

HOUSE RESEARCH

Bill Summary

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Overview

H.F. 2277 makes various substantive and technical amendments to the Human Services Licensing Act, the Human Services Background Studies Act, provisions related to insurance for foster home providers, day training and habilitation, human services fair hearings, and the Maltreatment of Minors and Vulnerable Adults Acts. The bill establishes licensing standards for residence-based family adult day services. The bill also modifies requirements related to case management services, child care, MFIP, long-term care, and health care.

Article 1: Human Services

- 1 Insurance for foster home providers.** Amends § 245.814, subd. 1. Adds licensed family adult day services providers to the list of providers for which the Commissioner of Human Services must purchase and provide liability insurance.
- 2 Adult day care or family adult day services.** Amends § 245A.02, subd. 2a. Updates terminology to reflect the new licensing standards for adult day services in section 0of this bill.
- 3 Controlling individual.** Amends § 245A.02, subd. 5a. Adds "owner" and "managerial official" to the list of entities and individuals who are a "controlling individual" for purposes of the licensing act. Defines terms.

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- 4 Foster care for adults.** Amends § 245A.02, by adding subd. 6c. Adds a new definition related to the licensing standards for adult day services in section 0of this bill.
- 5 Functional impairment.** Amends § 245A.02, subd. 7. Updates terminology to reflect the new licensing standards for adult day services in section 0of this bill.
- 6 Nonresidential program.** Amends § 245A.02, subd. 10. Removes obsolete provisions related to nursing homes from the definition of nonresidential program.
- 7 Residential program.** Amends § 245A.02, subd. 14. Removes obsolete provisions related to nursing homes from the definition of residential program.
- 8 Exclusion from licensure.** Amends § 245A.03, subd. 2. Updates, clarifies, and removes obsolete language from provisions that exclude certain programs and facilities from licensure.
- 9 Unlicensed programs.** Amends § 245A.03, subd. 3. Gives the commissioner the authority to seek an injunction preventing the continued operation of an unlicensed program if the program continues to operate after (1) it fails to apply for a license after receiving notice that a license is required; (2) the license is revoked or suspended; or (3) the license is temporarily suspended.
- 10 Application for licensure.** Amends § 245A.04, subd. 1. (a) Requires an applicant with headquarters outside of Minnesota to have a program office located in the state if it is seeking licensure in Minnesota.
- (c) Requires an applicant or license holder to have a drug and alcohol policy that prohibits individuals who are directly responsible for persons being served by the program from abusing prescription medications or being under the influence of a chemical that impairs the individual's ability to provide services or care. Also requires the license holder to give staff training about the policy.
- (d) Requires an applicant or license holder to have a program grievance procedure for persons served by the program.
- 11 Commissioner's right of access.** Amends § 245A.04, subd. 5. Clarifies the commissioner's right to access licensed programs by adding a cross-reference to the section in current law authorizing the commissioner to approve or disapprove of public and private mental health centers and clinics. This provision clarifies the commissioner's right to access programs that are certified, not licensed.
- 12 Commissioner's evaluation.** Amends § 245A.04, subd. 6. Updates cross-reference.
- 13 Issuance of a license; extension of a license.** Amends § 245A.04, subd. 7. (d) Requires a license holder to notify and get the commissioner's approval before making any changes that alter the license.
- (e) Prohibits the commissioner from issuing a license if the applicant, license holder, or controlling individual has (1) been disqualified and the disqualification was not set aside; (2) been denied a license within the past two years; or (3) had a license revoked within the past five years.
- 14 Residential programs handling resident funds and property; additional requirements.** Amends § 245A.04, by adding subd. 13. Requires licensed residential programs to implement certain procedures regarding the handling and safekeeping of residents' personal funds or property.
- 15 Denial of application.** Amends § 245A.05. Allows the commissioner to give an applicant

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notice of a denial of a license application by personal service. Also allows the applicant to notify the commissioner of an appeal by personal service. Updates cross-reference.

