourage  
132.21 responding to the request for proposals.
- 132.22 **Stearns County Veterans Housing.**  
132.23 \$85,000 in fiscal year 2016 and \$85,000  
132.24 in fiscal year 2017 are for a grant to  
132.25 Stearns County to provide administrative  
132.26 funding in support of a service provider  
132.27 serving veterans in Stearns County. The  
132.28 administrative funding grant may be used to  
132.29 support group residential housing services,  
132.30 corrections-related services, veteran services,  
132.31 and other social services related to the service  
132.32 provider serving veterans in Stearns County.
- 132.33 **Safe Harbor.** \$800,000 in fiscal year 2016  
132.34 and \$800,000 in fiscal year 2017 are from

133.1 the general fund for emergency shelter and  
 133.2 transitional and long-term housing beds for  
 133.3 sexually exploited youth and youth at risk of  
 133.4 sexual exploitation. Of this appropriation,  
 133.5 \$150,000 in fiscal year 2016 and \$150,000 in  
 133.6 fiscal year 2017 are from the general fund for  
 133.7 statewide youth outreach workers connecting  
 133.8 sexually exploited youth and youth at risk of  
 133.9 sexual exploitation with shelter and services.

133.10 **Minnesota Food Assistance Program.**

133.11 Unexpended funds for the Minnesota food  
 133.12 assistance program for fiscal year 2016 do  
 133.13 not cancel but are available for this purpose  
 133.14 in fiscal year 2017.

133.15 **Base Level Adjustment.** The general fund  
 133.16 base is decreased by \$816,000 in fiscal year  
 133.17 2018 and is decreased by \$606,000 in fiscal  
 133.18 year 2019.

133.19 **(h) Health Care Grants**

133.20	Appropriations by Fund		
133.21	General	536,000	2,482,000
133.22	Health Care Access	3,341,000	3,465,000

133.23 **Grants for Periodic Data Matching for**  
 133.24 **Medical Assistance and MinnesotaCare.**

133.25 Of the general fund appropriation, \$26,000  
 133.26 in fiscal year 2016 and \$1,276,000 in fiscal  
 133.27 year 2017 are for grants to counties for  
 133.28 costs related to periodic data matching  
 133.29 for medical assistance and MinnesotaCare  
 133.30 recipients under Minnesota Statutes,  
 133.31 section 256B.0561. The commissioner  
 133.32 must distribute these grants to counties in  
 133.33 proportion to each county's number of cases  
 133.34 in the prior year in the affected programs.

134.1 **Base Level Adjustment.** The general fund  
 134.2 base is increased by \$1,637,000 in fiscal year  
 134.3 2018 and increased by \$1,229,000 in fiscal  
 134.4 year 2019.

134.5 **(i) Other Long-Term Care Grants** 1,551,000 3,069,000

134.6 **Transition Populations.** \$1,551,000 in fiscal  
 134.7 year 2016 and \$1,725,000 in fiscal year 2017  
 134.8 are for home and community-based services  
 134.9 transition grants to assist in providing home  
 134.10 and community-based services and treatment  
 134.11 for transition populations under Minnesota  
 134.12 Statutes, section 256.478.

134.13 **Base Level Adjustment.** The general fund  
 134.14 base is increased by \$156,000 in fiscal year  
 134.15 2018 and by \$581,000 in fiscal year 2019.

134.16 **(j) Aging and Adult Services Grants** 28,463,000 28,162,000

134.17 **Dementia Grants.** \$750,000 in fiscal year  
 134.18 2016 and \$750,000 in fiscal year 2017  
 134.19 are for the Minnesota Board on Aging for  
 134.20 regional and local dementia grants authorized  
 134.21 in Minnesota Statutes, section 256.975,  
 134.22 subdivision 11.

134.23 **(k) Deaf and Hard-of-Hearing Grants** 2,225,000 2,375,000

134.24 **Deaf, Deafblind, and Hard-of-Hearing**  
 134.25 **Grants.** \$350,000 in fiscal year 2016 and  
 134.26 \$500,000 in fiscal year 2017 are for deaf  
 134.27 and hard-of-hearing grants. The funds  
 134.28 must be used to increase the number of  
 134.29 deafblind Minnesotans receiving services  
 134.30 under Minnesota Statutes, section 256C.261,  
 134.31 and to provide linguistically and culturally  
 134.32 appropriate mental health services to children  
 134.33 who are deaf, deafblind, and hard-of-hearing.  
 134.34 This is a onetime appropriation.

135.1 **Base Level Adjustment.** The general fund  
 135.2 base is decreased by \$500,000 in fiscal year  
 135.3 2018 and by \$500,000 in fiscal year 2019.

135.4	(l) <b>Disabilities Grants</b>	20,820,000	20,858,000
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135.5 **State Quality Council.** \$573,000 in fiscal  
 135.6 year 2016 and \$600,000 in fiscal year  
 135.7 2017 are for the State Quality Council to  
 135.8 provide technical assistance and monitoring  
 135.9 of person-centered outcomes related to  
 135.10 inclusive community living and employment.  
 135.11 The funding must be used by the State  
 135.12 Quality Council to assure a statewide plan  
 135.13 for systems change in person-centered  
 135.14 planning that will achieve desired outcomes  
 135.15 including increased integrated employment  
 135.16 and community living.

135.17 (m) **Adult Mental Health Grants**

135.18		Appropriations by Fund	
135.19	General	69,992,000	71,244,000
135.20	Health Care Access	1,575,000	2,473,000
135.21	Lottery Prize	1,733,000	1,733,000

135.22 **Funding Usage.** Up to 75 percent of a fiscal  
 135.23 year's appropriation for adult mental health  
 135.24 grants may be used to fund allocations in that  
 135.25 portion of the fiscal year ending December  
 135.26 31.

135.27 **Culturally Specific Mental Health**  
 135.28 **Services.** \$100,000 in fiscal year 2016 is for  
 135.29 grants to nonprofit organizations to provide  
 135.30 resources and referrals for culturally specific  
 135.31 mental health services to Southeast Asian  
 135.32 veterans born before 1965 who do not qualify  
 135.33 for services available to veterans formally  
 135.34 discharged from the United States armed  
 135.35 forces.

136.1 **Problem Gambling.** \$225,000 in fiscal year  
 136.2 2016 and \$225,000 in fiscal year 2017 are  
 136.3 from the lottery prize fund for a grant to the  
 136.4 state affiliate recognized by the National  
 136.5 Council on Problem Gambling. The affiliate  
 136.6 must provide services to increase public  
 136.7 awareness of problem gambling, education,  
 136.8 and training for individuals and organizations  
 136.9 providing effective treatment services to  
 136.10 problem gamblers and their families, and  
 136.11 research related to problem gambling.

136.12 **Sustainability Grants.** \$2,125,000 in fiscal  
 136.13 year 2016 and \$2,125,000 in fiscal year 2017  
 136.14 are for sustainability grants under Minnesota  
 136.15 Statutes, section 256B.0622, subdivision 11.

136.16 **Beltrami County Mental Health Services**  
 136.17 **Grant.** \$1,000,000 in fiscal year 2016 and  
 136.18 \$1,000,000 in fiscal year 2017 are from the  
 136.19 general fund for a grant to Beltrami County  
 136.20 to fund the planning and development of  
 136.21 a comprehensive mental health services  
 136.22 program under article 2, section 41,  
 136.23 Comprehensive Mental Health Program  
 136.24 in Beltrami County. This is a onetime  
 136.25 appropriation.

136.26 **Base Level Adjustment.** The general fund  
 136.27 base is increased by \$723,000 in fiscal year  
 136.28 2018 and by \$723,000 in fiscal year 2019.  
 136.29 The health care access fund base is decreased  
 136.30 by \$1,723,000 in fiscal year 2018 and by  
 136.31 \$1,723,000 in fiscal year 2019.

136.32 (n) <b>Child Mental Health Grants</b>	23,386,000	24,313,000
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136.33 **Services and Supports for First Episode**  
 136.34 **Psychosis.** \$177,000 in fiscal year 2017 is  
 136.35 for grants under Minnesota Statutes, section

137.1 245.4889, to mental health providers to pilot  
 137.2 evidence-based interventions for youth at risk  
 137.3 of developing or experiencing a first episode  
 137.4 of psychosis and for a public awareness  
 137.5 campaign on the signs and symptoms of  
 137.6 psychosis. The base for these grants is  
 137.7 \$236,000 in fiscal year 2018 and \$301,000 in  
 137.8 fiscal year 2019.

137.9 **Adverse Childhood Experiences.** The base  
 137.10 for grants under Minnesota Statutes, section  
 137.11 245.4889, to children's mental health and  
 137.12 family services collaboratives for adverse  
 137.13 childhood experiences (ACEs) training  
 137.14 grants and for an interactive Web site  
 137.15 connection to support ACEs in Minnesota is  
 137.16 \$363,000 in fiscal year 2018 and \$363,000 in  
 137.17 fiscal year 2019.

137.18 **Funding Usage.** Up to 75 percent of a fiscal  
 137.19 year's appropriation for child mental health  
 137.20 grants may be used to fund allocations in that  
 137.21 portion of the fiscal year ending December  
 137.22 31.

137.23 **Base Level Adjustment.** The general fund  
 137.24 base is increased by \$422,000 in fiscal year  
 137.25 2018 and is increased by \$487,000 in fiscal  
 137.26 year 2019.

137.27 **(o) Chemical Dependency Treatment Support**  
 137.28 **Grants**

1,561,000

1,561,000

137.29 **Chemical Dependency Prevention.**  
 137.30 \$150,000 in fiscal year 2016 and \$150,000  
 137.31 in fiscal year 2017 are for grants to  
 137.32 nonprofit organizations to provide chemical  
 137.33 dependency prevention programs in  
 137.34 secondary schools. When making grants, the  
 137.35 commissioner must consider the expertise,

138.1 prior experience, and outcomes achieved  
 138.2 by applicants that have provided prevention  
 138.3 programming in secondary education  
 138.4 environments. An applicant for the grant  
 138.5 funds must provide verification to the  
 138.6 commissioner that the applicant has available  
 138.7 and will contribute sufficient funds to match  
 138.8 the grant given by the commissioner. This is  
 138.9 a onetime appropriation.

138.10 **Fetal Alcohol Syndrome Grants.** \$250,000  
 138.11 in fiscal year 2016 and \$250,000 in fiscal year  
 138.12 2017 are for grants to be administered by the  
 138.13 Minnesota Organization on Fetal Alcohol  
 138.14 Syndrome to provide comprehensive,  
 138.15 gender-specific services to pregnant and  
 138.16 parenting women suspected of or known  
 138.17 to use or abuse alcohol or other drugs.  
 138.18 This appropriation is for grants to no fewer  
 138.19 than three eligible recipients. Minnesota  
 138.20 Organization on Fetal Alcohol Syndrome  
 138.21 must report to the commissioner of human  
 138.22 services annually by January 15 on the  
 138.23 grants funded by this appropriation. The  
 138.24 report must include measurable outcomes for  
 138.25 the previous year, including the number of  
 138.26 pregnant women served and the number of  
 138.27 toxic-free babies born.

138.28 **Base Level Adjustment.** The general fund  
 138.29 base is decreased by \$150,000 in fiscal year  
 138.30 2018 and by \$150,000 in fiscal year 2019.

138.31 Sec. 8. Laws 2015, chapter 71, article 14, section 4, subdivision 1, is amended to read:

138.32			<b>19,707,000</b>		<b>19,597,000</b>
138.33	Subdivision 1. <b>Total Appropriation</b>	<b>\$</b>	<b><u>19,902,000</u></b>	<b>\$</b>	<b><u>19,852,000</u></b>

138.34 This appropriation is from the state  
 138.35 government special revenue fund. The

139.1 amounts that may be spent for each purpose  
 139.2 are specified in the following subdivisions.

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

139.4 Sec. 9. Laws 2015, chapter 71, article 14, section 4, subdivision 3, is amended to read:

139.5		2,192,000	2,206,000
139.6	Subd. 3. <b>Board of Dentistry</b>	<u>1,342,000</u>	<u>1,342,000</u>

139.7 ~~This appropriation includes \$864,000 in fiscal~~  
 139.8 ~~year 2016 and \$878,000 in fiscal year 2017~~  
 139.9 ~~for the health professional services program.~~

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

139.11 Sec. 10. Laws 2015, chapter 71, article 14, section 4, subdivision 5, is amended to read:

139.12	Subd. 5. <b>Board of Marriage and Family</b>	234,000	237,000
139.13	<b>Therapy</b>	<u>274,000</u>	<u>287,000</u>

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

139.15 Sec. 11. Laws 2015, chapter 71, article 14, section 4, subdivision 10, is amended to read:

139.16		2,847,000	2,888,000
139.17	Subd. 10. <b>Board of Pharmacy</b>	<u>2,962,000</u>	<u>3,033,000</u>

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

139.19 Sec. 12. Laws 2015, chapter 71, article 14, section 4, subdivision 11, is amended to read:

139.20		354,000	359,000
139.21	Subd. 11. <b>Board of Physical Therapy</b>	<u>1,244,000</u>	<u>1,283,000</u>

139.22 **Health Professional Services Program. Of**  
 139.23 this appropriation, \$850,000 in fiscal year  
 139.24 2016 and \$864,000 in fiscal year 2017 from  
 139.25 the state government special revenue fund are  
 139.26 for the health professional services program.

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

139.28 Sec. 13. Laws 2015, chapter 71, article 14, section 9, is amended to read:

140.1			<b>210,000</b>	<b>213,000</b>
140.2	Sec. 9. <b>COMMISSIONER OF COMMERCE</b>	<b>\$</b>	<b><u>-0-</u></b>	<b><u>-0-</u></b>

140.3 The commissioner of commerce shall  
 140.4 develop a proposal to allow individuals  
 140.5 to purchase qualified health plans outside  
 140.6 of MNsure directly from health plan  
 140.7 companies and to allow eligible individuals  
 140.8 to receive advanced premium tax credits and  
 140.9 cost-sharing reductions when purchasing  
 140.10 qualified health plans outside of MNsure.

140.11 Sec. 14. **EXPIRATION OF UNCODIFIED LANGUAGE.**

140.12 All uncodified language contained in this article expires on June 30, 2017, unless a  
 140.13 different expiration date is explicit.

140.14 Sec. 15. **EFFECTIVE DATE.**

140.15 This article is effective the day following final enactment.

140.16 **ARTICLE 10**

140.17 **STATE GOVERNMENT APPROPRIATIONS**

140.18 Section 1. **APPROPRIATIONS**

140.19 The sums shown in the columns marked "Appropriations" are added to or subtracted  
 140.20 from the appropriations in Laws 2015, chapter 77, article 1, to the agencies and for the  
 140.21 purposes specified in this article. The appropriations are from the general fund, or another  
 140.22 named fund, and are available for the fiscal years indicated for each purpose. The figures  
 140.23 "2016" and "2017" used in this article mean that the addition to the appropriation listed  
 140.24 under them are available for the fiscal year ending June 30, 2016, or June 30, 2017,  
 140.25 respectively.

140.26			<b><u>APPROPRIATIONS</u></b>	
140.27			<b><u>Available for the Year</u></b>	
140.28			<b><u>Ending June 30</u></b>	
140.29			<b><u>2016</u></b>	<b><u>2017</u></b>

140.30	Sec. 2. <b><u>LEGISLATURE</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>185,000</u></b>
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141.1 \$3,140,000 from the senate carryforward  
 141.2 account cancels to the general fund on July  
 141.3 1, 2016.  
 141.4 \$260,000 from the Legislative Coordinating  
 141.5 Commission carryforward account cancels to  
 141.6 the general fund on July 1, 2016.  
 141.7 \$318,000 is appropriated to the Office of the  
 141.8 Legislative Auditor for new duties related  
 141.9 to fiscal notes, revenue estimates, and local  
 141.10 impact notes.  
 141.11 The appropriation to the Legislative  
 141.12 Coordinating Commission for the fiscal  
 141.13 year ending June 30, 2017, is reduced by  
 141.14 \$133,000.

141.15 Sec. 3. **STATE AUDITOR** \$ -0- \$ 6,951,000

141.16 Sec. 4. **MN.IT SERVICES** \$ -0- \$ 500,000

141.17 This appropriation is for a study of enhanced  
 141.18 cybersecurity across state government. This  
 141.19 is a onetime appropriation.

141.20 Sec. 5. **ADMINISTRATION** \$ -0- \$ 148,000

141.21 This appropriation is for continued  
 141.22 implementation of the state's Olmstead plan.

141.23 Sec. 6. **MINNESOTA MANAGEMENT AND**  
 141.24 **BUDGET** \$ -0- \$ (318,000)

141.25 To the extent possible, the appropriation  
 141.26 reduction in this section must be  
 141.27 implemented through savings achieved in  
 141.28 not administering the fiscal note process.

141.29 Sec. 7. **REVENUE**

141.30 \$1,000,000 of money previously appropriated  
 141.31 to the department for fiscal year 2017 must



143.1 Any unencumbered balance remaining at the  
 143.2 end of the first year does not cancel, but is  
 143.3 available for the second year of the biennium.

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

143.5 Sec. 11. **PUBLIC SAFETY** **\$** **-0-** **\$** **260,000**

143.6 \$260,000 is appropriated for payment of  
 143.7 public safety officer survivor benefits. This  
 143.8 is added to the appropriation in Laws 2015,  
 143.9 chapter 75, article 1, section 5, subdivision  
 143.10 2, paragraph (b).

143.11 Sec. 12. **SAVINGS; APPROPRIATION REDUCTION FOR EXECUTIVE**  
 143.12 **AGENCIES.**

143.13 (a) The commissioner of management and budget must reduce general fund  
 143.14 appropriations to executive agencies, including constitutional offices for agency operations  
 143.15 for the biennium ending June 30, 2017, by \$6,519,000. The Minnesota State Colleges  
 143.16 and Universities system is not an executive agency for purposes of this section. The  
 143.17 commissioner must not reduce appropriations to the Department of Veterans Affairs,  
 143.18 Military Affairs, Human Services, Corrections, or Public Safety. To the greatest extent  
 143.19 possible, these reductions must come from savings provided by the cost-savings measures  
 143.20 contained in this article, including:

- 143.21 (1) reductions in salaries of commissioners and deputy and assistant commissioners;
- 143.22 (2) hiring freeze; and
- 143.23 (3) reductions in agency expenditures on nonessential travel and advertising.

143.24 (b) The commissioner of management and budget must report to the chairs  
 143.25 and ranking minority members of the senate Finance Committee and the house of  
 143.26 representatives Ways and Means and Finance Committees regarding the amount of  
 143.27 reductions in spending by each agency under this section.

143.28 (c) Reductions made in fiscal year 2017 must be reflected as reductions in agency  
 143.29 base budgets for fiscal years 2018 and 2019.

143.30 Sec. 13. **HIRING FREEZE.**

143.31 Subdivision 1. **Application of freeze.** A state employer may not hire any permanent  
 143.32 or temporary employees before July 1, 2017. For purposes of this section, "state employer"  
 143.33 means state elected officials, departments, boards, agencies, commissions, offices, and

144.1 other hiring entities in the executive and legislative branches of state government, as those  
144.2 branches are defined in Minnesota Statutes, section 43A.02. State employer does not  
144.3 include the Minnesota State Colleges and Universities system.

144.4 Subd. 2. **Freeze exceptions.** (a) Subdivision 1 does not apply to:

144.5 (1) a student in a work-study position; or

144.6 (2) a position that is necessary to perform essential government services.

144.7 (b) A determination under paragraph (a), clause (2), must be made by the speaker

144.8 of the house with respect to house employees, the chair of the Committee on Rules

144.9 and Administration with respect to senate employees, and the Legislative Coordinating

144.10 Commission with respect to its employees, by a constitutional officer with respect to

144.11 employees of the constitutional office, and by the governor with respect to any other

144.12 employee covered by this section. Exceptions granted under paragraph (a), clause (2),

144.13 must be reported monthly by the entity granting the exception. The reports must be

144.14 published on the entity's Web site, and copies must be provided to the chairs of the house

144.15 of representatives Ways and Means and senate finance committees and to the Legislative

144.16 Reference Library.

144.17 Sec. 14. **NO NONESSENTIAL TRAVEL.**

144.18 During the biennium ending June 30, 2017, state funds may not be used to pay

144.19 for nonessential travel for employees of executive agencies. The governor must report

144.20 any travel monthly on the governor's Web site, and by providing copies to the chairs

144.21 of the house of representatives Ways and Means and senate finance committees and to

144.22 the Legislative Reference Library.

144.23 Sec. 15. **LIMIT ON EXPENDITURES FOR ADVERTISING.**

144.24 During the fiscal year ending June 30, 2017, an executive branch agency's spending

144.25 on advertising and promotions may not exceed 90 percent of the amount the agency

144.26 spent on advertising and promotions during the fiscal year ending June 30, 2016. The

144.27 commissioner of management and budget must ensure compliance with this limit, and

144.28 may issue guidelines and policies to executive agencies. The commissioner may forbid

144.29 an agency from engaging in advertising as the commissioner determines is necessary to

144.30 ensure compliance with this section. This section does not apply to the Minnesota Lottery

144.31 or Explore Minnesota Tourism. Spending during the biennium ending June 30, 2017, on

144.32 advertising relating to a declared emergency, an emergency, or a disaster, as those terms

144.33 are defined in Minnesota Statutes, section 12.03, is excluded for purposes of this section.

145.1 Sec. 16. **EXECUTIVE AGENCY MANAGERS.**

145.2 The salaries for the heads of all departments or agencies listed in Minnesota  
145.3 Statutes, section 15.06, subdivision 1, are reduced by five percent. The salaries for  
145.4 all deputy commissioners and assistant commissioners of agencies listed in Minnesota  
145.5 Statutes, section 15.06, subdivision 1, are reduced by five percent. The commissioner  
145.6 of management and budget must reduce the number of deputy commissioner and  
145.7 assistant commissioner positions in agencies listed in Minnesota Statutes, section 15.06,  
145.8 subdivision 1, by five percent.

145.9 Sec. 17. **TRANSITION; STATE AUDITOR ENTERPRISE FUND.**

145.10 Notwithstanding any law to the contrary, receipts from examinations conducted by  
145.11 the state auditor must be credited to the general fund beginning July 1, 2016. Amounts in  
145.12 the state auditor enterprise fund are transferred to the general fund on July 1, 2016.

145.13 Sec. 18. **PUBLIC SUBSIDY PROGRAM SUSPENDED.**

145.14 Notwithstanding any law to the contrary, the public subsidy program for state  
145.15 elections does not apply for the remainder of the biennium ending June 30, 2017. During  
145.16 this period:

145.17 (1) no appropriations or transfers shall be made from the general fund to the state  
145.18 elections campaign account;

145.19 (2) no public subsidy payments shall be made from the state elections campaign  
145.20 account for any general or special election; and

145.21 (3) any written agreements made by a candidate as a condition of receiving a  
145.22 payment are not effective for that election.

145.23 Amounts designated on income tax and property tax refund returns filed after the effective  
145.24 date of this section and before June 30, 2017, are not effective and remain in the general  
145.25 fund.

145.26 **ARTICLE 11**145.27 **STATE GOVERNMENT**

145.28 Section 1. Minnesota Statutes 2014, section 3.3005, is amended by adding a  
145.29 subdivision to read:

145.30 Subd. 1a. **Application.** This section applies to the expenditure of all federal money  
145.31 whether that federal money is appropriated under section 4.07 or another section, unless  
145.32 that federal money is specifically excluded from the requirements of this section.

146.1 Sec. 2. Minnesota Statutes 2014, section 3.3005, subdivision 3, is amended to read:

146.2 Subd. 3. **State match.** If a request to spend federal money is included in the  
146.3 governor's budget or spending the money is authorized by law but the amount of federal  
146.4 money ~~received~~ that has been awarded requires a state match greater than ~~that~~ the amount  
146.5 that was included in the budget request or authorized by law, the ~~amount~~ federal funds  
146.6 that have been awarded that ~~requires~~ require an additional state match may be allotted for  
146.7 expenditure after the requirements of subdivision 5 or 6 are met.

146.8 Sec. 3. Minnesota Statutes 2014, section 3.3005, subdivision 3b, is amended to read:

146.9 Subd. 3b. **Increase in amount.** If a request to spend federal money is included in a  
146.10 governor's budget request and approved according to subdivision 2 or 5 and the amount  
146.11 of money awarded and available to be expended increases after the request is made and  
146.12 authorized, the additional amount may be allotted for expenditure after a revised request is  
146.13 submitted according to subdivision 2, or the requirements of subdivision 5 or 6 are met.

