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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 733

1.1 A bill for an act

1.2 relating to human services; modifying nursing facility payment rates; modifying

1.3 elderly waiver rates; modifying payment rates for customized living services

1.4 provided under certain disability waivers; modifying payment rates for

1.5 home-delivered meals under the disability waivers; appropriating money; amending

1.6 Minnesota Statutes 2022, sections 256B.4912, by adding a subdivision; 256R.02,

1.7 subdivisions 16, 24, 26, 29, 34, by adding subdivisions; 256R.23, subdivisions 2,

1.8 3; 256R.24, subdivision 1; 256R.25; 256S.201, subdivision 3; 256S.21; 256S.211,

1.9 by adding a subdivision; 256S.213, subdivision 1; repealing Minnesota Statutes

1.10 2022, section 256S.2101.

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

1.12 Section 1. Minnesota Statutes 2022, section 256B.4912, is amended by adding a subdivision

1.13 to read:

1.14 Subd. 16. Rates established by the commissioner. For home-delivered meals eligible

1.15 for reimbursement under the developmental disabilities waiver, the brain injury waiver, the

1.16 community alternative care waiver, and the community access for disability inclusion waiver,

1.17 the commissioner must establish rates equal to the rates for home-delivered meals established

1.18 under section 256S.215, subdivision 15.

1.19 EFFECTIVE DATE. This section is effective January 1, 2024, or upon federal approval,

1.20 whichever occurs later. The commissioner of human services shall notify the revisor of

1.21 statutes when federal approval is obtained.

1.22 Sec. 2. Minnesota Statutes 2022, section 256R.02, subdivision 16, is amended to read:

1.23 Subd. 16. **Dietary costs.** "Dietary costs" means the costs for ~~the salaries and wages of~~

1.24 ~~the dietary supervisor, dietitians, chefs, cooks, dishwashers, and other employees assigned~~

2.1 ~~to the kitchen and dining room, and associated fringe benefits and payroll taxes. Dietary~~
 2.2 ~~costs also includes~~ the salaries or fees of dietary consultants, dietary supplies, and food
 2.3 preparation and serving.

2.4 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 2.5 2025, or upon federal approval, whichever occurs later. The commissioner of human services
 2.6 shall notify the revisor of statutes when federal approval is obtained.

2.7 Sec. 3. Minnesota Statutes 2022, section 256R.02, is amended by adding a subdivision to
 2.8 read:

2.9 Subd. 16a. **Dietary labor costs.** "Dietary labor costs" means the costs for the salaries
 2.10 and wages of the dietary supervisor, dietitians, chefs, cooks, dishwashers, contracted dietary
 2.11 employees, and other employees assigned to the kitchen and dining room and associated
 2.12 fringe benefits and payroll taxes.

2.13 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 2.14 2025, or upon federal approval, whichever occurs later. The commissioner of human services
 2.15 shall notify the revisor of statutes when federal approval is obtained.

2.16 Sec. 4. Minnesota Statutes 2022, section 256R.02, subdivision 24, is amended to read:

2.17 Subd. 24. **Housekeeping costs.** "Housekeeping costs" means ~~the costs for the salaries~~
 2.18 ~~and wages of the housekeeping supervisor, housekeepers, and other cleaning employees~~
 2.19 ~~and associated fringe benefits and payroll taxes. It also includes~~ the cost of housekeeping
 2.20 supplies, including, but not limited to, cleaning and lavatory supplies and contract services.

2.21 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 2.22 2025, or upon federal approval, whichever occurs later. The commissioner of human services
 2.23 shall notify the revisor of statutes when federal approval is obtained.

2.24 Sec. 5. Minnesota Statutes 2022, section 256R.02, is amended by adding a subdivision to
 2.25 read:

2.26 Subd. 24a. **Housekeeping labor costs.** "Housekeeping labor costs" means the costs for
 2.27 the salaries and wages of the housekeeping supervisor, housekeepers, contracted
 2.28 housekeeping employees, and other cleaning employees and associated fringe benefits and
 2.29 payroll taxes.

