

2026 Minnesota HCBS Updates

A Manager's Implementation Guide



Illustrative AI-generated scene with fictional people.

Managers, designated coordinators and agency owners

Estimated study time: 60-75 minutes

Selected enacted Minnesota changes and separately labeled DHS implementation updates. Reviewed September 26, 2026.

Learning objectives

1. Separate enacted law, effective dates and DHS implementation.
2. Update rights, policy distribution and annual-training processes.
3. Apply continuity-of-care and housing-account requirements to the right services.
4. Identify licensing, ownership and program-integrity changes.
5. Prepare for conditional and future HCBS requirements without premature service cuts.

How to use this guide

Read each section with the matching presentation slide. Pause at scenarios, explain your decision, and compare your reasoning with the discussion. Source numbers link to the references at the end.

Course terms

HCBS: home and community-based services. **DHS**: Minnesota Department of Human Services. **DSP**: direct support professional. **DC**: designated coordinator. **IHS**: individualized home supports. **ICS**: integrated community supports. **EVV**: electronic visit verification. **CBSM**: Community-Based Services Manual.

Assessment

Suggested final assessment: 10 questions drawn from the separate 30-question bank, with an 80% passing score. Your course provider configures the actual assessment. Estimated time is not an accredited CE award.

1. The manager's scope

SELECTED 2026 CHANGES / Slide 3

- Focus: 245D operations, rights, staff training and continuity.
- Also covered: licensing, integrity, IHS, ICS and future records.
- Specialized programs may have additional requirements.

Discussion. This is a focused implementation course, not a complete legal digest or individual legal advice. Map each change to your actual licenses, services, payer arrangements and settings. The accompanying source and implementation notes identify major boundaries and disagreements in summaries. Use the caregiver course to communicate frontline responsibilities after management has reviewed the applicable policies.

Sources: 1

2. A law needs an implementation date

SOURCE REVIEW / Slide 4

- Check the enacted section, including dates inside the subdivision.
- Distinguish statutory duties from DHS policy and agency practice.
- Record federal-approval conditions and later implementation notices.

Discussion. The session-law text may contain both a section effective date and a later operational start date. A bill, hearing handout or rulemaking proposal does not establish an enacted duty. Use official sources and keep a dated record of the decision. Recommendations in this course are labeled; they are not invented regulatory deadlines.

Sources: 1, 2, 3

3. 2026 implementation calendar

AS OF SEPTEMBER 26, 2026 / Slide 5

- May 28: rights restrictions and policy distribution clarifications.
- July 1: selected licensing and integrity provisions.
- August 1: training, minor rights, benefit interruptions and housing accounts.
- October 1: specified ownership exception removed.

Discussion. Chapter 95 was signed May 14 and Chapter 121 May 27. Dates here refer to the provisions discussed, not every provision of either law. Some changes require additional implementation or apply only to specific services. Create a calendar tied to your service inventory and source references.

Sources: 1, 4, 5, 6

4. Rights restrictions have boundaries

NEW CLARIFICATION / MAY 28, 2026 / Slide 6

- Cleanliness, freedom from hazards and residential fire-code conditions cannot be waived through a rights restriction.
- Review existing restrictions for statutory authority.
- Correct unsafe conditions and address reporting duties.

Discussion. Chapter 121 narrows 245D.04, subdivision 3(c), to specified residential rights in clauses (1)-(7), excluding conditions in clauses (8)-(10). Within the statutory setting scope, signed consent cannot authorize dirt, hazards or a noncompliant dwelling. Other restrictions still require the applicable assessment, documentation and approval process.

Sources: 5

5. Policy distribution and staff preparation

NEW CLARIFICATION / MAY 28, 2026 / Slide 7

- Give required rights-related policies to the person, legal representative and case manager within five working days.
- Basic providers must include the emergency manual-restraint policy.
- Existing revision-notice and staff-training requirements remain.

Discussion. Check your intake checklist, recipient list and delivery evidence. For rights-affecting procedural revisions and maltreatment policies, the existing law requires at least 30 days' written notice or documentation of reasonable cause for shorter notice. Employees must be informed and trained before implementation. Do not mistake the new legal-representative language for a new five-day deadline for every policy revision.

Sources: 7

6. Restraint policy does not create permission

ONGOING LIMITS + 2026 POLICY CLARIFICATION / Slide 8

- Basic-service policies must address emergency manual restraint.
- Review whether the agency permits it and which staff are trained.
- Prevention, restrictions, reporting and review remain governed by 245D.061.

