

1.1 ..... moves to amend H.F. No. 2294, the delete everything amendment  
1.2 (H2294DE2), as follows:

1.3 Delete everything after the enacting clause and insert:

1.4 **"ARTICLE 1**

1.5 **HUMAN SERVICES**

1.6 Section 1. Minnesota Statutes 2011 Supplement, section 245A.03, subdivision 7,  
1.7 is amended to read:

1.8 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an  
1.9 initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to  
1.10 2960.3340, or adult foster care licensed under Minnesota Rules, parts 9555.5105 to  
1.11 9555.6265, under this chapter for a physical location that will not be the primary residence  
1.12 of the license holder for the entire period of licensure. If a license is issued during this  
1.13 moratorium, and the license holder changes the license holder's primary residence away  
1.14 from the physical location of the foster care license, the commissioner shall revoke the  
1.15 license according to section 245A.07. Exceptions to the moratorium include:

1.16 (1) foster care settings that are required to be registered under chapter 144D;

1.17 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009,  
1.18 and determined to be needed by the commissioner under paragraph (b);

1.19 (3) new foster care licenses determined to be needed by the commissioner under  
1.20 paragraph (b) for the closure of a nursing facility, ICF/MR, or regional treatment center, or  
1.21 restructuring of state-operated services that limits the capacity of state-operated facilities;

1.22 (4) new foster care licenses determined to be needed by the commissioner under  
1.23 paragraph (b) for persons requiring hospital level care; or

1.24 (5) new foster care licenses determined to be needed by the commissioner for the  
1.25 transition of people from personal care assistance to the home and community-based  
1.26 services.

2.1 (b) The commissioner shall determine the need for newly licensed foster care homes  
2.2 as defined under this subdivision. As part of the determination, the commissioner shall  
2.3 consider the availability of foster care capacity in the area in which the licensee seeks to  
2.4 operate, and the recommendation of the local county board. The determination by the  
2.5 commissioner must be final. A determination of need is not required for a change in  
2.6 ownership at the same address.

2.7 (c) Residential settings that would otherwise be subject to the moratorium established  
2.8 in paragraph (a), that are in the process of receiving an adult or child foster care license as  
2.9 of July 1, 2009, shall be allowed to continue to complete the process of receiving an adult  
2.10 or child foster care license. For this paragraph, all of the following conditions must be met  
2.11 to be considered in the process of receiving an adult or child foster care license:

2.12 (1) participants have made decisions to move into the residential setting, including  
2.13 documentation in each participant's care plan;

2.14 (2) the provider has purchased housing or has made a financial investment in the  
2.15 property;

2.16 (3) the lead agency has approved the plans, including costs for the residential setting  
2.17 for each individual;

2.18 (4) the completion of the licensing process, including all necessary inspections, is  
2.19 the only remaining component prior to being able to provide services; and

2.20 (5) the needs of the individuals cannot be met within the existing capacity in that  
2.21 county.

2.22 To qualify for the process under this paragraph, the lead agency must submit  
2.23 documentation to the commissioner by August 1, 2009, that all of the above criteria are  
2.24 met.

2.25 (d) The commissioner shall study the effects of the license moratorium under this  
2.26 subdivision and shall report back to the legislature by January 15, 2011. This study shall  
2.27 include, but is not limited to the following:

2.28 (1) the overall capacity and utilization of foster care beds where the physical location  
2.29 is not the primary residence of the license holder prior to and after implementation  
2.30 of the moratorium;

2.31 (2) the overall capacity and utilization of foster care beds where the physical  
2.32 location is the primary residence of the license holder prior to and after implementation  
2.33 of the moratorium; and

2.34 (3) the number of licensed and occupied ICF/MR beds prior to and after  
2.35 implementation of the moratorium.

3.1 (e) When a foster care recipient moves out of a foster home that is not the primary  
3.2 residence of the license holder according to section 256B.49, subdivision 15, paragraph  
3.3 (f), the county shall immediately inform the Department of Human Services Licensing  
3.4 Division, and the department shall immediately decrease the statewide licensed capacity  
3.5 for the home foster care settings where the physical location is not the primary residence  
3.6 of the license holder. A decreased licensed capacity according to this paragraph is not  
3.7 subject to appeal under this chapter. A needs determination process, managed at the state  
3.8 level, with county input, will determine where the reduced capacity will occur.

3.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.10 Sec. 2. Minnesota Statutes 2011 Supplement, section 245A.10, subdivision 3, is  
3.11 amended to read:

3.12 Subd. 3. **Application fee for initial license or certification.** (a) For fees required  
3.13 under subdivision 1, an applicant for an initial license or certification issued by the  
3.14 commissioner shall submit a \$500 application fee with each new application required  
3.15 under this subdivision. The application fee shall not be prorated, is nonrefundable, and  
3.16 is in lieu of the annual license or certification fee that expires on December 31. The  
3.17 commissioner shall not process an application until the application fee is paid.

3.18 (b) Except as provided in clauses (1) to (4), an applicant shall apply for a license  
3.19 to provide services at a specific location.