146.14 Sec. 4. Minnesota Statutes 2014, section 3.3005, subdivision 4, is amended to read:

146.15 Subd. 4. **Interim procedures; urgencies.** If federal money ~~becomes available~~  
146.16 is awarded to the state for expenditure after the deadline in subdivision 2 or while the  
146.17 legislature is not in session, and the availability of money from that source or for that  
146.18 purpose or in that fiscal year could not reasonably have been anticipated and included in  
146.19 the governor's budget request, and an urgency requires that all or part of the money be  
146.20 ~~allotted~~ encumbered or expended before the legislature reconvenes or prior to the end of  
146.21 the 20-day period specified in subdivision 2, it may be allotted to a state agency after the  
146.22 ~~requirements of subdivision 5 are met.~~ Legislative Advisory Commission has reviewed  
146.23 the request. If the members of the commission make a positive recommendation or no  
146.24 recommendation, or if the commission has not reviewed the request within ten days after  
146.25 the date the request was submitted, the commissioner may approve the request and the  
146.26 federal money may be allotted for expenditure. If the commission makes a negative  
146.27 recommendation or a recommendation for further review on a request within ten days after  
146.28 the date the request was submitted, the commissioner shall not approve the expenditure of  
146.29 the federal money. If a request to expend federal money submitted under this subdivision  
146.30 receives a negative recommendation or a recommendation for further review, the request  
146.31 may be submitted again under subdivision 2 or 6. For the purposes of this subdivision, a  
146.32 recommendation of the commission must be made at a meeting of the commission unless  
146.33 a written recommendation is signed by all members entitled to vote on the item. For the  
146.34 purposes of this subdivision, an urgency means: (1) the expenditure of the federal funds

147.1 would prevent imminent harm to life or property; or (2) failure to encumber or spend the  
147.2 federal funds before the expiration of the earliest time provided under this subdivision  
147.3 would clearly result in a loss of the federal funds.

147.4 Sec. 5. Minnesota Statutes 2014, section 3.3005, subdivision 5, is amended to read:

147.5 Subd. 5. **Legislative Advisory Commission review.** Federal money that is awarded  
147.6 and becomes available under subdivision 3, 3a, or 3b, or 4 may be allotted after the  
147.7 commissioner of management and budget has submitted the request to the members of  
147.8 the Legislative Advisory Commission for their review and recommendation ~~for further~~  
147.9 ~~review. If a recommendation is not made within ten days, no further review by the~~  
147.10 ~~Legislative Advisory Commission is required, and the commissioner shall approve or~~  
147.11 ~~disapprove the request. If a recommendation by any member is for further review the~~  
147.12 ~~governor shall submit the request to the Legislative Advisory Commission for its review~~  
147.13 ~~and recommendation. Failure or refusal of the commission to make a recommendation~~  
147.14 ~~promptly is a negative recommendation.~~ If a member of the commission makes a negative  
147.15 recommendation or requests further review on a request within 20 days after the date  
147.16 the request was submitted, the commissioner shall not approve the expenditure of that  
147.17 federal money. If a request to expend federal money submitted under this subdivision  
147.18 receives a negative recommendation or a request for further review, the request may be  
147.19 submitted again under subdivision 2. If the members of a commission make a positive  
147.20 recommendation or no recommendation, the commissioner may approve the request and  
147.21 the federal money may be allotted for expenditure.

147.22 Sec. 6. Minnesota Statutes 2014, section 3.3005, subdivision 6, is amended to read:

147.23 Subd. 6. **Interim procedures; nonurgencies.** If federal money is awarded and  
147.24 becomes available to the state for expenditure after the deadline in subdivision 2 or while  
147.25 the legislature is not in session, and subdivision 4 does not apply, a request to expend ~~the~~  
147.26 that federal money may be submitted by the commissioner of management and budget to  
147.27 members of the Legislative Advisory Commission for their review and recommendation.  
147.28 This request must be submitted by the later of October 1 of any year or 100 days before the  
147.29 start of the next legislative session. If any member of the commission makes a negative  
147.30 recommendation or a recommendation for further review on a request ~~by October 20 of~~  
147.31 ~~the same year~~ during the 20-day period beginning the day the commissioner submits  
147.32 the request, the commissioner shall not approve expenditure of that federal money. If a  
147.33 request to expend federal money submitted under this subdivision receives a negative  
147.34 recommendation or a recommendation for further review, the commissioner shall not

148.1 approve the request until the request may be submitted again under subdivision 2. If the  
148.2 members of the commission make a positive recommendation or no recommendation, the  
148.3 commissioner ~~shall~~ may approve ~~or disapprove~~ the request and the federal money may be  
148.4 allotted for expenditure.

148.5 Sec. 7. Minnesota Statutes 2014, section 3.3005, is amended by adding a subdivision  
148.6 to read:

148.7 Subd. 9. **Withdrawal.** The commissioner of management and budget may, with  
148.8 written notice, withdraw any request to spend federal money under this section. The  
148.9 commissioner of an agency requesting to expend federal money under this section may,  
148.10 with written notice, withdraw any request to spend federal money under this section that  
148.11 was submitted by the commissioner's agency.

148.12 Sec. 8. Minnesota Statutes 2014, section 3.971, is amended by adding a subdivision to  
148.13 read:

148.14 Subd. 8a. **Fiscal notes and revenue estimates.** The legislative auditor shall  
148.15 participate in the fiscal note and revenue estimate process in the manner described in  
148.16 section 3.98. Authority of the legislative auditor and duties of employees and entities  
148.17 under section 3.978, subdivision 2, apply to the legislative auditor's work on fiscal notes  
148.18 and revenue estimates.

148.19 Sec. 9. Minnesota Statutes 2014, section 3.98, is amended to read:

148.20 **3.98 FISCAL NOTES AND REVENUE ESTIMATES.**

148.21 Subdivision 1. **Preparation.** ~~The head or chief administrative officer of each~~  
148.22 ~~department or agency of the state government, including the Supreme Court, shall prepare~~  
148.23 ~~a fiscal note at the request of the chair of the standing committee to which a bill has been~~  
148.24 ~~referred, or the chair of the house of representatives Ways and Means Committee, or the~~  
148.25 ~~chair of the senate Committee on Finance.~~

148.26 For purposes of this subdivision, "Supreme Court" includes all agencies, committees,  
148.27 and commissions supervised or appointed by the state Supreme Court or the state court  
148.28 administrator. (a) The chair of the standing committee to which a bill has been referred,  
148.29 the chair of the house of representatives Ways and Means Committee, and the chair  
148.30 of the senate Finance Committee may request a fiscal note. The chair of the house of  
148.31 representatives or senate Tax Committee may request a revenue estimate. A request for a  
148.32 fiscal note or revenue estimate must be filed with the legislative auditor.

149.1 (b) Upon receiving a request for a fiscal note or revenue estimate, the legislative  
149.2 auditor shall request appropriate agencies, offices, boards, or commissions in the executive,  
149.3 judicial, or legislative branch to provide the legislative auditor with an analysis of the  
149.4 financial and personnel impacts of the bill. The analysis must include a clear statement  
149.5 of the assumptions used in the analysis and the extent to which alternative assumptions  
149.6 were considered. Agencies, offices, boards, or commissions shall, after receiving a request  
149.7 from the legislative auditor, submit the analysis in the time and manner requested by the  
149.8 auditor. The legislative auditor may require agencies, offices, boards, or commissions to  
149.9 use the fiscal note tracking system developed and maintained by the commissioner of  
149.10 management and budget for submitting fiscal note information and analysis.

149.11 (c) The legislative auditor shall review the analysis submitted by agencies, offices,  
149.12 boards, or commissions and assess the reasonableness of the analysis, particularly the  
149.13 reasonableness of the assumptions used in the analysis. The auditor may require agencies,  
149.14 offices, boards, or commissions to resubmit their analysis under new assumptions or  
149.15 calculation parameters as defined by the auditor.

149.16 (d) When the legislative auditor accepts the final analysis from all relevant agencies,  
149.17 offices, boards, or commissions, the legislative auditor shall deliver the completed  
149.18 fiscal note or revenue estimate. The note or estimate must contain the final analysis  
149.19 and assumptions submitted to the legislative auditor by agencies, offices, boards, or  
149.20 commissions, and a statement by the legislative auditor as to whether the legislative  
149.21 auditor agrees with the final analysis and assumptions. The auditor must state the  
149.22 reasons for any disagreements and may offer alternative analysis and assumptions for  
149.23 consideration by the legislature. If the legislative auditor deems these disagreements  
149.24 sufficiently large, the legislative auditor may submit an unofficial "unapproved" fiscal note  
149.25 to the legislature for public consideration of both the analysis of the agencies, offices,  
149.26 boards, or commissions, and of the legislative auditor.

149.27 Subd. 2. **Contents.** (a) The A fiscal note, where possible, shall:

149.28 (1) cite the effect in dollar amounts;

149.29 (2) cite the statutory provisions affected;

149.30 (3) estimate the increase or decrease in revenues or expenditures;

149.31 (4) include the costs which may be absorbed without additional funds;

149.32 (5) include the assumptions used in determining the cost estimates; and

149.33 (6) specify any long-range implication.

149.34 (b) The A revenue estimate must estimate the effect of a bill on state tax revenues.

149.35 (c) A fiscal note or revenue estimate may comment on technical or mechanical  
149.36 defects in the bill but shall express no opinions concerning the merits of the proposal.

150.1 Subd. 3. **Distribution.** A copy of ~~the~~ a fiscal note shall be delivered to the chair  
150.2 of the Ways and Means Committee of the house of representatives, the chair of the  
150.3 Finance Committee of the senate, the chair of the standing committee to which the bill  
150.4 has been referred, to the chief author of the bill and to the commissioner of management  
150.5 and budget. A copy of a revenue estimate shall be delivered to the chairs of the house  
150.6 of representatives and senate tax committees, to the chief author of the bill, and to the  
150.7 commissioner of revenue.

150.8 Subd. 4. **Uniform procedure.** ~~The commissioner of management and budget~~  
150.9 legislative auditor shall prescribe a uniform procedure to govern the departments and  
150.10 agencies of the state in complying with the requirements of this section.

150.11 Subd. 5. **Tracking system.** The commissioner of management and budget shall  
150.12 provide the legislative auditor with manuals and other documentation requested by the  
150.13 auditor for the fiscal note tracking system that is maintained by the commissioner.

150.14 Sec. 10. Minnesota Statutes 2014, section 3.987, subdivision 1, is amended to read:

150.15 Subdivision 1. **Local impact notes.** ~~The commissioner of management and budget~~  
150.16 legislative auditor shall coordinate the development of a local impact note for any proposed  
150.17 legislation ~~introduced after June 30, 1997,~~ upon request of the chair or the ranking minority  
150.18 member of either legislative Tax, Finance, or Ways and Means Committee. Upon receipt  
150.19 of a request to prepare a local impact note, the ~~commissioner~~ auditor must notify the  
150.20 authors of the proposed legislation that the request has been made. The local impact note  
150.21 must be made available to the public upon request. If the action is among the exceptions  
150.22 listed in section 3.988, a local impact note need not be requested nor prepared. The  
150.23 ~~commissioner~~ auditor shall make a reasonable and timely estimate of the local fiscal impact  
150.24 on each type of political subdivision that would result from the proposed legislation. The  
150.25 ~~commissioner of management and budget~~ auditor may require any political subdivision or  
150.26 the commissioner of an administrative agency of the state to supply in a timely manner  
150.27 any information determined to be necessary to determine local fiscal impact. The political  
150.28 subdivision, its representative association, or commissioner shall convey the requested  
150.29 information to the ~~commissioner of management and budget~~ auditor with a signed  
150.30 statement to the effect that the information is accurate and complete to the best of its ability.  
150.31 The political subdivision, its representative association, or commissioner, when requested,  
150.32 shall update its determination of local fiscal impact based on actual cost or revenue figures,  
150.33 improved estimates, or both. Upon completion of the note, the ~~commissioner~~ auditor must  
150.34 provide a copy to the authors of the proposed legislation and to the chair and ranking  
150.35 minority member of each committee to which the proposed legislation is referred.

151.1 Sec. 11. Minnesota Statutes 2015 Supplement, section 6.481, subdivision 6, is  
151.2 amended to read:

151.3 Subd. 6. **Payments to state auditor.** A county audited by the state auditor must  
151.4 pay the state auditor for the costs and expenses of the audit. If the state auditor makes  
151.5 additional examinations of a county whose audit is performed by a CPA firm, the county  
151.6 must pay the auditor for the cost of these examinations. Payments must be deposited in  
151.7 the ~~state auditor enterprise~~ general fund.

151.8 Sec. 12. Minnesota Statutes 2014, section 6.56, subdivision 2, is amended to read:

151.9 Subd. 2. **Billings by state auditor.** Upon the examination of the books, records,  
151.10 accounts, and affairs of any political subdivision, as provided by law, such political  
151.11 subdivision shall be liable to the state for the total cost and expenses of such examination,  
151.12 including the salaries paid to the examiners while actually engaged in making such  
151.13 examination. The state auditor may bill such political subdivision periodically for service  
151.14 rendered and the officials responsible for approving and paying claims are authorized to  
151.15 pay said bill promptly. Said payments shall be without prejudice to any defense against  
151.16 said claims that may exist or be asserted. The ~~state auditor enterprise~~ general fund shall be  
151.17 credited with all collections made for any such examinations, including interest payments  
151.18 made pursuant to subdivision 3.

151.19 Sec. 13. Minnesota Statutes 2014, section 6.581, subdivision 4, is amended to read:

151.20 Subd. 4. **Reports to legislature.** At least 30 days before implementing increased  
151.21 charges for examinations, the state auditor must report the proposed increases to the  
151.22 chairs and ranking minority members of the committees in the house of representatives  
151.23 and the senate with jurisdiction over the budget of the state auditor. By January 15 of  
151.24 each odd-numbered year, the state auditor must report to the chairs and ranking minority  
151.25 members of the legislative committees and divisions with primary jurisdiction over the  
151.26 budget of the state auditor a summary of ~~the state auditor enterprise fund~~ anticipated  
151.27 revenues, and expenditures related to examinations for the biennium ending June 30  
151.28 of that year. The report must also include for the biennium the number of full-time  
151.29 equivalents ~~paid by the fund in the audit practice division~~, any audit rate changes stated as  
151.30 a percentage, the number of audit reports issued, and the number of counties audited.

151.31 Sec. 14. [16A.0565] CENTRALIZED TRACKING LIST OF AGENCY  
151.32 PROJECTS.

152.1 Subdivision 1. **Centralized tracking.** The commissioner must maintain a  
152.2 centralized tracking list of new agency projects estimated to cost more than \$100,000 that  
152.3 are paid for from the general fund.

152.4 Subd. 2. **New agency project.** (a) For purposes of this section a "new agency  
152.5 project" means:

152.6 (1) any new agency program or activity with more than \$100,000 in funding from  
152.7 the general fund; and

152.8 (2) any preexisting agency program or activity with an increase of \$100,000 or more  
152.9 above the base level in general fund support.

152.10 (b) For purposes of this section, a new agency project does not include:

152.11 (1) general aid programs for units of local government, or entitlement programs  
152.12 providing assistance to individuals; or

152.13 (2) a new program or activity or increase in a program or activity that is mandated  
152.14 by law.

152.15 Subd. 3. **Transparency requirements.** The centralized tracking list maintained by  
152.16 the commissioner must report the following for each new agency project:

152.17 (1) the name of the agency and title of the project;

152.18 (2) a brief description of the project and its purposes;

152.19 (3) the extent to which the project has been implemented; and

152.20 (4) the amount of money that has been spent on the project.

152.21 Subd. 4. **Timing and reporting.** The commissioner must display the information  
152.22 required by subdivision 3 on the department's Web site. The list shall be maintained in a  
152.23 widely available and common document format such as a spreadsheet that does not require  
152.24 any new costs to develop. The commissioner must report this information to the chairs of  
152.25 the house of representatives Ways and Means Committee and senate Finance Committee  
152.26 quarterly, and must update the information on the Web site at least quarterly.

152.27 Sec. 15. Minnesota Statutes 2014, section 16A.103, is amended by adding a  
152.28 subdivision to read:

152.29 Subd. 1h. **Revenue uncertainty information.** The commissioner shall report  
152.30 to the legislature within 14 days of a forecast under subdivision 1 on uncertainty in  
152.31 Minnesota's general fund revenue projections. The report shall present information on: (1)  
152.32 the estimated range of forecast error for revenues; and (2) the data and methods used to  
152.33 construct those measurements.

152.34 Sec. 16. **[16A.104] FEDERAL FUNDS REPORT.**

153.1 The commissioner must report to the chairs and ranking minority members of the  
 153.2 house of representatives Ways and Means and senate Finance Committee on receipt of  
 153.3 federal funds by the state. The report must be submitted with the governor's detailed  
 153.4 operating budget in accordance with section 16A.11, subdivision 1, in an odd-numbered  
 153.5 year and within ten days prior to the start of the regular session in accordance with section  
 153.6 3.3005, subdivision 2, in an even-numbered year. The report must include the total amount  
 153.7 of federal funds received by the state in the fiscal year ending the prior June 30 and the  
 153.8 total amount of federal funds anticipated to be received by the state in the current fiscal  
 153.9 year. For each category of federal funding, the report must list:

153.10 (1) the name of the federal grant or federal funding source, the federal agency  
 153.11 providing the funding, a federal identification number, and a brief description of the  
 153.12 purpose of the federal funding;

153.13 (2) the amount of federal funding the state received through that grant or source in  
 153.14 the fiscal year ending the prior June 30 and the total amount of federal funds anticipated to  
 153.15 be received by the state in the current fiscal year;

153.16 (3) if there is a federal maintenance-of-effort requirement associated with the funding;

153.17 (4) the number of full-time equivalent state employees needed to implement the  
 153.18 federal funding; and

153.19 (5) the amount of state funds spent, as a match or otherwise, in conjunction with  
 153.20 receipt of the federal funding in the fiscal year ending the prior June 30, and the amount of  
 153.21 state funds anticipated to be spent in the current fiscal year.

153.22 Sec. 17. Minnesota Statutes 2014, section 16A.1283, is amended to read:

153.23 **16A.1283 LEGISLATIVE APPROVAL REQUIRED FOR FEES.**

153.24 (a) Notwithstanding any law to the contrary, an executive branch state agency may  
 153.25 not impose a new fee or increase an existing fee unless the new fee or increase is approved  
 153.26 by law. An agency must not propose a fee or fine increase of more than ten percent  
 153.27 in a biennium over the same fee or fine in law at the start of the same biennium. For  
 153.28 purposes of this section, a fee is any charge for goods, services, regulation, or licensure,  
 153.29 and, notwithstanding paragraph (b), clause (3), includes charges for admission to or for  
 153.30 use of public facilities owned by the state.

153.31 (b) This section does not apply to:

153.32 (1) charges billed within or between state agencies, or billed to federal agencies;

153.33 (2) the Minnesota State Colleges and Universities system;

153.34 (3) charges for goods and services provided for the direct and primary use of a  
 153.35 private individual, business, or other entity;

154.1 (4) charges that authorize use of state-owned lands and minerals administered by  
154.2 the commissioner of natural resources by the issuance of leases, easements, cooperative  
154.3 farming agreements, and land and water crossing licenses and charges for sales of  
154.4 state-owned lands administered by the commissioner of natural resources; or

154.5 (5) state park fees and charges established by commissioner's order.

154.6 (c) An executive branch agency may reduce a fee that was set by rule before July  
154.7 1, 2001, without legislative approval. Chapter 14 does not apply to fee reductions under  
154.8 this paragraph.

154.9 Sec. 18. **[16A.6415] FEDERAL PENALTIES RELATING TO PURCHASE OR**  
154.10 **SALE OF STATE BONDS.**

154.11 (a) The commissioner must disclose to the legislative auditor any situation that the  
154.12 commissioner believes potentially could subject the state or a state agency to payment of a  
154.13 penalty to the federal government in connection with the purchase or sale of bonds issued  
154.14 by the state. This disclosure must be made within ten days of the commissioner learning  
154.15 of the situation that has potential to subject the state to a federal penalty.

154.16 (b) Payment of a penalty to the federal government in connection with the purchase  
154.17 or sale of state bonds issued by the state must be made from funds appropriated for general  
154.18 operations of the department. If the commissioner determines that it is not feasible to pay  
154.19 the penalty from these funds, the commissioner may seek approval under the process in  
154.20 section 3.30 for use of contingent account appropriations.

154.21 (c) The commissioner must disclose to the legislative auditor and to the chairs and  
154.22 ranking minority members of the house of representatives Ways and Means Committee,  
154.23 senate Finance Committee, and house of representatives and senate committees with  
154.24 jurisdiction over capital investment the payment of a penalty by the commissioner or a  
154.25 state agency to the federal government in connection with the purchase or sale of bonds  
154.26 issued by the state. A disclosure under this paragraph must be made within ten days of the  
154.27 commissioner or a state agency paying the penalty.

154.28 Sec. 19. Minnesota Statutes 2014, section 16B.335, subdivision 1, is amended to read:

154.29 Subdivision 1. **Construction and major remodeling.** (a) The commissioner, or  
154.30 any other recipient to whom an appropriation is made to acquire or better public lands  
154.31 or buildings or other public improvements of a capital nature, must not prepare final  
154.32 plans and specifications for any construction, major remodeling, or land acquisition in  
154.33 anticipation of which the appropriation was made until the agency that will use the  
154.34 project has presented the program plan and cost estimates for all elements necessary to

155.1 complete the project to the chair of the senate Finance Committee and the chair of the  
155.2 house of representatives Ways and Means Committee and the chairs have made their  
155.3 recommendations, and the chair and ranking minority member of the senate Capital  
155.4 Investment Committee and the chair and ranking minority member of the house of  
155.5 representatives Capital Investment Committee are notified. "Construction or major  
155.6 remodeling" means construction of a new building, a substantial addition to an existing  
155.7 building, or a substantial change to the interior configuration of an existing building. The  
155.8 presentation must note any significant changes in the work that will be done, or in its cost,  
155.9 since the appropriation for the project was enacted or from the predesign submittal. The  
155.10 program plans and estimates must be presented for review at least two weeks before a  
155.11 recommendation is needed. The recommendations are advisory only. Failure or refusal to  
155.12 make a recommendation is considered a negative recommendation.

155.13 (b) The chairs and ranking minority members of the senate Finance and Capital  
155.14 Investment Committees and, the house of representatives Capital Investment and Ways  
155.15 and Means Committees, and the house of representatives and senate budget committees or  
155.16 divisions with jurisdiction over the agency that will use the project must also be notified  
155.17 whenever there is a substantial change in a construction or major remodeling project, or in  
155.18 its cost. This notice must include the nature and reason for the change, and the anticipated  
155.19 cost of the change. The notice must be given no later than ten days after signing a change  
155.20 order or other document authorizing a change in the project, or if there is not a change  
155.21 order or other document, no later than ten days after the project owner becomes aware of a  
155.22 substantial change in the project or its cost.

155.23 (b) (c) Capital projects exempt from the requirements of this subdivision in  
155.24 paragraph (a) to seek recommendations before preparing final plans and specifications  
155.25 include demolition or decommissioning of state assets, hazardous material projects, utility  
155.26 infrastructure projects, environmental testing, parking lots, parking structures, park and  
155.27 ride facilities, bus rapid transit stations, light rail lines, passenger rail projects, exterior  
155.28 lighting, fencing, highway rest areas, truck stations, storage facilities not consisting  
155.29 primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds,  
155.30 athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer  
155.31 separation projects, water and wastewater facilities, port development projects for which  
155.32 the commissioner of transportation has entered into an assistance agreement under section  
155.33 457A.04, ice centers, a local government project with a construction cost of less than  
155.34 \$1,500,000, or any other capital project with a construction cost of less than \$750,000.  
155.35 The requirements in paragraph (b) to give notice of changes applies to these projects.

156.1 Sec. 20. **[16B.336] NEW STATE BUILDINGS.**

156.2 Any requirement for legislative approval of construction of a state building may be  
156.3 fulfilled only by approval of the entire legislature in a bill enacted into law, and may not be  
156.4 fulfilled by approval of one or more committees of the legislature.

156.5 Sec. 21. **[16B.991] TERMINATION OF GRANT.**

156.6 Each grant agreement subject to sections 16B.97 and 16B.98 must provide that  
156.7 the agreement will immediately be terminated if the recipient is convicted of a criminal  
156.8 offense relating to a state grant agreement.

156.9 Sec. 22. **[16B.992] NO FEES FOR GENERAL FUND GRANT**  
156.10 **ADMINISTRATION.**

156.11 An agency may not charge a recipient of a grant from the general fund a fee and  
156.12 may not deduct money from the grant to pay administrative expenses incurred by the  
156.13 agency in administering the grant.

156.14 Sec. 23. Minnesota Statutes 2014, section 16C.03, subdivision 16, is amended to read:

156.15 Subd. 16. **Delegation of duties.** (a) The commissioner may delegate duties imposed  
156.16 by this chapter to the head of an agency and to any subordinate of the agency head. At  
156.17 least once every three years the commissioner must audit use of authority under this  
156.18 chapter by each employee whom the commissioner has delegated duties.

156.19 (b) The commissioner must develop guidelines for agencies and employees to whom  
156.20 authority is delegated under this chapter that protect state legal interests. These guidelines  
156.21 may provide for review by the commissioner when a specific contract has potential to put  
156.22 the state's legal interests at risk.

156.23 Sec. 24. Minnesota Statutes 2014, section 16C.16, subdivision 5, is amended to read:

156.24 Subd. 5. **Designation of targeted groups.** (a) The commissioner of administration  
156.25 shall periodically designate businesses that are majority owned and operated by women,  
156.26 persons with a substantial physical disability, or specific minorities as targeted group  
156.27 businesses within purchasing categories as determined by the commissioner. A group  
156.28 may be targeted within a purchasing category if the commissioner determines there is a  
156.29 statistical disparity between the percentage of purchasing from businesses owned by  
156.30 group members and the representation of businesses owned by group members among all  
156.31 businesses in the state in the purchasing category.