- 16 **Reconsideration of correction orders.** Amends § 245A.06, subd. 2. Requires an applicant's or license holder's request for reconsideration of a correction order to be made in writing and postmarked and sent to the commissioner within 20 days after receipt of the correction order.
- 17 **Notice of conditional license; reconsideration of conditional license.** Amends § 245A.06, subd. 4. Modifies and clarifies notice and appeal requirements, including the manner of the notice provided and the timing for an appeal, if the commissioner makes a license conditional. Also provides for a contested case hearing if the commissioner issues a dual order of conditional license and orders the license holder to pay a fine.
- 18 **Temporary immediate suspension.** Amends § 245A.07, subd. 2. Adds a provision authorizing the commissioner to act immediately to temporarily suspend a license if the actions of individuals other than the license holder or conditions in the program pose an imminent risk of harm to the health, safety, or rights of persons served by the program. Updates cross-reference to administrative hearing rules. Clarifies service and timing requirements for a license holder's appeal of an order immediately suspending a license.
- 19 **Immediate suspension expedited hearing.** Amends § 245A.07, subd. 2a. Clarifies hearing notice requirements. Gives the parties ten calendar days to submit exceptions to the administrative law judge's report. Also specifies that the record closes at the end of the ten-day period for submitting exceptions and that the commissioner's final order must be issued within ten days after the record is closed.
- 20 **License suspension, revocation, or fine.** Amends § 245A.07, subd. 3. Permits the commissioner to suspend or revoke a license or impose a fine if a license holder has a disqualification that has not been set aside. Modifies and clarifies notice and appeal requirements. Updates cross-reference to administrative hearing rules.
- 21 **Receipt of appeal; conduct of hearing.** Amends § 245A.08, subd. 1. Updates cross-reference to administrative hearing rules.
- 22 **Consolidated contested case hearings for sanctions based on maltreatment determinations and disqualifications.** Amends § 245A.08, subd. 2a. Corrects cross-reference. Strikes language to clarify that a disqualified individual's hearing rights only arise from the commissioner's decision not to set aside a disqualification.
- 23 **Notice of the commissioner's final order.** Amends § 245A.08, subd. 5. Updates cross-references to administrative hearing rules.
- 24 **Consolidation of hearings; reconsideration.** Amends § 245A.085. Adds cross-reference.
- 25 **Adult foster care; family adult day services.** Amends § 245A.11, subd. 26. Updates terminology. Strikes capacity requirements codified in section 26 of the bill. Requires authorization to provide family adult day services in the adult foster care setting to be printed on the license holder's license certificate.
- 26 **Family adult day services.** Adds § 245A.143. Creates new licensing standards for residential-based family adult day services. These services are currently licensed under adult foster care licensing standards, which do not specifically regulate day services.

Subd. 1. Scope. Defines "family adult day services" for purposes of the licensing standards. Specifies when a license shall be issued, license application procedures, and the licensed capacity for the program.

Subd. 2. Definitions. Defines "caregiver," "participant," and "consultation by a health

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care professional."

Subd. 3. Policy and program information requirements. Specifies the written information a license holder must provide to participants and caregivers in the program.

Subd. 4. Admission screening and evaluation. Requires the license holder to screen an individual before admitting them into the family adult day services program.

Subd. 5. Service delivery plan. Requires the individual receiving services, the individual's caregiver, the legal representative, if any, the county or private case manager, and the license holder to develop a service delivery plan before services are provided. Specifies what the delivery plan must include.

Subd. 6. Individual service plan. Requires the license holder to develop a service plan for the individual receiving services. Specifies certain requirements for the plan.

Subd. 7. Health services. Requires the license holder to provide the health services specified in the service delivery plan. Specifies what the health services must include.

Subd. 8. Nutritional services. Specifies requirements the license holder must meet regarding food and beverages served in the program.

Subd. 9. Social services. Requires the license holder to actively assist the participants in the program in meeting certain social services goals.

Subd. 10. Participant rights. Requires the license holder to comply with a participant bill of rights. Specifies a participant's rights in the program.

Subd. 11. Staffing. Specifies staffing requirements.

Subd. 12. Training. Specifies license holder and staff training requirements.

Subd. 13. Residential requirements. Specifies building code and fire code inspection requirements for the licensed home. Specifies other requirements related to the licensed capacity and square footage of the program. Also requires the home to comply with all applicable local ordinances.

Subd. 14. Variances. Authorizes the commissioner to grant a variance to any of the requirements in this section.

27 **Delegation of authority to agencies.** Amends § 245A.16, subd. 1. Adds a cross-reference to the background studies chapter. For family adult day services programs, authorizes licensing reviews every two years after a license has at least one annual review. Also authorizes the commissioner to issue licenses under this section for up to two years.

28 **Enforcement of the commissioner's orders.** Amends § 245A.16, subd. 4. Adds cross-references to the background studies chapter.