3.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
3.2 2025, or upon federal approval, whichever occurs later. The commissioner of human services
3.3 shall notify the revisor of statutes when federal approval is obtained.

3.4 Sec. 6. Minnesota Statutes 2022, section 256R.02, is amended by adding a subdivision to
3.5 read:

3.6 Subd. 25b. **Known cost change factor.** "Known cost change factor" means 1.00 plus
3.7 the forecasted percentage change in the CPI-U index from July 1 of the reporting period to
3.8 July 1 of the rate year as determined by the national economic consultant used by the
3.9 commissioner of management and budget.

3.10 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
3.11 2025, or upon federal approval, whichever occurs later. The commissioner of human services
3.12 shall notify the revisor of statutes when federal approval is obtained.

3.13 Sec. 7. Minnesota Statutes 2022, section 256R.02, subdivision 26, is amended to read:

3.14 Subd. 26. **Laundry costs.** "Laundry costs" means the costs ~~for the salaries and wages~~
3.15 ~~of the laundry supervisor and other laundry employees, associated fringe benefits, and~~
3.16 ~~payroll taxes. It also includes the costs~~ of linen and bedding, the laundering of resident
3.17 clothing, laundry supplies, and contract services.

3.18 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
3.19 2025, or upon federal approval, whichever occurs later. The commissioner of human services
3.20 shall notify the revisor of statutes when federal approval is obtained.

3.21 Sec. 8. Minnesota Statutes 2022, section 256R.02, is amended by adding a subdivision to
3.22 read:

3.23 Subd. 26a. **Laundry labor costs.** "Laundry labor costs" means the costs for the salaries
3.24 and wages of the laundry supervisor, contracted laundry employees, and other laundry
3.25 employees and associated fringe benefits and payroll taxes.

3.26 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
3.27 2025, or upon federal approval, whichever occurs later. The commissioner of human services
3.28 shall notify the revisor of statutes when federal approval is obtained.

4.1 Sec. 9. Minnesota Statutes 2022, section 256R.02, subdivision 29, is amended to read:

4.2 Subd. 29. **Maintenance and plant operations costs.** "Maintenance and plant operations
4.3 costs" means ~~the costs for the salaries and wages of the maintenance supervisor, engineers,~~
4.4 ~~heating-plant employees, and other maintenance employees and associated fringe benefits~~
4.5 ~~and payroll taxes. It also includes~~ identifiable costs for maintenance and operation of the
4.6 building and grounds, including, but not limited to, fuel, electricity, plastic waste bags,
4.7 medical waste and garbage removal, water, sewer, supplies, tools, repairs, and minor
4.8 equipment not requiring capitalization under Medicare guidelines.

4.9 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
4.10 2025, or upon federal approval, whichever occurs later. The commissioner of human services
4.11 shall notify the revisor of statutes when federal approval is obtained.

4.12 Sec. 10. Minnesota Statutes 2022, section 256R.02, is amended by adding a subdivision
4.13 to read:

4.14 Subd. 29a. **Maintenance and plant operations labor costs.** "Maintenance and plant
4.15 operations labor costs" means the costs for the salaries and wages of the maintenance
4.16 supervisor, engineers, heating-plant employees, and other maintenance employees and
4.17 associated fringe benefits and payroll taxes.

4.18 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
4.19 2025, or upon federal approval, whichever occurs later. The commissioner of human services
4.20 shall notify the revisor of statutes when federal approval is obtained.

4.21 Sec. 11. Minnesota Statutes 2022, section 256R.02, subdivision 34, is amended to read:

4.22 Subd. 34. **Other care-related costs.** "Other care-related costs" means the sum of activities
4.23 costs, other direct care costs, raw food costs, dietary labor costs, housekeeping labor costs,
4.24 laundry labor costs, maintenance and plant operations labor costs, therapy costs, and social
4.25 services costs.

4.26 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
4.27 2025, or upon federal approval, whichever occurs later. The commissioner of human services
4.28 shall notify the revisor of statutes when federal approval is obtained.