157.1 (b) In addition to designations under paragraph (a); (1) an individual business may  
157.2 be included as a targeted group business if the commissioner determines that inclusion is  
157.3 necessary to remedy discrimination against the owner based on race, gender, or disability  
157.4 in attempting to operate a business that would provide goods or services to public  
157.5 agencies; and (2) an individual business must be included as a targeted group business if  
157.6 the business agrees that its workforce will be composed of at least 40 percent minority  
157.7 persons or veterans, and that this agreement will be expressed as a condition of any  
157.8 contract between the state and the business.

157.9 (c) The designations of purchasing categories and businesses under paragraphs  
157.10 (a) and (b) are not rules for purposes of chapter 14, and are not subject to rulemaking  
157.11 procedures of that chapter.

157.12 Sec. 25. Minnesota Statutes 2014, section 16E.0466, is amended to read:

157.13 **16E.0466 STATE AGENCY TECHNOLOGY PROJECTS.**

157.14 (a) Every state agency with an information or telecommunications project must  
157.15 consult with the Office of MN.IT Services to determine the information technology cost  
157.16 of the project. Upon agreement between the commissioner of a particular agency and  
157.17 the chief information officer, the agency must transfer the information technology cost  
157.18 portion of the project to the Office of MN.IT Services. Service level agreements must  
157.19 document all project-related transfers under this section. Those agencies specified in  
157.20 section 16E.016, paragraph (d), are exempt from the requirements of this section.

157.21 (b) Notwithstanding section 16A.28, subdivision 3, any unexpended operating  
157.22 balance appropriated to a state agency may be transferred to the information and  
157.23 telecommunications technology systems and services account for the information  
157.24 technology cost of a specific project, subject to the review of the Legislative Advisory  
157.25 Commission, under section 16E.21, subdivision 3.

157.26 Sec. 26. Minnesota Statutes 2014, section 16E.21, subdivision 2, is amended to read:

157.27 Subd. 2. **Charges.** Upon agreement of the participating agency, the Office of  
157.28 MN.IT Services may collect a charge or receive a fund transfer under section 16E.0466  
157.29 for purchases of information and telecommunications technology systems and services  
157.30 by state agencies and other governmental entities through state contracts for purposes  
157.31 described in subdivision 1. Charges collected under this section must be credited to the  
157.32 information and telecommunications technology systems and services account.

158.1 Sec. 27. Minnesota Statutes 2014, section 16E.21, is amended by adding a subdivision  
158.2 to read:

158.3 Subd. 3. **Legislative Advisory Commission review.** (a) No funds may be  
158.4 transferred to the information and telecommunications technology systems and services  
158.5 account under subdivision 2 or section 16E.0466 until the commissioner of management  
158.6 and budget has submitted the proposed transfer to the members of the Legislative  
158.7 Advisory Commission for review and recommendation. If the commission makes a  
158.8 positive recommendation or no recommendation, or if the commission has not reviewed  
158.9 the request within 20 days after the date the request to transfer funds was submitted,  
158.10 the commissioner of management and budget may approve the request to transfer the  
158.11 funds. If the commission recommends further review of a request to transfer funds, the  
158.12 commissioner shall provide additional information to the commission. If the commission  
158.13 makes a negative recommendation on the request within ten days of receiving further  
158.14 information, the commissioner shall not approve the fund transfer. If the commission  
158.15 makes a positive recommendation or no recommendation within ten days of receiving  
158.16 further information, the commissioner may approve the fund transfer.

158.17 (b) A recommendation of the commission must be made at a meeting of the  
158.18 commission unless a written recommendation is signed by all members entitled to vote on  
158.19 the item as specified in section 3.30, subdivision 2. A recommendation of the commission  
158.20 must be made by a majority of the commission.

158.21 Sec. 28. Minnesota Statutes 2014, section 16E.21, is amended by adding a subdivision  
158.22 to read:

158.23 Subd. 4. **Lapse.** Any portion of any receipt credited to the information and  
158.24 telecommunications technology systems and services account from a fund transfer under  
158.25 subdivision 2 that remains unexpended and unencumbered at the close of the fiscal year  
158.26 four years after the funds were received in the account shall lapse to the fund from which  
158.27 the receipt was transferred.

158.28 Sec. 29. Minnesota Statutes 2014, section 16E.21, is amended by adding a subdivision  
158.29 to read:

158.30 Subd. 5. **Report.** The chief information officer shall report by September 15 of  
158.31 each odd-numbered year to the chairs and ranking minority members of the legislative  
158.32 committees and divisions with jurisdiction over the Office of MN.IT Services regarding  
158.33 the receipts credited to the account. The report must include a description of projects

159.1 funded through the information and telecommunications technology systems and services  
159.2 account and each project's current status.

159.3       Sec. 30. **[43A.035] LIMIT ON NUMBER OF FULL-TIME EQUIVALENT**  
159.4 **EMPLOYEES.**

159.5       The total number of full-time equivalent employees employed in all executive  
159.6 branch agencies may not exceed 31,691. As provided in article 1, section 13, an executive  
159.7 branch agency may not hire a new employee during the biennium ending June 30, 2017,  
159.8 except as authorized in article 1, section 13. Any reductions in staff should prioritize  
159.9 protecting client-facing health care workers, corrections officers, public safety workers,  
159.10 and mental health workers. As a means of achieving compliance with this requirement,  
159.11 the commissioner may authorize an agency to provide an early retirement incentive to an  
159.12 executive branch employee, under which the state will continue to make the employer  
159.13 contribution for health insurance after the employee has terminated state service. The  
159.14 commissioner must prescribe eligibility requirements and the maximum duration of the  
159.15 payments. For purposes of this section, an "executive agency" does not include the  
159.16 Minnesota State Colleges and Universities or statewide pension plans.

159.17       Sec. 31. Minnesota Statutes 2014, section 197.455, subdivision 1, is amended to read:

159.18       Subdivision 1. **Application.** (a) This section shall govern preference of a veteran  
159.19 under the civil service laws, charter provisions, ordinances, rules or regulations of a  
159.20 county, home rule charter or statutory city, town, school district, or other municipality  
159.21 or political subdivision of this state. Any provision in a law, charter, ordinance, rule or  
159.22 regulation contrary to the applicable provisions of this section is void to the extent of  
159.23 such inconsistency.

159.24       (b) Sections 197.46 to 197.481 also apply to a veteran who is an incumbent in a  
159.25 classified appointment in the state civil service and has completed the probationary period  
159.26 for that position, as defined under section 43A.16. In matters of dismissal from such a  
159.27 position, a qualified veteran has the irrevocable option of using the procedures described  
159.28 in sections 197.46 to 197.481, or the procedures provided in the collective bargaining  
159.29 agreement applicable to the person, but not both. For a qualified veteran electing to use  
159.30 the procedures of sections 197.46 to 197.481, the matters governed by those sections must  
159.31 not be considered grievances under a collective bargaining agreement, and if a veteran  
159.32 elects to appeal the dispute through those sections, the veteran is precluded from making  
159.33 an appeal under the grievance procedure of the collective bargaining agreement.

160.1 (c) A county, home rule charter or statutory city, town, school district, or other  
 160.2 municipality or political subdivision may require a veteran to complete an initial hiring  
 160.3 probationary period, as defined under section 43A.16. In matters of dismissal, a veteran  
 160.4 employed by a county, home rule charter or statutory city, town, school district, or other  
 160.5 municipality or political subdivision is entitled to the same rights and legal protections  
 160.6 that state employees receive under paragraph (b).

160.7 Sec. 32. Minnesota Statutes 2015 Supplement, section 197.46, is amended to read:

160.8 **197.46 VETERANS PREFERENCE ACT; REMOVAL FORBIDDEN; RIGHT**  
 160.9 **OF MANDAMUS.**

160.10 (a) Any person whose rights may be in any way prejudiced contrary to any of the  
 160.11 provisions of this section, ~~shall be~~ is entitled to a writ of mandamus to remedy the wrong.  
 160.12 After any initial hiring probationary period expires, no person holding a position either in  
 160.13 the state civil service or by appointment or employment in the several counties any county,  
 160.14 cities home rule charter or statutory city, towns town, school districts and all district, or  
 160.15 any other political subdivisions subdivision in the state; who is a veteran separated from  
 160.16 the military service under honorable conditions, shall be removed from ~~such~~ the position  
 160.17 or employment except for incompetency or misconduct shown after a hearing, upon  
 160.18 due notice, upon stated charges, in writing.

160.19 (b) Any veteran who has been notified of the intent to discharge the veteran from an  
 160.20 appointed position or employment pursuant to this section shall be notified in writing of  
 160.21 ~~such~~ the intent to discharge and of the veteran's right to request a hearing within ~~60~~ 30  
 160.22 days of receipt of the notice of intent to discharge. The failure of a veteran to request a  
 160.23 hearing within the provided ~~60-day~~ 30-day period ~~shall constitute~~ constitutes a waiver  
 160.24 of the right to a hearing. ~~Such~~ The failure ~~shall~~ waive waives all other available  
 160.25 legal remedies for reinstatement.

160.26 Request for a hearing concerning such a discharge shall be made in writing and  
 160.27 submitted by mail or personal service to the employment office of the concerned employer  
 160.28 or other appropriate office or person. If the veteran requests a hearing under this section,  
 160.29 ~~such~~ the written request must also contain the veteran's election to be heard by a civil  
 160.30 service board or commission, a merit authority, or ~~a three-person panel~~ an arbitrator  
 160.31 as defined in paragraph (c). If the veteran fails to identify the veteran's election, the  
 160.32 governmental subdivision may select the hearing body.

160.33 (c) In all governmental subdivisions having an established civil service board or  
 160.34 commission, or merit system authority, ~~such~~ the veteran may elect to have the hearing for  
 160.35 removal or discharge ~~shall be held~~ before ~~such~~ the civil service board or commission or

161.1 merit system authority, or before an arbitrator as specified in this paragraph. Where no  
161.2 ~~such~~ civil service board or commission or merit system authority exists, ~~such~~ the hearing  
161.3 shall be held by ~~a board of three persons appointed as follows: one by the governmental~~  
161.4 ~~subdivision, one by the veteran, and the third by the two so selected~~ an arbitrator. In cases  
161.5 where a hearing will be held by an arbitrator, the employer shall request from the Bureau  
161.6 of Mediation Services a list of seven persons to serve as an arbitrator. The employer  
161.7 shall strike the first name from the list and the parties shall alternately strike names from  
161.8 the list until the name of one arbitrator remains. After receiving each of the employer's  
161.9 elections to strike a person from the list, the veteran has 48 hours to strike a person from  
161.10 the list. The person remaining after the striking procedure must be the arbitrator. Upon the  
161.11 selection of the arbitrator, the employer shall notify the designated arbitrator and request  
161.12 available dates to hold the hearing. In the event that the hearing is authorized to be held  
161.13 ~~before a three-person board~~ an arbitrator, the governmental subdivision's notice of intent  
161.14 to discharge shall state that the veteran must respond within ~~60~~ 30 days of receipt of the  
161.15 notice of intent to discharge, ~~and provide in writing to the governmental subdivision the~~  
161.16 ~~name, United States mailing address, and telephone number of the veteran's selected~~  
161.17 ~~representative for the three-person board. The failure of a veteran to submit the name,~~  
161.18 ~~address, and telephone number of the veteran's selected representative to the governmental~~  
161.19 ~~subdivision by mail or by personal service within the provided notice's 60-day period, shall~~  
161.20 ~~constitute a waiver of the veteran's right to the hearing and all other legal remedies available~~  
161.21 ~~for reinstatement of the veteran's employment position. In the event the two persons~~  
161.22 ~~selected by the veteran and governmental subdivision do not appoint the third person within~~  
161.23 ~~ten days after the appointment of the last of the two, then the judge of the district court of~~  
161.24 ~~the county wherein the proceeding is pending, or if there be more than one judge in said~~  
161.25 ~~county then any judge in chambers, shall have jurisdiction to appoint, and Upon application~~  
161.26 ~~of either or both of the two so selected shall appoint, the third person to the board and the~~  
161.27 ~~person so appointed by the judge with the two first selected shall constitute the board.~~

161.28 (d) Either the veteran or the governmental subdivision may appeal from the decision  
161.29 of the ~~board~~ hearing body upon the charges to the district court by causing written notice  
161.30 of appeal, stating the grounds ~~thereof~~ of the appeal, to be served upon the other party  
161.31 within 15 days after notice of the decision and by filing the original notice of appeal  
161.32 with proof of service ~~thereof~~ in the office of the court administrator of the district court  
161.33 within ten days after service thereof. Nothing in section 197.455 or this section shall be  
161.34 construed to apply to the position of private secretary, superintendent of schools, or one  
161.35 chief deputy of any elected official or head of a department, or to any person holding a  
161.36 strictly confidential relation to the appointing officer. Nothing in this section shall be

162.1 construed to apply to the position of teacher. The burden of establishing such relationship  
 162.2 shall be upon the appointing officer in all proceedings and actions relating thereto.

162.3 (e) For disputes heard by a civil service board, commission or merit system  
 162.4 authority, or an arbitrator, the political governmental subdivisions shall bear all costs  
 162.5 associated with the hearing but not including attorney fees for attorneys representing the  
 162.6 veteran. ~~For disputes heard by a three-person panel, all parties shall bear equally all costs~~  
 162.7 ~~associated with the hearing, but not including attorney fees for attorneys representing the~~  
 162.8 ~~veteran.~~ If the veteran prevails in a dispute heard by a civil service board ~~or a three-person~~  
 162.9 ~~panel,~~ commission or merit system authority, or an arbitrator and the hearing reverses all  
 162.10 ~~aspects of the level of the alleged incompetency or misconduct requiring discharge,~~ the  
 162.11 governmental subdivision shall pay the veteran's reasonable attorney fees.

162.12 (f) All officers, boards, commissions, and employees shall conform to, comply with,  
 162.13 and aid in all proper ways in carrying into effect the provisions of section 197.455 and this  
 162.14 section notwithstanding any laws, charter provisions, ordinances or rules to the contrary.  
 162.15 Any willful violation of such sections by officers, officials, or employees is a misdemeanor.

162.16 Sec. 33. Minnesota Statutes 2014, section 298.22, subdivision 1, is amended to read:

162.17 Subdivision 1. **The Office of the Commissioner of Iron Range resources**  
 162.18 **and rehabilitation.** (a) The Office of the Commissioner of Iron Range resources and  
 162.19 rehabilitation is created as an agency in the executive branch of state government. The  
 162.20 governor shall appoint the commissioner of Iron Range resources and rehabilitation under  
 162.21 section 15.06.

162.22 (b) The commissioner may hold other positions or appointments that are not  
 162.23 incompatible with duties as commissioner of Iron Range resources and rehabilitation. The  
 162.24 commissioner may appoint a deputy commissioner. All expenses of the commissioner,  
 162.25 including the payment of staff and other assistance as may be necessary, must be paid  
 162.26 out of the amounts appropriated by section 298.28 or otherwise made available by law  
 162.27 to the commissioner. ~~Notwithstanding chapters 16A, 16B, and 16C, the commissioner~~  
 162.28 ~~may utilize contracting options available under section 471.345 when the commissioner~~  
 162.29 ~~determines it is in the best interest of the agency. The agency is not subject to sections~~  
 162.30 ~~16E.016 and 16C.05.~~

162.31 (c) When the commissioner determines that distress and unemployment exists or  
 162.32 may exist in the future in any county by reason of the removal of natural resources or  
 162.33 a possibly limited use of natural resources in the future and any resulting decrease in  
 162.34 employment, the commissioner may use whatever amounts of the appropriation made to  
 162.35 the commissioner of revenue in section 298.28 that are determined to be necessary and

163.1 proper in the development of the remaining resources of the county and in the vocational  
 163.2 training and rehabilitation of its residents, except that the amount needed to cover cost  
 163.3 overruns awarded to a contractor by an arbitrator in relation to a contract awarded by  
 163.4 the commissioner or in effect after July 1, 1985, is appropriated from the general fund.  
 163.5 For the purposes of this section, "development of remaining resources" includes, but is  
 163.6 not limited to, the promotion of tourism.

163.7 Sec. 34. Minnesota Statutes 2014, section 299A.41, subdivision 3, is amended to read:

163.8 Subd. 3. **Killed in the line of duty.** "Killed in the line of duty" does not include  
 163.9 deaths from natural causes, except as provided in this subdivision. In the case of a ~~peace~~  
 163.10 public safety officer, "killed in the line of duty" includes the death of ~~an~~ a public safety  
 163.11 officer caused by accidental means while the ~~peace~~ public safety officer is acting in the  
 163.12 course and scope of duties as a ~~peace~~ public safety officer. Killed in the line of duty also  
 163.13 means if a public safety officer dies as the direct and proximate result of a heart attack,  
 163.14 stroke, or vascular rupture, that officer shall be presumed to have died as the direct and  
 163.15 proximate result of a personal injury sustained in the line of duty if:

163.16 (1) that officer, while on duty:

163.17 (i) engaged in a situation, and that engagement involved nonroutine stressful or  
 163.18 strenuous physical law enforcement, fire suppression, rescue, hazardous material response,  
 163.19 emergency medical services, prison security, disaster relief, or other emergency response  
 163.20 activity; or

163.21 (ii) participated in a training exercise, and that participation involved nonroutine  
 163.22 stressful or strenuous physical activity;

163.23 (2) that officer died as a result of a heart attack, stroke, or vascular rupture suffered:

163.24 (i) while engaging or participating under clause (1);

163.25 (ii) while still on duty after engaging or participating under clause (1); or

163.26 (iii) not later than 24 hours after engaging or participating under clause (1); and

163.27 (3) the presumption is not overcome by competent medical evidence to the contrary.

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

163.29 Sec. 35. Minnesota Statutes 2014, section 327C.03, subdivision 6, is amended to read:

163.30 Subd. 6. **Payment to the Minnesota manufactured home relocation trust fund.**

163.31 In the event a park owner has been assessed under section 327C.095, subdivision 12,  
 163.32 paragraph (c), the park owner may collect the ~~\$12~~ \$15 annual payment required by section  
 163.33 327C.095, subdivision 12, for participation in the relocation trust fund, as a lump sum or,  
 163.34 along with monthly lot rent, a fee of no more than ~~\$1~~ \$1.25 per month to cover the cost of

164.1 participating in the relocation trust fund. The ~~\$1~~ \$1.25 fee must be separately itemized  
164.2 and clearly labeled "Minnesota manufactured home relocation trust fund."

164.3 Sec. 36. Minnesota Statutes 2014, section 327C.095, subdivision 12, is amended to read:

164.4 Subd. 12. **Payment to the Minnesota manufactured home relocation trust fund.**

164.5 (a) If a manufactured home owner is required to move due to the conversion of all or a  
164.6 portion of a manufactured home park to another use, the closure of a park, or cessation of  
164.7 use of the land as a manufactured home park, the manufactured park owner shall, upon  
164.8 the change in use, pay to the commissioner of management and budget for deposit in the  
164.9 Minnesota manufactured home relocation trust fund under section 462A.35, the lesser  
164.10 amount of the actual costs of moving or purchasing the manufactured home approved  
164.11 by the neutral third party and paid by the Minnesota Housing Finance Agency under  
164.12 subdivision 13, paragraph (a) or (e), or \$3,250 for each single section manufactured  
164.13 home, and \$6,000 for each multisection manufactured home, for which a manufactured  
164.14 home owner has made application for payment of relocation costs under subdivision 13,  
164.15 paragraph (c). The manufactured home park owner shall make payments required under  
164.16 this section to the Minnesota manufactured home relocation trust fund within 60 days of  
164.17 receipt of invoice from the neutral third party.

164.18 (b) A manufactured home park owner is not required to make the payment prescribed  
164.19 under paragraph (a), nor is a manufactured home owner entitled to compensation under  
164.20 subdivision 13, paragraph (a) or (e), if:

164.21 (1) the manufactured home park owner relocates the manufactured home owner to  
164.22 another space in the manufactured home park or to another manufactured home park at  
164.23 the park owner's expense;

164.24 (2) the manufactured home owner is vacating the premises and has informed the  
164.25 manufactured home park owner or manager of this prior to the mailing date of the closure  
164.26 statement under subdivision 1;

164.27 (3) a manufactured home owner has abandoned the manufactured home, or the  
164.28 manufactured home owner is not current on the monthly lot rental, personal property taxes;

164.29 (4) the manufactured home owner has a pending eviction action for nonpayment of  
164.30 lot rental amount under section 327C.09, which was filed against the manufactured home  
164.31 owner prior to the mailing date of the closure statement under subdivision 1, and the writ  
164.32 of recovery has been ordered by the district court;

164.33 (5) the conversion of all or a portion of a manufactured home park to another use,  
164.34 the closure of a park, or cessation of use of the land as a manufactured home park is the

165.1 result of a taking or exercise of the power of eminent domain by a governmental entity  
165.2 or public utility; or

165.3 (6) the owner of the manufactured home is not a resident of the manufactured home  
165.4 park, as defined in section 327C.01, subdivision 9, or the owner of the manufactured home  
165.5 is a resident, but came to reside in the manufactured home park after the mailing date of  
165.6 the closure statement under subdivision 1.

165.7 (c) If the unencumbered fund balance in the manufactured home relocation trust  
165.8 fund is less than \$1,000,000 as of June 30 of each year, the commissioner of management  
165.9 and budget shall assess each manufactured home park owner by mail the total amount  
165.10 of ~~\$12~~ \$15 for each licensed lot in their park, payable on or before September 15 of that  
165.11 year. The commissioner of management and budget shall deposit any payments in the  
165.12 Minnesota manufactured home relocation trust fund. On or before July 15 of each year,  
165.13 the commissioner of management and budget shall prepare and distribute to park owners a  
165.14 letter explaining whether funds are being collected for that year, information about the  
165.15 collection, an invoice for all licensed lots, and a sample form for the park owners to collect  
165.16 information on which park residents have been accounted for. If assessed under this  
165.17 paragraph, the park owner may recoup the cost of the ~~\$12~~ \$15 assessment as a lump sum  
165.18 or as a monthly fee of no more than ~~\$4~~ \$1.25 collected from park residents together with  
165.19 monthly lot rent as provided in section 327C.03, subdivision 6. Park owners may adjust  
165.20 payment for lots in their park that are vacant or otherwise not eligible for contribution to  
165.21 the trust fund under section 327C.095, subdivision 12, paragraph (b), and deduct from the  
165.22 assessment accordingly.

165.23 (d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by  
165.24 the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action  
165.25 in a court of appropriate jurisdiction. The court may award a prevailing party reasonable  
165.26 attorney fees, court costs, and disbursements.

165.27 Sec. 37. Minnesota Statutes 2014, section 327C.095, subdivision 13, is amended to read:

165.28 Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a)  
165.29 If a manufactured home owner is required to relocate due to the conversion of all or a  
165.30 portion of a manufactured home park to another use, the closure of a manufactured home  
165.31 park, or cessation of use of the land as a manufactured home park under subdivision 1,  
165.32 and the manufactured home owner complies with the requirements of this section, the  
165.33 manufactured home owner is entitled to payment from the Minnesota manufactured home  
165.34 relocation trust fund equal to the manufactured home owner's actual relocation costs for  
165.35 relocating the manufactured home to a new location within a 25-mile radius of the park

166.1 that is being closed, up to a maximum of ~~\$4,000~~ \$7,000 for a single-section and ~~\$8,000~~  
166.2 \$12,500 for a multisection manufactured home. The actual relocation costs must include  
166.3 the reasonable cost of taking down, moving, and setting up the manufactured home,  
166.4 including equipment rental, utility connection and disconnection charges, minor repairs,  
166.5 modifications necessary for transportation of the home, necessary moving permits and  
166.6 insurance, moving costs for any appurtenances, which meet applicable local, state, and  
166.7 federal building and construction codes.

166.8 (b) A manufactured home owner is not entitled to compensation under paragraph (a)  
166.9 if the manufactured home park owner is not required to make a payment to the Minnesota  
166.10 manufactured home relocation trust fund under subdivision 12, paragraph (b).

166.11 (c) Except as provided in paragraph (e), in order to obtain payment from the  
166.12 Minnesota manufactured home relocation trust fund, the manufactured home owner shall  
166.13 submit to the neutral third party and the Minnesota Housing Finance Agency, with a copy  
166.14 to the park owner, an application for payment, which includes:

166.15 (1) a copy of the closure statement under subdivision 1;

166.16 (2) a copy of the contract with a moving or towing contractor, which includes the  
166.17 relocation costs for relocating the manufactured home;

166.18 (3) a statement with supporting materials of any additional relocation costs as  
166.19 outlined in subdivision 1;

166.20 (4) a statement certifying that none of the exceptions to receipt of compensation  
166.21 under subdivision 12, paragraph (b), apply to the manufactured home owner;

166.22 (5) a statement from the manufactured park owner that the lot rental is current  
166.23 and that the annual ~~\$12~~ \$15 payments to the Minnesota manufactured home relocation  
166.24 trust fund have been paid when due; and

166.25 (6) a statement from the county where the manufactured home is located certifying  
166.26 that personal property taxes for the manufactured home are paid through the end of that year.