3.20 (1) For a license to provide residential-based habilitation services to persons with  
3.21 developmental disabilities under chapter 245B, an applicant shall submit an application  
3.22 for each county in which the services will be provided. Upon licensure, the license  
3.23 holder may provide services to persons in that county plus no more than three persons  
3.24 at any one time in each of up to ten additional counties. A license holder in one county  
3.25 may not provide services ~~under the home and community-based waiver~~ for persons with  
3.26 developmental disabilities to more than three people in a second county without holding  
3.27 a separate license for that second county. Applicants or licensees providing services  
3.28 under this clause to not more than three persons remain subject to the inspection fees  
3.29 established in section 245A.10, subdivision 2, for each location. The license issued by  
3.30 the commissioner must state the name of each additional county where services are being  
3.31 provided to persons with developmental disabilities. A license holder must notify the  
3.32 commissioner before making any changes that would alter the license information listed  
3.33 under section 245A.04, subdivision 7, paragraph (a), including any additional counties  
3.34 where persons with developmental disabilities are being served.

4.1 (2) For a license to provide supported employment, crisis respite, or  
 4.2 semi-independent living services to persons with developmental disabilities under chapter  
 4.3 245B, an applicant shall submit a single application to provide services statewide.

4.4 (3) For a license to provide independent living assistance for youth under section  
 4.5 245A.22, an applicant shall submit a single application to provide services statewide.

4.6 (4) For a license for a private agency to provide foster care or adoption services  
 4.7 under Minnesota Rules, parts 9545.0755 to 9545.0845, an applicant shall submit a single  
 4.8 application to provide services statewide.

4.9 (c) Notwithstanding paragraphs (a) and (b), an applicant for an initial license  
 4.10 issued by the commissioner to provide home and community-based services to persons  
 4.11 with disabilities or persons age 65 and older under chapter 245D must submit a \$585  
 4.12 application fee with each new application as follows:

4.13 (1) a single application for a license to provide one or more of the following services:  
 4.14 housing access coordination; behavioral programming; specialist services; companion  
 4.15 services; personal support; 24-hour emergency assistance, on-call and personal emergency  
 4.16 response; night supervision; homemaker services, excluding providers licensed by the  
 4.17 Department of Health under chapter 144A or those providers providing cleaning services  
 4.18 only; respite; or independent living skills training;

4.19 (2) a single application for a license to provide structured day or prevocational  
 4.20 services; or

4.21 (3) a single application for a license to provide supported employment.

4.22 (d) The initial application fee charged under this subdivision does not include the  
 4.23 temporary license surcharge under section 16E.22.

4.24 **EFFECTIVE DATE.** This section is effective July 1, 2012.

4.25 Sec. 3. Minnesota Statutes 2011 Supplement, section 245A.10, subdivision 4, is  
 4.26 amended to read:

4.27 Subd. 4. **License or certification fee for certain programs.** (a) Child care centers  
 4.28 shall pay an annual nonrefundable license fee based on the following schedule:

	Licensed Capacity	Child Care Center License Fee
4.29	1 to 24 persons	\$200
4.30	25 to 49 persons	\$300
4.31	50 to 74 persons	\$400
4.32	75 to 99 persons	\$500
4.33	100 to 124 persons	\$600
4.34	125 to 149 persons	\$700

5.1	150 to 174 persons	\$800
5.2	175 to 199 persons	\$900
5.3	200 to 224 persons	\$1,000
5.4	225 or more persons	\$1,100

5.5 (b) A program licensed to provide day training and habilitation ~~program serving~~  
 5.6 services to persons with developmental disabilities under chapter 245B or related  
 5.7 conditions structured day or prevocational services to persons with disabilities under  
 5.8 chapter 245D, shall pay an annual nonrefundable license fee based on the following  
 5.9 schedule:

5.10	Licensed Capacity	License Fee
5.11	1 to 24 persons	\$800
5.12	25 to 49 persons	\$1,000
5.13	50 to 74 persons	\$1,200
5.14	75 to 99 persons	\$1,400
5.15	100 to 124 persons	\$1,600
5.16	125 to 149 persons	\$1,800
5.17	150 or more persons	\$2,000

5.18 (1) Except as provided in paragraph (c) clause (2), when a ~~day training and~~  
 5.19 ~~habilitation~~ program serves more than 50 percent of the same persons in two or more  
 5.20 locations in a community, the ~~day training and habilitation~~ program shall pay a license  
 5.21 fee based on the licensed capacity of the largest facility and the other facility or facilities  
 5.22 shall be charged an annual, nonrefundable license fee based on a licensed capacity of a  
 5.23 ~~residential~~ program serving one to 24 persons.

5.24 ~~(c) When (2)~~ A day training and habilitation program ~~serving persons with~~  
 5.25 ~~developmental disabilities or related conditions~~ seeks a single license allowed under  
 5.26 section 245B.07, subdivision 12, clause (2) or (3), the must be charged an annual,  
 5.27 nonrefundable licensing fee ~~must be~~ based on the combined licensed capacity for each  
 5.28 location.

5.29 (3) A program providing services in community-based settings only and not in  
 5.30 a licensed facility, must pay an annual, nonrefundable license fee based on a licensed  
 5.31 capacity of one to 24 persons.

5.32 (4) A program licensed to provide day training and habilitation services to persons  
 5.33 with developmental disabilities under chapter 245B and structured day or prevocational  
 5.34 services to persons with disabilities under chapter 245D must pay a single annual,  
 5.35 nonrefundable license fee based on the combined license capacity of all services.

6.1 ~~(d)~~ (c) A program licensed to provide supported employment services to persons  
 6.2 with developmental disabilities under chapter 245B or to persons with disabilities under  
 6.3 chapter 245D shall pay an annual nonrefundable license fee of \$650.