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- 29 Admission.** Amends § 245A.22, subd. 2. Specifies admission standards for independent living assistance programs for certain targeted youth. Makes this section effective the day following final enactment.
- 30 Independent living plan.** Amends § 245A.22, subd. 3. Specifies the services that a license holder must make available to the targeted youth participating in independent living assistance programs. Makes this section effective the day following final enactment.
- 31 Interdisciplinary team.** Amends § 245B.02, by adding subd. 12a. Defines "interdisciplinary team" for purposes of licensing standards governing services to persons with mental retardation or related conditions. Makes this section effective the day following final enactment.
- 32 Licensed capacity for facility-based day training and habilitation services.** Amends § 245B.05, subd. 2. Modifies capacity requirements for licensed facility-based day training and habilitation sites. Specifies settings for which the capacity requirements do not apply. Also requires the license holder to comply with all applicable fire and safety codes and supervision requirements. Makes this section effective the day following final enactment.
- 33 Minimum level of staffing required for day training and habilitation services.** Adds § 245B.055. Specifies the staffing levels for license holders providing day training and habilitation services. This section codifies the staffing requirements currently located in rule. Makes this section effective the day following final enactment.
- 34 Policies and procedures.** Amends § 245B.07, subd. 8. Requires a license holder to develop and implement policies and procedures for a plan to respond to and report certain incidents involving consumer health and safety in the licensed program.
- 35 Separate license required for separate sites.** Amends § 245B.07, subd. 12. Provides that a day training and habilitation services site used only for the limited purpose of providing transportation to consumers receiving community-based day training and habilitation services does not have to have a separate license. Makes this section effective the day following final enactment.
- 36 Serious maltreatment.** Amends § 245C.02, subd. 18. Provides that serious maltreatment includes neglect when it results in criminal sexual conduct against a child or vulnerable adult. Makes this section effective the day following final enactment.
- 37 Licensed programs.** Amends § 245C.03, subd. 1. Clarifies language. Adds provision requiring the commissioner to conduct background studies on managerial officials defined under section 0 of this bill. Provides that for family child foster care settings, a short-term substitute caregiver providing direct contact services for less than 72 hours of continuous care is not required to receive a background study. Makes this section effective the day following final enactment.
- 38 Other state agencies.** Amends § 245C.03, by adding subd. 5. Clarifies that the commissioner must conduct background studies on applicants and license holders under the jurisdiction of other state agencies that are required to initiate background studies under other statutory sections. Makes this section effective the day following final enactment.
- 39 Individual studied.** Amends § 245C.05, subd. 1. Modifies the information that the subject of a background study must provide for a background study. Also requires the subject of a background study conducted by counties or private agencies to provide certain information. This provision codifies the standards for background studies conducted by counties and private agencies currently located in rule. Makes this section effective the day following final enactment.
- 40 Applicant, license holder, or other entity.** Amends § 245C.05, subd. 2. Corrects cross-

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reference. Adds language providing for the electronic submission of background study information. Makes this section effective the day following final enactment.

- 41 **Fingerprints.** Amends § 245C.05, subd. 5. Corrects cross-reference. Makes this section effective the day following final enactment.
- 42 **Applicant, license holder, other entities, and agencies.** Amends § 245C.05, subd. 6. Makes terminology change. Makes this section effective the day following final enactment.
- 43 **Background studies conducted by a county or private agency; foster care and family child care.** Amends § 245C.08, subd. 2. Authorizes the commissioner to review certain arrest and investigative records and criminal records for background studies conducted by a county or private agency. Also provides that, if an individual has resided in a county for less than five years, the study must include certain records from previous counties of residence. This new language codifies the standards for background studies conducted by counties and private agencies currently located in rule. Makes this section effective the day following final enactment.
- 44 **Arrest and investigative information.** Amends § 245C.08, subd. 3. Deletes unnecessary cross-reference. Makes this section effective the day following final enactment.
- 45 **Juvenile court records.** Amends § 245C.08, subd. 4. Makes technical correction. Makes this section effective the day following final enactment.
- 46 **Disqualification; licensing action.** Amends § 245C.09, subd. 1. Makes terminology change. Makes this section effective the day following final enactment.
- 47 **Timing.** Amends § 245C.13, subd. 1. Makes terminology change. Makes this section effective the day following final enactment.
- 48 **Disqualification from direct contact.** Amends § 245C.14, subd. 1. Clarifies standards for disqualification. Makes this section effective the day following final enactment.
- 49 **15-year disqualification.** Amends § 245C.15, subd. 2. Adds clarifying language. Makes this section effective the day following final enactment.
- 50 **Ten-year disqualification.** Amends § 245C.15, subd. 3. Adds clarifying language. Makes this section effective the day following final enactment.
- 51 **Seven-year disqualification.** Amends § 245C.15, subd. 4. Provides that maltreatment in any other state is a grounds for disqualification, if the elements of maltreatment are substantially similar to Minnesota law. Makes this section effective the day following final enactment.
- 52 **Determining immediate risk of harm.** Amends § 245C.16, subd. 1. Requires the commissioner to consider whether an individual has a disqualification from a previous background study that has not been set aside when determining the individual's immediate risk of harm. Authorizes the commissioner to order supervision or the immediate removal of an individual if the commissioner has reason to believe that, based on arrest or active maltreatment investigation information, an individual poses an imminent risk of harm to persons receiving services. Makes this section effective the day following final enactment.
- 53 **Time frame for notice of study results.** Amends § 245C.17, subd. 1. Makes terminology change. Makes this section effective the day following final enactment.
- 54 **Disqualification notice sent to applicant, license holder, or other entity.** Amends § 245C.17, subd. 3. Makes terminology change. Makes this section effective the day following final enactment.
- 55 **Obligation to remove disqualified individual from direct contact.** Amends § 245C.18. Requires a license holder to remove a disqualified individual from direct contact with persons served by the licensed program if the individual does not timely request a hearing or the individual requests a hearing and the commissioner does not set aside the