166.27 (d) If the neutral third party has acted reasonably and does not approve or deny  
166.28 payment within 45 days after receipt of the information set forth in paragraph (c), the  
166.29 payment is deemed approved. Upon approval and request by the neutral third party,  
166.30 the Minnesota Housing Finance Agency shall issue two checks in equal amount for 50  
166.31 percent of the contract price payable to the mover and towing contractor for relocating  
166.32 the manufactured home in the amount of the actual relocation cost, plus a check to the  
166.33 home owner for additional certified costs associated with third-party vendors, that were  
166.34 necessary in relocating the manufactured home. The moving or towing contractor shall  
166.35 receive 50 percent upon execution of the contract and 50 percent upon completion of  
166.36 the relocation and approval by the manufactured home owner. The moving or towing

167.1 contractor may not apply the funds to any other purpose other than relocation of the  
167.2 manufactured home as provided in the contract. A copy of the approval must be forwarded  
167.3 by the neutral third party to the park owner with an invoice for payment of the amount  
167.4 specified in subdivision 12, paragraph (a).

167.5 (e) In lieu of collecting a relocation payment from the Minnesota manufactured  
167.6 home relocation trust fund under paragraph (a), the manufactured home owner may collect  
167.7 an amount from the fund after reasonable efforts to relocate the manufactured home  
167.8 have failed due to the age or condition of the manufactured home, or because there are  
167.9 no manufactured home parks willing or able to accept the manufactured home within a  
167.10 25-mile radius. A manufactured home owner may tender title of the manufactured home in  
167.11 the manufactured home park to the manufactured home park owner, and collect an amount  
167.12 to be determined by an independent appraisal. The appraiser must be agreed to by both  
167.13 the manufactured home park owner and the manufactured home owner. If the appraised  
167.14 market value cannot be determined, the tax market value, averaged over a period of five  
167.15 years, can be used as a substitute. The maximum amount that may be reimbursed under  
167.16 the fund is a maximum of \$5,000 \$8,000 for a single-section and \$9,000 \$14,500 for a  
167.17 multisection manufactured home. The minimum amount that may be reimbursed under the  
167.18 fund is \$2,000 for a single section and \$4,000 for a multisection manufactured home. The  
167.19 manufactured home owner shall deliver to the manufactured home park owner the current  
167.20 certificate of title to the manufactured home duly endorsed by the owner of record, and  
167.21 valid releases of all liens shown on the certificate of title, and a statement from the county  
167.22 where the manufactured home is located evidencing that the personal property taxes have  
167.23 been paid. The manufactured home owner's application for funds under this paragraph  
167.24 must include a document certifying that the manufactured home cannot be relocated, that  
167.25 the lot rental is current, that the annual ~~\$12~~ \$15 payments to the Minnesota manufactured  
167.26 home relocation trust fund have been paid when due, that the manufactured home owner  
167.27 has chosen to tender title under this section, and that the park owner agrees to make a  
167.28 payment to the commissioner of management and budget in the amount established in  
167.29 subdivision 12, paragraph (a), less any documented costs submitted to the neutral third  
167.30 party, required for demolition and removal of the home, and any debris or refuse left on the  
167.31 lot, not to exceed \$1,000. The manufactured home owner must also provide a copy of the  
167.32 certificate of title endorsed by the owner of record, and certify to the neutral third party,  
167.33 with a copy to the park owner, that none of the exceptions to receipt of compensation under  
167.34 subdivision 12, paragraph (b), clauses (1) to (6), apply to the manufactured home owner,  
167.35 and that the home owner will vacate the home within 60 days after receipt of payment or the  
167.36 date of park closure, whichever is earlier, provided that the monthly lot rent is kept current.

168.1 (f) The Minnesota Housing Finance Agency must make a determination of the  
168.2 amount of payment a manufactured home owner would have been entitled to under a local  
168.3 ordinance in effect on May 26, 2007. Notwithstanding paragraph (a), the manufactured  
168.4 home owner's compensation for relocation costs from the fund under section 462A.35, is  
168.5 the greater of the amount provided under this subdivision, or the amount under the local  
168.6 ordinance in effect on May 26, 2007, that is applicable to the manufactured home owner.  
168.7 Nothing in this paragraph is intended to increase the liability of the park owner.

168.8 (g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall  
168.9 be liable to any person for recovery if the funds in the Minnesota manufactured home  
168.10 relocation trust fund are insufficient to pay the amounts claimed. The Minnesota Housing  
168.11 Finance Agency shall keep a record of the time and date of its approval of payment to a  
168.12 claimant.

168.13 (h) The agency shall report to the chairs of the senate Finance Committee and  
168.14 house of representatives Ways and Means Committee by January 15 of each year on  
168.15 the Minnesota manufactured home relocation trust fund, including the account balance,  
168.16 payments to claimants, the amount of any advances to the fund, the amount of any  
168.17 insufficiencies encountered during the previous calendar year, and any administrative  
168.18 charges or expenses deducted from the trust fund balance. If sufficient funds become  
168.19 available, the Minnesota Housing Finance Agency shall pay the manufactured home  
168.20 owner whose unpaid claim is the earliest by time and date of approval.

168.21 Sec. 38. Minnesota Statutes 2014, section 353.01, subdivision 43, is amended to read:

168.22 Subd. 43. **Line of duty death.** "Line of duty death" means:

168.23 (1) a death that occurs while performing or as a direct result of performing normal or  
168.24 less frequent duties which are specific to protecting the property and personal safety of  
168.25 others and that present inherent dangers that are specific to the positions covered by the  
168.26 public employees police and fire plan; or

168.27 (2) a death determined by the commissioner of public safety to meet the requirements  
168.28 of section 299A.41, subdivision 3.

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

168.30 Sec. 39. Minnesota Statutes 2014, section 462.355, subdivision 4, is amended to read:

168.31 Subd. 4. **Interim ordinance.** (a) If a municipality is conducting studies or has  
168.32 authorized a study to be conducted or has held or has scheduled a hearing for the purpose  
168.33 of considering adoption or amendment of a comprehensive plan or official controls  
168.34 as defined in section 462.352, subdivision 15, or if new territory for which plans or

169.1 controls have not been adopted is annexed to a municipality, the governing body of the  
169.2 municipality may adopt an interim ordinance applicable to all or part of its jurisdiction for  
169.3 the purpose of protecting the planning process and the health, safety and welfare of its  
169.4 citizens. The interim ordinance may regulate, restrict, or prohibit any use, development,  
169.5 or subdivision within the jurisdiction or a portion thereof for a period not to exceed one  
169.6 year from the date it is effective.

169.7 (b) If a proposed interim ordinance purports to regulate, restrict, or prohibit activities  
169.8 relating to livestock production, a public hearing must be held following a ten-day notice  
169.9 given by publication in a newspaper of general circulation in the municipality before  
169.10 the interim ordinance takes effect.

169.11 (c) If a proposed interim ordinance by a statutory or home rule charter city purports  
169.12 to regulate, restrict, or prohibit activities relating to housing, a public hearing must be held  
169.13 following a ten-day notice given by publication in a newspaper of general circulation in  
169.14 the municipality before the interim ordinance takes effect.

169.15 (d) The period of an interim ordinance applicable to an area that is affected by  
169.16 a city's master plan for a municipal airport may be extended for such additional periods  
169.17 as the municipality may deem appropriate, not exceeding a total additional period of 18  
169.18 months. In all other cases, no interim ordinance may halt, delay, or impede a subdivision  
169.19 that has been given preliminary approval, nor may any interim ordinance extend the  
169.20 time deadline for agency action set forth in section 15.99 with respect to any application  
169.21 filed prior to the effective date of the interim ordinance. The governing body of the  
169.22 municipality may extend the interim ordinance after a public hearing and written findings  
169.23 have been adopted based upon one or more of the conditions in clause (1), (2), or (3).  
169.24 The public hearing must be held at least 15 days but not more than 30 days before the  
169.25 expiration of the interim ordinance, and notice of the hearing must be published at least  
169.26 ten days before the hearing. The interim ordinance may be extended for the following  
169.27 conditions and durations, but, except as provided in clause (3), an interim ordinance may  
169.28 not be extended more than an additional 18 months:

169.29 (1) up to an additional 120 days following the receipt of the final approval or review  
169.30 by a federal, state, or metropolitan agency when the approval is required by law and the  
169.31 review or approval has not been completed and received by the municipality at least 30  
169.32 days before the expiration of the interim ordinance;

169.33 (2) up to an additional 120 days following the completion of any other process  
169.34 required by a state statute, federal law, or court order, when the process is not completed at  
169.35 least 30 days before the expiration of the interim ordinance; or

170.1 (3) up to an additional one year if the municipality has not adopted a comprehensive  
170.2 plan under this section at the time the interim ordinance is enacted.

170.3 **EFFECTIVE DATE.** This section is effective for interim ordinances proposed on  
170.4 or after August 1, 2016.

170.5 Sec. 40. Minnesota Statutes 2014, section 471.6161, subdivision 8, is amended to read:

170.6 Subd. 8. **School districts; group health insurance coverage.** (a) Any entity  
170.7 providing group health insurance coverage to a school district must provide the school  
170.8 district with school district-specific nonidentifiable aggregate claims records for the most  
170.9 recent 24 months within 30 days of the request.

170.10 (b) School districts shall request proposals for group health insurance coverage as  
170.11 provided in subdivision 2 from a minimum of three potential sources of coverage. ~~One of~~  
170.12 ~~these requests must go to an administrator governed by chapter 43A.~~ Entities referenced  
170.13 in subdivision 1 must respond to requests for proposals received directly from a school  
170.14 district. School districts that are self-insured must also follow these provisions, except  
170.15 as provided in paragraph (f). School districts must make requests for proposals at least  
170.16 150 days prior to the expiration of the existing contract but not more frequently than once  
170.17 every 24 months. The request for proposals must include the most recently available  
170.18 24 months of nonidentifiable aggregate claims data. The request for proposals must be  
170.19 publicly released at or prior to its release to potential sources of coverage.

170.20 (c) School district contracts for group health insurance must not be longer than ~~two~~  
170.21 five years ~~unless the exclusive representative of the largest employment group and the~~  
170.22 ~~school district agree otherwise, except that contracts for group health insurance negotiated~~  
170.23 in connection with a service cooperative, governed by section 123A.21, must not be  
170.24 longer than four years.

170.25 (d) All initial proposals shall be sealed upon receipt until they are all opened no less  
170.26 than 90 days prior to the plan's renewal date in the presence of up to three representatives  
170.27 selected by the exclusive representative of the largest group of employees. Section 13.591,  
170.28 subdivision 3, paragraph (b), applies to data in the proposals. The representatives of  
170.29 the exclusive representative must maintain the data according to this classification and  
170.30 are subject to the remedies and penalties under sections 13.08 and 13.09 for a violation  
170.31 of this requirement.

170.32 (e) A school district, in consultation with the same representatives referenced in  
170.33 paragraph (d), may continue to negotiate with any entity that submitted a proposal under  
170.34 paragraph (d) in order to reduce costs or improve services under the proposal. Following  
170.35 the negotiations any entity that submitted an initial proposal may submit a final proposal

171.1 incorporating the negotiations, which is due no less than 75 days prior to the plan's  
171.2 renewal date. All the final proposals submitted must be opened at the same time in the  
171.3 presence of up to three representatives selected by the exclusive representative of the  
171.4 largest group of employees. Notwithstanding section 13.591, subdivision 3, paragraph (b),  
171.5 following the opening of the final proposals, all the proposals, including any made under  
171.6 paragraph (d), and other data submitted in connection with the proposals are public data.  
171.7 The school district may choose from any of the initial or final proposals without further  
171.8 negotiations and in accordance with subdivision 5, but not sooner than 15 days after  
171.9 the proposals become public data.

171.10 (f) School districts that are self-insured shall follow all of the requirements of this  
171.11 section, except that:

171.12 (1) their requests for proposals may be for third-party administrator services, where  
171.13 applicable;

171.14 (2) these requests for proposals must be from a minimum of three different sources,  
171.15 which may include both entities referenced in subdivision 1 and providers of third-party  
171.16 administrator services;

171.17 ~~(3) for purposes of fulfilling the requirement to request a proposal for group~~  
171.18 ~~insurance coverage from an administrator governed by chapter 43A, self-insured districts~~  
171.19 ~~are not required to include in the request for proposal the coverage to be provided;~~

171.20 ~~(4) a district that is self-insured on or before the date of enactment, or that is~~  
171.21 ~~self-insured with more than 1,000 insured lives, or a district in which the school board~~  
171.22 ~~adopted a motion on or before May 14, 2014, to approve a self-insured health care plan~~  
171.23 ~~to be effective July 1, 2014, may, but need not, request a proposal from an administrator~~  
171.24 ~~governed by chapter 43A;~~

171.25 ~~(5)~~ (3) requests for proposals must be sent to providers no less than 90 days prior to  
171.26 the expiration of the existing contract; and

171.27 ~~(6)~~ (4) proposals must be submitted at least 60 days prior to the plan's renewal date  
171.28 and all proposals shall be opened at the same time and in the presence of the exclusive  
171.29 representative, where applicable.

171.30 (g) Nothing in this section shall restrict the authority granted to school district boards  
171.31 of education by section 471.59, ~~except that districts will not be considered self-insured for~~  
171.32 ~~purposes of this subdivision solely through participation in a joint powers arrangement.~~

171.33 (h) An entity providing group health insurance to a school district under a multiyear  
171.34 contract must give notice of any rate or plan design changes applicable under the contract  
171.35 at least 90 days before the effective date of any change. The notice must be given to the  
171.36 school district and to the exclusive representatives of employees.

172.1 (i) The exclusive representative of the largest group of employees shall comply  
 172.2 with this subdivision and must not exercise any of their abilities under section 43A.316,  
 172.3 subdivision 5, notwithstanding anything contained in that section, or any other law to the  
 172.4 contrary.

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

172.6 Sec. 41. Minnesota Statutes 2014, section 471.617, subdivision 2, is amended to read:

172.7 Subd. 2. **Jointly.** Any two or more statutory or home rule charter cities, counties,  
 172.8 school districts, or instrumentalities thereof which together have more than 100 employees  
 172.9 may jointly self-insure for any employee health benefits including long-term disability, but  
 172.10 not for employee life benefits, subject to the same requirements as an individual self-insurer  
 172.11 under subdivision 1. Self-insurance pools under this section are subject to section 62L.045.  
 172.12 A self-insurance pool established and operated by one or more service cooperatives  
 172.13 governed by section 123A.21 to provide coverage described in this subdivision qualifies  
 172.14 under this subdivision, ~~but the individual school district members of such a pool shall not~~  
 172.15 ~~be considered to be self-insured for purposes of section 471.6161, subdivision 8, paragraph~~  
 172.16 ~~(f).~~ The commissioner of commerce may adopt rules pursuant to chapter 14, providing  
 172.17 standards or guidelines for the operation and administration of self-insurance pools.

172.18 Sec. 42. Laws 2015, chapter 77, article 1, section 11, subdivision 4, is amended to read:

172.19	Subd. 4. <b>Fiscal Agent</b>	12,957,000	11,737,000
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172.20 The appropriations under this section are to  
 172.21 the commissioner of administration for the  
 172.22 purposes specified.

172.23 **In-Lieu of Rent.** \$8,158,000 the first year  
 172.24 and \$8,158,000 the second year are for  
 172.25 space costs of the legislature and veterans  
 172.26 organizations, ceremonial space, and  
 172.27 statutorily free space. In-lieu of rent may be  
 172.28 used for rent loss and relocation expenses  
 172.29 related to the Capitol restoration in the fiscal  
 172.30 year 2014-2015 biennium and fiscal year  
 172.31 2016-2017 biennium.

172.32 **Relocation Expenses.** \$1,380,000 the first  
 172.33 year and \$960,000 the second year are for

173.1 rent loss and relocation expenses related  
173.2 to the Capitol renovation project. This is a  
173.3 onetime appropriation.

173.4 **Public Broadcasting.** (a) \$1,550,000 the  
173.5 first year and \$1,550,000 the second year are  
173.6 for matching grants for public television.

173.7 (b) \$550,000 the first year and \$250,000  
173.8 the second year are for public television  
173.9 equipment grants under Minnesota Statutes,  
173.10 section 129D.13.

173.11 (c) The commissioner of administration  
173.12 must consider the recommendations of the  
173.13 Minnesota Public Television Association  
173.14 before allocating the amount appropriated  
173.15 in paragraphs (a) and (b) for equipment or  
173.16 matching grants.

173.17 (d) \$592,000 the first year and \$392,000 the  
173.18 second year are for community service grants  
173.19 to public educational radio stations. This  
173.20 appropriation may be used to disseminate  
173.21 emergency information in foreign languages.

173.22 (e) \$167,000 the first year and \$117,000  
173.23 the second year are for equipment grants  
173.24 to public educational radio stations. This  
173.25 appropriation may be used for the repair,  
173.26 rental, and purchase of equipment including  
173.27 equipment under \$500.

173.28 (f) \$560,000 the first year and \$310,000  
173.29 the second year are for equipment grants  
173.30 to Minnesota Public Radio, Inc., including  
173.31 upgrades to Minnesota's Emergency Alert  
173.32 and AMBER Alert Systems.

173.33 (g) The appropriations in paragraphs (d),  
173.34 (e), and (f); may not be used for indirect

174.1 costs claimed by an institution or governing  
 174.2 body. The commissioner of administration  
 174.3 must consider the recommendations of  
 174.4 the Minnesota Public Educational Radio  
 174.5 Stations before awarding grants under  
 174.6 Minnesota Statutes, section 129D.14, using  
 174.7 the appropriations in paragraphs (d), and (e),  
 174.8 ~~and (f)~~. No grantee is eligible for a grant of  
 174.9 the appropriations in paragraphs (d) and (e)  
 174.10 unless they are a member of the Association  
 174.11 of Minnesota Public Educational Radio  
 174.12 Stations on or before July 1, 2015.

174.13 (h) Any unencumbered balance remaining  
 174.14 the first year for grants to public television or  
 174.15 radio stations does not cancel and is available  
 174.16 for the second year.

174.17 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2015.

174.18 Sec. 43. **REPORT ON STATE EMPLOYEE OUT-OF-STATE TRAVEL**  
 174.19 **EXPENSES.**

174.20 The commissioner of management and budget shall audit state employee out-of-state  
 174.21 travel expenses incurred between July 1, 2013, and June 30, 2016. The audit shall identify  
 174.22 the amount spent on nonessential travel. For purposes of this section, travel is nonessential  
 174.23 unless it is necessary to protect the safety or other essential interests of the citizens of the  
 174.24 state. The commissioner of management and budget shall report to the chairs and ranking  
 174.25 minority members of the legislative committees in the house of representatives and senate  
 174.26 with jurisdiction over state employees by February 17, 2017. The commissioner must use  
 174.27 the department's existing budget to fund the audit.

174.28 Sec. 44. **STATE AUDITOR REPORT.**

174.29 The state auditor must report to the chairs and ranking minority members of the  
 174.30 house of representatives and senate finance committees with jurisdiction over the Office  
 174.31 of the State Auditor by January 15, 2017. The report must include a strategic plan to  
 174.32 ensure that all local governments receive adequate oversight from the Office of the State  
 174.33 Auditor. In preparing this strategic plan, the state auditor must assess what types of audits

175.1 performed by the Office of the State Auditor are the most effective mechanisms for  
175.2 ensuring that public funds have been used appropriately, what types of audit work can be  
175.3 performed efficiently by certified public accounting (CPA) firms, and what is the most  
175.4 effective deployment of audit resources available to the Office of the State Auditor. The  
175.5 report must also evaluate the continuing importance of the reports, other than financial  
175.6 audits, that the Office of the State Auditor produces on a regular basis.

175.7       Sec. 45. **PARKING RAMP FINANCING.**

175.8       The debt service on the design and construction costs allocated to the parking garage  
175.9 located on the block bounded by Sherburne Avenue on the north, Park Street on the west,  
175.10 University Avenue on the south, and North Capitol Boulevard on the east must be paid  
175.11 for exclusively by fees charged to persons parking in that parking garage. No fees may  
175.12 be charged to members of the public parking in spaces designated for persons with a  
175.13 disability parking certificate.

175.14       Sec. 46. **REPORT ON MNSURE COSTS TO COUNTIES.**

175.15       The state auditor must report to the legislature by January 15, 2017, on costs  
175.16 incurred by Minnesota counties related to eligibility determinations and related enrollment  
175.17 activities for medical assistance enrollees and MinnesotaCare enrollees that are due to  
175.18 implementing the Minnesota Eligibility Technology System administered by MNsure.

175.19       Sec. 47. **LEGISLATIVE SURROGACY COMMISSION.**

175.20       Subdivision 1. **Membership.** The Legislative Commission on Surrogacy shall  
175.21 consist of 15 members, appointed as follows:

175.22       (1) three members of the senate appointed by the senate majority leader;

175.23       (2) three members of the senate appointed by the senate minority leader;

175.24       (3) three members of the house of representatives appointed by the speaker of the  
175.25 house;

175.26       (4) three members of the house of representatives appointed by the house of  
175.27 representatives minority leader;

175.28       (5) the commissioner of human services or the commissioner's designee;

175.29       (6) the commissioner of health or the commissioner's designee; and

175.30       (7) a family court referee appointed by the chief justice of the state Supreme Court.

175.31       Appointments must be made by June 1, 2016.

175.32       Subd. 2. **Chair.** The commission shall elect a chair from among its members.

176.1 Subd. 3. **Meetings.** The ranking majority member of the commission who is  
176.2 appointed by the senate majority leader shall convene the first meeting by July 1, 2016.  
176.3 The commission shall have at least six meetings but may not have more than ten meetings.

176.4 Subd. 4. **Conflict of interest.** A commission member may not participate in or  
176.5 vote on a decision of the commission in which the member has either a direct or indirect  
176.6 personal financial interest. A witness at a public meeting of the commission must disclose  
176.7 any financial conflict of interest.

176.8 Subd. 5. **Duties.** The commission shall develop recommendations on public policy  
176.9 and laws regarding surrogacy. To develop the recommendations, the commission shall  
176.10 study surrogacy through public hearings, research, and deliberation. Topics for study  
176.11 include, but are not limited to:

176.12 (1) potential health and psychological effects and benefits on women who serve  
176.13 as surrogates;

176.14 (2) potential health and psychological effects and benefits on children born of  
176.15 surrogates;

176.16 (3) business practices of the fertility industry, including attorneys, brokers, and  
176.17 clinics;

176.18 (4) considerations related to different forms of surrogacy;

176.19 (5) considerations related to the potential exploitation of women in surrogacy  
176.20 arrangements;

176.21 (6) contract law implications when a surrogacy contract is breached;

176.22 (7) potential conflicts with statutes governing private adoption and termination  
176.23 of parental rights;

176.24 (8) potential for legal conflicts related to third-party reproduction, including conflicts  
176.25 between or amongst the surrogate mother, the intended parents, the child, insurance  
176.26 companies, and medical professionals;

176.27 (9) public policy determinations of other jurisdictions with regard to surrogacy; and

176.28 (10) information to be provided to a child born of a surrogate about the child's  
176.29 biological and gestational parents.

176.30 Subd. 6. **Reporting.** The commission must submit a report including its  
176.31 recommendations and may draft legislation to implement its recommendations to  
176.32 the chairs and ranking minority members of the legislative committees with primary  
176.33 jurisdiction over health and judiciary in the house of representatives and senate by  
176.34 December 15, 2016. On topics where the commission fails to reach consensus, a majority  
176.35 and minority report shall be issued.

177.1 Subd. 7. **Staffing.** The Legislative Coordinating Commission shall provide staffing  
177.2 and administrative support to the commission.

177.3 Subd. 8. **Expiration.** The commission expires the day after submitting the report  
177.4 required under subdivision 6.

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

177.6 Sec. 48. **LCPFP STUDY OF JOINT BUDGET TARGET PROCESS; TIMING.**

177.7 The Legislative Commission on Planning and Fiscal Policy shall study and make  
177.8 recommendations to the legislature by January 15, 2017, on the process and timing for  
177.9 the legislature to establish joint budget targets. In preparing its recommendations, the  
177.10 commission must take public testimony.

177.11 Sec. 49. **REPEALER.**

177.12 (a) Minnesota Statutes 2014, section 6.581, subdivision 1, is repealed.

177.13 (b) Minnesota Statutes 2014, section 3.886, is repealed.

## 177.14 **ARTICLE 12**

### 177.15 **PUBLIC SAFETY**

177.16 Section 1. Minnesota Statutes 2014, section 169.444, subdivision 2, is amended to read:

177.17 Subd. 2. **Violations by drivers; penalties.** (a) A person who fails to stop a vehicle  
177.18 or to keep it stopped, as required in subdivision 1, or who violates subdivision 1a, is guilty  
177.19 of a misdemeanor punishable by a fine of not less than ~~\$300~~ \$500.

177.20 (b) A person is guilty of a gross misdemeanor if the person fails to stop a motor  
177.21 vehicle or to keep it stopped, as required in subdivision 1, or who violates subdivision 1a,  
177.22 and commits either or both of the following acts:

177.23 (1) passes or attempts to pass the school bus in a motor vehicle on the right-hand,  
177.24 passenger-door side of the bus; or

177.25 (2) passes or attempts to pass the school bus in a motor vehicle when a school child is  
177.26 outside of and on the street or highway used by the school bus or on the adjacent sidewalk.