6.4 ~~(e)~~ (d) A program licensed to provide crisis respite services to persons with  
 6.5 developmental disabilities under chapter 245B shall pay an annual nonrefundable license  
 6.6 fee of \$700.

6.7 ~~(f)~~ (e) A program licensed to provide semi-independent living services to persons  
 6.8 with developmental disabilities under chapter 245B shall pay an annual nonrefundable  
 6.9 license fee of \$700.

6.10 ~~(g)~~ (f) A program licensed to provide residential-based habilitation services under  
 6.11 the home and community-based waiver for persons with developmental disabilities shall  
 6.12 pay an annual license fee that includes a base rate of \$690 plus \$60 times the number of  
 6.13 clients served on the first day of July of the current license year.

6.14 (g) A program licensed to provide housing access coordination; behavioral  
 6.15 programming; specialist services; companion services; personal support; 24-hour  
 6.16 emergency assistance, on-call and personal emergency response; night supervision;  
 6.17 homemaker services, excluding providers licensed by the Department of Health under  
 6.18 chapter 144A or those providers providing cleaning services only; respite; or independent  
 6.19 living skills training; for persons with disabilities or persons age 65 and older under  
 6.20 chapter 245D must pay an annual nonrefundable license fee of \$750.

6.21 (h) A residential program certified by the Department of Health as an intermediate  
 6.22 care facility for persons with developmental disabilities ~~(ICF/MR)~~ (ICF/DD) and a  
 6.23 noncertified residential program licensed to provide health or rehabilitative services for  
 6.24 persons with developmental disabilities shall pay an annual nonrefundable license fee  
 6.25 based on the following schedule:

Licensed Capacity	License Fee
1 to 24 persons	\$535
25 to 49 persons	\$735
50 or more persons	\$935

6.30 (i) A chemical dependency treatment program licensed under Minnesota Rules, parts  
 6.31 9530.6405 to 9530.6505, to provide chemical dependency treatment shall pay an annual  
 6.32 nonrefundable license fee based on the following schedule:

Licensed Capacity	License Fee
1 to 24 persons	\$600
25 to 49 persons	\$800
50 to 74 persons	\$1,000

7.1	75 to 99 persons	\$1,200
7.2	100 or more persons	\$1,400

7.3 (j) A chemical dependency program licensed under Minnesota Rules, parts  
 7.4 9530.6510 to 9530.6590, to provide detoxification services shall pay an annual  
 7.5 nonrefundable license fee based on the following schedule:

7.6	Licensed Capacity	License Fee
7.7	1 to 24 persons	\$760
7.8	25 to 49 persons	\$960
7.9	50 or more persons	\$1,160

7.10 (k) Except for child foster care, a residential facility licensed under Minnesota  
 7.11 Rules, chapter 2960, to serve children shall pay an annual nonrefundable license fee  
 7.12 based on the following schedule:

7.13	Licensed Capacity	License Fee
7.14	1 to 24 persons	\$1,000
7.15	25 to 49 persons	\$1,100
7.16	50 to 74 persons	\$1,200
7.17	75 to 99 persons	\$1,300
7.18	100 or more persons	\$1,400

7.19 (l) A residential facility licensed under Minnesota Rules, parts 9520.0500 to  
 7.20 9520.0670, to serve persons with mental illness shall pay an annual nonrefundable license  
 7.21 fee based on the following schedule:

7.22	Licensed Capacity	License Fee
7.23	1 to 24 persons	\$2,525
7.24	25 or more persons	\$2,725

7.25 (m) A residential facility licensed under Minnesota Rules, parts 9570.2000 to  
 7.26 9570.3400, to serve persons with physical disabilities shall pay an annual nonrefundable  
 7.27 license fee based on the following schedule:

7.28	Licensed Capacity	License Fee
7.29	1 to 24 persons	\$450
7.30	25 to 49 persons	\$650
7.31	50 to 74 persons	\$850
7.32	75 to 99 persons	\$1,050
7.33	100 or more persons	\$1,250

7.34 (n) A program licensed to provide independent living assistance for youth under  
 7.35 section 245A.22 shall pay an annual nonrefundable license fee of \$1,500.

8.1 (o) A private agency licensed to provide foster care and adoption services under  
 8.2 Minnesota Rules, parts 9545.0755 to 9545.0845, shall pay an annual nonrefundable  
 8.3 license fee of \$875.

8.4 (p) A program licensed as an adult day care center licensed under Minnesota Rules,  
 8.5 parts 9555.9600 to 9555.9730, shall pay an annual nonrefundable license fee based on  
 8.6 the following schedule:

8.7	Licensed Capacity	License Fee
8.8	1 to 24 persons	\$500
8.9	25 to 49 persons	\$700
8.10	50 to 74 persons	\$900
8.11	75 to 99 persons	\$1,100
8.12	100 or more persons	\$1,300

8.13 (q) A program licensed to provide treatment services to persons with sexual  
 8.14 psychopathic personalities or sexually dangerous persons under Minnesota Rules, parts  
 8.15 9515.3000 to 9515.3110, shall pay an annual nonrefundable license fee of \$20,000.

