

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 4029**

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DATE  
03/05/2020

D-PG

Introduction and first reading  
Referred to Health and Human Services Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to human services; revising implementation provisions relating to the  
1.3 substance use disorder waiver demonstration project; amending Minnesota Statutes  
1.4 2019 Supplement, section 256B.0759, subdivisions 3, 4.

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

1.6 Section 1. Minnesota Statutes 2019 Supplement, section 256B.0759, subdivision 3, is  
1.7 amended to read:

1.8 Subd. 3. **Provider standards.** (a) The commissioner ~~shall~~ must establish requirements  
1.9 for participating providers that are consistent with the federal requirements of the  
1.10 demonstration project.

1.11 (b) A participating residential provider must obtain applicable licensure under chapters  
1.12 245F and 245G or other applicable standards for the services provided and must:

1.13 (1) deliver services in accordance with standards published by the commissioner pursuant  
1.14 to paragraph (d);

1.15 (2) maintain formal patient referral arrangements with providers delivering step-up or  
1.16 step-down levels of care in accordance with ASAM standards; and

1.17 (3) ~~provide or arrange for~~ offer medication-assisted treatment services ~~if requested by~~  
1.18 ~~a client for whom an effective medication exists~~ on site or facilitate access to  
1.19 medication-assisted treatment services off site.

1.20 (c) A participating outpatient provider must obtain applicable licensure under chapter  
1.21 245G or other applicable standards for the services provided and must:

2.1 (1) deliver services in accordance with standards published by the commissioner pursuant  
2.2 to paragraph (d); and

2.3 (2) maintain formal patient referral arrangements with providers delivering step-up or  
2.4 step-down levels of care in accordance with ASAM standards.

2.5 (d) If the provider standards under chapter 245G or other applicable standards conflict  
2.6 or are duplicative, the commissioner may grant variances to the standards if the variances  
2.7 do not conflict with federal requirements. The commissioner ~~shall~~ must publish service  
2.8 components, service standards, and staffing requirements for participating providers that  
2.9 are consistent with ASAM standards and federal requirements by October 1, 2020.

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

2.11 Sec. 2. Minnesota Statutes 2019 Supplement, section 256B.0759, subdivision 4, is amended  
2.12 to read:

2.13 **Subd. 4. Provider payment rates.** (a) Payment rates for participating providers must  
2.14 be increased for services provided to medical assistance enrollees. To receive a rate increase,  
2.15 participating providers must meet demonstration project requirements and provide evidence  
2.16 of formal referral arrangements with providers delivering step-up or step-down levels of  
2.17 care.

2.18 (b) For substance use disorder services under section 254B.05, subdivision 5, paragraph  
2.19 (b), clause (8), provided on or after ~~January~~ July 1, 2020, payment rates must be increased  
2.20 by 15 percent over the rates in effect on December 31, ~~2020~~ 2019.

2.21 (c) For substance use disorder services under section 254B.05, subdivision 5, paragraph  
2.22 (b), clauses (1), (6), and (7), and ~~(10)~~ adolescent treatment programs that are licensed as  
2.23 outpatient treatment programs according to sections 245G.01 to 245G.18, provided on or  
2.24 after January 1, 2021, payment rates must be increased by ten percent over the rates in effect  
2.25 on December 31, 2020.

2.26 (d) Effective January 1, 2021, and contingent on annual federal approval, managed care  
2.27 plans and county-based purchasing plans must reimburse providers of the substance use  
2.28 disorder services meeting the criteria described in paragraph (a) who are employed by or  
2.29 under contract with the plan an amount that is at least equal to the fee-for-service base rate  
2.30 payment for the substance use disorder services described in paragraphs (b) and (c). The  
2.31 commissioner must monitor the effect of this requirement on the rate of access to substance  
2.32 use disorder services and residential substance use disorder rates. If for any contract year  
2.33 federal approval is not received due to the provisions of this paragraph, the commissioner

- 3.1 must adjust the capitation rates paid to managed care plans and county-based purchasing  
3.2 plans for that contract year to reflect the removal of this provision. Contracts between  
3.3 managed care plans and county-based purchasing plans and providers to whom this paragraph  
3.4 applies must allow recovery of payments from those providers if capitation rates are adjusted  
3.5 in accordance with this paragraph. Payment recoveries must not exceed the amount equal  
3.6 to any increase in rates that results from this provision. This paragraph expires if federal  
3.7 approval is not received at any time due to the provisions of this paragraph.
- 3.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.