177.27 **EFFECTIVE DATE.** This section is effective August 1, 2016, and applies to  
177.28 violations committed on and after that date.

177.29 Sec. 2. Minnesota Statutes 2014, section 171.24, is amended to read:

177.30 **171.24 VIOLATIONS; DRIVING WITHOUT VALID LICENSE.**

178.1 Subdivision 1. **Driving after suspension; misdemeanor.** Except as otherwise  
178.2 provided in subdivision 5, a person is guilty of a misdemeanor if:

178.3 (1) the person's driver's license or driving privilege has been suspended;

178.4 (2) the person has been given notice of or reasonably should know of the suspension;

178.5 and

178.6 (3) the person disobeys the order by operating in this state any motor vehicle, the  
178.7 operation of which requires a driver's license, while the person's license or privilege  
178.8 is suspended.

178.9 Subd. 2. **Driving after revocation; misdemeanor.** Except as otherwise provided  
178.10 in subdivision 5, a person is guilty of a misdemeanor if:

178.11 (1) the person's driver's license or driving privilege has been revoked;

178.12 (2) the person has been given notice of or reasonably should know of the revocation;

178.13 and

178.14 (3) the person disobeys the order by operating in this state any motor vehicle, the  
178.15 operation of which requires a driver's license, while the person's license or privilege is  
178.16 revoked.

178.17 Subd. 3. **Driving after cancellation; misdemeanor.** Except as otherwise provided  
178.18 in subdivision 5, a person is guilty of a misdemeanor if:

178.19 (1) the person's driver's license or driving privilege has been canceled;

178.20 (2) the person has been given notice of or reasonably should know of the

178.21 cancellation; and

178.22 (3) the person disobeys the order by operating in this state any motor vehicle, the  
178.23 operation of which requires a driver's license, while the person's license or privilege is  
178.24 canceled.

178.25 Subd. 4. **Driving after disqualification; misdemeanor.** Except as otherwise  
178.26 provided in subdivision 5, a person is guilty of a misdemeanor if the person:

178.27 (1) has been disqualified from holding a commercial driver's license or been denied  
178.28 the privilege to operate a commercial motor vehicle;

178.29 (2) has been given notice of or reasonably should know of the disqualification; and

178.30 (3) disobeys the order by operating in this state a commercial motor vehicle while  
178.31 the person is disqualified to hold the license or privilege.

178.32 Subd. 5. **Gross misdemeanor violations.** (a) A person is guilty of a gross  
178.33 misdemeanor if:

178.34 (1) the person's driver's license or driving privilege has been canceled or denied  
178.35 under section 171.04, subdivision 1, clause (10);

179.1 (2) the person has been given notice of or reasonably should know of the cancellation  
179.2 or denial; and

179.3 (3) the person disobeys the order by operating in this state any motor vehicle, the  
179.4 operation of which requires a driver's license, while the person's license or privilege is  
179.5 canceled or denied.

179.6 (b) A person is guilty of a gross misdemeanor if the person violates this section and  
179.7 causes a collision resulting in substantial bodily harm or death to another.

179.8 (c) A person is guilty of a gross misdemeanor and is subject to the minimum penalty  
179.9 under subdivision 5a, paragraph (b), if the person violates this section within ten years of  
179.10 the first of two prior convictions under this section.

179.11 Subd. 5a. **Minimum penalties.** (a) A person who is convicted under this section  
179.12 a second time must, at a minimum, be sentenced to pay a fine of at least \$750. This  
179.13 paragraph does not apply to penalties under subdivision 5, paragraph (c).

179.14 (b) A person who is convicted under this section a third or subsequent time must, at  
179.15 a minimum, be sentenced to pay a fine of at least \$1,500.

179.16 (c) The court may order a person to perform community work service in lieu of all or  
179.17 a portion of the minimum fine required under this subdivision if the court makes specific  
179.18 findings on the record that the convicted person is indigent or that payment of the fine  
179.19 would create undue hardship for the convicted person or that person's immediate family.

179.20 Subd. 6. **Responsibility for prosecution.** (a) The attorney in the jurisdiction  
179.21 in which the violation occurred who is responsible for prosecution of misdemeanor  
179.22 violations of this section is also responsible for prosecution of gross misdemeanor  
179.23 violations of this section.

179.24 (b) Nothing in this section or section 609.035 or 609.04 shall limit the power of the  
179.25 state to prosecute or punish a person for conduct that constitutes any other crime under  
179.26 any other law of this state.

179.27 Subd. 7. **Sufficiency of notice.** (a) Notice of revocation, suspension, cancellation,  
179.28 or disqualification is sufficient if personally served, or if mailed by first class mail to the  
179.29 person's last known address or to the address listed on the person's driver's license. Notice  
179.30 is also sufficient if the person was informed that revocation, suspension, cancellation, or  
179.31 disqualification would be imposed upon a condition occurring or failing to occur, and  
179.32 where the condition has in fact occurred or failed to occur.

179.33 (b) It is not a defense that a person failed to file a change of address with the post  
179.34 office, or failed to notify the Department of Public Safety of a change of name or address  
179.35 as required under section 171.11.

180.1 Subd. 8. **Definition.** For the purposes of this section, "substantial bodily harm" has  
180.2 the meaning given in section 609.02, subdivision 7a.

180.3 **EFFECTIVE DATE.** This section is effective August 1, 2016, and applies to  
180.4 offenses committed on or after that date.

180.5 Sec. 3. **[325E.041] SENSORY TESTING RESEARCH.**

180.6 Subdivision 1. **Definitions.** For purposes of this section, the following terms have  
180.7 the meanings given:

180.8 (1) "sensory testing firm" means a business that tests consumer reaction to physical  
180.9 aspects of products for a third-party client;

180.10 (2) "trained sensory assessors" means members of the public at least 21 years of age  
180.11 selected by sensory testing firms and trained for a minimum of one hour to test products;

180.12 (3) "sensory testing facility" means a facility specifically designed as a controlled  
180.13 environment for testing; and

180.14 (4) "department" means the Department of Public Safety.

180.15 Subd. 2. **Allowed activities.** Notwithstanding any law to the contrary, a sensory  
180.16 testing firm may possess and may purchase alcohol at retail or wholesale, and may allow  
180.17 consumption of that alcohol, by trained sensory assessors for testing purposes at their  
180.18 facility, provided that:

180.19 (1) the firm must comply with section 340A.409 and all other state laws that do not  
180.20 conflict with this section;

180.21 (2) firms choosing to serve alcohol must be licensed by the department, which may  
180.22 assess a fee sufficient to cover costs; and

180.23 (3) records of testing protocols must be retained by the firm for at least one year.

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

180.25 Sec. 4. Laws 2015, chapter 65, article 1, section 18, is amended to read:

180.26 Sec. 18. **AVIAN INFLUENZA AND**  
180.27 **AGRICULTURAL EMERGENCY**  
180.28 **RESPONSE.**

180.29 Notwithstanding Minnesota Statutes, section  
180.30 12.221, subdivision 6, ~~for fiscal years~~  
180.31 ~~2016 and 2017~~ through June 30, 2019,  
180.32 only, the disaster contingency account,  
180.33 under Minnesota Statutes, section 12.221,

181.1 subdivision 6, may be used to pay for  
181.2 costs of ~~eligible avian influenza~~ emergency  
181.3 response activities for avian influenza and  
181.4 any agricultural emergency. By January 15,  
181.5 2018, and again by January 15, 2020, the  
181.6 commissioner of management and budget  
181.7 must report to the chairs and ranking minority  
181.8 members of the senate Finance Committee  
181.9 and the house of representatives Committee  
181.10 on Ways and Means on any amount used  
181.11 for ~~avian influenza~~ the purposes authorized  
181.12 under this section.

181.13 Sec. 5. **CORRECTIONAL FACILITY CONTRACT.**

181.14 The commissioner, in order to address bed capacity shortfalls, shall attempt to  
181.15 complete negotiations by January 1, 2017, of a contract to operate and purchase or lease to  
181.16 own an existing prison facility with a capacity of at least 1,500 beds located in Appleton,  
181.17 Minnesota. The contract negotiated under this section must be reviewed and approved by  
181.18 the legislature before its final execution.

181.19 Sec. 6. **TRANSFER; APPROPRIATION.**

181.20 Notwithstanding Minnesota Statutes, section 241.27, the commissioner of  
181.21 management and budget shall transfer \$1,000,000 in fiscal year 2017 from the Minnesota  
181.22 correctional industries revolving fund to the general fund. This is a onetime transfer.

APPENDIX  
Article locations in H3467-2

ARTICLE 1	CONTINUING CARE .....	Page.Ln 2.41
ARTICLE 2	HEALTH CARE .....	Page.Ln 19.19
ARTICLE 3	MNSURE .....	Page.Ln 28.15
ARTICLE 4	HEALTH DEPARTMENT .....	Page.Ln 39.8
ARTICLE 5	CHEMICAL AND MENTAL HEALTH .....	Page.Ln 54.29
ARTICLE 6	CHILDREN AND FAMILIES .....	Page.Ln 67.15
ARTICLE 7	HEALTH-RELATED LICENSING .....	Page.Ln 87.1
ARTICLE 8	HUMAN SERVICES FORECAST ADJUSTMENTS .....	Page.Ln 116.13
ARTICLE 9	HEALTH AND HUMAN SERVICES APPROPRIATIONS .....	Page.Ln 117.28
ARTICLE 10	STATE GOVERNMENT APPROPRIATIONS .....	Page.Ln 140.16
ARTICLE 11	STATE GOVERNMENT .....	Page.Ln 145.26
ARTICLE 12	PUBLIC SAFETY .....	Page.Ln 177.14

**3.886 LEGISLATIVE WATER COMMISSION.**

Subdivision 1. **Establishment.** A Legislative Water Commission is established.

Subd. 2. **Membership.** (a) The Legislative Water Commission consists of 12 members appointed as follows:

(1) six members of the senate, including three majority party members appointed by the majority leader and three minority party members appointed by the minority leader; and

(2) six members of the house of representatives, including three majority party members appointed by the speaker of the house and three minority party members appointed by the minority leader.

(b) Members serve at the pleasure of the appointing authority and continue to serve until their successors are appointed or until a member is no longer a member of the legislative body that appointed the member to the commission. Vacancies shall be filled in the same manner as the original positions. Vacancies occurring on the commission do not affect the authority of the remaining members of the Legislative Water Commission to carry out the function of the commission.

(c) Members shall elect a chair, vice chair, and other officers as determined by the commission. The chair may convene meetings as necessary to conduct the duties prescribed by this section.

Subd. 3. **Commission staffing.** The Legislative Coordinating Commission must employ staff and contract with consultants as necessary to enable the Legislative Water Commission to carry out its duties and functions.

Subd. 4. **Powers and duties.** (a) The Legislative Water Commission shall review water policy reports and recommendations of the Environmental Quality Board, the Board of Water and Soil Resources, the Pollution Control Agency, the Department of Natural Resources, the Metropolitan Council, and other water-related reports as may be required by law or the legislature.

(b) The commission may conduct public hearings and otherwise secure data and comments.

(c) The commission shall make recommendations as it deems proper to assist the legislature in formulating legislation.

(d) Data or information compiled by the Legislative Water Commission or its subcommittees shall be made available to the Legislative-Citizen Commission on Minnesota Resources, the Clean Water Council, and standing and interim committees of the legislature on request of the chair of the respective commission, council, or committee.

(e) The commission shall coordinate with the Clean Water Council.

Subd. 5. **Compensation.** Members of the commission may receive per diem and expense reimbursement incurred doing the work of the commission in the manner and amount prescribed for per diem and expense payments by the senate Committee on Rules and Administration and the house of representatives Committee on Rules and Legislative Administration.

Subd. 6. **Expiration.** This section expires July 1, 2019.

**6.581 STATE AUDITOR ENTERPRISE FUND.**

Subdivision 1. **State auditor enterprise fund.** A state auditor enterprise fund is established in the state treasury. All amounts received for the costs and expenses of examinations performed under this chapter shall be credited to the fund. Amounts credited to the fund are annually appropriated to the state auditor to pay the costs and expenses related to the examinations performed, including, but not limited to, salaries, office overhead, equipment, authorized contracts, and other expenses.

**62V.01 TITLE.**

This chapter may be cited as the "MNsure Act."

**62V.02 DEFINITIONS.**

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

Subd. 2. **Board.** "Board" means the Board of Directors of MNsure specified in section 62V.04.

Subd. 3. **Dental plan.** "Dental plan" has the meaning defined in section 62Q.76, subdivision 3.

APPENDIX

Repealed Minnesota Statutes: H3467-2

Subd. 4. **Health plan.** "Health plan" means a policy, contract, certificate, or agreement defined in section 62A.011, subdivision 3.

Subd. 5. **Health carrier.** "Health carrier" has the meaning defined in section 62A.011.

Subd. 6. **Individual market.** "Individual market" means the market for health insurance coverage offered to individuals.

Subd. 7. **Insurance producer.** "Insurance producer" has the meaning defined in section 60K.31.

Subd. 8. **MNsure.** "MNsure" means the state health benefit exchange as described in section 1311 of the federal Patient Protection and Affordable Care Act, Public Law 111-148, and further defined through amendments to the act and regulations issued under the act.

Subd. 9. **Navigator.** "Navigator" has the meaning described in section 1311(i) of the federal Patient Protection and Affordable Care Act, Public Law 111-148, and further defined through amendments to the act and regulations issued under the act.

Subd. 10. **Public health care program.** "Public health care program" means any public health care program administered by the commissioner of human services.

Subd. 11. **Qualified health plan.** "Qualified health plan" means a health plan that meets the definition in section 1301(a) of the Affordable Care Act, Public Law 111-148, and has been certified by the board in accordance with section 62V.05, subdivision 5, to be offered through MNsure.

Subd. 12. **Small group market.** "Small group market" means the market for health insurance coverage offered to small employers as defined in section 62L.02, subdivision 26.

Subd. 13. **Web site.** "Web site" means a site maintained on the World Wide Web by MNsure that allows for access to information and services provided by MNsure.

**62V.03 MNSURE; ESTABLISHMENT.**

Subdivision 1. **Creation.** MNsure is created as a board under section 15.012, paragraph (a), to:

(1) promote informed consumer choice, innovation, competition, quality, value, market participation, affordability, suitable and meaningful choices, health improvement, care management, reduction of health disparities, and portability of health plans;

(2) facilitate and simplify the comparison, choice, enrollment, and purchase of health plans for individuals purchasing in the individual market through MNsure and for employees and employers purchasing in the small group market through MNsure;

(3) assist small employers with access to small business health insurance tax credits and to assist individuals with access to public health care programs, premium assistance tax credits and cost-sharing reductions, and certificates of exemption from individual responsibility requirements;

(4) facilitate the integration and transition of individuals between public health care programs and health plans in the individual or group market and develop processes that, to the maximum extent possible, provide for continuous coverage; and

(5) establish and modify as necessary a name and brand for MNsure based on market studies that show maximum effectiveness in attracting the uninsured and motivating them to take action.

Subd. 2. **Application of other law.** (a) MNsure must be reviewed by the legislative auditor under section 3.971. The legislative auditor shall audit the books, accounts, and affairs of MNsure once each year or less frequently as the legislative auditor's funds and personnel permit. Upon the audit of the financial accounts and affairs of MNsure, MNsure is liable to the state for the total cost and expenses of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The legislative auditor may bill MNsure either monthly or at the completion of the audit. All collections received for the audits must be deposited in the general fund and are appropriated to the legislative auditor. Pursuant to section 3.97, subdivision 3a, the Legislative Audit Commission is requested to direct the legislative auditor to report by March 1, 2014, to the legislature on any duplication of services that occurs within state government as a result of the creation of MNsure. The legislative auditor may make recommendations on consolidating or eliminating any services deemed duplicative. The board shall reimburse the legislative auditor for any costs incurred in the creation of this report.

(b) Board members of MNsure are subject to sections 10A.07 and 10A.09. Board members and the personnel of MNsure are subject to section 10A.071.

(c) All meetings of the board shall comply with the open meeting law in chapter 13D.

(d) The board and the Web site are exempt from chapter 60K. Any employee of MNsure who sells, solicits, or negotiates insurance to individuals or small employers must be licensed as an insurance producer under chapter 60K.

## APPENDIX

### Repealed Minnesota Statutes: H3467-2

(e) Section 3.3005 applies to any federal funds received by MNsure.

(f) A MNsure decision that requires a vote of the board, other than a decision that applies only to hiring of employees or other internal management of MNsure, is an "administrative action" under section 10A.01, subdivision 2.

Subd. 3. **Continued operation of a private marketplace.** (a) Nothing in this chapter shall be construed to prohibit: (1) a health carrier from offering outside of MNsure a health plan to a qualified individual or qualified employer; and (2) a qualified individual from enrolling in, or a qualified employer from selecting for its employees, a health plan offered outside of MNsure.

(b) Nothing in this chapter shall be construed to restrict the choice of a qualified individual to enroll or not enroll in a qualified health plan or to participate in MNsure. Nothing in this chapter shall be construed to compel an individual to enroll in a qualified health plan or to participate in MNsure.

(c) For purposes of this subdivision, "qualified individual" and "qualified employer" have the meanings given in section 1312 of the Affordable Care Act, Public Law 111-148, and further defined through amendments to the act and regulations issued under the act.

#### 62V.04 GOVERNANCE.

Subdivision 1. **Board.** MNsure is governed by a board of directors with seven members.

Subd. 2. **Appointment.** (a) Board membership of MNsure consists of the following:

(1) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d), with one member representing the interests of individual consumers eligible for individual market coverage, one member representing individual consumers eligible for public health care program coverage, and one member representing small employers. Members are appointed to serve four-year terms following the initial staggered-term lot determination;

(2) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d) who have demonstrated expertise, leadership, and innovation in the following areas: one member representing the areas of health administration, health care finance, health plan purchasing, and health care delivery systems; one member representing the areas of public health, health disparities, public health care programs, and the uninsured; and one member representing health policy issues related to the small group and individual markets. Members are appointed to serve four-year terms following the initial staggered-term lot determination; and

(3) the commissioner of human services or a designee.

(b) Section 15.0597 shall apply to all appointments, except for the commissioner.

(c) The governor shall make appointments to the board that are consistent with federal law and regulations regarding its composition and structure. All board members appointed by the governor must be legal residents of Minnesota.

(d) Upon appointment by the governor, a board member shall exercise duties of office immediately. If both the house of representatives and the senate vote not to confirm an appointment, the appointment terminates on the day following the vote not to confirm in the second body to vote.

(e) Initial appointments shall be made by April 30, 2013.

(f) One of the six members appointed under paragraph (a), clause (1) or (2), must have experience in representing the needs of vulnerable populations and persons with disabilities.

(g) Membership on the board must include representation from outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 3. **Terms.** (a) Board members may serve no more than two consecutive terms, except for the commissioner or the commissioner's designee, who shall serve until replaced by the governor.

(b) A board member may resign at any time by giving written notice to the board.

(c) The appointed members under subdivision 2, paragraph (a), clauses (1) and (2), shall have an initial term of two, three, or four years, determined by lot by the secretary of state.

Subd. 4. **Conflicts of interest.** (a) Within one year prior to or at any time during their appointed term, board members appointed under subdivision 2, paragraph (a), clauses (1) and (2), shall not be employed by, be a member of the board of directors of, or otherwise be a representative of a health carrier, institutional health care provider or other entity providing health care, navigator, insurance producer, or other entity in the business of selling items or services of significant value to or through MNsure. For purposes of this paragraph, "health care provider or entity" does not include an academic institution.

## APPENDIX

### Repealed Minnesota Statutes: H3467-2

(b) Board members must recuse themselves from discussion of and voting on an official matter if the board member has a conflict of interest. A conflict of interest means an association including a financial or personal association that has the potential to bias or have the appearance of biasing a board member's decisions in matters related to MNsure or the conduct of activities under this chapter.

(c) No board member shall have a spouse who is an executive of a health carrier.

(d) No member of the board may currently serve as a lobbyist, as defined under section 10A.01, subdivision 21.

**Subd. 5. Acting chair; first meeting; supervision.** (a) The governor shall designate as acting chair one of the appointees described in subdivision 2.

(b) The board shall hold its first meeting within 60 days of enactment.

(c) The board shall elect a chair to replace the acting chair at the first meeting.

**Subd. 6. Chair.** The board shall have a chair, elected by a majority of members. The chair shall serve for one year.

**Subd. 7. Officers.** The members of the board shall elect officers by a majority of members. The officers shall serve for one year.

**Subd. 8. Vacancies.** If a vacancy occurs, the governor shall appoint a new member within 90 days, and the newly appointed member shall be subject to the same confirmation process described in subdivision 2.

**Subd. 9. Removal.** (a) A board member may be removed by the appointing authority and a majority vote of the board following notice and hearing before the board. For purposes of this subdivision, the appointing authority or a designee of the appointing authority shall be a voting member of the board for purposes of constituting a quorum.

(b) A conflict of interest as defined in subdivision 4, shall be cause for removal from the board.

**Subd. 10. Meetings.** The board shall meet at least quarterly.

**Subd. 11. Quorum.** A majority of the members of the board constitutes a quorum, and the affirmative vote of a majority of members of the board is necessary and sufficient for action taken by the board.

**Subd. 12. Compensation.** (a) The board members shall be paid a salary not to exceed the salary limits established under section 15A.0815, subdivision 4. The salary for board members shall be set in accordance with this subdivision and section 15A.0815, subdivision 5. This paragraph expires December 31, 2015.

(b) Beginning January 1, 2016, the board members may be compensated in accordance with section 15.0575.

**Subd. 13. Advisory committees.** (a) The board shall establish and maintain advisory committees to provide insurance producers, health care providers, the health care industry, consumers, and other stakeholders with the opportunity to advise the board regarding the operation of MNsure as required under section 1311(d)(6) of the Affordable Care Act, Public Law 111-148. The board shall regularly consult with the advisory committees. The advisory committees established under this paragraph shall not expire.

(b) The board may establish additional advisory committees, as necessary, to gather and provide information to the board in order to facilitate the operation of MNsure. The advisory committees established under this paragraph shall not expire, except by action of the board.

(c) Section 15.0597 shall not apply to any advisory committee established by the board under this subdivision.

(d) The board may provide compensation and expense reimbursement under section 15.059, subdivision 3, to members of the advisory committees.

### **62V.05 RESPONSIBILITIES AND POWERS OF MNSURE.**

**Subdivision 1. General.** (a) The board shall operate MNsure according to this chapter and applicable state and federal law.

(b) The board has the power to:

(1) employ personnel and delegate administrative, operational, and other responsibilities to the director and other personnel as deemed appropriate by the board. This authority is subject to chapters 43A and 179A. The director and managerial staff of MNsure shall serve in the unclassified service and shall be governed by a compensation plan prepared by the board, submitted to the commissioner of management and budget for review and comment within 14 days of its receipt, and approved by the Legislative Coordinating Commission and the legislature under section 3.855, except that section 15A.0815, subdivision 5, paragraph (e), shall not apply;

(2) establish the budget of MNsure;

APPENDIX

Repealed Minnesota Statutes: H3467-2

(3) seek and accept money, grants, loans, donations, materials, services, or advertising revenue from government agencies, philanthropic organizations, and public and private sources to fund the operation of MNsure. No health carrier or insurance producer shall advertise on MNsure;

(4) contract for the receipt and provision of goods and services;

(5) enter into information-sharing agreements with federal and state agencies and other entities, provided the agreements include adequate protections with respect to the confidentiality and integrity of the information to be shared, and comply with all applicable state and federal laws, regulations, and rules, including the requirements of section 62V.06; and

(6) exercise all powers reasonably necessary to implement and administer the requirements of this chapter and the Affordable Care Act, Public Law 111-148.

(c) The board shall establish policies and procedures to gather public comment and provide public notice in the State Register.

(d) Within 180 days of enactment, the board shall establish bylaws, policies, and procedures governing the operations of MNsure in accordance with this chapter.

**Subd. 2. Operations funding.** (a) Prior to January 1, 2015, MNsure shall retain or collect up to 1.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the cash reserves of MNsure, but the amount collected shall not exceed a dollar amount equal to 25 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(b) Beginning January 1, 2015, MNsure shall retain or collect up to 3.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operations of MNsure, but the amount collected shall not exceed a dollar amount equal to 50 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(c) Beginning January 1, 2016, MNsure shall retain or collect up to 3.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operations of MNsure, but the amount collected may never exceed a dollar amount greater than 100 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(d) For fiscal years 2014 and 2015, the commissioner of management and budget is authorized to provide cash flow assistance of up to \$20,000,000 from the special revenue fund or the statutory general fund under section 16A.671, subdivision 3, paragraph (a), to MNsure. Any funds provided under this paragraph shall be repaid, with interest, by June 30, 2015.

(e) Funding for the operations of MNsure shall cover any compensation provided to navigators participating in the navigator program.

**Subd. 3. Insurance producers.** (a) By April 30, 2013, the board, in consultation with the commissioner of commerce, shall establish certification requirements that must be met by insurance producers in order to assist individuals and small employers with purchasing coverage through MNsure. Prior to January 1, 2015, the board may amend the requirements, only if necessary, due to a change in federal rules.