8.16 (r) A mental health center or mental health clinic requesting certification for  
 8.17 purposes of insurance and subscriber contract reimbursement under Minnesota Rules,  
 8.18 parts 9520.0750 to 9520.0870, shall pay a certification fee of \$1,550 per year. If the  
 8.19 mental health center or mental health clinic provides services at a primary location with  
 8.20 satellite facilities, the satellite facilities shall be certified with the primary location without  
 8.21 an additional charge.

8.22 (s) The annual license fee charged under this subdivision does not include the  
 8.23 temporary licensing surcharge under section 16E.22.

8.24 **EFFECTIVE DATE.** This section is effective July 1, 2012.

8.25 Sec. 4. Minnesota Statutes 2010, section 256B.056, subdivision 1a, is amended to read:

8.26 Subd. 1a. **Income and assets generally.** Unless specifically required by state  
 8.27 law or rule or federal law or regulation, the methodologies used in counting income  
 8.28 and assets to determine eligibility for medical assistance for persons whose eligibility  
 8.29 category is based on blindness, disability, or age of 65 or more years, the methodologies  
 8.30 for the supplemental security income program shall be used, except as provided under  
 8.31 subdivision 3, paragraph (a), clause (6). Increases in benefits under title II of the Social  
 8.32 Security Act shall not be counted as income for purposes of this subdivision until July 1 of  
 8.33 each year. Effective upon federal approval, for children eligible under section 256B.055,  
 8.34 subdivision 12, or for home and community-based waiver services whose eligibility  
 8.35 for medical assistance is determined without regard to parental income, child support



9.1 payments, including any payments made by an obligor in satisfaction of or in addition  
9.2 to a temporary or permanent order for child support, and Social Security payments are  
9.3 not counted as income. For families and children, which includes all other eligibility  
9.4 categories, the methodologies under the state's AFDC plan in effect as of July 16, 1996, as  
9.5 required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996  
9.6 (PRWORA), Public Law 104-193, shall be used, except that effective October 1, 2003, the  
9.7 earned income disregards and deductions are limited to those in subdivision 1c. For these  
9.8 purposes, a "methodology" does not include an asset or income standard, or accounting  
9.9 method, or method of determining effective dates.

9.10 **EFFECTIVE DATE.** This section is effective April 1, 2012.

9.11 Sec. 5. Minnesota Statutes 2011 Supplement, section 256B.056, subdivision 3, is  
9.12 amended to read:

9.13 Subd. 3. **Asset limitations for individuals and families.** (a) To be eligible for  
9.14 medical assistance, a person must not individually own more than \$3,000 in assets, or if a  
9.15 member of a household with two family members, husband and wife, or parent and child,  
9.16 the household must not own more than \$6,000 in assets, plus \$200 for each additional  
9.17 legal dependent. In addition to these maximum amounts, an eligible individual or family  
9.18 may accrue interest on these amounts, but they must be reduced to the maximum at the  
9.19 time of an eligibility redetermination. The accumulation of the clothing and personal  
9.20 needs allowance according to section 256B.35 must also be reduced to the maximum at  
9.21 the time of the eligibility redetermination. The value of assets that are not considered in  
9.22 determining eligibility for medical assistance is the value of those assets excluded under  
9.23 the supplemental security income program for aged, blind, and disabled persons, with  
9.24 the following exceptions:

9.25 (1) household goods and personal effects are not considered;

9.26 (2) capital and operating assets of a trade or business that the local agency determines  
9.27 are necessary to the person's ability to earn an income are not considered;

9.28 (3) motor vehicles are excluded to the same extent excluded by the supplemental  
9.29 security income program;

9.30 (4) assets designated as burial expenses are excluded to the same extent excluded by  
9.31 the supplemental security income program. Burial expenses funded by annuity contracts  
9.32 or life insurance policies must irrevocably designate the individual's estate as contingent  
9.33 beneficiary to the extent proceeds are not used for payment of selected burial expenses; ~~and~~

9.34 (5) for a person who no longer qualifies as an employed person with a disability due  
9.35 to loss of earnings, assets allowed while eligible for medical assistance under section

10.1 256B.057, subdivision 9, are not considered for 12 months, beginning with the first month  
 10.2 of ineligibility as an employed person with a disability, to the extent that the person's total  
 10.3 assets remain within the allowed limits of section 256B.057, subdivision 9, paragraph  
 10.4 (d); and

10.5 (6) when a person enrolled in medical assistance under section 256B.057, subdivision  
 10.6 9, is age 65 or older and has been enrolled during each of the 24 consecutive months  
 10.7 before the person's 65th birthday, the assets owned by the person and the person's spouse  
 10.8 must be disregarded, up to the limits of section 256B.057, subdivision 9, paragraph (d),  
 10.9 when determining eligibility for medical assistance under section 256B.055, subdivision  
 10.10 7. The income of a spouse of a person enrolled in medical assistance under section  
 10.11 256B.057, subdivision 9, during each of the 24 consecutive months before the person's  
 10.12 65th birthday must be disregarded when determining eligibility for medical assistance  
 10.13 under section 256B.055, subdivision 7. Persons eligible under this clause are not subject to  
 10.14 the provisions in section 256B.059. A person whose 65th birthday occurs in 2012 or 2013  
 10.15 is required to have qualified for medical assistance under section 256B.057, subdivision 9,  
 10.16 prior to age 65 for at least 20 months in the 24 months prior to reaching age 65.

10.17 (b) No asset limit shall apply to persons eligible under section 256B.055, subdivision  
 10.18 15.