Discussion. A written policy is not a credential. This course does not train staff in restraint techniques. Ensure that the policy accurately reflects the agency's permitted response and approved alternatives. Do not expand physical interventions just because basic-service policy language was clarified. Audit staff understanding through role-specific training.

Sources: 7, 8

7. Annual training: a bounded delay

NEW FLEXIBILITY / AUGUST 1, 2026 / Slide 9

- The license holder may delay annual training up to 90 calendar days beyond the otherwise-required date.
- Keep required content; communicate any approved revised deadline.
- Do not apply this automatically to orientation, competency or certification expiration.

Discussion. The amendment is specific to 245D.09, subdivision 5. It grants an option to the license holder, not a universal exemption for staff. Recommended management controls include recording the original due date, the approved revised date and actual completion. Keep first-aid certification requirements distinct; the existing exception depends on a current certification.

Sources: 4

8. Children's rights and sensible decisions

NEW RIGHTS / AUGUST 1, 2026 / Slide 10

- Support activities suitable for chronological age or developmental abilities.
- Reasonable and prudent parenting includes safety, growth, best interests and cultural, religious and Tribal values.
- Review restrictions under the new minors provision and applicable planning requirements.

Discussion. The new subdivision applies to persons under 18 receiving 245D services. It permits specified restrictions only when necessary for health, safety and well-being or under reasonable and prudent parenting standards. It does not extend this parenting framework to adults. Avoid blanket rules based only on disability or staff convenience. Seek appropriate review when authority or the interaction with an existing restriction is uncertain.

Sources: 9

9. Benefit interruptions and continuity

NEW PROTECTION / AUGUST 1, 2026 / Slide 11

- An interruption of public benefits lasting less than 60 days does not constitute nonpayment for 245D suspension or termination.
- Identify why payment stopped and coordinate with the case manager.
- Day 60 is not an automatic termination date.

Discussion. Chapter 95 amends both suspension and termination provisions. Other statutory grounds remain, and notice, mitigation and coordination duties still apply. A billing delay, benefit interruption and loss of eligibility are not interchangeable facts. Preserve the chronology, verify the situation and obtain appropriate review before taking action. Do not shift an unauthorized termination decision to direct support staff.

Sources: 10

10. ICS notices now include the commissioner

NEW DUTY / AUGUST 1, 2026 / Slide 12

- ICS providers must notify the commissioner in writing of intended suspension or termination.
- Existing notice recipients and statutory procedures remain.
- Update forms, routing and proof of notice.

Discussion. The amendment adds integrated community supports to the services that require commissioner notification. Temporary suspension notice is due on the first day of suspension under the existing provision. Termination has its own timelines and appeal-related requirements; use the full statute and current DHS process. A notice alone does not establish a lawful ground for ending services.

Sources: 10

11. Housing accounts: who is covered

NEW DUTY / AUGUST 1, 2026 / Slide 13

- Housing payments pass through the license holder or a controlling individual.
- The provider delivers 245D HCBS in the multifamily building.
- The required ownership, lease or financial relationship with the property owner exists.

Discussion. Read all parts of 245D.097 before deciding applicability. The new law is specific to the described multifamily housing arrangement. It is not a universal client-funds rule for every service. Other funds-handling requirements still apply. Map ownership and payment flows; ask for qualified review if a relationship is unclear.

Sources: 11

12. Housing accounts: operational duties

FOR COVERED ARRANGEMENTS / Slide 14

- Keep accurate records and a dedicated account or subaccount for each person.
- Use funds only for that person's housing expenses.
- Provide statements monthly and on demand to required recipients.

Discussion. Statements show receipts, deposits and withdrawals and go to the person or the entity acting on their behalf and the case manager. Give the same information to the commissioner on demand. The account rule continues if the person stops receiving services but still makes housing payments to the license holder. Review reconciliation and statement delivery with finance staff.

Sources: 11

13. Adult protection changes

2026 LAW + ONGOING REPORTING DUTIES / Slide 15

- Financial exploitation: the unauthorized-expenditure clause no longer includes its former detriment phrase.
- Self-neglect now expressly includes financial management.
- County APS process changes do not remove provider reporting duties.

Discussion. Chapter 95 revises several Vulnerable Adult Act provisions. The financial-exploitation change concerns 626.5572, subdivision 9(a)(1), in the context of breach of a fiduciary obligation. Do not apply it as a universal definition of every spending dispute. Update training so staff report concerns and preserve facts instead of waiting to prove financial loss or conducting their own investigation first.

Sources: 12, 13

14. Outside assistance attestation

NEW REQUIREMENT / JULY 1, 2026 / Slide 16

- The enacted clause targets publicly reimbursed services designated high-risk.
- A notarized applicant or authorized-agent attestation states whether outside assistance was received.
- Covered materials include applications, renewals and required documentation or policies.

