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ARTICLE 6

72.1	ARTICLE 7
72.2	SPECIAL EDUCATION
72.3	Section 1. Minnesota Statutes 2022, section 124D.19, subdivision 8, is amended to read:
72.4 72.5 72.6 72.7 72.8 72.9 72.10 72.11 72.12 72.13 72.14	Subd. 8. Program approval. To be eligible for revenue for the program for adults with disabilities, a program and budget must receive approval from the (a) Beginning July 1, 2024, and at least once every five years thereafter, a district's community education section in the department advisory council must review and approve the district's adults with disabilities program and submit a statement of assurances to the commissioner in the form and manner determined by the commissioner. Approval may be for five years. During that time, a board must report any significant changes to the department for approval. For programs offered cooperatively, the request for approval must include an agreement on the method by which local money is to be derived and distributed. A request for approval The program must seek feedback from adults with disabilities and other community organizations providing services to adults with disabilities.
72.15 72.16 72.17	(b) Each school district with an adults with disabilities program must include all of at least the following information about its adults with disabilities program in its annual community education report under subdivision 14:
72.18	(1) <u>a summary of the characteristics of the people to be served by the program;</u>
72.19	(2) <u>a</u> description of the program services and activities;
72.20	(3) the most recent program budget and amount of aid requested;
72.21	(4) a summary of the participation by adults with disabilities in developing the program;
72.22	(5) <u>an</u> assessment of the needs of adults with disabilities; and
72.23	(6) <u>a description of cooperative efforts with community organizations.</u>
72.24 72.25	EFFECTIVE DATE. This section is effective July 1, 2024, for plans developed on or after that date.
72.26 72.27	Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 26, is amended to read:
72.28 72.29 72.30 72.31 73.1 73.2 73.3 73.4 73.5	Subd. 26. Special education services. (a) Medical assistance covers evaluations necessary in making a determination for eligibility for individualized education program and individualized family service plan services and for medical services identified in a recipient's individualized education program and individualized family service plan and covered under the medical assistance state plan. Covered services include occupational therapy, physical therapy, speech-language therapy, clinical psychological services, nursing services, school psychological services, school social work services, personal care assistants serving as management aides, assistive technology devices, transportation services, health assessments, and other services covered under the medical assistance state plan. Mental health services

52.2	SPECIAL EDUCATION
14.22	Sec. 5. Minnesota Statutes 2022, section 124D.19, subdivision 8, is amended to read:
14.23 14.24 14.25 14.26 14.27 14.28 14.29 14.30 14.31 15.1 15.2	Subd. 8. Program approval. To be eligible for revenue for the program for adults with disabilities, a program and budget must receive approval from the community education section in the department. Approval may be for five years. During that time, a board must report any significant changes to the department for approval. For programs offered ecoperatively, the request for approval must include an agreement on the method by which local money is to be derived and distributed. A request for approval (a) Beginning July 1, 2024, and at least once every five years thereafter, a district's community education advisory council must review and approve the district's adults with disabilities program and submit a statement of assurances to the commissioner in the form and manner determined by the commissioner. The program must seek feedback from adults with disabilities and other community organizations providing services to adults with disabilities.
15.3 15.4 15.5	(b) Each school district with an adults with disabilities program must include all of at least the following information about its adults with disabilities program in its annual community education report under subdivision 14:
15.6	(1) a summary of the characteristics of the people to be served by the program;
15.7	(2) <u>a</u> description of the program services and activities;
15.8	(3) the most recent program budget and amount of aid requested;
15.9	(4) a summary of the participation by adults with disabilities in developing the program;
15.10	(5) an assessment of the needs of adults with disabilities; and
15.11	(6) a description of cooperative efforts with community organizations.
15.12 15.13	EFFECTIVE DATE. This section is effective July 1, 2024, for plans developed on or after that date.
52.3 52.4	Section 1. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 26, is amended to read:
52.5 52.6 52.7 52.8 52.9 52.10 52.11 52.12 52.13	Subd. 26. Special education services. (a) Medical assistance covers evaluations necessary in making a determination for eligibility for individualized education program and individualized family service plan services and for medical services identified in a recipient's individualized education program and individualized family service plan and covered under the medical assistance state plan. Covered services include occupational therapy, physical therapy, speech-language therapy, clinical psychological services, nursing services, school psychological services, school social work services, personal care assistants serving as management aides, assistive technology devices, transportation services, health assessments, and other services covered under the medical assistance state plan. Mental health services