10.19 **EFFECTIVE DATE.** This section is effective April 1, 2012.

10.20 Sec. 6. Minnesota Statutes 2011 Supplement, section 256B.057, subdivision 9, is  
 10.21 amended to read:

10.22 Subd. 9. **Employed persons with disabilities.** (a) Medical assistance may be paid  
 10.23 for a person who is employed and who:

10.24 (1) but for excess earnings or assets, meets the definition of disabled under the  
 10.25 Supplemental Security Income program;

10.26 (2) ~~is at least 16 but less than 65 years of age;~~

10.27 ~~(3)~~ meets the asset limits in paragraph (d); and

10.28 ~~(4)~~ (3) pays a premium and other obligations under paragraph (e).

10.29 (b) For purposes of eligibility, there is a \$65 earned income disregard. To be eligible  
 10.30 for medical assistance under this subdivision, a person must have more than \$65 of earned  
 10.31 income. Earned income must have Medicare, Social Security, and applicable state and  
 10.32 federal taxes withheld. The person must document earned income tax withholding. Any  
 10.33 spousal income or assets shall be disregarded for purposes of eligibility and premium  
 10.34 determinations.

11.1 (c) After the month of enrollment, a person enrolled in medical assistance under  
11.2 this subdivision who:

11.3 (1) is temporarily unable to work and without receipt of earned income due to a  
11.4 medical condition, as verified by a physician; or

11.5 (2) loses employment for reasons not attributable to the enrollee, and is without  
11.6 receipt of earned income may retain eligibility for up to four consecutive months after the  
11.7 month of job loss. To receive a four-month extension, enrollees must verify the medical  
11.8 condition or provide notification of job loss. All other eligibility requirements must be met  
11.9 and the enrollee must pay all calculated premium costs for continued eligibility.

11.10 (d) For purposes of determining eligibility under this subdivision, a person's assets  
11.11 must not exceed \$20,000, excluding:

11.12 (1) all assets excluded under section 256B.056;

11.13 (2) retirement accounts, including individual accounts, 401(k) plans, 403(b) plans,  
11.14 Keogh plans, and pension plans;

11.15 (3) medical expense accounts set up through the person's employer; and

11.16 (4) spousal assets, including spouse's share of jointly held assets.

11.17 (e) All enrollees must pay a premium to be eligible for medical assistance under this  
11.18 subdivision, except as provided under section 256.01, subdivision 18b.

11.19 (1) An enrollee must pay the greater of a \$65 premium or the premium calculated  
11.20 based on the person's gross earned and unearned income and the applicable family size  
11.21 using a sliding fee scale established by the commissioner, which begins at one percent of  
11.22 income at 100 percent of the federal poverty guidelines and increases to 7.5 percent of  
11.23 income for those with incomes at or above 300 percent of the federal poverty guidelines.

11.24 (2) Annual adjustments in the premium schedule based upon changes in the federal  
11.25 poverty guidelines shall be effective for premiums due in July of each year.

11.26 (3) All enrollees who receive unearned income must pay five percent of unearned  
11.27 income in addition to the premium amount, except as provided under section 256.01,  
11.28 subdivision 18b.

11.29 (4) Increases in benefits under title II of the Social Security Act shall not be counted  
11.30 as income for purposes of this subdivision until July 1 of each year.

11.31 (f) A person's eligibility and premium shall be determined by the local county  
11.32 agency. Premiums must be paid to the commissioner. All premiums are dedicated to  
11.33 the commissioner.

11.34 (g) Any required premium shall be determined at application and redetermined at  
11.35 the enrollee's six-month income review or when a change in income or household size is  
11.36 reported. Enrollees must report any change in income or household size within ten days

12.1 of when the change occurs. A decreased premium resulting from a reported change in  
12.2 income or household size shall be effective the first day of the next available billing month  
12.3 after the change is reported. Except for changes occurring from annual cost-of-living  
12.4 increases, a change resulting in an increased premium shall not affect the premium amount  
12.5 until the next six-month review.

12.6 (h) Premium payment is due upon notification from the commissioner of the  
12.7 premium amount required. Premiums may be paid in installments at the discretion of  
12.8 the commissioner.

12.9 (i) Nonpayment of the premium shall result in denial or termination of medical  
12.10 assistance unless the person demonstrates good cause for nonpayment. Good cause exists  
12.11 if the requirements specified in Minnesota Rules, part 9506.0040, subpart 7, items B to  
12.12 D, are met. Except when an installment agreement is accepted by the commissioner,  
12.13 all persons disenrolled for nonpayment of a premium must pay any past due premiums  
12.14 as well as current premiums due prior to being reenrolled. Nonpayment shall include  
12.15 payment with a returned, refused, or dishonored instrument. The commissioner may  
12.16 require a guaranteed form of payment as the only means to replace a returned, refused,  
12.17 or dishonored instrument.

12.18 (j) The commissioner shall notify enrollees annually beginning at least 24 months  
12.19 before the person's 65th birthday of the medical assistance eligibility rules affecting  
12.20 income, assets, and treatment of a spouse's income and assets that will be applied upon  
12.21 reaching age 65.

12.22 (k) For enrollees whose income does not exceed 200 percent of the federal poverty  
12.23 guidelines and who are also enrolled in Medicare, the commissioner shall reimburse  
12.24 the enrollee for Medicare part B premiums under section 256B.0625, subdivision 15,  
12.25 paragraph (a).