4.29 Sec. 12. Minnesota Statutes 2022, section 256R.23, subdivision 2, is amended to read:

4.30 Subd. 2. **Calculation of direct care cost per standardized day.** Each facility's direct
4.31 care cost per standardized day is calculated as follows: (1) multiply the facility's direct care

5.1 costs ~~divided~~ and the known cost change factor; and (2) divide the result of clause (1) by
 5.2 the sum of the facility's standardized days. A facility's direct care cost per standardized day
 5.3 is the facility's cost per day for direct care services associated with a case mix index of 1.00.

5.4 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 5.5 2025, or upon federal approval, whichever occurs later. The commissioner of human services
 5.6 shall notify the revisor of statutes when federal approval is obtained.

5.7 Sec. 13. Minnesota Statutes 2022, section 256R.23, subdivision 3, is amended to read:

5.8 Subd. 3. **Calculation of other care-related cost per resident day.** Each facility's other
 5.9 care-related cost per resident day is ~~its~~ calculated as follows: (1) multiply the facility's other
 5.10 care-related costs, ~~divided~~ and the known cost change factor; and (2) divide the result of
 5.11 clause (1) by the sum of the facility's resident days.

5.12 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 5.13 2025, or upon federal approval, whichever occurs later. The commissioner of human services
 5.14 shall notify the revisor of statutes when federal approval is obtained.

5.15 Sec. 14. Minnesota Statutes 2022, section 256R.24, subdivision 1, is amended to read:

5.16 Subdivision 1. **Determination of other operating cost per day.** Each facility's other
 5.17 operating cost per day is ~~its~~ calculated as follows: (1) multiply the facility's other operating
 5.18 costs ~~divided~~ and the known cost change factor; and (2) divide the result of clause (1) by
 5.19 the sum of the facility's resident days.

5.20 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 5.21 2025, or upon federal approval, whichever occurs later. The commissioner of human services
 5.22 shall notify the revisor of statutes when federal approval is obtained.

5.23 Sec. 15. Minnesota Statutes 2022, section 256R.25, is amended to read:

5.24 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

5.25 (a) The payment rate for external fixed costs is the sum of the amounts in paragraphs
 5.26 (b) to (o).

5.27 (b) For a facility licensed as a nursing home, the portion related to the provider surcharge
 5.28 under section 256.9657 is equal to \$8.86 per resident day. For a facility licensed as both a
 5.29 nursing home and a boarding care home, the portion related to the provider surcharge under
 5.30 section 256.9657 is equal to \$8.86 per resident day multiplied by the result of its number
 5.31 of nursing home beds divided by its total number of licensed beds.

6.1 (c) The portion related to the licensure fee under section 144.122, paragraph (d), is the
6.2 amount of the fee divided by the sum of the facility's resident days.

6.3 (d) The portion related to development and education of resident and family advisory
6.4 councils under section 144A.33 is \$5 per resident day divided by 365.

6.5 (e) The portion related to scholarships is determined under section 256R.37.

6.6 (f) The portion related to planned closure rate adjustments is as determined under section
6.7 256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.

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

6.10 (h) The portion related to single-bed room incentives is as determined under section
6.11 256R.41.

6.12 (i) The portions related to real estate taxes, special assessments, and payments made in
6.13 lieu of real estate taxes directly identified or allocated to the nursing facility are the allowable
6.14 amounts divided by the sum of the facility's resident days. Allowable costs under this
6.15 paragraph for payments made by a nonprofit nursing facility that are in lieu of real estate
6.16 taxes shall not exceed the amount which the nursing facility would have paid to a city or
6.17 township and county for fire, police, sanitation services, and road maintenance costs had
6.18 real estate taxes been levied on that property for those purposes.

6.19 (j) The portion related to employer health insurance costs is ~~the~~ calculated as follows:
6.20 (1) multiply the facility's allowable employer health insurance costs divided and the known
6.21 cost change factor; and (2) divide the result of clause (1) by the sum of the facility's resident
6.22 days.