Discussion. The DHS summary uses broader wording about public funds. The enacted 245A.04, subdivision 1(j), includes the high-risk designation condition. Use that scope and current DHS forms. Keep a record of unaffiliated business or consultant assistance; the duty is disclosure, not a ban on assistance. Missing required information can prevent licensing.

Sources: 14

15. Ownership and moratorium are separate questions

JULY 1 AND OCTOBER 1, 2026 / Slide 17

- A qualifying ownership change with no increase in capacity or service scope is outside a licensing moratorium.
- October 1 removes the specified exception based on a continuing controlling individual.
- Confirm new-license and ownership procedures before closing a transaction.

Discussion. Do not read the July moratorium exception as permission to skip a new-license requirement. Chapter 121 also removes the ownership exception tied to a controlling individual who had been on the license for the previous 12 months and will remain. These provisions address different legal questions. Obtain current DHS instructions for the particular transaction.

Sources: 14, 6

16. Existing 245D licensing pause

DHS IMPLEMENTATION CONTEXT / NOT A NEW 2026 ACT / Slide 18

- DHS's January 1, 2026 licensing moratorium pauses new licenses and added service lines.
- The announced anticipated end is December 31, 2027.
- Lead-agency or Tribal requests support the exception process.

Discussion. This operational context began in 2026 and is included because it affects implementation planning. Do not describe it as a new provision created by the spring 2026 acts. It differs from a Medicaid enrollment moratorium and from the future ICS setting moratorium. Confirm which approval is needed before expanding services.

Sources: 15

17. Program integrity and agency ownership

2026 ENROLLMENT FRAMEWORK / Slide 19

- Review your provider risk classification and enrollment requirements.
- Assign responsibility for MN-ITS notices, revalidation and compliance.
- Preserve evidence that claims match actual services.

Discussion. Chapter 121 adds a provider-enrollment framework, including compliance-officer requirements for enrolled DHS-licensed providers. New statutory authorities, specific effective dates and DHS operational instructions must be read together. The course's suggested assignment of a backup mailbox reviewer is an agency control, not a new standalone statutory deadline. Avoid treating all provider types as high-risk.

Sources: 16, 17

18. High-risk compliance training

FUTURE REQUIREMENTS / BEGINNING JANUARY 1, 2027 / Slide 20

- Covered day-to-day owners and managerial/supervisory employees must complete commissioner-defined training.
- Enrollment, reenrollment and revalidation trigger requirements.
- For agencies enrolled before January 1, 2027, initial training is due by January 1, 2028.

Discussion. Section 256B.0446 applies to agencies providing commissioner-designated high-risk services. New covered owners and employees face a 30-calendar-day requirement and must train before management or operations activities. Verify DHS implementation details. This CareCertify update does not substitute for commissioner-defined compliance training or promise to satisfy that requirement.

Sources: 16

19. EVV: the 2026 compliance timeline

DHS IMPLEMENTATION UPDATE / Slide 21

- January 1: 50% provider compliance threshold.
- July 1: 80% threshold for visits billed from that date.
- October: planned notices below 80% based on July-September data.

Discussion. This is enforcement of an existing EVV requirement. It applies to required services. Providers must submit complete data for all visits, including noncompliant visits, and monitor all relevant identifiers. Review reports, address errors and monitor MN-ITS. An 80% threshold does not excuse omission of the remaining visits.

Sources: 18

20. IHS: enacted caps and DHS instructions

CONDITIONAL IMPLEMENTATION / Slide 22

- Training: 182.5 hours per month, January 1, 2027 or federal approval, if later.
- Family training: six-hour daily cap already federally approved; implementation steps remained in June.
- DHS's June 30 notice directs continued use of current CBSM until instructions.

Discussion. Approval status differs by change. The same-provider IHS change also received federal approval but awaited system and guidance updates in the June notice. Verify later announcements before altering authorizations. Do not describe the family cap as necessarily first beginning in 2027, and do not implement the older three-consecutive/six-total-hour provision independently.

Sources: 3, 19

21. Scenario: monthly hours and unmet needs

PLANNING FOR THE FUTURE CAP / Slide 23

- Seven hours per day in a 30-day month equals 210 hours.
- 210 minus 182.5 leaves 27.5 hours to address in planning.
- Coordinate an authorized plan for unmet needs; do not relabel or abruptly stop support.

Discussion. Use actual calendar-month schedules. Six hours daily in a 31-day month still equals 186 hours, 3.5 above the monthly cap. Alternative services must satisfy their own coverage rules and cannot duplicate billed time. Plan with the person and lead agency before implementation and document the rationale and authorization.