eligible for medical assistance reimbursement must be provided or coordinated through a
children's mental health collaborative where a collaborative exists if the child is included
in the collaborative operational target population. The provision or coordination of services
does not require that the individualized education program be developed by the collaborative

The services may be provided by a Minnesota school district that is enrolled as a medical assistance provider or its subcontractor, and only if the services meet all the requirements otherwise applicable if the service had been provided by a provider other than a school district, in the following areas: medical necessity; physician's, advanced practice registered nurse's, or physician assistant's orders; documentation; personnel qualifications; and prior authorization requirements. The nonfederal share of costs for services provided under this subdivision is the responsibility of the local school district as provided in section 125A.74. Services listed in a child's individualized education program are eligible for medical assistance reimbursement only if those services meet criteria for federal financial participation under the Medicaid program.

- (b) Approval of health-related services for inclusion in the individualized education program does not require prior authorization for purposes of reimbursement under this chapter. The commissioner may require physician, advanced practice registered nurse, or physician assistant review and approval of the plan not more than once annually or upon any modification of the individualized education program that reflects a change in health-related services.
- 73.26 (c) Services of a speech-language pathologist provided under this section are covered 73.27 notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:
 - (1) holds a masters degree in speech-language pathology;

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- 73.29 (2) is licensed by the Professional Educator Licensing and Standards Board as an 73.30 educational speech-language pathologist; and
 - (3) either has a certificate of clinical competence from the American Speech and Hearing Association, has completed the equivalent educational requirements and work experience necessary for the certificate or has completed the academic program and is acquiring supervised work experience to qualify for the certificate.
 - (d) Medical assistance coverage for medically necessary services provided under other subdivisions in this section may not be denied solely on the basis that the same or similar services are covered under this subdivision.
- (e) The commissioner shall develop and implement package rates, bundled rates, or per
 diem rates for special education services under which separately covered services are grouped
 together and billed as a unit in order to reduce administrative complexity.
 - (f) The commissioner shall develop a cost-based payment structure for payment of these services. Only costs reported through the designated Minnesota Department of Education data systems in distinct service categories qualify for inclusion in the cost-based payment

52.14	eligible for medical assistance reimbursement must be provided or coordinated through a
52.15	children's mental health collaborative where a collaborative exists if the child is included
52.16	in the collaborative operational target population. The provision or coordination of services
52.17	does not require that the individualized education program be developed by the collaborative.

The services may be provided by a Minnesota school district that is enrolled as a medical assistance provider or its subcontractor, and only if the services meet all the requirements otherwise applicable if the service had been provided by a provider other than a school district, in the following areas: medical necessity; physician's, advanced practice registered nurse's, or physician assistant's orders; documentation; personnel qualifications; and prior authorization requirements. The nonfederal share of costs for services provided under this subdivision is the responsibility of the local school district as provided in section 125A.74. Services listed in a child's individualized education program are eligible for medical assistance reimbursement only if those services meet criteria for federal financial participation under the Medicaid program.