6.23 (k) The portion related to the Public Employees Retirement Association is the allowable
6.24 costs divided by the sum of the facility's resident days.

6.25 (l) The portion related to quality improvement incentive payment rate adjustments is
6.26 the amount determined under section 256R.39.

6.27 (m) The portion related to performance-based incentive payments is the amount
6.28 determined under section 256R.38.

6.29 (n) The portion related to special dietary needs is the amount determined under section
6.30 256R.51.

6.31 (o) The portion related to the rate adjustments for border city facilities is the amount
6.32 determined under section 256R.481.

7.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 7.2 2025, or upon federal approval, whichever occurs later. The commissioner of human services
 7.3 shall notify the revisor of statutes when federal approval is obtained.

7.4 Sec. 16. Minnesota Statutes 2022, section 256S.201, subdivision 3, is amended to read:

7.5 Subd. 3. **Customized living service rates.** The authorized rates for customized living
 7.6 services and 24-hour customized living services must be based on the amount of component
 7.7 services to be provided utilizing component rates established ~~by the commissioner~~ in section
 7.8 256S.215. Counties and tribes shall use tools issued by the commissioner to develop and
 7.9 document customized living service plans and rates.

7.10 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
 7.11 whichever occurs later. The commissioner of human services shall notify the revisor of
 7.12 statutes when federal approval is obtained.

7.13 Sec. 17. Minnesota Statutes 2022, section 256S.21, is amended to read:

7.14 **256S.21 RATE SETTING; APPLICATION.**

7.15 The payment methodologies in sections ~~256S.2101~~ 256S.211 to 256S.215 apply to
 7.16 elderly waiver, elderly waiver customized living, and elderly waiver foster care under this
 7.17 chapter; alternative care under section 256B.0913; essential community supports under
 7.18 section 256B.0922; and community access for disability inclusion customized living and
 7.19 brain injury customized living under section 256B.49.

7.20 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
 7.21 whichever occurs later. The commissioner of human services shall notify the revisor of
 7.22 statutes when federal approval is obtained.

7.23 Sec. 18. Minnesota Statutes 2022, section 256S.211, is amended by adding a subdivision
 7.24 to read:

7.25 Subd. 1a. **Updating base wages.** Each January 1, the commissioner must update the
 7.26 base wages under this section based on the most recently available Minneapolis-St.
 7.27 Paul-Bloomington, MN-WI MetroSA average wage data from the Bureau of Labor Statistics.

7.28 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
 7.29 whichever occurs later. The commissioner of human services shall notify the revisor of
 7.30 statutes when federal approval is obtained.

8.1 Sec. 19. Minnesota Statutes 2022, section 256S.213, subdivision 1, is amended to read:

8.2 Subdivision 1. **Payroll taxes and benefits factor.** The payroll taxes and benefits factor
8.3 is the sum of net payroll taxes and benefits, divided by the sum of all salaries for all nursing
8.4 facilities on the most recent and available cost report. The commissioner must update the
8.5 payroll tax and benefit factor each January 1.

8.6 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
8.7 whichever occurs later. The commissioner of human services shall notify the revisor of
8.8 statutes when federal approval is obtained.

8.9 Sec. 20. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; PARTIAL**
8.10 **YEAR RATE ADJUSTMENTS.**

8.11 (a) The commissioner must update the base wage indices in Minnesota Statutes, section
8.12 256S.212, based on the most recently available Minneapolis-St. Paul-Bloomington, MN-WI
8.13 MetroSA average wage data from the Bureau of Labor Statistics.

8.14 (b) The commissioner must update the payroll tax and benefit factor in Minnesota
8.15 Statutes, section 256S.213, subdivision 1, based on the most recently available nursing
8.16 facility cost report data.

8.17 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,
8.18 whichever occurs later, for services rendered on or after the day upon which this section
8.19 becomes effective. The commissioner of human services shall notify the revisor of statutes
8.20 when federal approval is obtained.

8.21 Sec. 21. **NURSING FACILITY FUNDING.**

8.22 (a) Effective July 1, 2023, through December 31, 2025, the total payment rate for all
8.23 facilities reimbursed under Minnesota Statutes, chapter 256R, must be increased by \$52 per
8.24 resident day.