12.26 **EFFECTIVE DATE.** This section is effective April 1, 2012.

12.27 Sec. 7. Minnesota Statutes 2011 Supplement, section 256B.06, subdivision 4, is  
12.28 amended to read:

12.29 Subd. 4. **Citizenship requirements.** (a) Eligibility for medical assistance is limited  
12.30 to citizens of the United States, qualified noncitizens as defined in this subdivision, and  
12.31 other persons residing lawfully in the United States. Citizens or nationals of the United  
12.32 States must cooperate in obtaining satisfactory documentary evidence of citizenship or  
12.33 nationality according to the requirements of the federal Deficit Reduction Act of 2005,  
12.34 Public Law 109-171.

13.1 (b) "Qualified noncitizen" means a person who meets one of the following  
13.2 immigration criteria:

13.3 (1) admitted for lawful permanent residence according to United States Code, title 8;

13.4 (2) admitted to the United States as a refugee according to United States Code,  
13.5 title 8, section 1157;

13.6 (3) granted asylum according to United States Code, title 8, section 1158;

13.7 (4) granted withholding of deportation according to United States Code, title 8,  
13.8 section 1253(h);

13.9 (5) paroled for a period of at least one year according to United States Code, title 8,  
13.10 section 1182(d)(5);

13.11 (6) granted conditional entrant status according to United States Code, title 8,  
13.12 section 1153(a)(7);

13.13 (7) determined to be a battered noncitizen by the United States Attorney General  
13.14 according to the Illegal Immigration Reform and Immigrant Responsibility Act of 1996,  
13.15 title V of the Omnibus Consolidated Appropriations Bill, Public Law 104-200;

13.16 (8) is a child of a noncitizen determined to be a battered noncitizen by the United  
13.17 States Attorney General according to the Illegal Immigration Reform and Immigrant  
13.18 Responsibility Act of 1996, title V, of the Omnibus Consolidated Appropriations Bill,  
13.19 Public Law 104-200; or

13.20 (9) determined to be a Cuban or Haitian entrant as defined in section 501(e) of Public  
13.21 Law 96-422, the Refugee Education Assistance Act of 1980.

13.22 (c) All qualified noncitizens who were residing in the United States before August  
13.23 22, 1996, who otherwise meet the eligibility requirements of this chapter, are eligible for  
13.24 medical assistance with federal financial participation.

13.25 (d) Beginning December 1, 1996, qualified noncitizens who entered the United  
13.26 States on or after August 22, 1996, and who otherwise meet the eligibility requirements  
13.27 of this chapter are eligible for medical assistance with federal participation for five years  
13.28 if they meet one of the following criteria:

13.29 (1) refugees admitted to the United States according to United States Code, title 8,  
13.30 section 1157;

13.31 (2) persons granted asylum according to United States Code, title 8, section 1158;

13.32 (3) persons granted withholding of deportation according to United States Code,  
13.33 title 8, section 1253(h);

13.34 (4) veterans of the United States armed forces with an honorable discharge for  
13.35 a reason other than noncitizen status, their spouses and unmarried minor dependent  
13.36 children; or

14.1 (5) persons on active duty in the United States armed forces, other than for training,  
14.2 their spouses and unmarried minor dependent children.

14.3 Beginning July 1, 2010, children and pregnant women who are noncitizens  
14.4 described in paragraph (b) or who are lawfully present in the United States as defined  
14.5 in Code of Federal Regulations, title 8, section 103.12, and who otherwise meet  
14.6 eligibility requirements of this chapter, are eligible for medical assistance with federal  
14.7 financial participation as provided by the federal Children's Health Insurance Program  
14.8 Reauthorization Act of 2009, Public Law 111-3.

14.9 (e) Nonimmigrants who otherwise meet the eligibility requirements of this chapter  
14.10 are eligible for the benefits as provided in paragraphs (f) to (h). For purposes of this  
14.11 subdivision, a "nonimmigrant" is a person in one of the classes listed in United States  
14.12 Code, title 8, section 1101(a)(15).

14.13 (f) Payment shall also be made for care and services that are furnished to noncitizens,  
14.14 regardless of immigration status, who otherwise meet the eligibility requirements of  
14.15 this chapter, if such care and services are necessary for the treatment of an emergency  
14.16 medical condition.

14.17 (g) For purposes of this subdivision, the term "emergency medical condition" means  
14.18 a medical condition that meets the requirements of United States Code, title 42, section  
14.19 1396b(v).

14.20 (h)(1) Notwithstanding paragraph (g), services that are necessary for the treatment  
14.21 of an emergency medical condition are limited to the following:

14.22 (i) services delivered in an emergency room or by an ambulance service licensed  
14.23 under chapter 144E that are directly related to the treatment of an emergency medical  
14.24 condition;

14.25 (ii) services delivered in an inpatient hospital setting following admission from an  
14.26 emergency room or clinic for an acute emergency condition; ~~and~~

14.27 (iii) follow-up services that are directly related to the original service provided to  
14.28 treat the emergency medical condition and are covered by the global payment made to  
14.29 the provider;

14.30 (iv) administration of dialysis services provided in a hospital or freestanding dialysis  
14.31 facility; or

14.32 (v) surgery and administration of chemotherapy, radiation, and related services  
14.33 necessary to treat cancer provided to recipients with a diagnosis of cancer that is not in  
14.34 remission and requires surgery, chemotherapy, or radiation treatment.