(b) Certification requirements shall not exceed the requirements established under Code of Federal Regulations, title 45, part 155.220. Certification shall include training on health plans available through MNsure, available tax credits and cost-sharing arrangements, compliance with privacy and security standards, eligibility verification processes, online enrollment tools, and basic information on available public health care programs. Training required for certification under this subdivision shall qualify for continuing education requirements for insurance producers required under chapter 60K, and must comply with course approval requirements under chapter 45.

(c) Producer compensation shall be established by health carriers that provide health plans through MNsure. The structure of compensation to insurance producers must be similar for health plans sold through MNsure and outside MNsure.

(d) Any insurance producer compensation structure established by a health carrier for the small group market must include compensation for defined contribution plans that involve multiple health carriers. The compensation offered must be commensurate with other small group market defined health plans.

(e) Any insurance producer assisting an individual or small employer with purchasing coverage through MNsure must disclose, orally and in writing, to the individual or small employer at the time of the first solicitation with the prospective purchaser the following:

(1) the health carriers and qualified health plans offered through MNsure that the producer is authorized to sell, and that the producer may not be authorized to sell all the qualified health plans offered through MNsure;

(2) that the producer may be receiving compensation from a health carrier for enrolling the individual or small employer into a particular health plan; and

APPENDIX

Repealed Minnesota Statutes: H3467-2

(3) that information on all qualified health plans offered through MNsure is available through the MNsure Web site.

For purposes of this paragraph, "solicitation" means any contact by a producer, or any person acting on behalf of a producer made for the purpose of selling or attempting to sell coverage through MNsure. If the first solicitation is made by telephone, the disclosures required under this paragraph need not be made in writing, but the fact that disclosure has been made must be acknowledged on the application.

(f) Beginning January 15, 2015, each health carrier that offers or sells qualified health plans through MNsure shall report in writing to the board and the commissioner of commerce the compensation and other incentives it offers or provides to insurance producers with regard to each type of health plan the health carrier offers or sells both inside and outside of MNsure. Each health carrier shall submit a report annually and upon any change to the compensation or other incentives offered or provided to insurance producers.

(g) Nothing in this chapter shall prohibit an insurance producer from offering professional advice and recommendations to a small group purchaser based upon information provided to the producer.

(h) An insurance producer that offers health plans in the small group market shall notify each small group purchaser of which group health plans qualify for Internal Revenue Service approved section 125 tax benefits. The insurance producer shall also notify small group purchasers of state law provisions that benefit small group plans when the employer agrees to pay 50 percent or more of its employees' premium. Individuals who are eligible for cost-effective medical assistance will count toward the 75 percent participation requirement in section 62L.03, subdivision 3.

(i) Nothing in this subdivision shall be construed to limit the licensure requirements or regulatory functions of the commissioner of commerce under chapter 60K.

**Subd. 4. Navigator; in-person assisters; call center.** (a) The board shall establish policies and procedures for the ongoing operation of a navigator program, in-person assister program, call center, and customer service provisions for MNsure to be implemented beginning January 1, 2015.

(b) Until the implementation of the policies and procedures described in paragraph (a), the following shall be in effect:

(1) the navigator program shall be met by section 256.962;

(2) entities eligible to be navigators, including entities defined in Code of Federal Regulations, title 45, part 155.210 (c)(2), may serve as in-person assisters;

(3) the board shall establish requirements and compensation for the navigator program and the in-person assister program by April 30, 2013. Compensation for navigators and in-person assisters must take into account any other compensation received by the navigator or in-person assister for conducting the same or similar services; and

(4) call center operations shall utilize existing state resources and personnel, including referrals to counties for medical assistance.

(c) The board shall establish a toll-free number for MNsure and may hire and contract for additional resources as deemed necessary.

(d) The navigator program and in-person assister program must meet the requirements of section 1311(i) of the Affordable Care Act, Public Law 111-148. In establishing training standards for the navigators and in-person assisters, the board must ensure that all entities and individuals carrying out navigator and in-person assister functions have training in the needs of underserved and vulnerable populations; eligibility and enrollment rules and procedures; the range of available public health care programs and qualified health plan options offered through MNsure; and privacy and security standards. For calendar year 2014, the commissioner of human services shall ensure that the navigator program under section 256.962 provides application assistance for both qualified health plans offered through MNsure and public health care programs.

(e) The board must ensure that any information provided by navigators, in-person assisters, the call center, or other customer assistance portals be accessible to persons with disabilities and that information provided on public health care programs include information on other coverage options available to persons with disabilities.

**Subd. 5. Health carrier and health plan requirements; participation.** (a) Beginning January 1, 2015, the board may establish certification requirements for health carriers and health plans to be offered through MNsure that satisfy federal requirements under section 1311(c)(1) of the Affordable Care Act, Public Law 111-148.

(b) Paragraph (a) does not apply if by June 1, 2013, the legislature enacts regulatory requirements that:

(1) apply uniformly to all health carriers and health plans in the individual market;

(2) apply uniformly to all health carriers and health plans in the small group market; and

APPENDIX

Repealed Minnesota Statutes: H3467-2

(3) satisfy minimum federal certification requirements under section 1311(c)(1) of the Affordable Care Act, Public Law 111-148.

(c) In accordance with section 1311(e) of the Affordable Care Act, Public Law 111-148, the board shall establish policies and procedures for certification and selection of health plans to be offered as qualified health plans through MNsure. The board shall certify and select a health plan as a qualified health plan to be offered through MNsure, if:

(1) the health plan meets the minimum certification requirements established in paragraph (a) or the market regulatory requirements in paragraph (b);

(2) the board determines that making the health plan available through MNsure is in the interest of qualified individuals and qualified employers;

(3) the health carrier applying to offer the health plan through MNsure also applies to offer health plans at each actuarial value level and service area that the health carrier currently offers in the individual and small group markets; and

(4) the health carrier does not apply to offer health plans in the individual and small group markets through MNsure under a separate license of a parent organization or holding company under section 60D.15, that is different from what the health carrier offers in the individual and small group markets outside MNsure.

(d) In determining the interests of qualified individuals and employers under paragraph (c), clause (2), the board may not exclude a health plan for any reason specified under section 1311(e)(1)(B) of the Affordable Care Act, Public Law 111-148. The board may consider:

(1) affordability;

(2) quality and value of health plans;

(3) promotion of prevention and wellness;

(4) promotion of initiatives to reduce health disparities;

(5) market stability and adverse selection;

(6) meaningful choices and access;

(7) alignment and coordination with state agency and private sector purchasing strategies and payment reform efforts; and

(8) other criteria that the board determines appropriate.

(e) For qualified health plans offered through MNsure on or after January 1, 2015, the board shall establish policies and procedures under paragraphs (c) and (d) for selection of health plans to be offered as qualified health plans through MNsure by February 1 of each year, beginning February 1, 2014. The board shall consistently and uniformly apply all policies and procedures and any requirements, standards, or criteria to all health carriers and health plans. For any policies, procedures, requirements, standards, or criteria that are defined as rules under section 14.02, subdivision 4, the board may use the process described in subdivision 9.

(f) For 2014, the board shall not have the power to select health carriers and health plans for participation in MNsure. The board shall permit all health plans that meet the certification requirements under section 1311(c)(1) of the Affordable Care Act, Public Law 111-148, to be offered through MNsure.

(g) Under this subdivision, the board shall have the power to verify that health carriers and health plans are properly certified to be eligible for participation in MNsure.

(h) The board has the authority to decertify health carriers and health plans that fail to maintain compliance with section 1311(c)(1) of the Affordable Care Act, Public Law 111-148.

(i) For qualified health plans offered through MNsure beginning January 1, 2015, health carriers must use the most current addendum for Indian health care providers approved by the Centers for Medicare and Medicaid Services and the tribes as part of their contracts with Indian health care providers. MNsure shall comply with all future changes in federal law with regard to health coverage for the tribes.

**Subd. 6. Appeals.** (a) The board may conduct hearings, appoint hearing officers, and recommend final orders related to appeals of any MNsure determinations, except for those determinations identified in paragraph (d). An appeal by a health carrier regarding a specific certification or selection determination made by MNsure under subdivision 5 must be conducted as a contested case proceeding under chapter 14, with the report or order of the administrative law judge constituting the final decision in the case, subject to judicial review under sections 14.63 to 14.69. For other appeals, the board shall establish hearing processes which provide for a reasonable opportunity to be heard and timely resolution of the appeal and which are consistent with the requirements of federal law and guidance. An appealing party may be represented by legal counsel at these hearings, but this is not a requirement.

(b) MNsure may establish service-level agreements with state agencies to conduct hearings for appeals. Notwithstanding section 471.59, subdivision 1, a state agency is authorized to enter into service-level agreements for this purpose with MNsure.

## APPENDIX

### Repealed Minnesota Statutes: H3467-2

(c) For proceedings under this subdivision, MNsure may be represented by an attorney who is an employee of MNsure.

(d) This subdivision does not apply to appeals of determinations where a state agency hearing is available under section 256.045.

(e) An appellant aggrieved by an order of MNsure issued in an eligibility appeal, as defined in Minnesota Rules, part 7700.0101, may appeal the order to the district court of the appellant's county of residence by serving a written copy of a notice of appeal upon MNsure and any other adverse party of record within 30 days after the date MNsure issued the order, the amended order, or order affirming the original order, and by filing the original notice and proof of service with the court administrator of the district court. Service may be made personally or by mail; service by mail is complete upon mailing; no filing fee shall be required by the court administrator in appeals taken pursuant to this subdivision. MNsure shall furnish all parties to the proceedings with a copy of the decision and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the appeals examiner within 45 days after service of the notice of appeal.

(f) Any party aggrieved by the failure of an adverse party to obey an order issued by MNsure may compel performance according to the order in the manner prescribed in sections 586.01 to 586.12.

(g) Any party may obtain a hearing at a special term of the district court by serving a written notice of the time and place of the hearing at least ten days prior to the date of the hearing. The court may consider the matter in or out of chambers, and shall take no new or additional evidence unless it determines that such evidence is necessary for a more equitable disposition of the appeal.

(h) Any party aggrieved by the order of the district court may appeal the order as in other civil cases. No costs or disbursements shall be taxed against any party nor shall any filing fee or bond be required of any party.

(i) If MNsure or district court orders eligibility for qualified health plan coverage through MNsure, or eligibility for federal advance payment of premium tax credits or cost-sharing reductions contingent upon full payment of respective premiums, the premiums must be paid or provided pending appeal to the district court, Court of Appeals, or Supreme Court. Provision of eligibility by MNsure pending appeal does not render moot MNsure's position in a court of law.

**Subd. 7. Agreements; consultation.** (a) The board shall:

(1) establish and maintain an agreement with the commissioner of human services for cost allocation and services regarding eligibility determinations and enrollment for public health care programs that use a modified adjusted gross income standard to determine program eligibility. The board may establish and maintain an agreement with the commissioner of human services for other services;

(2) establish and maintain an agreement with the commissioners of commerce and health for services regarding enforcement of MNsure certification requirements for health plans and dental plans offered through MNsure. The board may establish and maintain agreements with the commissioners of commerce and health for other services; and

(3) establish interagency agreements to transfer funds to other state agencies for their costs related to implementing and operating MNsure, excluding medical assistance allocatable costs.

(b) The board shall consult with the commissioners of commerce and health regarding the operations of MNsure.

(c) The board shall consult with Indian tribes and organizations regarding the operation of MNsure.

(d) Beginning March 15, 2016, and each March 15 thereafter, the board shall submit a report to the chairs and ranking minority members of the committees in the senate and house of representatives with primary jurisdiction over commerce, health, and human services on all the agreements entered into with the chief information officer of the Office of MN.IT Services, or the commissioners of human services, health, or commerce in accordance with this subdivision. The report shall include the agency in which the agreement is with; the time period of the agreement; the purpose of the agreement; and a summary of the terms of the agreement. A copy of the agreement must be submitted to the extent practicable.

**Subd. 8. Rulemaking.** The board may adopt rules to implement any provisions in this chapter using the expedited rulemaking process in section 14.389.

**Subd. 9. Dental plans.** (a) The provisions of this section that apply to health plans shall apply to dental plans offered as stand-alone dental plans through MNsure, to the extent practicable.

(b) A stand-alone dental plan offered through MNsure must meet all certification requirements under section 1311(c)(1) of the Affordable Care Act, Public Law 111-148, that are applicable to health plans, except for certification requirements that cannot be met because the dental plan only covers dental benefits.

APPENDIX

Repealed Minnesota Statutes: H3467-2

Subd. 10. **Limitations; risk-bearing.** (a) The board shall not bear insurance risk or enter into any agreement with health care providers to pay claims.

(b) Nothing in this subdivision shall prevent MNSure from providing insurance for its employees.

Subd. 11. **Prohibition on other product lines.** MNSure is prohibited from certifying, selecting, or offering products and policies of coverage that do not meet the definition of health plan or dental plan as provided in section 62V.02.

**62V.051 MNSURE; CONSUMER RETROACTIVE APPOINTMENT OF A NAVIGATOR OR PRODUCER PERMITTED.**

Notwithstanding any other law or rule to the contrary, for up to six months after the effective date of the qualified health plan, MNSure must permit a qualified health plan policyholder, who has not designated a navigator or an insurance producer, to retroactively appoint a navigator or insurance producer. MNSure must provide notice of the retroactive appointment to the health carrier. The health carrier must retroactively pay commissions to the insurance producer if the producer can demonstrate that they were certified by MNSure at the time of the original enrollment, were appointed by the selected health carrier at the time of the enrollment, and that an agent of record agreement was executed prior to or at the time of the effective date of the policy. MNSure must adopt a standard form of agent of record agreement for purposes of this section.

**62V.06 DATA PRACTICES.**

Subdivision 1. **Applicability.** MNSure is a state agency for purposes of the Minnesota Government Data Practices Act and is subject to all provisions of chapter 13, in addition to the requirements contained in this section.

Subd. 2. **Definitions.** As used in this section:

(1) "individual" means an individual according to section 13.02, subdivision 8, but does not include a vendor of services; and

(2) "participating" means that an individual, employee, or employer is seeking, or has sought an eligibility determination, enrollment processing, or premium processing through MNSure.

Subd. 3. **General data classifications.** The following data collected, created, or maintained by MNSure are classified as private data on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in section 13.02, subdivision 9:

(1) data on any individual participating in MNSure;

(2) data on any individuals participating in MNSure as employees of an employer participating in MNSure; and

(3) data on employers participating in MNSure.

Subd. 4. **Application and certification data.** (a) Data submitted by an insurance producer in an application for certification to sell a health plan through MNSure, or submitted by an applicant seeking permission or a commission to act as a navigator or in-person assister, are classified as follows:

(1) at the time the application is submitted, all data contained in the application are private data, as defined in section 13.02, subdivision 12, or nonpublic data as defined in section 13.02, subdivision 9, except that the name of the applicant is public; and

(2) upon a final determination related to the application for certification by MNSure, all data contained in the application are public, with the exception of trade secret data as defined in section 13.37.

(b) Data created or maintained by a government entity as part of the evaluation of an application are protected nonpublic data, as defined in section 13.02, subdivision 13, until a final determination as to certification is made and all rights of appeal have been exhausted. Upon a final determination and exhaustion of all rights of appeal, these data are public, with the exception of trade secret data as defined in section 13.37 and data subject to attorney-client privilege or other protection as provided in section 13.393.

(c) If an application is denied, the public data must include the criteria used by the board to evaluate the application and the specific reasons for the denial, and these data must be published on the MNSure Web site.

Subd. 5. **Data sharing.** (a) MNSure may share or disseminate data classified as private or nonpublic in subdivision 3 as follows:

(1) to the subject of the data, as provided in section 13.04;

(2) according to a court order;

APPENDIX

Repealed Minnesota Statutes: H3467-2

(3) according to a state or federal law specifically authorizing access to the data;

(4) with other state or federal agencies, only to the extent necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to an individual, employer, or employee participating in MNsure, provided that MNsure must enter into a data-sharing agreement with the agency prior to sharing data under this clause; and

(5) with a nongovernmental person or entity, only to the extent necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to an individual, employer, or employee participating in MNsure, provided that MNsure must enter into a contract with the person or entity, as provided in section 13.05, subdivision 6 or 11, prior to disseminating data under this clause.

(b) MNsure may share or disseminate data classified as private or nonpublic in subdivision 4 as follows:

(1) to the subject of the data, as provided in section 13.04;

(2) according to a court order;

(3) according to a state or federal law specifically authorizing access to the data;

(4) with other state or federal agencies, only to the extent necessary to carry out the functions of MNsure, provided that MNsure must enter into a data-sharing agreement with the agency prior to sharing data under this clause; and

(5) with a nongovernmental person or entity, only to the extent necessary to carry out the functions of MNsure, provided that MNsure must enter a contract with the person or entity, as provided in section 13.05, subdivision 6 or 11, prior to disseminating data under this clause.

(c) Sharing or disseminating data outside of MNsure in a manner not authorized by this subdivision is prohibited. The list of authorized dissemination and sharing contained in this subdivision must be included in the Tennessen warning required by section 13.04, subdivision 2.

(d) Until July 1, 2014, state agencies must share data classified as private or nonpublic on individuals, employees, or employers participating in MNsure with MNsure, only to the extent such data are necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to a MNsure participant. The agency must enter into a data-sharing agreement with MNsure prior to sharing any data under this paragraph.

Subd. 6. **Notice and disclosures.** (a) In addition to the Tennessen warning required by section 13.04, subdivision 2, MNsure must provide any data subject asked to supply private data with:

(1) a notice of rights related to the handling of genetic information, pursuant to section 13.386; and

(2) a notice of the records retention policy of MNsure, detailing the length of time MNsure will retain data on the individual and the manner in which it will be destroyed upon expiration of that time.

(b) All notices required by this subdivision, including the Tennessen warning, must be provided in an electronic format suitable for downloading or printing.

Subd. 7. **Summary data.** In addition to creation and disclosure of summary data derived from private data on individuals, as permitted by section 13.05, subdivision 7, MNsure may create and disclose summary data derived from data classified as nonpublic under this section.

Subd. 8. **Access to data; audit trail.** (a) Only individuals with explicit authorization from the board may enter, update, or access not public data collected, created, or maintained by MNsure. The ability of authorized individuals to enter, update, or access data must be limited through the use of role-based access that corresponds to the official duties or training level of the individual, and the statutory authorization that grants access for that purpose. All queries and responses, and all actions in which data are entered, updated, accessed, or shared or disseminated outside of MNsure, must be recorded in a data audit trail. Data contained in the audit trail are public, to the extent that the data are not otherwise classified by this section.

The board shall immediately and permanently revoke the authorization of any individual determined to have willfully entered, updated, accessed, shared, or disseminated data in violation of this section, or any provision of chapter 13. If an individual is determined to have willfully gained access to data without explicit authorization from the board, the board shall forward the matter to the county attorney for prosecution.

(b) This subdivision shall not limit or affect the authority of the legislative auditor to access data needed to conduct audits, evaluations, or investigations of MNsure or the obligation of the board and MNsure employees to comply with section 3.978, subdivision 2.

(c) This subdivision does not apply to actions taken by a MNsure participant to enter, update, or access data held by MNsure, if the participant is the subject of the data that is entered, updated, or accessed.

## APPENDIX

### Repealed Minnesota Statutes: H3467-2

Subd. 9. **Sale of data prohibited.** MNsure may not sell any data collected, created, or maintained by MNsure, regardless of its classification, for commercial or any other purposes.

Subd. 10. **Gun and firearm ownership.** MNsure shall not collect information that indicates whether or not an individual owns a gun or has a firearm in the individual's home.

#### **62V.07 FUNDS.**

(a) The MNsure account is created in the special revenue fund of the state treasury. All funds received by MNsure shall be deposited in the account. Funds in the account are appropriated to MNsure for the operation of MNsure. Notwithstanding section 11A.20, all investment income and all investment losses attributable to the investment of the MNsure account not currently needed, shall be credited to the MNsure account.

(b) The budget submitted to the legislature under section 16A.11 must include budget information for MNsure.

#### **62V.08 REPORTS.**

(a) MNsure shall submit a report to the legislature by January 15, 2015, and each January 15 thereafter, on: (1) the performance of MNsure operations; (2) meeting MNsure responsibilities; (3) an accounting of MNsure budget activities; (4) practices and procedures that have been implemented to ensure compliance with data practices laws, and a description of any violations of data practices laws or procedures; and (5) the effectiveness of the outreach and implementation activities of MNsure in reducing the rate of uninsurance.

(b) MNsure must publish its administrative and operational costs on a Web site to educate consumers on those costs. The information published must include: (1) the amount of premiums and federal premium subsidies collected; (2) the amount and source of revenue received under section 62V.05, subdivision 1, paragraph (b), clause (3); (3) the amount and source of any other fees collected for purposes of supporting operations; and (4) any misuse of funds as identified in accordance with section 3.975. The Web site must be updated at least annually.

#### **62V.09 EXPIRATION AND SUNSET EXCLUSION.**

Notwithstanding section 15.059, the board and its advisory committees shall not expire, except as specified in section 62V.04, subdivision 13. The board and its advisory committees are not subject to review or sunset under chapter 3D.

#### **62V.10 RIGHT NOT TO PARTICIPATE.**

Nothing in this chapter infringes on the right of a Minnesota citizen not to participate in MNsure.

#### **62V.11 LEGISLATIVE OVERSIGHT COMMITTEE.**

Subdivision 1. **Legislative oversight.** (a) The Legislative Oversight Committee is established to provide oversight to the implementation of this chapter and the operation of MNsure.

(b) The committee shall review the operations of MNsure at least annually and shall recommend necessary changes in policy, implementation, and statutes to the board and to the legislature.

(c) MNsure shall present to the committee the annual report required in section 62V.08, the appeals process under section 62V.05, subdivision 6, and the actions taken regarding the treatment of multiemployer plans.

Subd. 2. **Membership; meetings; compensation.** (a) The Legislative Oversight Committee shall consist of five members of the senate, three members appointed by the majority leader of the senate, and two members appointed by the minority leader of the senate; and five members of the house of representatives, three members appointed by the speaker of the house, and two members appointed by the minority leader of the house of representatives.

(b) Appointed legislative members serve at the pleasure of the appointing authority and shall continue to serve until their successors are appointed.

(c) The first meeting of the committee shall be convened by the chair of the Legislative Coordinating Commission. Members shall elect a chair at the first meeting. The chair must convene at least one meeting annually, and may convene other meetings as deemed necessary.

## APPENDIX

Repealed Minnesota Statutes: H3467-2

Subd. 4. **Review of costs.** The board shall submit for review the annual budget of MNsure for the next fiscal year by March 15 of each year, beginning March 15, 2014.

### **144.058 INTERPRETER SERVICES QUALITY INITIATIVE.**

(a) The commissioner of health shall establish a voluntary statewide roster, and develop a plan for a registry and certification process for interpreters who provide high quality, spoken language health care interpreter services. The roster, registry, and certification process shall be based on the findings and recommendations set forth by the Interpreter Services Work Group required under Laws 2007, chapter 147, article 12, section 13.

(b) By January 1, 2009, the commissioner shall establish a roster of all available interpreters to address access concerns, particularly in rural areas.

(c) By January 15, 2010, the commissioner shall:

(1) develop a plan for a registry of spoken language health care interpreters, including:

(i) development of standards for registration that set forth educational requirements, training requirements, demonstration of language proficiency and interpreting skills, agreement to abide by a code of ethics, and a criminal background check;

(ii) recommendations for appropriate alternate requirements in languages for which testing and training programs do not exist;

(iii) recommendations for appropriate fees; and

(iv) recommendations for establishing and maintaining the standards for inclusion in the registry; and

(2) develop a plan for implementing a certification process based on national testing and certification processes for spoken language interpreters 12 months after the establishment of a national certification process.

(d) The commissioner shall consult with the Interpreter Stakeholder Group of the Upper Midwest Translators and Interpreters Association for advice on the standards required to plan for the development of a registry and certification process.

(e) The commissioner shall charge an annual fee of \$50 to include an interpreter in the roster. Fee revenue shall be deposited in the state government special revenue fund.

### **149A.92 PREPARATION AND EMBALMING ROOM.**

Subd. 11. **Scope.** Notwithstanding the requirements in section 149A.50, this section applies only to funeral establishments where human remains are present for the purpose of preparation and embalming, private viewings, visitations, services, and holding of human remains while awaiting final disposition. For the purpose of this subdivision, "private viewing" means viewing of a dead human body by persons designated in section 149A.80, subdivision 2.

### **179A.50 REPRESENTATION OF FAMILY CHILD CARE PROVIDERS.**

Sections 179A.50 to 179A.52 shall be known as the Family Child Care Providers Representation Act.

### **179A.51 DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 179A.50 to 179A.52, the terms in this section have the meanings given them.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of mediation services.

Subd. 3. **Exclusive representative.** "Exclusive representative" means an employee organization that has been elected and certified under section 179A.52, thereby maintaining the right to represent family child care providers in their relations with the state.