- 52.28 (b) Approval of health-related services for inclusion in the individualized education
 52.29 program does not require prior authorization for purposes of reimbursement under this
 52.30 chapter. The commissioner may require physician, advanced practice registered nurse, or
 52.31 physician assistant review and approval of the plan not more than once annually or upon
 52.32 any modification of the individualized education program that reflects a change in
 52.33 health-related services.
- 53.1 (c) Services of a speech-language pathologist provided under this section are covered notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:
- 53.3 (1) holds a masters degree in speech-language pathology;
- 53.4 (2) is licensed by the Professional Educator Licensing and Standards Board as an 53.5 educational speech-language pathologist; and
- (3) either has a certificate of clinical competence from the American Speech and Hearing
 Association, has completed the equivalent educational requirements and work experience
 necessary for the certificate or has completed the academic program and is acquiring
 supervised work experience to qualify for the certificate.
- 53.10 (d) Medical assistance coverage for medically necessary services provided under other 53.11 subdivisions in this section may not be denied solely on the basis that the same or similar 53.12 services are covered under this subdivision.
- 53.13 (e) The commissioner shall develop and implement package rates, bundled rates, or per 53.14 diem rates for special education services under which separately covered services are grouped 53.15 together and billed as a unit in order to reduce administrative complexity.
- 53.16 (f) The commissioner shall develop a cost-based payment structure for payment of these 53.17 services. Only costs reported through the designated Minnesota Department of Education 53.18 data systems in distinct service categories qualify for inclusion in the cost-based payment

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structure. The commissioner shall reimburse claims submitted based on an interim rate, and shall settle at a final rate once the department has determined it. The commissioner shall notify the school district of the final rate. The school district has 60 days to appeal the final rate. To appeal the final rate, the school district shall file a written appeal request to the commissioner within 60 days of the date the final rate determination was mailed. The appeal request shall specify (1) the disputed items and (2) the name and address of the person to contact regarding the appeal.

(g) Effective July 1, 2000, medical assistance services provided under an individualized education program or an individual family service plan by local school districts shall not count against medical assistance authorization thresholds for that child.

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- (h) Nursing services as defined in section 148.171, subdivision 15, and provided as an individualized education program health-related service, are eligible for medical assistance payment if they are otherwise a covered service under the medical assistance program. Medical assistance covers the administration of prescription medications by a licensed nurse who is employed by or under contract with a school district when the administration of medications is identified in the child's individualized education program. The simple administration of medications alone is not covered under medical assistance when administered by a provider other than a school district or when it is not identified in the child's individualized education program.
- (i) School social work Services provided by a school social worker as described in paragraph (1) must be provided by a mental health professional as defined in section 2451.04, subdivision 2; a clinical trainee as defined in section 245I.04, subdivision 6, under the supervision of a mental health professional; or a mental health practitioner as defined in section 245I.04, subdivision 4, under the supervision of a mental health professional, are to be eligible for medical assistance payment. A mental health practitioner performing school social work services under this section must provide services within the mental health practitioner's licensure scope of practice, if applicable, and within the mental health practitioner scope of practice under section 2451.04, subdivision 5 reimbursement. Services described in paragraph (1) must be provided within the provider's scope of practice as defined in section 245I.04, subdivisions 3, 5, and 7.
- (j) Notwithstanding section 245I.10, subdivision 2, a special education evaluation, and assessment for and within an individual family service plan or individualized education program, or individual family service plan may be used to determine medical necessity and eligibility for school social work services under paragraph (i) instead of a diagnostic assessment for services described under paragraph (1). The special education evaluation and assessments for and within the individualized education program, or individual family service plan, that meet the requirements in section 245I.10, subdivisions 4, and 5 or 6, and that is completed by a licensed mental health professional or clinical trainee supervised by a licensed mental health professional can be used for determining medical necessity. In addition, for services that do not require a diagnosis using an assessment as defined in section 2451.10, subdivisions 4, and 5 or 6, the special education evaluation and assessments

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structure. The commissioner shall reimburse claims submitted based on an interim rate, and shall settle at a final rate once the department has determined it. The commissioner shall notify the school district of the final rate. The school district has 60 days to appeal the final rate. To appeal the final rate, the school district shall file a written appeal request to the commissioner within 60 days of the date the final rate determination was mailed. The appeal request shall specify (1) the disputed items and (2) the name and address of the person to contact regarding the appeal.