15.1 (2) Services for the treatment of emergency medical conditions do not include the  
 15.2 following unless the services are part of the treatment plan for a recipient with a cancer  
 15.3 diagnosis and are directly related to cancer treatment as in clause (1), item (v):

- 15.4 (i) services delivered in an emergency room or inpatient setting to treat a  
 15.5 nonemergency condition;
- 15.6 (ii) organ transplants, stem cell transplants, and related care;
- 15.7 (iii) services for routine prenatal care;
- 15.8 (iv) continuing care, including long-term care, nursing facility services, home health  
 15.9 care, adult day care, day training, or supportive living services;
- 15.10 (v) elective surgery;
- 15.11 (vi) outpatient prescription drugs, unless the drugs are administered or dispensed as  
 15.12 part of an emergency room visit;
- 15.13 (vii) preventative health care and family planning services;
- 15.14 ~~(viii) dialysis;~~
- 15.15 ~~(ix) chemotherapy or therapeutic radiation services;~~
- 15.16 ~~(x) (viii) rehabilitation services;~~
- 15.17 ~~(xi) (ix) physical, occupational, or speech therapy;~~
- 15.18 ~~(xii) (x) transportation services;~~
- 15.19 ~~(xiii) (xi) case management;~~
- 15.20 ~~(xiv) (xii) prosthetics, orthotics, durable medical equipment, or medical supplies;~~
- 15.21 ~~(xv) (xiii) dental services;~~
- 15.22 ~~(xvi) (xiv) hospice care;~~
- 15.23 ~~(xvii) (xv) audiology services and hearing aids;~~
- 15.24 ~~(xviii) (xvi) podiatry services;~~
- 15.25 ~~(xix) (xvii) chiropractic services;~~
- 15.26 ~~(xx) (xviii) immunizations;~~
- 15.27 ~~(xxi) (xix) vision services and eyeglasses;~~
- 15.28 ~~(xxii) (xx) waiver services;~~
- 15.29 ~~(xxiii) (xxi) individualized education programs; or~~
- 15.30 ~~(xxiv) (xxii) chemical dependency treatment.~~

15.31 (i) Beginning July 1, 2009, pregnant noncitizens who are undocumented,  
 15.32 nonimmigrants, or lawfully present in the United States as defined in Code of Federal  
 15.33 Regulations, title 8, section 103.12, are not covered by a group health plan or health  
 15.34 insurance coverage according to Code of Federal Regulations, title 42, section 457.310,  
 15.35 and who otherwise meet the eligibility requirements of this chapter, are eligible for  
 15.36 medical assistance through the period of pregnancy, including labor and delivery, and 60

16.1 days postpartum, to the extent federal funds are available under title XXI of the Social  
16.2 Security Act, and the state children's health insurance program.

16.3 (j) Beginning October 1, 2003, persons who are receiving care and rehabilitation  
16.4 services from a nonprofit center established to serve victims of torture and are otherwise  
16.5 ineligible for medical assistance under this chapter are eligible for medical assistance  
16.6 without federal financial participation. These individuals are eligible only for the period  
16.7 during which they are receiving services from the center. Individuals eligible under this  
16.8 paragraph shall not be required to participate in prepaid medical assistance.

16.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.10 Sec. 8. Minnesota Statutes 2011 Supplement, section 256B.0659, subdivision 11,  
16.11 is amended to read:

16.12 Subd. 11. **Personal care assistant; requirements.** (a) A personal care assistant  
16.13 must meet the following requirements:

16.14 (1) be at least 18 years of age with the exception of persons who are 16 or 17 years  
16.15 of age with these additional requirements:

16.16 (i) supervision by a qualified professional every 60 days; and

16.17 (ii) employment by only one personal care assistance provider agency responsible  
16.18 for compliance with current labor laws;

16.19 (2) be employed by a personal care assistance provider agency;

16.20 (3) enroll with the department as a personal care assistant after clearing a background  
16.21 study. Except as provided in subdivision 11a, before a personal care assistant provides  
16.22 services, the personal care assistance provider agency must initiate a background study on  
16.23 the personal care assistant under chapter 245C, and the personal care assistance provider  
16.24 agency must have received a notice from the commissioner that the personal care assistant  
16.25 is:

16.26 (i) not disqualified under section 245C.14; or

16.27 (ii) is disqualified, but the personal care assistant has received a set aside of the  
16.28 disqualification under section 245C.22;

16.29 (4) be able to effectively communicate with the recipient and personal care  
16.30 assistance provider agency;

16.31 (5) be able to provide covered personal care assistance services according to the  
16.32 recipient's personal care assistance care plan, respond appropriately to recipient needs,  
16.33 and report changes in the recipient's condition to the supervising qualified professional  
16.34 or physician;

16.35 (6) not be a consumer of personal care assistance services;



17.1 (7) maintain daily written records including, but not limited to, time sheets under  
17.2 subdivision 12;

17.3 (8) effective January 1, 2010, complete standardized training as determined  
17.4 by the commissioner before completing enrollment. The training must be available  
17.5 in languages other than English and to those who need accommodations due to  
17.6 disabilities. Personal care assistant training must include successful completion of the  
17.7 following training components: basic first aid, vulnerable adult, child maltreatment,  
17.8 OSHA universal precautions, basic roles and responsibilities of personal care assistants  
17.9 including information about assistance with lifting and transfers for recipients, emergency  
17.10 preparedness, orientation to positive behavioral practices, fraud issues, and completion of  
17.11 time sheets. Upon completion of the training components, the personal care assistant must  
17.12 demonstrate the competency to provide assistance to recipients;

17.13 (9) complete training and orientation on the needs of the recipient within the first  
17.14 seven days after the services begin; and

17.15 (10) be limited to providing and being paid for up to 275 hours per month, except  
17.16 that this limit shall be 275 hours per month for the period July 1, 2009, through June 30,  
17.17 2011, of personal care assistance services regardless of the number of recipients being  
17.18 served or the number of personal care assistance provider agencies enrolled with. The  
17.19 number of hours worked per day shall not be disallowed by the department unless in  
17.20 violation of the law.