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- disqualification. Makes this section effective the day following final enactment.
- 56 **License holder record keeping.** Amends § 245C.20. Requires a licensed program to document in its personnel files the date the program initiates a background study. Also requires the program to contact the commissioner if it does not receive a response within 45 days after it initiated the study. Makes this section effective the day following final enactment.
- 57 **Information disqualified individuals must provide when requesting reconsideration.** Amends § 245C.21, subd. 3. Adds clarifying language. Makes terminology change and adds a cross-reference. Makes this section effective the day following final enactment.
- 58 **Notice of request for reconsideration.** Amends § 245C.21, by adding subd. 4. Authorizes the commissioner under certain circumstances to inform the applicant, license holder, or other entity if the disqualified individual has requested reconsideration. Makes this section effective the day following final enactment.
- 59 **Preeminent weight given to safety of persons being served.** Amends § 245C.22, subd. 3. Makes terminology changes. Provides that any risk of harm factor may be determinative of the commissioner's decision whether to set aside a disqualification. Makes this section effective the day following final enactment.
- 60 **Risk of harm; set aside.** Amends § 245C.22, subd. 4. Makes terminology change. Clarifies language. Makes this section effective the day following final enactment.
- 61 **Scope of set aside.** Amends § 245C.22, subd. 5. Adds a cross-reference. Makes this section effective the day following final enactment.
- 62 **Rescission of set aside.** Amends § 245C.22, subd. 6. Makes terminology change and corrects and adds a cross-reference. Makes this section effective the day following final enactment.
- 63 **Commissioner's notice of disqualification that is set aside.** Amends § 245C.23, subd. 1. Requires the commissioner to send a certain notice to license holders in cases where the commissioner has notified a license holder that more time was needed to complete a background study of disqualified individual, but the commissioner ultimately sets aside the disqualification. Makes this section effective the day following final enactment.
- 64 **Commissioner's notice of disqualification that is not set aside.** Amends § 245C.23, subd. 2. Clarifies standards for when the commissioner must notify and order the license holder to immediately remove a disqualified individual from any position allowing direct contact with persons receiving services from the license holder. Provides that the order remains in effect pending a hearing on an appeal. Makes this section effective the day following final enactment.
- 65 **Consolidated reconsideration of maltreatment determination and disqualification.** Amends § 245C.25. Requires the county to conduct the reconsideration of a subsequent disqualification if the county previously conducted a consolidated reconsideration. Specifies the scope of review. Makes this section effective the day following final enactment.
- 66 **Reconsideration of a disqualification for an individual living in a licensed home.** Amends § 245C.26. Updates terminology. Makes this section effective the day following final enactment.
- 67 **Fair hearing when disqualification is not set aside.** Amends § 245C.27, subd. 1. Provides that an individual does not have the right to a fair hearing if the disqualification is deemed conclusive. Corrects cross-references. Makes this section effective the day following final enactment.
- 68 **Consolidated fair hearing for maltreatment determination and disqualification not set**