8.25 (b) To be eligible to receive a payment under this section, a nursing facility must attest
8.26 to the commissioner of human services that the additional revenue will be used exclusively
8.27 to increase compensation-related costs for employees directly employed by the facility on
8.28 or after July 1, 2023, excluding:

8.29 (1) owners of the building and operation;

8.30 (2) persons employed in the central office of an entity that has any ownership interest
8.31 in the nursing facility or exercises control over the nursing facility;

9.1 (3) persons paid by the nursing facility under a management contract; and

9.2 (4) persons providing separately billable services.

9.3 (c) Contracted housekeeping, dietary, and laundry employees providing services on site
9.4 at the nursing facility are eligible for compensation-related cost increases under this section,
9.5 provided the agency that employs the employees submits to the nursing facility proof of
9.6 the costs of the increases provided to those employees.

9.7 (d) For purposes of this section, compensation-related costs include:

9.8 (1) permanent new increases to wages and salaries implemented on or after July 1, 2023,
9.9 and before September 1, 2023, for nursing facility employees;

9.10 (2) permanent new increases to wages and salaries implemented on or after July 1, 2023,
9.11 and before September 1, 2023, for employees in the organization's shared services
9.12 departments of hospital-attached nursing facilities for the nursing facility allocated share
9.13 of wages; and

9.14 (3) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
9.15 taxes, PERA, workers' compensation, and pension and employee retirement accounts directly
9.16 associated with the wage and salary increases in clauses (1) and (2) incurred no later than
9.17 December 31, 2025, and paid for no later than June 30, 2026.

9.18 (e) A facility that receives a rate increase under this section must complete a distribution
9.19 plan in the form and manner determined by the commissioner. This plan must specify the
9.20 total amount of money the facility is estimated to receive from this rate increase and how
9.21 that money will be distributed to increase the allowable compensation-related costs described
9.22 in paragraph (d) for employees described in paragraphs (b) and (c). This estimate must be
9.23 calculated by multiplying \$52 and the sum of the medical assistance and private pay resident
9.24 days as defined in Minnesota Statutes, section 256R.02, subdivision 45, for the period
9.25 beginning October 1, 2021, through September 30, 2022, dividing this sum by 365 and
9.26 multiplying the result by 915. A facility must submit its distribution plan to the commissioner
9.27 by October 1, 2023. The commissioner may review the distribution plan to ensure that the
9.28 payment rate adjustment per resident day is used in accordance with this section. The
9.29 commissioner may allow for a distribution plan amendment under exceptional circumstances
9.30 to be determined at the sole discretion of the commissioner.

9.31 (f) By September 1, 2023, a facility must post the distribution plan summary and leave
9.32 it posted for a period of at least six months in an area of the facility to which all employees
9.33 have access. The posted distribution plan summary must be in the form and manner

10.1 determined by the commissioner. The distribution plan summary must include instructions
 10.2 regarding how to contact the commissioner, or the commissioner's representative, if an
 10.3 employee believes the employee is covered by paragraph (b) or (c) and has not received the
 10.4 compensation-related increases described in paragraph (d). The instruction to such employees
 10.5 must include the email address and telephone number that may be used by the employee to
 10.6 contact the commissioner's representative. The posted distribution plan summary must
 10.7 demonstrate how the increase in paragraph (a) received by the nursing facility from July 1,
 10.8 2023, through December 31, 2025, will be used in full to pay the compensation-related costs
 10.9 in paragraph (d) for employees described in paragraphs (b) and (c).

10.10 (g) If the nursing facility expends less on new compensation-related costs than the amount
 10.11 made available by the rate increase in this section for that purpose, the amount of this rate
 10.12 adjustment must be reduced to equal the amount utilized by the facility for purposes
 10.13 authorized under this section. If the facility fails to post the distribution plan summary in
 10.14 its facility as required, fails to submit its distribution plan to the commissioner by the due
 10.15 date, or uses these funds for unauthorized purposes, these rate increases must be treated as
 10.16 an overpayment and subsequently recovered.