Sources: 3, 19

22. ICS setting approvals

FUTURE / JANUARY 1, 2027 / Slide 24

- A new moratorium addresses new ICS settings and expansion of existing settings.
- The law provides a limited exception process with lead-agency involvement.
- It is separate from the existing 245D licensing pause.

Discussion. Chapter 121, article 9, section 39 adds the setting-approval moratorium and criteria, including indirect control and compliance with federal HCBS, room-and-board, lease and documentation requirements. The commissioner must determine that the lead agency requested capacity for specific disability-related needs. Do not assume an exception will be granted or that existing approval automatically permits expansion.

Sources: 20

23. ICS access-service standards

FUTURE / OCTOBER 1, 2027 OR LATER FEDERAL APPROVAL / Slide 25

- Access means onsite or on-call availability for incidental, unplanned needs.
- Document each actual support instance within 72 hours; explain extenuating delay.
- The statute does not require an instance of support for every access-service day billed.

Discussion. The operational date is inside subdivision 21(a). The DHS summary lists this provision under July 2026; the enacted text supplies the later conditional date. Build future fields for individual, request date/time, delivery date/time, staff, support description and whether direct one-to-one service followed. Continue current requirements and verify DHS instructions before billing under the new standard.

Sources: 2, 1

24. Residential staffing records

FUTURE / SERVICES FROM JANUARY 1, 2029 / Slide 26

- Person-level direct staffing records include staff identity, role, hours and overnight categories.
- Maintain links across payroll or staff-identifier changes.
- Plan for six-year retention and DHS-directed annual submissions.

Discussion. Chapter 121 includes residential staffing documentation provisions in article 9, sections 35 and 49. Read the covered residential-service definitions. The new operational date is 2029, even where the section itself became effective earlier. Preserve current required records now and watch for DHS formats and assigned submission windows. Do not replace existing documentation with a future template prematurely.

Sources: 21

25. Other items for the agency calendar

SELECTED WATCHLIST / Slide 27

- 2026: positive-support qualifications and program-specific background-study changes.
- 2027: residential-location/inspection provisions and conditional transportation changes.
- 2028: interpretive-guideline publication duty for DHS.

Discussion. The source notes identify items needing a separate service-specific review: qualified positive-support personnel, fingerprint studies for affected county-delegated services, residential setting requirements, and waiver transportation. Chapter 121 also directs systems for the federal access rule. These state planning or future duties do not establish a new universal DSP technique or immediate wage rule.

Sources: 1, 22, 23

26. Scenario: a benefit gap and a move-out notice

PRACTICE / Slide 28

- An ICS resident's public benefits have been interrupted for 40 days.
- The agency drafts a termination solely for nonpayment.
- Stop and review the legal basis, continuity duties and notice process.

Discussion. Answer: the interruption alone is excluded from nonpayment because it has lasted less than 60 days. Do not issue the notice on that basis. Coordinate with the case manager to resolve benefits and plan support. If a different statutory ground genuinely applies, review all procedures, including commissioner notification for ICS. A housing tenancy has additional legal requirements beyond this course.

Sources: 10

27. An implementation record that staff can use

RECOMMENDED MANAGEMENT CONTROL / Slide 29

- List each applicable change, source, effective condition and responsible owner.
- Track revised forms, policy delivery, staff training and completion evidence.
- Set a review date for pending DHS instructions.

Discussion. This is a recommended management method, not a prescribed form or new monthly audit mandate. Distinguish completed work from a planned task. Use the source and implementation notes to start your record. Have a second qualified reviewer examine high-impact decisions such as restrictions, service termination, ownership changes and new billing limits.

Sources: 1

28. Knowledge check

PAUSE AND DISCUSS / Slide 30

- Does the housing-account law apply to every HCBS client?
- Can the training-delay option extend all certifications?
- Can a July heading override a later date inside the enacted ICS provision?

Discussion. Answers: No. Housing-account applicability depends on payment flow, multifamily setting and provider/property relationship. The annual-training amendment does not automatically extend certifications. An enacted operational date or approval condition must be checked directly. Explain how your agency will communicate these distinctions to staff.

Sources: 11, 4, 2

29. Course completion

ASSESSMENT AND NEXT STEPS / Slide 31

- Complete 10 questions drawn from the 30-question bank; pass at 80%.
- Use the source notes to assign applicable implementation tasks.
- Recheck DHS instructions before decisions involving pending changes.

Discussion. The course owner must configure random selection and passing score in LearnPress. Estimated time is a planning estimate, not an accredited CE award. This educational course is not commissioner-defined high-risk provider compliance training, legal representation or a full service-specific compliance audit. Retain completion evidence according to applicable agency requirements.

