

Subject Home and community-based services licensing actions

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Overview

Minnesota Statutes, chapter 245D, governs licensing of home and community-based services (HCBS), which are basic support services and intensive support services to help people remain in their homes and communities. HCBS waiver programs allow for federal Medicaid (MA) reimbursement for certain services provided to persons with chronic illnesses, persons with disabilities, and the elderly, that are not otherwise covered under the MA state plan. HCBS licensees must comply with general Department of Human Services licensing requirements under chapter 245A and more specific HCBS requirements under chapter 245D.

This bill, as amended, modifies sections in chapter 245A that impact HCBS license holders. The bill requires the commissioner to provide compliance education to HCBS licensees, conduct initial compliance monitoring for new licensees and issue licensing review reports, and provide technical assistance and legal referrals upon request. The bill also requires a warning before a conditional license is issued for an HCBS license holder, allows the commissioner to reduce the time of a conditional license under certain conditions, requires the commissioner to offer mediation for HCBS license holders if a reconsideration request is denied, requires a legislative report on HCBS correction orders and conditional licenses, and repeals HCBS additional licensing procedures.

Summary

Section	Description
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1	Compliance education required.
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	Amends § 245A.042 by adding subd. 5. Requires the commissioner of human services to make licensing compliance education available to all licensees under both chapters 245A and 245D (HCBS licensees). Specifies what the education must include.
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Section	Description
2	<p data-bbox="318 264 716 289">Initial compliance monitoring.</p> <p data-bbox="318 310 1414 415">Amends § 245A.042 by adding subd. 6. Requires new HCBS license holders to receive an initial compliance monitoring visit after one year of licensure, for technical assistance with licensure compliance.</p> <p data-bbox="318 457 1414 642">Permits the commissioner to issue a licensing review report with recommendations for achieving and maintaining compliance, if during the initial compliance monitoring visit, the commissioner finds that the license holder has failed to achieve compliance and the failure does not imminently endanger the health, safety, or rights of the persons served by the program.</p>
3	<p data-bbox="318 688 954 714">Technical assistance and legal referrals required.</p> <p data-bbox="318 735 1357 842">Amends § 245A.042 by adding subd. 7. Requires the commissioner to provide an HCBS license holder with technical assistance or referral to legal assistance, if requested by a license holder that is subject to an enforcement action.</p>
4	<p data-bbox="318 888 1341 955">Correction orders and conditional licenses for programs licensed as home and community-based services.</p> <p data-bbox="318 976 1357 1001">Amends § 245A.06, subd. 1a. Makes technical changes in paragraphs (a) and (b).</p> <p data-bbox="318 1043 1422 1304">Adds paragraph (c), requiring the commissioner to, prior to issuing an order of conditional license, inform an HCBS license holder that the next audit or investigation may lead to an order of conditional license if the provider fails to correct the violations specified in a prior correction order or has any new violations. Clarifies that nothing in the paragraph limits the commissioner’s authority to take immediate action to prevent imminent danger to the health, safety, or rights of the persons served by a program.</p> <p data-bbox="318 1346 1365 1451">Adds paragraph (d), allowing the commissioner to reduce the length of time for a conditional license for an HCBS license holder if the license holder demonstrates compliance or progress toward compliance.</p> <p data-bbox="318 1493 1422 1602">Adds paragraph (e), requiring the commissioner to provide a legislative report by January 1, 2026, on the number of correction orders and orders of conditional license issued to HCBS license holders. Specifies what the report must include.</p>
5	<p data-bbox="318 1648 808 1673">Reconsideration of correction orders.</p> <p data-bbox="318 1694 1406 1799">Amends § 245A.06, subd. 2. Makes technical change to remove language recodified in 2024 related to the establishment of the Department of Children, Youth, and Families.</p> <p data-bbox="318 1841 1406 1908">Adds new paragraph (b), requiring the commissioner to offer mediation to an HCBS license holder when a reconsideration request is denied, if the license holder further</p>

Section	Description
	disputes a correction order. Specifies that the license holder must pay mediation costs.
6	Repealer. Repeals section 245A.042, subdivisions 2, 3, and 4 (Home and Community-based Services; Additional Standards and Procedures: Modified application procedures; Implementation; and Stakeholder consultation).



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