This bill makes changes in laws governing state health care programs that are recommended by DHS. Many of the changes relate to MA coverage of residential services for children with severe emotional disturbance.

Section

1 **Provider qualifications.** Amends § 256B.0945, subd. 1. Specifies that residential services for children with severe emotional disturbance must meet the screening requirements of the children's mental health act, as well as the requirements of other specified sections of statute.

2 **Covered services.** Amends § 256B.0945, subd. 2. Corrects terminology, by substituting the term "multiagency plan of care" for "collaborative family service plan." Requires facilities that are not institutions for mental diseases to be approved by the commissioner, in order for the facilities to receive MA coverage of the full contract rate (current law allows this reimbursement for facilities that choose to provide services).

3 **Payment rates.** Amends § 256B.0945, subd. 4. Removes the cap on total annual payments for federal earnings that counties can receive for residential services provided by a residential facility. Strikes language allowing earnings that exceed a county's limit to be retained by the commissioner for community-based children's mental health services.

4 **Quality measures.** Amends § 256B.0945, subd. 5. Clarifies requirements for standardized tools used by counties to measure outcomes related to the use of residential treatment programs.

5 **Federal earnings.** Amends § 256B.0945, subd. 6. Allows federal funding received for residential treatment to be used to pay for the cost of data collection and reporting requirements. Standardizes the terminology used to refer to services supported with revenue received under the section.

6 **Maintenance of effort.** Amends § 256B.0945, subd. 7. Strikes language defining county expenditures and standardizes the terminology used to refer to services supported with revenues
received under this section.

Reports. Amends § 256B.0945, subd. 8. Standardizes the terminology used to refer to services supported with revenues received under this section.

Sanctions. Amends § 256B.0945, subd. 9. Specifies that the commissioner can suspend, reduce, or terminate funds for prevention, early intervention, and supportive services, up to the limit of federal revenue earned, if a county does not meet the requirements of this section (current law limits the suspension, reduction, or termination to federal reimbursement). Allows the commissioner to limit inappropriate placements in residential treatment.

General assistance medical care; eligibility. Amends § 256D.03, subd. 3. Provides a definition of emergency services for a section dealing with GAMC applicants or recipients who do not cooperate with the county agency to meet the requirements of MA.

Copayments and coinsurance. Amends § 256L.03, subd. 5. Exempts parents and relative caretakers from the MinnesotaCare inpatient hospital copayment (current law exempts these individuals from all copayments, if their household incomes do not exceed 175 percent of the federal poverty guidelines). Provides that the exemption for parents and relative caretakers with incomes greater than 175 percent of the federal poverty guidelines shall not be implemented for hospital admissions occurring before January 1, 2001. Strikes language stating that the exemptions are to be implemented only if required to obtain federal Medicaid funding and providing an expiration date of July 1, 2000.

Recommendations to the legislature. Amends Laws 1999, chapter 245, article 8, section 84. Delays by one year (until January 15, 2001) the date the commissioner of human services is to provide recommendations to the legislature related to rehabilitation services options for adults with mental illness and targeted case management for vulnerable adults. Also delays planned implementation of the recommendations by 18 months (until January 1, 2002).

Obsolete rules. Requires the commissioner of human services to amend or repeal obsolete rules governing eligibility for the MA program, under the expedited process, to bring them into conformity with state and federal law.

Group residential housing review. Requires the commissioner of human services, in consultation with affected parties, to review group residential housing expenditures that may be eligible for reimbursement under the MR/RC waiver. Specifies areas that may be reviewed.

Repealer. Repeals Laws 1998, chapter 407, article 5, section 44 (related to the MinnesotaCare inpatient hospital copayment and receipt of federal MA funding).

Effective date. Provides that sections 10 and 14 are effective the day following final enactment.