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- aside.** Amends § 245C.27, subd. 2. Strikes language to clarify that a disqualified individual's hearing rights only arise from the commissioner's decision not to set aside a disqualification. Corrects cross-reference. Makes this section effective the day following final enactment.
- 69 License holder.** Amends § 245C.28, subd. 1. Strikes language to clarify that a disqualified individual's hearing rights only arise from the commissioner's decision not to set aside a disqualification. Makes this section effective the day following final enactment.
- 70 Individual other than license holder.** Amends § 245C.28, subd. 2. Strikes language to clarify that a disqualified individual's hearing rights only arise from the commissioner's decision not to set aside a disqualification. Makes this section effective the day following final enactment.
- 71 Employees of public employer.** Amends § 245C.28, subd. 3. Specifies the requirements for a disqualified employee's appeal of a disqualification that is not set aside, the scope of the hearing, and what the administrative law judge must consider when determining whether the disqualification should be set aside. Makes this section effective the day following final enactment.
- 72 Conclusive disqualification determination.** Amends § 245C.29, subd. 2. Provides that certain disqualifications are conclusive for purposes of a licensing action. Specifies appeal rights for subsequent disqualifications. Makes this section effective the day following final enactment.
- 73 Determinations; redeterminations.** Amends § 252.28, subd. 1. Adds provision requiring the commissioner to determine, at least every four years, the anticipated growth or decline in need for day training and habilitation services. Makes this section effective the day following final enactment.
- 74 State agency hearings.** Amends § 256.045, subd. 3. Strikes language to clarify that a disqualified individual's hearing rights only arise from the commissioner's decision not to set aside a disqualification. Makes this section effective the day following final enactment.
- 75 Standard of evidence for maltreatment and disqualification hearings.** Amends § 256.045, subd. 3b. Requires state human services referees to determine whether a disqualification should be set aside. Specifies the factors the referee must consider when determining whether to set aside the disqualification. Also clarifies a disqualified individual's appeal rights under certain circumstances. Makes this section effective the day following final enactment.
- 76 Administrative reconsideration of final determination of maltreatment and disqualification based on serious or recurring maltreatment; review panel.** Amends § 626.556, subd. 10i. Strikes language in the maltreatment of minors act to clarify that a disqualified individual's hearing rights only arise from the commissioner's decision not to set aside a disqualification. Updates a cross-reference to administrative hearing rules. Makes this section effective the day following final enactment.
- 77 Administrative reconsideration of final disposition of maltreatment and disqualification based on serious or recurring maltreatment; review panel.** Amends § 626.557, subd. 9d. Strikes language in the vulnerable adults act to clarify that a disqualified individual's hearing rights only arise from the commissioner's decision not to set aside a disqualification. Updates a cross-reference to administrative hearing rules. Makes this section effective the day following final enactment.
- 78 Direction to commissioner; report.** Requires the commissioner to report to the legislature by September 15, 2006, on the number of adult foster care licenses, family adult day services licenses, combined licenses, adult day services center licenses and their capacities, including

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- the changes in the number of licenses and capacities from August 1, 2004, to August 1, 2006.
- 79** **Revisor's instruction.** Requires the revisor to update certain terminology related to adult day services.
- 80** **Repealer.** Repeals § 245C.02, subd. 17 (definition of registrant); and Minnesota Rules, parts 9525.1600 (minimum staffing requirements); 9543.0040, subp. 3 (background study); 9543.1000 (applicability); 9543.1010 (definitions); 9543.1020 (application and license requirements); 9543.1030 (denial of application); 9543.1040 (licensing actions for failure to comply with rule); 9543.1050 (administrative licensing actions); 9543.1060 (negative licensing actions).

Article 2: Corrections

- 1 1** **Background studies.** Amends § 241.021. Corrects cross-reference.

Article 3: Miscellaneous

- 1 1** **Duties of county board.** Amends § 245.4874. Clarifies that county boards are required to provide children's mental health screening to certain children within the limits of legislative appropriations.
- 2 2** **Availability of case management services.** Amends § 245.4881, subd. 1. Removes obsolete language. Allows case management services to be provided for a child with a serious emotional disturbance who is over the age of 18 consistent with the provision in current law regarding transition services. Makes this section effective July 1, 2004.
- 3 3** **Homeless services.** Amends § 256.01, by adding a subdivision. Allows the commissioner of human services to contract directly with nonprofit organizations providing homeless services in two or more counties. Makes this section effective immediately following final enactment.
- 4 4** **Mental health case management.** Amends § 256B.0596. Clarifies that this section authorizing counties to contract with eligible providers is not intended to limit a county's ability to provide its own mental health case management services.
- 5 5** **Case managers.** Amends § 256F.10, subd. 5. Authorizes a tribal child welfare case manager certified by a federally recognized tribal government in Minnesota and that meets applicable standards to provide child welfare targeted case management services.
- 6 6** **Relative search; nature.** Amends § 260C.212, subd. 5. (a) Requires the responsible social services agency to consider placement with a relative without delay after identifying the need for a child's placement in foster care. Requires the agency's relative search to be comprehensive in scope. Also requires the agency's relative search to include both maternal relatives of the child and paternal relatives of the child, if paternity is adjudicated. Also provides that a relative's decision not to be a placement resource at the beginning of a child protection case shall not affect whether the relative is later considered for placement of the child.
- (b) Strikes language authorizing the agency to determine whether a parent's refusal to give the agency information sufficient to identify the child's maternal and paternal relatives is in the child's best interest. Instead, if a parent refuses to cooperate with the agency's relative search, the agency must ask the juvenile court to order the parent to provide the necessary information to conduct a relative search.