Subd. 4. **Family child care provider.** "Family child care provider" means an individual, either licensed or unlicensed, who provides legal child care services as defined under section 245A.03, except for providers licensed under Minnesota Rules, chapter 9503, or excluded from licensure under section 245A.03, subdivision 2, paragraph (a), clause (5), and who receives child care assistance to subsidize child care services for a child or children currently in the individual's care, under sections 119B.03; 119B.05; and 119B.011, subdivisions 20 and 20a.

### **179A.52 RIGHT TO ORGANIZE.**

Subdivision 1. **Rights of individual providers and participants.** For the purposes of the Public Employment Labor Relations Act, under chapter 179A, family child care providers

## APPENDIX

### Repealed Minnesota Statutes: H3467-2

shall be considered, by virtue of this section, executive branch state employees employed by the commissioner of management and budget or the commissioner's representative. This section does not require the treatment of family child care providers as public employees for any other purpose. Family child care providers are not state employees for purposes of section 3.736. Chapter 179A shall apply to family child care providers except as otherwise provided in this section. Notwithstanding section 179A.03, subdivision 14, paragraph (a), clause (5), chapter 179A shall apply to family child care providers regardless of part-time or full-time employment status. Family child care providers shall not have the right to strike.

Subd. 2. **Appropriate unit.** The only appropriate unit under this section shall be a statewide unit of all family child care providers who meet the definition in section 179A.51, and who have had an active registration under chapter 119B within the previous 12 months. The unit shall be treated as an appropriate unit under section 179A.10, subdivision 2.

Subd. 3. **Compilation of list.** The commissioner of human services shall, by July 1, 2013, and monthly thereafter, compile and maintain a list of the names and addresses of all family child care providers who meet the definition in section 179A.51, and who have had an active registration under chapter 119B within the previous 12 months. The list shall not include the name of any participant, or indicate that an individual provider is a relative of a participant or has the same address as a participant. The commissioner of human services shall share the lists with others as needed for the state to meet its obligations under chapter 179A as modified and made applicable to family child care providers under this section, and to facilitate the representational processes under this section.

Subd. 4. **List access.** Beginning July 1, 2013, upon a showing made to the commissioner of the Bureau of Mediation Services by any employee organization wishing to represent the appropriate unit of family child care providers that at least 500 family child care providers support such representation, the commissioner of human services shall provide to such organization within seven days the most recent list of actively registered family child care providers compiled under subdivision 3, and subsequent monthly lists upon request for an additional three months. When the list is made available to an employee organization under this subdivision, the list must be made publicly available.

Subd. 5. **Elections for exclusive representative.** After July 31, 2013, any employee organization wishing to represent the appropriate unit of family child care providers may seek exclusive representative status pursuant to section 179A.12. Certification elections for family child care providers shall be conducted by mail ballot, and such election shall be conducted upon an appropriate petition stating that at least 30 percent of the appropriate unit wishes to be represented by the petitioner. The family child care providers eligible to vote in any such election shall be those family child care providers on the monthly list of family child care providers compiled under this section, most recently preceding the filing of the election petition. Except as otherwise provided, elections under this subdivision shall be conducted in accordance with section 179A.12.

Subd. 6. **Meet and negotiate.** If the commissioner certifies an employee organization as the majority exclusive representative, the state, through the governor or the governor's designee, shall meet and negotiate in good faith with the exclusive representative of the family child care provider unit regarding grievance issues, child care assistance reimbursement rates under chapter 119B, and terms and conditions of service, but this obligation does not compel the state or its representatives to agree to a proposal or require the making of a concession. The governor or the governor's designee is authorized to enter into agreements with the exclusive representative. Negotiated agreements and arbitration decisions must be submitted to the legislature to be accepted or rejected in accordance with sections 3.855 and 179A.22.

Subd. 7. **Meet and confer.** The state has an obligation to meet and confer under chapter 179A with family child care providers to discuss policies and other matters relating to their service that are not terms and conditions of service.

Subd. 8. **Terms and conditions of service.** For purposes of this section, "terms and conditions of service" has the same meaning as given in section 179A.03, subdivision 19.

Subd. 9. **Rights.** Nothing in this section shall be construed to interfere with:

- (1) parental rights to select and deselect family child care providers or the ability of family child care providers to establish the rates they charge to parents;
- (2) the right or obligation of any state agency to communicate or meet with any citizen or organization concerning family child care legislation, regulation, or policy; or
- (3) the rights and responsibilities of family child care providers under federal law.

APPENDIX

Repealed Minnesota Statutes: H3467-2

Subd. 10. **Membership status and eligibility for subsidies.** Membership status in an employee organization shall not affect the eligibility of a family child care provider to receive payments under, or serve a child who receives payments under, chapter 119B.

**179A.53 NO USE OF SCHOLARSHIPS FOR DUES OR FEES.**

Early learning scholarships shall not be applied, through state withholding or otherwise, toward payment of dues or fees that are paid to exclusive representatives of family child care providers.

**7700.0010 APPLICABILITY AND PURPOSE.**

Subpart 1. **Applicability.** Parts 7700.0010 to 7700.0090 apply to an eligible entity that is an applicant to be certified to deliver consumer assistance services through MNsure.

Subp. 2. **Purpose.** Parts 7700.0010 to 7700.0090 establish the policies and procedures for certification as a consumer assistance partner through MNsure.

**7700.0020 DEFINITIONS.**

Subpart 1. **Scope.** As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Affordable Care Act.** "Affordable Care Act" means the Patient Protection and Affordable Care Act of 2010, Public Law 111-148, as further defined through amendments to the act and regulations issued under the act.

Subp. 3. **Applicable staff.** "Applicable staff" means any person who has access authorized under this chapter to data stored in the MNsure Web tool.

Subp. 4. **Board.** "Board" means the Board of MNsure specified in Minnesota Statutes, section 62V.04.

Subp. 5. **Certified application counselor.** "Certified application counselor," described in Code of Federal Regulations, title 45, part 155.225, means any entity certified by MNsure to provide consumer assistance services without any compensation from MNsure.

Subp. 6. **Conflict of interest.** "Conflict of interest" means any business, private, or personal interest sufficient to influence or appear to influence the objective execution of an entity's or individual's official or professional responsibilities to the extent necessary to carry out the functions of MNsure.

Subp. 7. **Consumer assistance partner.** "Consumer assistance partner" means entities certified by MNsure to serve as a navigator, in-person assister, or certified application counselor.

Subp. 8. **Cost-sharing reduction.** "Cost-sharing reduction" means reductions in cost sharing for an eligible individual enrolled in a silver level plan through MNsure or for an individual who is an American Indian or Alaska Native enrolled in a QHP through MNsure.

Subp. 9. **Enrollment.** "Enrollment" means enrolling individuals in a QHP or public health care program through MNsure, including properly utilizing the appropriate system tools, resources, and data to perform this function.

Subp. 10. **Individual tax credit.** "Individual tax credit" means premium tax credits specified in section 36B of the Internal Revenue Code, as added by section 1401 of the Affordable Care Act, which are provided on an advance basis to an eligible individual enrolled in a QHP through MNsure according to sections 1402 and 1412 of the Affordable Care Act.

Subp. 11. **In-person assister.** "In-person assister" means any entity certified by MNsure to provide services consistent with the applicable requirements of Code of Federal Regulations, title 45, part 155.205,(c), (d), and (e), and is distinct from a navigator.

Subp. 12. **Insurance producer.** "Insurance producer" has the meaning defined in Minnesota Statutes, section 60K.31.

Subp. 13. **MNsure.** "MNsure" means the "Minnesota Insurance Marketplace" under Minnesota Statutes, chapter 62V, created as a state health benefit exchange as described in section 1311 of the federal Patient Protection and Affordable Care Act, Public Law 111-148, and further defined through amendments to the act and regulations issued under the act.

Subp. 14. **Navigator.** "Navigator" means any entity certified by MNsure to serve as a navigator and has the meaning described in section 1311(i) of the federal Patient Protection and Affordable Care Act (ACA), Public Law 111-148, and further defined through amendments to the act and regulations issued under the act. For calendar year 2014, the navigator program shall be covered by Minnesota Statutes, section 256.962.

Subp. 15. **Qualified health plan or QHP.** "Qualified health plan" or "QHP" means a health plan that meets the definition in section 1301(a) of the Affordable Care Act, Public Law 111-148, and has been certified by the board according to Minnesota Statutes, section 62V.05, subdivision 5, to be offered through MNsure.

**7700.0030 ELIGIBILITY REQUIREMENTS; CERTIFIED CONSUMER ASSISTANCE PARTNERS.**

Subpart 1. **Federal prohibitions.**

APPENDIX  
Repealed Minnesota Rule: H3467-2

A. Consumer assistance partners must not be health insurance issuers, subsidiaries of a health insurance issuer, stop loss insurance issuers, subsidiaries of a stop loss insurance issuer, or professional associations that include members of or lobby on behalf of the insurance industry according to federal requirements in Code of Federal Regulations, title 45, section 155.210 (d).

B. Consumer assistance partners must not have a conflict of interest while serving as a consumer assistance partner.

(1) Consumer assistance partners must not receive any compensation directly or indirectly from any health insurance issuer in connection with the enrollment of any individuals or employees in a qualified health plan or a nonqualified health plan as specified in Code of Federal Regulations, title 45, section 155.210 (d)(4).

(2) Consumer assistance partners must follow the requirements pursuant to Minnesota's Level One Establishment Notice of Grant Award, Special Terms and Conditions, Attachment B, #19: "In order to provide services that meet the requirements of Code of Federal Regulations, title 45, sections 155.205 (d)-(e), and 155.405, individuals performing in-person assistance functions must operate in a fair and impartial manner and must meet and adhere to appropriate conflict of interest standards which include, but are not limited to the following: Do not receive any direct or indirect compensation from an issuer in connection with enrolling consumers in health plans; and are not subsidiaries of an issuer or associations that include members of, or lobby on behalf of, the insurance industry."

**Subp. 2. Qualifications.**

A. Consumer assistance partners must demonstrate the ability to carry out those responsibilities as defined by the board.

B. Consumer assistance partners must:

(1) demonstrate proven connections to the communities MNsure will serve, or demonstrate the ability to form relationships with consumers, including uninsured and underinsured consumers;

(2) successfully complete MNsure's certification training program; and

(3) comply with any privacy and security standards applicable to MNsure.

**Subp. 3. Eligible entities.** Consumer assistance partners eligible for certification by MNsure are any of the following entities able to demonstrate to the board that the entity has existing relationships, or could readily establish relationships with consumers in Minnesota, including uninsured, underinsured, and vulnerable populations, likely to be eligible to enroll through MNsure: 501(c)(3) community-based organizations, for-profit businesses, government agencies, and any other entity recognized by the Office of the Secretary of State including, but not limited to:

A. community and consumer-focused nonprofit groups;

B. trade, industry, and professional associations;

C. farming organizations;

D. religious organizations;

E. chambers of commerce;

F. insurance producers, subject to subpart 1;

G. tribal organizations; and

H. state or local human services agencies.

MNsure will consider coalitions or collaboratives of entities meeting the requirements of subpart 3.

**7700.0040 RESPONSIBILITIES OF CONSUMER ASSISTANCE PARTNERS;  
CONSUMER ASSISTANCE SERVICES.**

**Subpart 1. Duties and responsibilities.** As required in Code of Federal Regulations, title 45, section 155.210 (e), consumer assistance partners, at a minimum, must perform the following activities:

A. maintain expertise in eligibility, enrollment, and program specifications and conduct public education activities;

B. provide information and services in a fair, accurate, and impartial manner, and this information must acknowledge other health programs;

C. facilitate enrollment in qualified health plans offered in MNsure;

D. provide referrals to any applicable office of health insurance consumer assistance or health insurance ombudsman established under section 2793 of the Public Health Service Act, or any other appropriate state agency or agencies for any enrollee with a grievance, complaint,

APPENDIX  
Repealed Minnesota Rule: H3467-2

or question regarding an enrollee's health plan, coverage, or a determination under such plan or coverage;

E. provide information in a manner that is culturally and linguistically appropriate to the needs of the population being served by MNSure including individuals with limited English proficiency; and ensure accessibility and usability of tools and functions for individuals with disabilities according to the Americans with Disabilities Act and section 504 of the Rehabilitation Act; and

F. comply with Title VI of the Civil Rights Act of 1964, section 1557 of the Americans with Disabilities Act, and other applicable federal law and regulation.

Subp. 2. **Consumer assistance services.** Consumer assistance partners and insurance producers certified by MNSure shall guide consumers through the application and enrollment process and facilitate access to the range of health coverage options available through MNSure by providing the following services, including but not limited to:

A. informing consumers of health insurance options and the value of coverage, in addition to reviewing insurance options available through MNSure;

B. informing individuals of application processes, required documentation, mandated requirements, and any exemption criteria;

C. providing information and referrals to small employers on enrollment in the Small Business Health Options Program (SHOP) and any tax provisions, including credits and penalties, potentially affecting small employers;

D. gauging eligibility through MNSure and providing referrals to appropriate support services or programs for further assistance, such as free health clinics;

E. providing nonmedical referrals, to the extent possible, according to MNSure referral guidance;

F. explaining program eligibility rules and providing application assistance for Medicaid/CHIP, premium tax credits, and cost-sharing reductions;

G. assisting with the entry of information into enrollment tools and resources, including final submission of information;

H. advising American Indians and Alaskan Natives on benefits specified by the Affordable Care Act, such as cost-sharing reductions, income exclusions, special open enrollment periods, and exemption from minimum health care coverage mandate;

I. addressing questions regarding the submission of eligibility and enrollment verification documentation;

J. facilitating referrals to insurance producers for individuals and families enrolling in qualified health plans through MNSure and requesting plan enrollment assistance beyond the scope of consumer assistance partners;

K. facilitating referrals to community organizations, counties, or other appropriate nonprofit or public entities when individuals and families require technical expertise and assistance beyond the scope of the consumer assistance partner or insurance producer;

L. explaining, discussing, and interpreting coverage and policies with consumers to facilitate plan selection; and

M. assisting with plan comparison based upon individual priorities, including but not limited to metal tier levels, quality ranges, providers including, but not limited to, specialty care, pharmaceutical, dental and eye care, and total cost estimation including utilization and health status.

Regardless of services listed in this subpart, no consumer assistance partner may provide a service that requires licensure under Minnesota Statutes, chapter 60K, unless the consumer assistance partner has the appropriate licensure under Minnesota Statutes, chapter 60K.

**7700.0050 CERTIFICATION TRAINING.**

Subpart 1. **Consumer assistance partners.** MNSure shall develop a certification training program, administer Web-based training, and administer assessment of proficiency for navigators, in-person assisters, and certified application counselors. Training shall be made available to eligible entities by MNSure. MNSure may enter into agreements with third-party entities to deliver the MNSure certification training program curriculum. MNSure may audit any third-party entity program at any time and may terminate the training agreement at MNSure's discretion. Documentation of certification training completion shall be maintained by MNSure. To receive and maintain MNSure certification, all applicable staff of an entity serving as a navigator,

## APPENDIX

### Repealed Minnesota Rule: H3467-2

in-person assister, or certified application counselor must complete the following required training modules with a minimum passing score, determined by MNsure, on all assigned training coursework. Modules include, but are not limited to, those specified in items A to E.

A. MNsure Web tool that includes training on the use of the public Web site, online enrollment tools, and navigation of the navigator, in-person assister, or certified application counselor landing page.

B. Affordable Care Act 101 that includes training on basic information on available public health care programs, referrals to other consumer assistance partners and insurance producers certified by MNsure, underserved and vulnerable populations, privacy and security as specified in part 7700.0080, and conflict of interest as specified in part 7700.0070.

C. Public health care programs, premium tax credits, and cost-sharing reductions includes training on eligibility and enrollment rules and procedures, and means of appeal and dispute resolution.

D. Qualified health plan includes training on eligibility and enrollment rules and procedures, the range of qualified health plan options offered through MNsure, and the means of appeal and dispute resolution.

E. Overview of Minnesota licensure requirements to sell, solicit, or negotiate insurance.

Subp. 2. **Insurance producers.** MNsure shall establish minimum certification training standards for insurance producers certified to serve by MNsure. Training and assessment of proficiency for insurance producers shall be administered by MNsure. MNsure may enter into agreements with third-party entities to deliver the MNsure certification training program curriculum. MNsure may audit any third-party entity program at any time and may terminate the training agreement at MNsure's discretion. Training shall be made available to eligible insurance producers by MNsure. To receive and maintain MNsure certification, all applicable staff of an entity serving as a certified insurance producer must complete the required training modules in items A to E with a minimum passing score, determined by the board, on all assigned training coursework. Modules include, but are not limited to:

A. MNsure Web tool that includes training on the use of the public Web site, online enrollment tools, and navigation of the insurance producer landing page;

B. Affordable Care Act 101 that includes training on basic information on available public health care programs, referrals to consumer assistance partners serving MNsure, underserved and vulnerable populations, privacy and security as specified in part 7700.0080, and conflict of interest as specified in part 7700.0070;

C. public health care programs, premium tax credits, and cost-sharing reductions includes training on eligibility and enrollment rules and procedures, and the means of appeal and dispute resolution;

D. qualified health plans includes training on eligibility and enrollment rules and procedures, the range of qualified health plan options offered in MNsure, and the means of appeal and dispute resolution; and

E. defined contributions includes training on federal requirements and MNsure online enrollment tools for small employers to provide a defined contribution towards a qualified health plan for their employees.

#### **7700.0060 CERTIFICATION.**

Subpart 1. **Consumer assistance partners.** Before providing any services, a navigator, in-person assister, or certified application counselor must be certified by MNsure by meeting the criteria in items A to F:

A. enter into a formal agreement with MNsure by responding to MNsure's solicitation for navigators, in-person assisters, or certified application counselors;

B. select, manage, and monitor individuals performing consumer assistance services and direct them to meet MNsure certification training standards by ensuring that all applicable staff participate in required MNsure sponsored training under part 7700.0050;

C. comply with MNsure conflict of interest standards as specified in part 7700.0070;

D. comply with MNsure privacy and security standards as specified in part 7700.0080;

E. comply with MNsure account creation process; and

F. comply with recertification requirements to be determined by MNsure.

Subp. 2. **Insurance producers.** Before providing any services through MNsure, an insurance producer must be certified by MNsure by meeting the criteria in items A to G:

## APPENDIX

### Repealed Minnesota Rule: H3467-2

- A. maintain active status as an insurance producer under part 7700.0020, subpart 12;
- B. inform MNsure of the intent to be certified by MNsure;
- C. ensure that all insurance producer and applicable staff and subcontractors participate in required MNsure certification training specified in part 7700.0050;
- D. disclose to MNsure which health carrier's qualified health plans offered through MNsure the insurance producer is authorized to sell;
- E. comply with MNsure privacy and security standards specified in part 7700.0080;
- F. comply with the MNsure account creation process; and
- G. comply with recertification requirements to be determined by MNsure.

Subp. 3. **Noncompliance.** At MNsure's discretion, certification may be withdrawn from a navigator, in-person assister, certified application counselor or individual for noncompliance with the certification requirements in subpart 1. At MNsure's discretion, certification may be withdrawn from an insurance producer entity or individual for noncompliance with the certification requirements in subpart 2.

Subp. 4. **Monitored performance.** At MNsure's discretion, a consumer assistance partner and MNsure certified insurance producer's performance may be monitored during the certification period. MNsure may require an underperforming entity to develop and implement a time-limited performance improvement plan. If performance is not to MNsure's satisfaction, certification to provide services through MNsure may be withdrawn.

### **7700.0070 CONFLICT OF INTEREST.**

Subpart 1. **Framework; consumer assistance partners.** MNsure shall provide consumers with impartial, high-quality, community-based education and information, and in-person application and enrollment assistance through consumer assistance partners. In order to ensure the delivery of high quality services, to minimize or eliminate the existence of conflicts of interest and ensure integrity, MNsure will:

- A. screen for potential conflicts of interest during the consumer assistance partner selection process and throughout the term of engagement with these entities;
- B. require initial and ongoing training that includes instruction on providing impartial education and in-person assistance with consumer selection of a qualified health plan;
- C. require the consumer assistance partner to disclose all affiliations that may present a direct, indirect, or perceived conflict of interest which includes submission of a written attestation that the consumer assistance partner is not a health insurance issuer or issuer of stop loss insurance, a subsidiary of a health insurance issuer or issuer of stop loss insurance, or an association that includes members of, or lobbies on behalf of, the insurance industry;
- D. monitor the consumer assistance partner's performance and practice through reporting;
- E. monitor the consumer assistance partner through feedback tools on the MNsure Web site and through qualitative and quantitative evaluation tools;
- F. actively solicit customer satisfaction feedback on experience with MNsure; and
- G. as circumstances command, where a conflict of interest arises, require mitigation, revocation of certification, or termination of partnership with a consumer assistance partner.

Subp. 2. **Insurance producers.** All current conflict of interest requirements in Minnesota Rules and Minnesota Statutes shall apply to insurance producers.

### **7700.0080 PRIVACY AND SECURITY.**

Pursuant to Code of Federal Regulations, title 45, part 155.260, MNsure shall require a navigator, in-person assister, certified application counselor, or insurance producer to annually attest that its data security and privacy practices are compliant with the applicable federal and state laws and supportive of MNsure data security and privacy practices. Any navigator, in-person assister, certified application counselor, or insurance producer must have specific authorization from MNsure prior to accessing data through MNsure according to Minnesota Statutes, section 62V.06, subdivision 8. The authorization must be immediately and permanently revoked under Minnesota Statutes, section 62V.06, subdivision 8, for any willful violation of Minnesota Statutes, chapter 13. MNsure has the right to inspect, assess, and audit a navigator, in-person assister, certified application counselor, or insurance producer's data security and privacy practices. Inadequate data security and privacy practices may result in termination of certification at the discretion of MNsure.

**7700.0090 COMPENSATION.**

Subpart 1. **Consumer assistance partners compensation.** Consumer assistance partner compensation may include, but is not limited to, per enrollment payments, grants, and pay-for-performance payments. The type of compensation is dependent on the specific role of the consumer assistance partner. The amount or rate of compensation is dependent on the specific role of the consumer assistance partner. The rate of per enrollment payments shall be set by the board on an annual basis. The initial payment rate and any subsequent changes to the payment rate must be published in the State Register. The payment rate is effective upon publication and applicable for all work completed on or after the payment rate effective date.

A. Payment per enrollment.

(1) Consumer assistance partners may receive payment for each successful enrollment through MNsure. The rate of payment shall be set by MNsure. The initial payment rate and any subsequent changes to the payment rate shall be published in the State Register. The payment rate is effective upon publication and applicable for all work completed on or after the payment rate effective date. Payments shall be paid based on the availability of funding.

(2) Payments shall be made directly to the entity.

B. Grants.

(1) MNsure may award grants through a competitive process. The competitive process shall be based on solicitation, and at MNsure's discretion, grants shall be established based on the criteria outlined in the solicitation.

(2) Disbursements of grant funding shall be paid per contract agreed to between the entity and MNsure.

C. Pay-for-performance payments. At the discretion of MNsure, pay-for-performance payments shall be established to address specific performance measures including, but not limited to, targeted geographic areas, specific population barriers, disparities, or distinctive outreach activities.

Subp. 2. **Insurance producers.** Compensation for insurance producers is subject to Minnesota Statutes, section 62V.05, subdivision 3.

**7700.0100 ADMINISTRATIVE REVIEW OF MNSURE ELIGIBILITY DETERMINATIONS.**

Subpart 1. **Applicability.** Parts 7700.0100 to 7700.0105 govern the administration of MNsure eligibility appeals. Parts 7700.0100 to 7700.0105 must be read in conjunction with the federal Affordable Care Act, Public Law 111-148; Code of Federal Regulations, title 45, part 155; and Minnesota Statutes, chapter 62V; and sections 256.045 and 256.0451.

Subp. 2. **Applicability to medical assistance and MinnesotaCare.** Although MNsure offers a unique single marketplace for consumers to compare several health insurance coverage options, including coverage under medical assistance and MinnesotaCare, appeals rights and processes for medical assistance and MinnesotaCare are found in applicable federal or state statute or rule, including, but not limited to, parts 9505.0130, 9505.5105, 9505.0545, and 9506.0070, and Minnesota Statutes, sections 256.045, 256.0451, and 256L.10. Nothing in these rules should be construed to supersede, abridge, or in any way limit the appeal rights of appellants contesting issues covered or not covered under these rules that are available under applicable federal or state statute or rule, including, but not limited to, parts 9505.0130, 9505.5105, 9505.0545, and 9506.0070, and Minnesota Statutes, sections 256.045, 256.0451, and 256L.10. However, nothing in these rules prevent any MNsure consumer from filing appeals through MNsure.

Subp. 3. **Regulatory investigations.** Nothing in these rules limits or supersedes the ability of the commissioners of commerce and health to conduct investigations or facilitate appeals as authorized by laws administered by the Departments of Commerce and Health.

**7700.0101 DEFINITIONS.**

Subpart 1. **Scope.** As used in parts 7700.0100 to 7700.0105, the terms defined in this part have the meanings given them.

Subp. 2. **Agency.** "Agency" means the entity that made the eligibility determination being contested. Agency includes MNsure and, where applicable, any entity involved under a contract, subcontract, grant, or subgrant with MNsure that provides or operates programs or services for which appeals are available. Agency does not include the Minnesota Department of Commerce or the Minnesota Department of Health.

