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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3712

02/13/2024 Authored by Hicks and Curran
03/04/2024 The bill was read for the first time and referred to the Committee on Human Services Policy
Adoption of Report: Amended and re-referred to the Committee on Human Services Finance

1.1 A bill for an act
1.2 relating to human services; delaying implementation of new rates for family
1.3 residential services and life sharing services; establishing the Advisory Task Force
1.4 on Family Residential Services; requiring reports; appropriating money; amending
1.5 Laws 2023, chapter 61, article 1, sections 5; 27; 30; 32; 47; 85.

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

1.7 Section 1. Laws 2023, chapter 61, article 1, section 5, the effective date, is amended to
1.8 read:

1.9 EFFECTIVE DATE. This section is effective January 1, 2026 2028, or upon federal
1.10 approval, whichever is later. The commissioner of human services shall notify the revisor
1.11 of statutes when federal approval is obtained.

1.12 Sec. 2. Laws 2023, chapter 61, article 1, section 27, the effective date, is amended to read:

1.13 EFFECTIVE DATE. This section is effective January 1, 2026 2028, or upon federal
1.14 approval, whichever is later, except that paragraph (b) is effective the day following final
1.15 enactment. The commissioner of human services shall notify the revisor of statutes when
1.16 federal approval is obtained.

1.17 Sec. 3. Laws 2023, chapter 61, article 1, section 30, the effective date, is amended to read:

1.18 EFFECTIVE DATE. The amendment to clause (5), item (ii), the amendment to clause
1.19 (14), and the amendment striking clause (18) are effective January 1, 2024, or upon federal
1.20 approval, whichever is later. The amendment to clause (4) is effective January 1, 2026 2028,
1.21 or upon federal approval, whichever is later. The commissioner of human services shall
1.22 notify the revisor of statutes when federal approval is obtained.

2.1 Sec. 4. Laws 2023, chapter 61, article 1, section 32, the effective date, is amended to read:

2.2 **EFFECTIVE DATE.** This section is effective January 1, ~~2026~~ 2028, or upon federal
2.3 approval, whichever is later. The commissioner of human services shall notify the revisor
2.4 of statutes when federal approval is obtained.

2.5 Sec. 5. Laws 2023, chapter 61, article 1, section 47, the effective date, is amended to read:

2.6 **EFFECTIVE DATE.** This section is effective January 1, ~~2026~~ 2028, or upon federal
2.7 approval, whichever is later. The commissioner of human services shall notify the revisor
2.8 of statutes when federal approval is obtained.

2.9 Sec. 6. Laws 2023, chapter 61, article 1, section 85, the effective date, is amended to read:

2.10 **EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2024, or upon federal
2.11 approval, whichever is later, and paragraph (b) is effective January 1, ~~2026~~ 2028, or upon
2.12 federal approval, whichever is later. The commissioner of human services shall notify the
2.13 revisor of statutes when federal approval is obtained.

2.14 Sec. 7. **ADVISORY TASK FORCE ON FAMILY RESIDENTIAL SERVICES.**

2.15 Subdivision 1. **Establishment; purpose.** The Advisory Task Force on Family Residential
2.16 Services is established to evaluate proposed family residential services rate modifications
2.17 and the impact any proposed payment methodology would have on existing family residential
2.18 services and licensed adult family foster care providers.

2.19 Subd. 2. **Membership.** (a) The Advisory Task Force on Family Residential Services
2.20 must consist of the members appointed as follows:

2.21 (1) two licensed adult family foster care providers, appointed by the commissioner of
2.22 human services;

2.23 (2) two licensed adult family foster care providers, appointed by ARRM;

2.24 (3) one member representing the Department of Human Services who has experience
2.25 with adult family foster care providers and family residential services, appointed by the
2.26 commissioner of human services;

2.27 (4) one member representing the Department of Human Services who has experience
2.28 with disability waiver rate setting, appointed by the commissioner of human services;

2.29 (5) one member representing lead agencies, appointed by the Association of Minnesota
2.30 Counties;

3.1 (6) one member representing ARRM, appointed by ARRM;

3.2 (7) one member receiving services through adult family foster care; and

3.3 (8) one member receiving life-sharing services.