- (g) Effective July 1, 2000, medical assistance services provided under an individualized 53.26 education program or an individual family service plan by local school districts shall not count against medical assistance authorization thresholds for that child.
- 53.29 (h) Nursing services as defined in section 148.171, subdivision 15, and provided as an individualized education program health-related service, are eligible for medical assistance payment if they are otherwise a covered service under the medical assistance program. Medical assistance covers the administration of prescription medications by a licensed nurse who is employed by or under contract with a school district when the administration of medications is identified in the child's individualized education program. The simple administration of medications alone is not covered under medical assistance when administered by a provider other than a school district or when it is not identified in the child's individualized education program.
- (i) School social work Services provided by a school social worker as described in paragraph (1) must be provided by a mental health professional as defined in section 2451.04, subdivision 2; a clinical trainee as defined in section 245I.04, subdivision 6, under the supervision of a mental health professional; or a mental health practitioner as defined in section 245I.04, subdivision 4, under the supervision of a mental health professional, are to be eligible for medical assistance payment. A mental health practitioner performing school social work services under this section must provide services within the mental health practitioner's licensure scope of practice, if applicable, and within the mental health practitioner scope of practice under section 2451.04, subdivision 5 reimbursement. Services described in paragraph (1) must be provided within the provider's scope of practice as defined in section 245I.04, subdivisions 3, 5, and 7. 54.15
- 54.16 (i) Notwithstanding section 245I.10, subdivision 2, a special education evaluation, and assessment for and within an individual family service plan or individualized education program, or individual family service plan may be used to determine medical necessity and eligibility for school social work services under paragraph (i) instead of a diagnostic assessment for services described under paragraph (1). The special education evaluation and assessments for and within the individualized education program, or individual family service plan, that meet the requirements in section 245I.10, subdivision 4 and subdivision 5 or 6, and that is completed by a licensed mental health professional or clinical trainee supervised by a licensed mental health professional can be used for determining medical 54.25 necessity. In addition, for services that do not require a diagnosis using an assessment as defined in section 245I.10, subdivision 4 and subdivision 5 or 6, the special education

75.17 75.18 75.19 75.20	for and within the individualized education program, or individual family service plan, that provide an International Classification of Diseases diagnostic code and are completed by a licensed mental health professional or clinical trainee supervised by a licensed mental health professional can be used for determining medical necessity.
75.21 75.22 75.23	(k) A school social worker or school providing mental health services under paragraph (i) (l) is not required to be certified to provide children's therapeutic services and supports under section 256B.0943.
75.24 75.25	(l) Covered mental health services provided by a school social worker under this paragraph (i) include but are not limited to:
75.26	(1) administering and reporting standardized measures;
75.27	(2) care coordination;
75.28	(3) children's mental health crisis assistance, planning, and response services;
75.29	(1) the explanation of finding as described in section 256B.0671, subdivision 4;
75.30	(2) psychotherapy for crisis as described in section 256B.0625;
75.31 75.32	$\frac{(4)}{(3)}$ children's mental health clinical care consultation, as described in section 256B.0671, subdivision 7;
76.1 76.2	(5) (4) dialectical behavioral therapy for adolescents, as described in section 256B.0671, subdivision 6;
76.3	(6) direction of mental health behavioral aides;
76.4 76.5 76.6 76.7 76.8	(7) (5) family psychoeducation, as described in section 256B.0671, subdivision 5, which includes skill development, peer group sessions, and individual sessions. Notwithstanding section 256B.0671, subdivision 5, family psychoeducation services under this section may be delivered by a mental health practitioner as defined under section 245I.04, subdivision 4; and
76.9 76.10 76.11	(8) (6) individual, family, and group psychotherapy; as described in section 256B.0671, subdivision 5, which includes skills development, individual treatment plan and diagnostic condition or statutorily equivalent components.
76.12	(9) mental health behavioral aide services;
76.13	(10) skills training; and
76.14	(11) treatment plan development and review.
76.15	EFFECTIVE DATE. This section is effective July 1, 2024, or upon federal approval,

76.16 whichever is later.