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(e) Requires the Department of Human Services to develop a best practices guide and staff training to assist agencies in performing and complying with the relative search requirements under this subdivision.

- 7 7 **Repealer.** Repeals Laws 2003, First Special Session, chapter 14, article 3, section 56, effective immediately following final enactment. Section 4 of this article codifies the same uncodified language that is being repealed.

Article 4: Child Care; Minnesota Family Investment Program

Overview

This article makes technical changes to the child care assistance and MFIP programs.

- 1 1 **Commissioner.** Amends § 119B.011, subd. 8. Modifies the definition of "commissioner" to mean commissioner of Human Services.
- 2 2 **Department.** Amends § 119B.011, subd. 10. Modifies the definition of "department" to mean the Department of Human Services (DHS).
- 3 3 **Diversionsary work program.** Amends § 119B.011, by adding a subdivision. Defines "diversionary work program" (DWP).
- 4 4 **Transition year families.** Amends § 119B.011, subd. 20. Makes families who have received DWP assistance eligible for transition year child care. DWP families are not eligible for transition year child care when they have been disqualified from DWP due to fraud. Adds a new subdivision for transition year extension families.
- 5 5 **Eligible participants.** Amends § 119B.03, subd. 3. Removes obsolete language. Includes DWP families in the list of families who are not eligible for Basic Sliding Fee (BSF) child care assistance.
- 6 6 **Funding priority.** Amends § 119B.03, subd. 4. Removes obsolete language. Includes DWP transition year families under the second priority category for funding priority.
- 7 7 **Allocation due to increased funding.** Amends § 119B.03, subd. 6a. Clarifies that every county must receive an allocation at least equal to its original allocation for the same time period if funding is decreased.
- 8 8 **Allocation due to decreased funding.** Amends § 119B.03, by adding a subdivision. Requires county allocations to be reduced in an amount proportionate to the reduction in the total allocation for the same time period if funding is decreased. Clarifies that this applies when a funding decrease necessitates the revision of an existing calendar year allocation.
- 9 9 **Eligible participants.** Amends § 119B.05, subd. 1. Includes DWP participants. Removes obsolete language. Removes obsolete references.
- 10 10 **Date of eligibility for assistance.** Amends § 119B.09, subd. 7. Removes obsolete language and references. Includes DWP participants.
- 11 11 **Parent fee.** Amends § 119B.12, subd. 2. Specifies that parent fees begin at 75 percent of the federal poverty level and the minimum parent fee is \$10 per month.
- 12 12 **Subsidy restrictions.** Amends § 119B.13, subd. 1. Removes an obsolete reference.
- 13 13 **Legal nonlicensed family child care provider.** Amends § 119B.13, subd. 1a. Removes an obsolete reference.