3.4 (b) Appointments must be made no later than January 1, 2025.

3.5 (c) Notwithstanding Minnesota Statutes, section 15.059, subdivision 6, member
3.6 compensation and reimbursement for expenses are governed by Minnesota Statutes, section
3.7 15.059, subdivision 3.

3.8 Subd. 3. **Meetings.** (a) The commissioner of human services must convene the first
3.9 meeting of the advisory task force no later than March 1, 2025.

3.10 (b) Advisory task force meetings are subject to the Minnesota Open Meeting Law under
3.11 Minnesota Statutes, chapter 13D.

3.12 (c) Advisory task force meetings must be conducted by telephone or interactive
3.13 technology according to Minnesota Statutes, section 13D.015.

3.14 Subd. 4. **Administrative support.** (a) The commissioner of human services must provide
3.15 administrative support and staff assistance for the advisory task force.

3.16 (b) The commissioner of human services must provide the advisory task force with data,
3.17 fiscal estimates, rate models, draft waiver amendments, implementation updates, estimated
3.18 impacts, and other information the advisory task force requires to fulfill its duties under
3.19 subdivisions 5 and 6.

3.20 Subd. 5. **Duties.** (a) Prior to issuing the report required under subdivision 6, paragraph
3.21 (a), the advisory task force must evaluate multiple family residential service rate models
3.22 and the impact the proposed rate models would have on family residential services and adult
3.23 family foster care providers. The evaluations must include:

3.24 (1) case studies demonstrating rate changes adult family foster care providers would
3.25 experience under each rate model;

3.26 (2) an estimate of the median rate change family residential services and adult family
3.27 foster care providers will experience under each model;

3.28 (3) the number of adult family foster care providers operating in Minnesota; and

3.29 (4) the number of individuals receiving family residential services from licensed adult
3.30 family foster care providers.

4.1 (b) Prior to issuing the report required under subdivision 6, paragraph (b), the advisory
4.2 task force must monitor the development and implementation of the family residential
4.3 service rate methodology and the impact of the rate methodology on family residential
4.4 services and adult family foster care providers.

4.5 Subd. 6. **Reports.** (a) No later than August 1, 2026, the advisory task force must submit
4.6 to the chairs and ranking minority members of the legislative committees with jurisdiction
4.7 over licensed adult foster care providers and family residential services reimbursement rates
4.8 a written report that includes recommendations on:

4.9 (1) a payment rate methodology for family residential services;

4.10 (2) a payment rate methodology for life sharing services;

4.11 (3) any additional recommended changes to family residential services and life sharing
4.12 services;

4.13 (4) any legislative language required to implement the recommendations of the advisory
4.14 task force; and

4.15 (5) any legislative modifications to the duties or authorities of the advisory task force
4.16 required to adequately monitor the implementation of new rates for family residential
4.17 services and life sharing services.

4.18 (b) No later than January 15, 2029, the advisory task force must submit to the chairs and
4.19 ranking minority members of the legislative committees with jurisdiction over licensed
4.20 adult foster care providers and family residential services reimbursement rates a written
4.21 report that includes an assessment of the development and implementation of the family
4.22 residential service rate methodology and the impact of the rate methodology on family
4.23 residential services and adult family foster care providers.

4.24 Subd. 7. **Expiration.** The advisory task force expires June 30, 2029.

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

4.26 Sec. 8. **APPROPRIATION; ADVISORY TASK FORCE ON FAMILY**
4.27 **RESIDENTIAL SERVICES.**

4.28 \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner of
4.29 human services for the Advisory Task Force on Family Residential Services. The general
4.30 fund base for the Advisory Task Force on Family Residential Services is \$..... in fiscal
4.31 year 2026, \$..... in fiscal year 2027, \$..... in fiscal year 2028, \$..... in fiscal year 2029,
4.32 and \$0 in fiscal year 2030.