Sources: 24, 16

Practice and application

Answer before checking the explanation. These questions are practice, separate from your final assessment.

1. The initial required-policy delivery deadline is:

Write or discuss your answer: _____

2. Benefits have been interrupted for 40 days. May that interruption alone support nonpayment termination?

Write or discuss your answer: _____

3. What changed in one fiduciary-duty financial-exploitation clause?

Write or discuss your answer: _____

4. Once the new high-risk training provision applies, a covered new manager generally must train:

Write or discuss your answer: _____

5. The new ICS setting-approval moratorium begins:

Write or discuss your answer: _____

Practice explanations

1. Five working days after service initiation

The deadline is five working days, and the legal representative is now included.

2. No

Interruptions lasting less than 60 days are excluded from the nonpayment ground.

3. The detriment language was removed from the unauthorized-expenditure clause

The specific amendment does not erase other statutory elements or reporting duties.

4. Within 30 calendar days and before undertaking management operations

The statute ties new-owner and manager training to both the 30-day window and the start of operations.

5. January 1, 2027

The setting moratorium has its own limited exception process and is separate from the existing licensing pause.

One action for my role

The change I need to confirm: _____

Who I will contact: _____

Where I will find the current instruction: _____

References

Primary legal text controls the legal requirement. Check later DHS instructions for implementation. Links reviewed September 26, 2026.

1. DHS 2026 HCBS legislative summary

https://mn.gov/dhs/assets/2026%20legislative%20session%20summaries%20-%20ADC,%20AFC,%20CFRS,%20CRS,%20FADS,%20and%20HCBS_tcm1053-754321.pdf

2. Chapter 121, article 9, section 37: future ICS access services

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.9.37.0>

3. DHS June 30, 2026: upcoming IHS changes

https://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=MNDHS-086534

4. Chapter 95, article 4, section 8: annual training

<https://www.revisor.mn.gov/laws/2026/0/95/#laws.4.8.0>

5. Chapter 121, article 4, section 23: protection-related rights

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.4.23.0>

6. Chapter 121, article 4, sections 5-6 and 37: ownership changes

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.4.5.0>

7. Chapter 121, article 4, section 24: policies and representatives

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.4.24.0>

8. Minn. Stat. 245D.061: emergency use of manual restraints

<https://www.revisor.mn.gov/statutes/cite/245D.061>

9. Chapter 95, article 5, sections 4-5: rights of minor children

<https://www.revisor.mn.gov/laws/2026/0/95/#laws.5.5.0>

10. Chapter 95, article 8, sections 2-3: service suspension and termination

<https://www.revisor.mn.gov/laws/2026/0/95/#laws.8.2.0>

11. Chapter 95, article 8, section 1: housing accounts

<https://www.revisor.mn.gov/laws/2026/0/95/#laws.8.1.0>

12. Chapter 95, article 7, sections 7-27: vulnerable adult protections

<https://www.revisor.mn.gov/laws/2026/0/95/#laws.7.23.0>

13. Minn. Stat. 626.557: reporting maltreatment of vulnerable adults

<https://www.revisor.mn.gov/statutes/cite/626.557>

14. Chapter 121, article 3, sections 7-10: application and attestation

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.3.7.0>

15. DHS existing 245D licensing moratorium

<https://mn.gov/dhs/partners-and-providers/partners-licensing/hcbs-245d/temporary-moratorium-exceptions/>

16. Chapter 121, article 3, sections 17-25 and 63: program integrity

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.3.24.0>

17. Chapter 121, article 4, sections 25-26: fraud and claim review

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.4.25.0>

18. DHS EVV compliance timeline and required services

<https://mn.gov/dhs/partners-and-providers/news-initiatives-reports-workgroups/long-term-services-and-supports/evv/>

19. Chapter 121, article 9, section 31: IHS limits

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.9.31.0>

20. Chapter 121, article 9, section 39: ICS setting approval moratorium

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.9.39.0>

21. Chapter 121, article 9, sections 35 and 49: future residential staffing records

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.9.35.0>

22. Chapter 95, article 4, sections 9-10: positive support qualifications

<https://www.revisor.mn.gov/laws/2026/0/95/#laws.4.10.0>

23. Chapter 121, article 9: additional future HCBS changes

<https://www.revisor.mn.gov/laws/2026/0/121/#laws.9.11.0>

24. DHS DSD stakeholder announcement archive

<https://mn.gov/dhs/disability-aging/home-and-community-services/resources/stakeholder-electronic-mailing-archives/>