10.17 (h) The commissioner must not treat payments received under this section as an applicable
 10.18 credit for purposes of setting total payment rates under Minnesota Statutes, chapter 256R.

10.19 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,
 10.20 whichever is later. The commissioner of human services shall notify the revisor of statutes
 10.21 when approval is obtained.

10.22 Sec. 22. **ELDERLY WAIVER RATE FRAMEWORK; SPENDING**
 10.23 **REQUIREMENTS.**

10.24 Subdivision 1. **Spending requirements.** At least 80 percent of the marginal increase in
 10.25 revenue from the full implementation of the elderly waiver rate framework under Minnesota
 10.26 Statutes, sections 256S.21 to 256S.215, for services rendered on or after the day of
 10.27 implementation of the repeal of Minnesota Statutes, section 256S.2101, must be used to
 10.28 increase compensation-related costs for employees directly employed by the provider.

10.29 Subd. 2. **Compensation-related costs.** For the purposes of this section,
 10.30 compensation-related costs include:

10.31 (1) wages and salaries;

10.32 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
 10.33 taxes, workers' compensation, and mileage reimbursement;

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

11.4 (4) benefits that address direct support professional workforce needs above and beyond
 11.5 what employees were offered prior to full implementation of the elderly waiver rate
 11.6 framework under Minnesota Statutes, sections 256S.21 to 256S.215.

11.7 Subd. 3. **Nonallowed costs.** Compensation-related costs for persons employed in the
 11.8 central office of a corporation or entity that has an ownership interest in the provider or
 11.9 exercises control over the provider, or for persons paid by the provider under a management
 11.10 contract, do not count toward the 80 percent requirement under subdivision 1.

11.11 Subd. 4. **Distribution plans.** A provider agency or individual provider that receives
 11.12 additional revenue subject to the requirements of this section must prepare, and upon request
 11.13 submit to the commissioner, a distribution plan that specifies the amount of money the
 11.14 provider expects to receive that is subject to the requirements of this section, including how
 11.15 that money was or will be distributed to increase compensation-related costs for employees.
 11.16 Within 60 days of final full implementation of the elderly waiver rate framework subject
 11.17 to the requirements of this section, the provider must post the distribution plan and leave it
 11.18 posted for a period of at least six months in an area of the provider's operation to which all
 11.19 direct support professionals have access. The posted distribution plan must include
 11.20 instructions regarding how to contact the commissioner, or the commissioner's representative,
 11.21 if an employee has not received the compensation-related increase described in the plan.

11.22 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
 11.23 whichever is later. The commissioner of human services shall notify the revisor of statutes
 11.24 when federal approval is obtained.

11.25 Sec. 23. **REPEALER.**

11.26 Minnesota Statutes 2022, section 256S.2101, is repealed.

11.27 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
 11.28 whichever occurs later. The commissioner of human services shall notify the revisor of
 11.29 statutes when federal approval is obtained.

256S.2101 RATE SETTING; PHASE-IN.

Subdivision 1. **Phase-in for disability waiver customized living rates.** All rates and rate components for community access for disability inclusion customized living and brain injury customized living under section 256B.4914 shall be the sum of ten percent of the rates calculated under sections 256S.211 to 256S.215 and 90 percent of the rates calculated using the rate methodology in effect as of June 30, 2017.

Subd. 2. **Phase-in for elderly waiver rates.** Except for home-delivered meals as described in section 256S.215, subdivision 15, all rates and rate components for elderly waiver, elderly waiver customized living, and elderly waiver foster care under this chapter; alternative care under section 256B.0913; and essential community supports under section 256B.0922 shall be the sum of 18.8 percent of the rates calculated under sections 256S.211 to 256S.215, and 81.2 percent of the rates calculated using the rate methodology in effect as of June 30, 2017. The rate for home-delivered meals shall be the sum of the service rate in effect as of January 1, 2019, and the increases described in section 256S.215, subdivision 15.