APPENDIX  
Repealed Minnesota Rule: H3467-2

Subp. 3. **Appeal.** "Appeal" means a challenge to or dispute of an initial determination or redetermination made by MNSure enumerated under part 7700.0105, subpart 1, item A.

Subp. 4. **Appeal record.** "Appeal record" means all relevant records pertaining to the contested issues, including eligibility records filed in the proceeding, the appeal decision, all papers and requests filed in the proceeding, and if a hearing is held, the recording of the hearing testimony or an official report containing the substance of what happened at the hearing and any exhibits introduced at the hearing.

Subp. 5. **Appeals examiner.** "Appeals examiner" means a person appointed to conduct hearings under this part by the MNSure board and includes human services judges of the Department of Human Services and administrative law judges of the Office of Administrative Hearings, when acting under a delegation of authority from the MNSure board.

Subp. 6. **Appellant.** "Appellant" means the applicant or enrollee, the employer, or small business employer or employee submitting an appeal. Appellant includes the appellant's attorney or representative. An appellant who is not a business owner may file and appeal on his or her own behalf or on behalf of the appellant's household.

Subp. 7. **Business day.** "Business day" means any day other than a Saturday, Sunday, or legal holiday as defined in Minnesota Statutes, section 645.44.

Subp. 8. **Business hours.** "Business hours" means the hours between 8:30 a.m. and 4:30 p.m., Central Standard Time, on business days.

Subp. 9. **Chief appeals examiner.** "Chief appeals examiner" means the chief human services judge of the Department of Human Services and the chief administrative law judge of the Office of Administrative Hearings, when acting under a delegation of authority from the MNSure board.

Subp. 10. **De novo review.** "De novo review" means a review of an appeal without deference to prior decisions in the case and can include making new findings of fact based on the appeal record.

Subp. 11. **Eligibility.** "Eligibility" means meeting the stipulated requirements for participation in a program or access to a service or product.

Subp. 12. **MNSure board or board.** "MNSure board" or "board" means the entity established in Minnesota Statutes, chapter 62V, as a board under Minnesota Statutes, section 15.012, and should be understood to include any individual or entity to whom the board has delegated a specific power or authority either directly or through an interagency agreement when that individual or entity is exercising the delegation.

Subp. 13. **Party or parties.** "Party" or "parties" means the appellants and agencies that are involved in an appeal and who have the legal right to make claims and defenses, offer proof, and examine and cross-examine witnesses during the appeal.

Subp. 14. **Person.** "Person" means a natural person.

Subp. 15. **Preponderance of the evidence.** "Preponderance of the evidence" means, in light of the record as a whole, the evidence leads the appeals examiner to believe that the finding of fact is more likely to be true than not true.

Subp. 16. **Representative.** "Representative" means a person who is empowered by the party to support, speak for, or act on behalf of the party. Representative includes legal counsel, relative, friend, or other spokesperson or authorized representative under Code of Federal Regulations, title 45, section 155.227.

Subp. 17. **Vacate.** "Vacate" means to set aside a previous action.

#### **7700.0105 MNSURE ELIGIBILITY APPEALS.**

##### **Subpart 1. Eligibility.**

A. MNSure appeals are available for the following actions:

(1) initial determinations and redeterminations made by MNSure of individual eligibility to purchase a qualified health plan through MNSure, made in accordance with Code of Federal Regulations, title 45, sections 155.305, (a) and (b); 155.330; and 155.335;

(2) initial determinations and redeterminations made by MNSure of eligibility for and level of advance payment of premium tax credit, and eligibility for and level of cost sharing reductions, made in accordance with Code of Federal Regulations, title 45, sections 155.305 (f) to (g); 155.330; and 155.335;

## APPENDIX

### Repealed Minnesota Rule: H3467-2

(3) initial determinations and redeterminations made by MNsure of employer eligibility to purchase coverage for qualified employees through the Small Business Health Options Program under Code of Federal Regulations, title 45, section 155.710 (a);

(4) initial determinations and redeterminations made by MNsure of employee eligibility to purchase coverage through the Small Business Health Options Program under Code of Federal Regulations, title 45, section 155.710 (e);

(5) initial determinations and redeterminations made by MNsure of individual eligibility for an exemption from the individual responsibility requirement made in accordance with Code of Federal Regulations, title 45, section 155.605;

(6) a failure by MNsure to provide timely notice of an eligibility determination in accordance with Code of Federal Regulations, title 45, sections 155.310 (g); 155.330 (e)(1)(ii); 155.335 (h)(ii); 155.610 (i); and 155.715 (e) and (f);

(7) in response to a notice from MNsure under Code of Federal Regulations, title 45, section 155.310 (h), a determination by MNsure that an employer does not provide minimum essential coverage through an employer-sponsored plan or that the employer does provide coverage but is not affordable coverage with respect to an employee; and

(8) in response to a denial of a request to vacate a dismissal made according to this chapter and in accordance with Code of Federal Regulations, title 45, section 155.530 (d)(2).

B. If an individual has been denied eligibility for medical assistance under Code of Federal Regulations, title 45, section 155.302 (b), an appeal of a determination of eligibility for advanced payments of the premium tax credit or cost-sharing reduction must also be treated as an appeal of medical assistance determination of eligibility.

#### Subp. 2. **Filing an appeal.**

A. To initiate an appeal, an appellant must file the appeal with MNsure as follows:

- (1) by mail;
- (2) by telephone;
- (3) by Internet; and
- (4) in person.

B. MNsure must provide the necessary contact information for each method of filing an appeal with each eligibility determination and also through the MNsure Web site.

C. The agency must assist any potential appellant in filing an appeal when assistance is requested.

D. An appeal must be received by MNsure within 90 days from the date of the notice of eligibility determination. There is a rebuttable presumption that the date of the notice of eligibility determination is five business days later than the date printed on the notice. The person may rebut this presumption by presenting evidence or testimony that they received the notice five business days after the date printed on the notice. An appeal received more than 90 days after the date of the eligibility notice will be dismissed. If the deadline for filing an appeal falls on a day that is not a business day, the filing deadline is the next business day.

E. Appeal request forms will be available to persons through the Internet, by in-person request, by mail, and by telephone. The following information is requested, but not required, in an appeal:

- (1) name;
- (2) MNsure username;
- (3) date of birth;
- (4) address, including either an e-mail address, if available, or a mailing or physical address;
- (5) MNsure programs involved in the appeal, for which a list must be provided on the appeal request form;
- (6) reason for the appeal; and
- (7) in appeals of redeterminations of eligibility, whether the appellant intends to continue at the level of eligibility and benefits before the redetermination being appealed until the appeal decision.

F. Appeals shall be accepted regardless of whether the requested information is provided on the form or the information is incomplete. However, failure by an appellant to provide all of the requested information may prevent resolution of the appeal or delivery of effective notice.

APPENDIX

Repealed Minnesota Rule: H3467-2

G. The date of official receipt of appeals submitted after business hours, whether filed through the Internet or by telephone, is the next business day.

**Subp. 3. Notices and communications.**

A. The parties to an appeal have the right to the following timely notices and communications:

(1) acknowledgement of receipt of the appeal and a scheduling order, including information regarding the appellant's eligibility pending appeal and an explanation that any advance payments of the premium tax credit paid on behalf of the tax filer pending appeal are subject to reconciliation; and

(2) the decision and order of the MNsure board.

B. Any notice sent to the appellant must also be sent to the appellant's attorney or representative.

C. An appeals examiner shall not have ex parte contact on substantive issues with the agency, the appellant, or any person involved in an appeal. No agency employee shall review, interfere with, change, or attempt to influence the recommended decision of the appeals examiner in any appeal, except through the procedures allowed herein. The limitations in this subpart do not affect the board's authority to review or make final decisions.

**Subp. 4. Rescheduling.**

A. Requests to reschedule a hearing must be made in person, by telephone, through the Internet, or mailed and postmarked to the appeals examiner at least five days in advance of the regularly scheduled hearing date. The rescheduling request may be made orally or in writing. The requesting party must provide the other party a copy of a written request or must otherwise notify the other party of the request.

B. Any rescheduling of a hearing with less than five days' advance notice will be at the discretion of the appeals examiner and granted only when the rescheduling does not prejudice any party to the rescheduling.

C. Unless a determination is made by the appeals examiner that a request to reschedule a hearing is made for the purpose of delay, a hearing must be rescheduled by the appeals examiner for good cause as determined by the appeals examiner. Good cause includes the following:

(1) to accommodate a witness;

(2) to obtain necessary evidence, preparation, or representation;

(3) to review, evaluate, and respond to new evidence;

(4) to permit negotiations of resolution between the parties;

(5) to permit the agency to reconsider;

(6) to permit actions not previously taken;

(7) to accommodate a conflict of previously scheduled appointments;

(8) to accommodate a physical or mental illness;

(9) where an interpreter, translator, or other service necessary to accommodate a person with a disability is needed but not available; or

(10) any other compelling reasons beyond the control of the party that prevents attendance at the originally scheduled time.

D. If requested by the appeals examiner, a written statement confirming the reasons for the rescheduling request must be provided to the appeals examiner by the requesting party.

**Subp. 5. Telephone, videoconference, or in-person hearing.**

A. A hearing may be conducted by telephone, videoconference, or in person. An in-person appeals hearing will only be held at the discretion of the appeals examiner, or if the person asserts that either the person or a witness has a physical or mental disability that would impair the person's ability to fully participate in a hearing held by interactive video technology. To have the hearing conducted by videoconference or in person, a person must make a specific request for that type of hearing.

B. When an in-person hearing is granted, the appeals examiner shall conduct the hearing in the county where the person involved resides, unless an alternate location is mutually agreed upon before the hearing.

C. Where federal law or regulation does not require a telephone, videoconference, or in-person hearing and allows for a review of documentary evidence through a desk review, a telephone, videoconference, or in-person hearing will only be provided when the appeals

APPENDIX  
Repealed Minnesota Rule: H3467-2

examiner determines that such a hearing would materially assist in resolving the issues presented by the appeal.

**Subp. 6. Emergency expedited appeals.**

A. An appellant has a right to request an emergency expedited appeal when there is an immediate need for health services because a standard appeal could seriously jeopardize the appellant's life or health or ability to attain, maintain, or regain maximum function. An appellant must specify that an emergency expedited appeal is being requested when submitting the initial appeal.

B. If an emergency develops during a pending appeal such that there has developed an immediate need for health services because a standard appeal could seriously jeopardize the appellant's life or health or ability to attain, maintain, or regain maximum function, an appellant may request an expedited appeal.

C. If a request for an expedited appeal is denied, the appellant will be notified according to the process and time period required under the applicable federal law.

D. If a request for an expedited appeal is accepted, the appeals examiner will issue a decision according to the process and time period required under the applicable federal law.

**Subp. 7. Interpreter and translation services.**

A. Appeals must be accessible to appellants who have limited English proficiency, appellants who require interpreter and translation services, and appellants with disabilities. An appeals examiner has a duty to inquire whether any person involved in the hearing needs the services of an interpreter, translator, or reasonable accommodations to accommodate a disability in order to participate in or to understand the appeal process.

B. Necessary interpreter services, translation services, or reasonable accommodations must be provided at no cost to the person involved in the appeal.

C. If an appellant requests interpreter services, translation services, or reasonable accommodations or it appears to the appeals examiner that necessary interpreter or translation services are needed but not available for the scheduled hearing, the hearing shall be rescheduled to the next available date when the appropriate services can be provided.

**Subp. 8. Access to data.**

A. Subject to the requirements of all applicable state and federal laws regarding privacy, confidentiality, and disclosure of personally identifiable information, the appellants and agencies involved in an appeals hearing must be allowed to access the appeal record upon request at a convenient place and time before and during the appeals hearing. Copies of the appeal record, including an electronic copy of the recorded hearing, must be provided at no cost and, upon request, must be mailed or sent by electronic transmission to the party or the party's representative.

B. An appellant involved in an appeals hearing may enforce the right of access to data and copies of the case file by making a request to the appeals examiner. The appeals examiner shall make an appropriate order enforcing the appellant's right of access, including but not limited to ordering access to files, data, and documents possessed by the agency; continuing or rescheduling an appeal hearing to allow adequate time for access to data; or prohibiting use by the agency of files, data, or documents that have been generated, collected, stored, or disseminated in violation of the requirements of state or federal law, or when the documents have not been provided to the appellant involved in the appeal.

**Subp. 9. Data practices.**

A. Data on individuals, as defined in Minnesota Statutes, section 13.02, subdivision 5, will be collected about persons and appellants throughout the appeals process. The purpose of this data collection is to conduct an appeal. A party to an appeal is not required to supply data for an appeal. However, deciding which evidence and testimony to submit may have an impact on the outcome of the appeal decision. Certain other government officials may have access to information provided throughout the appeals process if this is allowed by law or pursuant to a valid court order.

B. When an appeal proceeds beyond the MNsure appeals process to judicial review, the appeal record will be public unless the court with jurisdiction over the appeal issues a protective order. When the appeal proceeds outside of the MNsure appeals process to the United States Department of Health and Human Services, the record will be classified according to federal law governing the collection of data on individuals.

**Subp. 10. Appeal summary.** The agency must prepare an appeal summary for each appeal hearing. The appeal summary shall be delivered to each party and the MNsure appeals examiner at least three business days before the date of the appeal hearing. The appeals examiner shall confirm

APPENDIX  
Repealed Minnesota Rule: H3467-2

that the appeal summary is delivered to the party involved in the appeal as required under this subpart. Each party shall be provided, through the appeal summary or other reasonable methods, appropriate information about the procedures for the appeal hearing and an adequate opportunity to prepare. The contents of the appeal summary must be adequate to inform each party of the evidence on which the agency relies and the legal basis for the agency's action or determination.

Subp. 11. **Representation during appeal.** An appellant may personally appear in any appeal hearing and may be represented by an attorney or representative. A partnership may be represented by any of its members, an attorney, or other representative. A corporation or association may be represented by an officer, an attorney, or other representative. In a case involving an unrepresented appellant, the appeals examiner shall examine witnesses and receive exhibits for the purpose of identifying and developing in the appeal record relevant facts necessary for making an informed and fair decision. An unrepresented appellant shall be provided an adequate opportunity to respond to testimony or other evidence presented by the agency at the appeal hearing. The appeals examiner shall ensure that an unrepresented appellant has a full and reasonable opportunity at the appeal hearing to establish a record for appeal. An agency may be represented by an employee or an attorney, including an attorney employed by the agency as authorized by law.

Subp. 12. **Dismissals.**

A. The appeals examiner must dismiss an appeal if the appellant:

- (1) withdraws the appeal orally or in writing;
- (2) fails to appear at a scheduled appeal hearing or prehearing conference and good cause is not shown;
- (3) fails to submit a valid appeal; or
- (4) dies while the appeal is pending.

B. If an appeal is dismissed, the appeals examiner must provide timely notice to the parties, which must include the reason for dismissal, an explanation of the dismissal's effect on the appellant's eligibility, and an explanation of how the appellant may show good cause why the dismissal should be vacated.

C. The appeals examiner must vacate a dismissal if the appellant makes a written request within 30 days of the date of the notice of dismissal showing good cause why the dismissal should be vacated. There is a rebuttable presumption that the date of the notice of dismissal is five business days later than the date printed on the notice. The person may rebut this presumption by presenting evidence or testimony that they received the notice later than five business days after the date printed on the notice. Good cause can be shown when there is:

- (1) a death or serious illness in the person's family;
- (2) a personal injury or physical or mental illness that reasonably prevents an appellant or witness from attending the hearing;
- (3) an emergency, crisis, including a mental health crisis, or unforeseen event that reasonably prevents an appellant or witness from attending the hearing;
- (4) an obligation or responsibility of an appellant or witness which a reasonable person, in the conduct of one's affairs, could reasonably determine takes precedence over attending the hearing;
- (5) lack of or failure to receive timely notice of the hearing in the preferred language of an appellant involved in the hearing;
- (6) excusable neglect, excusable inadvertence, or excusable mistake as determined by the appeals examiner; or
- (7) any other compelling reason beyond the control of the party as determined by the appeals examiner.

Subp. 13. **Prehearing conferences.**

A. The appeals examiner, at the examiner's discretion, prior to an appeal hearing may hold a prehearing conference to further the interests of justice or efficiency. The parties must participate in any prehearing conference held. A party may request a prehearing conference. The prehearing conference may be conducted by telephone, in writing, or in person. The prehearing conference may address the following issues:

- (1) disputes regarding access to files, evidence, subpoenas, or testimony;
- (2) the time required for the hearing or any need for expedited procedures or decision;
- (3) identification or clarification of legal or other issues that may arise at the hearing;

APPENDIX  
Repealed Minnesota Rule: H3467-2

(4) identification of and possible agreement to factual issues; and  
(5) scheduling and any other matter that will aid in the proper and fair functioning of the hearing.

B. The appeals examiner shall make a record or otherwise contemporaneously summarize the prehearing conference in writing, which shall be sent to:

- (1) the parties; and
- (2) the party's attorney or representative.

**Subp. 14. Disqualification of appeals examiner.**

A. The chief appeals examiner shall remove an appeals examiner from any case where the appeals examiner believes that presiding over the case would create the appearance of unfairness or impropriety. No appeals examiner may hear any case where any of the parties to the appeal are related to the appeals examiner by blood or marriage. An appeals examiner must not hear any case if the appeals examiner has a financial or personal interest in the outcome. An appeals examiner having knowledge of such a relationship or interest must immediately notify the chief appeals examiner and be removed from the case.

B. A party may move for the removal of an appeals examiner by written application of the party together with a statement of the basis for removal. Upon the motion of the party, the chief appeals examiner must decide whether the appeals examiner may hear the particular case.

**Subp. 15. Status of eligibility and benefits pending appeal.**

A. In appeals involving a redetermination of an appellant's eligibility, the appellant shall continue at the level of eligibility and benefits before the redetermination being appealed only if the appellant affirmatively elects to receive them during the appeal.

B. The appeal type, as specified in subpart 1, item A, determines what eligibility and benefits are available to be continued pending appeal. The availability of a continuation of eligibility and benefits is only available for appellants under subpart 1, item A, subitems (1) and (2). If appealing eligibility for advanced payments of premium tax credits and/or cost-sharing reductions, at issue is the amount of the advance payments of premium tax credits and/or cost-sharing reductions; and if appealing the eligibility to purchase a QHP through MNsure, at issue is the eligibility to purchase a QHP through MNsure.

C. Where an appellant continues at the level of eligibility before the redetermination being appealed and the appeal decision upholds the redetermination being appealed, the appellant is subject to reconciliation and repayment of any overpayment.

**Subp. 16. Commencement and conduct of hearing.**

A. The appeals examiner shall begin each hearing by describing the process to be followed in the hearing, including the swearing in of witnesses, how testimony and evidence are presented, the order of examining and cross-examining witnesses, and the opportunity for an opening statement and a closing statement. The appeals examiner shall identify for the parties the issues to be addressed at the hearing and shall explain to the parties the burden of proof that applies to the appellant and the agency. The appeals examiner shall confirm, prior to proceeding with the hearing, that the appeal summary, if prepared, has been properly completed and provided to the parties, and that the parties have been provided documents and an opportunity to review the appeal record, as provided in this part.

B. The appeals examiner shall act in a fair and impartial manner at all times. At the beginning of the appeal hearing, the agency must designate one person as a representative who shall be responsible for presenting the agency's evidence and questioning any witnesses. The appeals examiner shall make sure that both the agency and the appellant are provided sufficient time to present testimony and evidence, to confront and cross-examine all adverse witnesses, and to make any relevant statement at the hearing. All testimony in the hearing will be taken under oath or affirmation. The appeals examiner shall make reasonable efforts to explain the appeal hearing process to unrepresented appellants and shall ensure that the hearing is conducted fairly and efficiently. Upon the reasonable request of the appellant or the agency or at the discretion of the appeals examiner, the appeals examiner shall direct witnesses to remain outside the hearing room, except during individual testimony, when the appeals examiner determines that such action is appropriate to ensure a fair and impartial hearing. The appeals examiner shall not terminate the hearing before affording the appellant and the agency a complete opportunity to submit all admissible evidence and reasonable opportunity for oral or written statement. In the event that an appeal hearing extends beyond the time allotted, the appeal hearing shall be continued from day to day until completion. Appeal hearings that have been continued shall be timely scheduled to minimize delay in the disposition of the appeal.

## APPENDIX

### Repealed Minnesota Rule: H3467-2

C. The appeal hearing shall be a de novo review and shall address the correctness and legality of the agency's action and shall not be limited simply to a review of the propriety of the agency's action. The appellant may raise and present evidence on all legal claims or defenses arising under state or federal law as a basis for the appeal, excluding any constitutional claims that are beyond the jurisdiction of the appeal hearing. The appeals examiner may take official notice of adjudicative facts.

D. The burden of persuasion is governed by specific state or federal law and regulations that apply to the subject of the hearing. Unless otherwise required by specific state or federal laws that apply to the subject of the appeal, the appellant carries the burden to persuade the appeals examiner that a claim is true and must demonstrate such by a preponderance of the evidence.

E. The appeals examiner shall accept all evidence, except evidence privileged by law, that is commonly accepted by reasonable people in the conduct of their affairs as having probative value on the issues to be addressed at the appeal hearing. The appeals examiner shall ensure for all cases that the appeal record is sufficiently complete to make a fair and accurate decision.

F. The agency must present its evidence prior to or at the appeal hearing. The agency shall not be permitted to submit evidence after the hearing except by agreement at the hearing between the appellant, the agency, and the appeals examiner. If evidence is submitted after the appeal hearing, based on an agreement, the appellant and the agency must be allowed sufficient opportunity to respond to the evidence. When determined necessary by the appeals examiner, the appeal record shall remain open to permit an appellant to submit additional evidence on the issues presented at the appeal hearing.

#### Subp. 17. **Orders of the MNsure board.**

A. A timely, written decision must be issued in every appeal. Each decision must contain a clear ruling on the issues presented in the appeal hearing and contain a ruling only on questions directly presented by the appeal and the arguments raised in the appeal.

B. A written decision must be issued within 90 days of the date the appeal is received, as administratively feasible, unless a shorter time is required by law.

C. The decision must contain both findings of fact and conclusions of law, clearly separated and identified. The findings of fact must be based on the entire appeal record. Each finding of fact made by the appeals examiner shall be supported by a preponderance of the evidence unless a different standard is required by law. The legal claims or arguments of a participant do not constitute either a finding of fact or a conclusion of law, except to the extent the appeals examiner explicitly adopts an argument as a finding of fact or conclusion of law.

D. The decision shall contain at least the following:

(1) a listing of the date and place of the appeal hearing and the parties and persons appearing at the appeal hearing;

(2) a clear and precise statement of the issues, including the dispute that is the subject of the appeal and the specific points that must be resolved in order to decide the case;

(3) a listing of each of the materials constituting the appeal record that were placed into evidence at the appeal hearing, and upon which the appeal hearing decision is based;

(4) the findings of fact based upon the entire appeal record. The findings of fact must be adequate to inform the parties and the public of the basis of the decision. If the evidence is in conflict on an issue that must be resolved, the findings of fact must state the reasoning used in resolving the conflict;

(5) conclusions of law that address the legal authority for the appeal hearing and the ruling, and which give appropriate attention to the claims of the parties;

(6) a clear and precise statement of the decision made resolving the dispute that is the subject of the appeal, including the effective date of the decision; and

(7) written notice of any existing right to appeal, including taking an appeal to the United States Department of Health and Human Services and identifying the time frame for an appeal and that the decision is final unless appealed.

E. The appeals examiner shall not independently investigate facts or otherwise rely on information not presented at the appeal hearing. The appeals examiner may not contact other agency personnel, except as provided in subpart 16. The appeals examiner's recommended decision must be based exclusively on the testimony and evidence presented at the appeal hearing, legal arguments presented, and the appeals examiner's research and knowledge of the law.

F. The MNsure board shall review the recommended decision and accept or refuse to accept the decision. The MNsure board may accept the recommended order of an appeals

APPENDIX

Repealed Minnesota Rule: H3467-2

examiner and issue the order to the parties or may refuse to accept the decision. Upon refusal, the MNsure board shall notify the parties of the refusal, state the reasons, and allow each party ten days to submit additional written argument on the matter. After the expiration of the ten-day period, the MNsure board shall issue an order on the matter to the parties. Refusal of the MNsure board to accept a decision must not delay the 90-day time limit to issue a decision.

Subp. 18. **Public access to hearings and decisions.** Appeal decisions must be maintained in a manner so that the public has ready access to previous decisions on particular topics, subject to appropriate procedures for compliance with applicable state and federal laws regarding the privacy, confidentiality, and disclosure, of personally identifiable information. Appeal hearings conducted under this part are not open to the public due to the not public classification of the information provided for inclusion in the appeal record.

Subp. 19. **Administrative review.**

A. Administrative review by the United States Department of Health and Human Services may be available for parties aggrieved by an order of the MNsure board.

B. An appeal under this part must be filed with the United States Department of Health and Human Services and MNsure within 30 days of the date of the appeal decision according to the process required under the applicable federal regulations.

Subp. 20. **Judicial review.** An appellant may seek judicial review to the extent it is available by law.