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- 14 14 Interim financing.** Amends § 119B.189, subd. 2. Changes references to the commissioner of Education to the commissioner of Human Services.
- 15 15 Training program.** Amends § 119B.189, subd. 4. Changes references to the commissioner of Education to the commissioner of Human Services.
- 16 16 Distribution of funds for operation of child care resource and referral programs.** Amends § 119B.19, subd. 1. Changes references to the commissioner of Education to the commissioner of Human Services.
- 17 17 Duties of commissioner.** Amends § 119B.24. Changes references to the commissioner of Education to the commissioner of Human Services.
- 18 18 Grants.** Amends § 119B.25, subd. 2. Changes references to the Department of Education to DHS.
- 19 19 Hearing authority.** Amends 256.046, subd. 1. Includes DWP in the list of programs for which local agencies are required to initiate administrative hearings if a participant is accused of wrongfully obtaining assistance or intentional program violations.
- 20 20 Disqualification from program.** Amends § 256.98, subd. 8. Requires participants who have been found guilty of wrongfully obtaining assistance to be disqualified from DWP.
- 21 21 Implementation of Minnesota Family Investment Program.** Amends § 256J.01, subd. 1. Qualifies that chapters 256J and 256K apply to MFIP, except for sections that apply to DWP.
- 22 22 Qualified noncitizen.** Amends § 256J.08, subd. 73. Modifies the definition of "qualified noncitizen" to align with federal law.
- 23 23 Shared household standard.** Amends § 256J.08, subd. 82a. Clarifies that the shared household standard also applies to a caregiver disqualified under the 60-month time limit.
- 24 24 Interview to determine referrals and services.** Amends § 256J.09, subd. 3b. Clarifies universal participation requirements to include an explanation to participants that they may be entitled to a plan including special circumstances and if they are not required to participate in employment services, they may choose to volunteer to participate in employment and training services.
- 25 25 Initial income test.** Amends § 256J.21, subd. 3. Removes obsolete language.
- 26 26 MFIP transitional standard.** Amends § 256J.24, subd. 5. Updates standards effective October 1, 2003.
- 27 27 Documentation.** Amends § 256J.32, subd. 2. Corrects language regarding the use of affidavits so it is consistent with legal requirements for the use of affidavits. Substitutes the term "signed personal statement" for "affidavit."
- 28 28 Personal statement.** Amends § 256J.32, subd. 8. Makes conforming changes. Specifies that the signed personal statement may only be used as a last resort to meet verification requirements.
- 29 29 Unearned income.** Amends § 256J.37, subd. 9. Clarifies the treatment of unearned income. Income not paid on a monthly basis must be converted to a monthly amount for budgeting. These payments must be counted beginning in the month they are received.
- 30 30 Notice of time limit 12 months prior to 60-month time limit expiring.** Amends 256J.415. Clarifies that when less than 12 months of the 60 months is remaining due to previous receipt of TANF in Minnesota, or from another state, the notification of the number of months remaining is provided at the time of MFIP approval.
- 31 31 Eligibility.** Amends § 256J.425, subd. 1. Prior to denying an extension, requires that a review of good cause eligibility be completed if a sanction has been applied.

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- 32 32** **Employed participants.** Amends § 256J.425, subd. 4. For the purposes of hardship extension eligibility, clarifies how the 10 out of 12 months of compliance is applied when less than 10 months of eligibility remain. Also clarifies the minimum number of hours needed for the purpose of meeting the requirements for an extension.
- 33 33** **Accrual of certain exempt months.** Amends § 256J.425, subd. 5. Clarifies the accrual of exempt months related to the 60-month time limit. Makes changes to align with the elimination of exemptions and implementation of universal participation.
- 34 34** **Sanctions for extended cases.** Amends § 256J.425, subd. 6. For two-parent families receiving and extension, clarifies that when a parent is out of compliance with the employment and training services requirements, the sanction in the 61st month is considered the first sanction for the purposes of applying sanctions, except that the amount of the sanction is 30 percent.
- 35 35** **Participants not complying with program requirements.** Amends § 256J.46, subd. 1. Requires the county to redetermine the family's continued eligibility for food support payments when an MFIP case is closed due to noncompliance.
- 36 36** **Employment and training service provider.** Amends § 256J.49, subd. 4. Modifies the definition of "employment and training service provider."
- 37 37** **Overview of employment and training services.** Amends § 256J.515. Exempts applicants who request and qualify for a family violence waiver from attending a group overview. Information usually presented in an overview must be covered during the development of an employment plan.
- 38 38** **Assessments.** Amends § 256J.521, subd. 1. Clarifies that job counselors must use assessment information to determine whether a participant qualifies for a family violence waiver.
- 39 39** **Employment plan; contents.** Amends § 256J.521, subd. 2. Clarifies that priority must be given for activities related to a family violence waiver when developing an employment plan.
- 40 40** **Approval of postsecondary education or training.** Amends § 256J.53, subd. 2. Clarifies that the hourly unsubsidized employment requirement does not apply for intensive education or training programs lasting 12 weeks or less.
- 41 41** **Employment and training services component; exemptions.** Amends § 256J.56. Clarifies the transition period requirements for employment services exemptions, which are scheduled to sunset on June 30, 2004.
- 42 42** **Good cause for failure to comply.** Amends § 256J.57, subd. 1. Specifies that good cause provisions apply to all participants, including nonparental caregivers. Conforms to other sections of statute.
- 43 43** **Allowable expenditures.** Amends § 256J.626, subd. 2. Makes a technical change to align with the way expenditures work with the consolidated fund. Substitutes the word "allocation" for "reimbursement."
- 44 44** **Quarterly comparison report.** Amends § 256J.751, subd. 2. Includes DWP in the quarterly report.
- 45 45** **Establishing a Diversionary Work Program.** Amends § 256J.95, subd. 1. Clarifies that family units are eligible for DWP for four consecutive months.
- 46 46** **Eligibility for Diversionary Work Program.** Amends § 256J.95, subd. 3. Clarifies which family units are not eligible for DWP, including, family units with a caregiver who received 60 or more months of TANF assistance and family units with a caregiver who is disqualified from DWP or MFIP due to fraud.