54.27	evaluation and assessments for and within the individualized education program, or individual
54.28	family service plan, that provide an International Classification of Diseases diagnostic code
54.29 54.30	and are completed by a licensed mental health professional or clinical trainee supervised by a licensed mental health professional can be used for determining medical necessity.
54.31	(k) A school social worker or school providing mental health services under paragraph
54.32 54.33	(i) (l) is not required to be certified to provide children's therapeutic services and supports under section 256B.0943.
54.34 54.35	(l) Covered mental health services provided by a school social worker under this paragraph (i) include but are not limited to:
55.1	(1) administering and reporting standardized measures;
55.2	(2) care coordination;
55.3	(3) children's mental health crisis assistance, planning, and response services;
55.4	(1) the explanation of findings as described in section 256B.0671, subdivision 4;
55.5	(2) psychotherapy for crisis as described in section 256B.0671, subdivision 14;
55.6	(4) (3) children's mental health clinical care consultation, as described in section
55.7	256B.0671, subdivision 7;
55.8	(5) (4) dialectical behavioral therapy for adolescents, as described in section 256B.0671,
55.9	subdivision 6;
55.10	(6) direction of mental health behavioral aides;
55.11	(7) (5) family psychoeducation, as described in section 256B.0671, subdivision 5; and
55.12	(8) (6) individual, family, and group psychotherapy;, as described in section 256B.0671,
55.13	subdivision 11.
55.14	(9) mental health behavioral aide services;
55.15	(10) skills training; and
55.16	(11) treatment plan development and review.
55.17	EFFECTIVE DATE. This section is effective July 1, 2024, or upon federal approval,
55.18	whichever is later.

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Sec. 3. Minnesota Statutes 2023 Supplement, section 256B.0671, is amended by adding a subdivision to read:	Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.0671, is amended by adding a subdivision to read:
 Subd. 11a. Psychotherapy for crisis. (a) Medical assistance covers psychotherapy for crisis when a recipient is in need of an immediate response due to an increase of mental illness symptoms that put them at risk of one of the following: 	Subd. 14. Psychotherapy for crisis. (a) Medical assistance covers psychotherapy for crisis when a recipient is in need of an immediate response due to an increase of mental illness symptoms that put them at risk of one of the following:
76.22 (1) experiencing a life threatening mental health crisis;	(1) experiencing a life threatening mental health crisis;
76.23 (2) needing a higher level of care;	(2) needing a higher level of care;
76.24 (3) worsening symptoms without mental health intervention;	55.26 (3) worsening symptoms without mental health intervention;
76.25 (4) harm to self, others, or property damage; or	(4) harm to self, others, or property damage; or
76.26 (5) significant disruption of functioning in at least one life area.	55.28 (5) significant disruption of functioning in at least one life area.
76.27 (b) "Psychotherapy for crisis" means a treatment of clients to reduce their mental health crisis through immediate assessment and psychotherapeutic interventions. Psychotherapy for crisis must include:	(b) "Psychotherapy for crisis" means a treatment of client to reduce their mental health crisis through immediate assessment and psychotherapeutic interventions. It must include:
76.30 (1) emergency assessment of the crisis situation;	(1) emergency assessment of the crisis situation;
77.1 (2) mental status exam;	(2) mental status exam;
77.2 (3) psychotherapeutic interventions to reduce the crisis; and	(3) psychotherapeutic interventions to reduce the crisis; and
77.3 (4) development of a post-crisis plan that addresses the recipient's coping skills and community resources.	56.6 (4) development of a post-crisis plan that addresses the recipient's coping skills and community resources.
77.5 EFFECTIVE DATE. This section is effective the day following final enactment.	56.8 <u>EFFECTIVE DATE.</u> This section is effective the day following final enactment.
77.6 Sec. 4. Laws 2023, chapter 55, article 7, section 18, subdivision 4, as amended by Laws 2024, chapter 81, section 18, is amended to read:	Sec. 3. Laws 2023, chapter 55, article 7, section 18, subdivision 4, as amended by Laws 2024, chapter 81, section 18, is amended to read:
577.8 Subd. 4. Special education; regular. (a) For special education aid under Minnesota Statutes, section 125A.75:	Subd. 4. Special education; regular. (a) For special education aid under Minnesota Statutes, section 125A.75:
77.10 \$ 2,288,826,000 2024	56.13 \$ 2,288,826,000 2024
77.11	56.14
77.13 (b) The 2024 appropriation includes \$229,860,000 for 2023 and \$2,058,966,000 for 77.14 2024.	56.16 (b) The 2024 appropriation includes \$229,860,000 for 2023 and \$2,058,966,000 for 56.17 2024.
77.15 (c) The 2025 appropriation includes \$289,842,000 for 2024 and \$2,195,298,000 77.16 \$2,196,339,000 for 2025.	56.18 (c) The 2025 appropriation includes \$289,842,000 for 2024 and \$2,195,298,000 56.19 \$2,196,339,000 for 2025.