Section

- 47 47 Universal participation required.** Amends § 256J.95, subd. 11. Makes technical changes. Requires claims of family violence to be documented by the applicant or participant by providing a sworn statement, which is supported by collateral documentation.
- 48 48 Conversion or referral to MFIP.** Amends § 256J.95, subd. 12. Makes technical and clarifying changes.
- 49 49 DWP overpayments and underpayments.** Amends § 256J.95, subd. 19. Requires overpayment and underpayment corrections to be calculated using prospective budgeting. Requires ATM errors to be recovered. DWP overpayments are not subject to cross program recoupment.
- 50 50 Repealer.** Repeals sections 119B.211 (child development education and training loans) and 256D.051, subdivision 17 (start work grants under the food stamp employment and training program). Repeals Laws 2000, chapter 489, article 1, section 36 (MFIP social services child care sunset and report).

Article 5: Long-term Care

- 1 1 Adult foster care license capacity.** Amends § 245A.11, subd. 2a. Corrects a reference to the maximum number of persons that can be served by an adult foster care provider.
- 2 2 Skilled nursing facility and hospice services for dual eligibles.** Amends § 256B.0625, by adding subd. 2a. Specifies that MA covers nursing facility services for dual eligibles who have waived the Medicare nursing facility benefit and enrolled in the Medicare hospice program.
- 3 Preadmission screening activities related to nursing facility admissions.** Amends § 256B.0911, subd. 4a. Corrects a reference to federal law.
- 4 Elderly waiver cost limits.** Amends § 256B.0915, subd. 3a. Clarifies the method by which the elderly waiver monthly spending limit is adjusted.
- 5 Cost limits for elderly waiver applicants who reside in a nursing facility.** Amends § 256B.0915, subd. 3b. Clarifies the method by which the elderly waiver monthly conversion limit for persons residing in nursing facilities is adjusted.
- 6 Payment during first 90 days.** Amends § 256B.431, subd. 32. Provides that enhanced nursing home reimbursement rates for the first 90 days after admission are not available to a nursing facility or part of a facility that is in the process of closing. (The current restriction applies to facilities or parts of facilities that have closed.)
- 7 Home and community-based waiver services.** Amends § 256B.69, subd. 6b. Requires the Commissioner of Human Services to issue requests for proposals for collaborate service models between counties and managed care organizations, to integrate elderly waiver services and additional nursing services into the prepaid medical assistance program (PMAP). Prohibits statewide coverage under PMAP of elderly waiver services before July 1, 2006. Requires the commissioner to phase-in implementation, beginning with counties participating in county-based purchasing and counties where a viable collaborate service model has been developed. Requires the commissioner, in consultation with counties and interested managed care organizations, to evaluate the models and consider the evaluation in selecting the most appropriate models for statewide implementation.

Article 6: Health Care

Section

- 1 1** **Specific powers.** Amends § 256.01, subd. 2. Corrects a citation to the federal prescription drug rebate. Recodifies provisions in the subdivision, by changing clauses to paragraphs and making conforming changes.
- 1 2** **Definitions.** Amends § 256.955, subd. 2. Strikes language allowing persons enrolled in GAMC under a spenddown to be eligible for the prescription drug program (the GAMC spenddown was eliminated during the 2003 session).
- 2 3** **Eligibility.** Amends § 256.955, subd. 2a. Strikes references to the GAMC spenddown.
- 3 4** **Eligibility.** Amends § 256.955, subd. 2b. Strikes references to the GAMC spenddown.
- 4 5** **Citizenship requirements.** Amends § 256B.06, subd. 4. Eliminates the requirement that persons served by the center for victims of torture not be eligible for GAMC in order to qualify for MA without federal financial participation. (GAMC eligibility for these individuals ended October 1, 2003.)
- 5 6** **Dental services.** Amends § 256B.0625, subd. 9. Eliminates use of the term "basic" when referring to restorative dental services.
- 6 7** **General assistance medical care; eligibility.** Amends § 256D.03, subd. 3. Eliminates a reference to GAMC coverage for persons served by the center for victims of torture, to reflect elimination of this coverage as of October 1, 2003.
- 7 8** **General assistance medical care; services.** Amends § 256D.03, subd. 4. Limits GAMC copayments to one per day per provider for nonpreventive visits, eyeglasses, and non-emergency visits to a hospital emergency room. Also eliminates use of the term "basic" when referring to restorative dental services.