77.17	EFFECTIVE DATE. This section is effective the day following final enactment.
77.18	Sec. 5. SPECIAL EDUCATION FUNDING RECOMMENDATIONS.
77.19	(a) The commissioner of education must contract with an external consultant to:
77.20	(1) review special education delivery and costs in Minnesota; and
77.21	(2) develop recommendations to increase paperwork efficiency while reducing costs.
77.22 77.23 77.24 77.25 77.26 77.27	(b) In developing the recommendations, the consultant must consult with school districts, charter schools, intermediate school districts, special education cooperatives, education districts, and service cooperatives; special education teachers, administrators, and unlicensed staff providing support to students with disabilities; families of students with disabilities; advocacy organizations that provide support to students with disabilities; and other stakeholders.
77.28 77.29	(c) The consultant must submit a report to the commissioner with the recommendations. The report must:
78.1 78.2 78.3	(1) review how school districts, charter schools, intermediate school districts, special education cooperatives, education districts, and service cooperatives deliver special education services, including complying with paperwork requirements, and the costs and benefits;
78.4	(2) compare relevant state and federal special education laws and regulations;
78.5	(3) analyze trends in special education enrollment;
78.6	(4) identify funding disparities that decrease inclusion;
78.7 78.8	(5) identify strategies or programs and universal interventions that are evidence-based and would be effective in reducing the need for special education services; and
78.9 78.10	(6) analyze funding for nonresident children in accordance with Minnesota Statutes, sections 125A.11 and 127A.47.
78.11 78.12 78.13	(d) The commissioner must submit the consultant's report to the legislative committees with jurisdiction over education policy and finance by January 5, 2025, and in accordance with Minnesota Statutes, section 3.195.
78.14	EFFECTIVE DATE. This section is effective the day following final enactment.
78.15	Sec. 6. APPROPRIATION.
78.16 78.17 78.18	<u>Subdivision 1.</u> Department of Education. The sum indicated in this section is appropriated from the general fund to the Department of Education in the fiscal year designated.

FOR SENATE LANGUAGE IN ARTICLE 6, SECTION 4, SEE COMPARISON TO HOUSE LANGUAGE IN ARTICLE 5, SECTION 23

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<u>Subd. 2.</u> **Special education funding report.** (a) To contract with an external consultant for a report on increasing special education paperwork efficiency while reducing costs: 78.19 78.20

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78.21 \$ 440,000 2025

(b) This is a onetime appropriation. 78.22