17.21 (b) A legal guardian may be a personal care assistant if the guardian is not being paid  
17.22 for the guardian services and meets the criteria for personal care assistants in paragraph (a).

17.23 (c) Persons who do not qualify as a personal care assistant include parents and  
17.24 stepparents of minors, spouses, paid legal guardians, family foster care providers, except  
17.25 as otherwise allowed in section 256B.0625, subdivision 19a, or staff of a residential  
17.26 setting. ~~When the personal care assistant is a relative of the recipient, the commissioner  
17.27 shall pay 80 percent of the provider rate. For purposes of this section, relative means the  
17.28 parent or adoptive parent of an adult child, a sibling aged 16 years or older, an adult child,  
17.29 a grandparent, or a grandchild.~~

17.30 **EFFECTIVE DATE.** This section is effective July 1, 2012.

17.31 Sec. 9. Minnesota Statutes 2011 Supplement, section 256B.0659, subdivision 28,  
17.32 is amended to read:

17.33 Subd. 28. **Personal care assistance provider agency; required documentation.**

17.34 (a) Required documentation must be completed and kept in the personal care assistance

18.1 provider agency file or the recipient's home residence. The required documentation  
18.2 consists of:

18.3 (1) employee files, including:

18.4 (i) applications for employment;

18.5 (ii) background study requests and results;

18.6 (iii) orientation records about the agency policies;

18.7 (iv) trainings completed with demonstration of competence;

18.8 (v) supervisory visits;

18.9 (vi) evaluations of employment; and

18.10 (vii) signature on fraud statement;

18.11 (2) recipient files, including:

18.12 (i) demographics;

18.13 (ii) emergency contact information and emergency backup plan;

18.14 (iii) personal care assistance service plan;

18.15 (iv) personal care assistance care plan;

18.16 (v) month-to-month service use plan;

18.17 (vi) all communication records;

18.18 (vii) start of service information, including the written agreement with recipient; and

18.19 (viii) date the home care bill of rights was given to the recipient;

18.20 (3) agency policy manual, including:

18.21 (i) policies for employment and termination;

18.22 (ii) grievance policies with resolution of consumer grievances;

18.23 (iii) staff and consumer safety;

18.24 (iv) staff misconduct; and

18.25 (v) staff hiring, service delivery, staff and consumer safety, staff misconduct, and

18.26 resolution of consumer grievances;

18.27 (4) time sheets for each personal care assistant along with completed activity sheets

18.28 for each recipient served; and

18.29 (5) agency marketing and advertising materials and documentation of marketing

18.30 activities and costs; ~~and.~~

18.31 ~~(6) for each personal care assistant, whether or not the personal care assistant is~~

18.32 ~~providing care to a relative as defined in subdivision 11.~~

18.33 (b) The commissioner may assess a fine of up to \$500 on provider agencies that do

18.34 not consistently comply with the requirements of this subdivision.

18.35 **EFFECTIVE DATE.** This section is effective July 1, 2012.

19.1 Sec. 10. Minnesota Statutes 2011 Supplement, section 256B.49, subdivision 15,  
19.2 is amended to read:

19.3 Subd. 15. **Individualized service plan; comprehensive transitional service plan;**  
19.4 **maintenance service plan.** (a) Each recipient of home and community-based waived  
19.5 services shall be provided a copy of the written service plan which:

19.6 (1) is developed and signed by the recipient within ten working days of the  
19.7 completion of the assessment;

19.8 (2) meets the assessed needs of the recipient;

19.9 (3) reasonably ensures the health and safety of the recipient;

19.10 (4) promotes independence;

19.11 (5) allows for services to be provided in the most integrated settings; and

19.12 (6) provides for an informed choice, as defined in section 256B.77, subdivision 2,  
19.13 paragraph (p), of service and support providers.

19.14 (b) In developing the comprehensive transitional service plan, the individual  
19.15 receiving services, the case manager, and the guardian, if applicable, will identify  
19.16 the transitional service plan fundamental service outcome and anticipated timeline to  
19.17 achieve this outcome. Within the first 20 days following a recipient's request for an  
19.18 assessment or reassessment, the transitional service planning team must be identified. A  
19.19 team leader must be identified who will be responsible for assigning responsibility and  
19.20 communicating with team members to ensure implementation of the transition plan and  
19.21 ongoing assessment and communication process. The team leader should be an individual,  
19.22 such as the case manager or guardian, who has the opportunity to follow the recipient to  
19.23 the next level of service.

19.24 Within ten days following an assessment, a comprehensive transitional service plan  
19.25 must be developed incorporating elements of a comprehensive functional assessment and  
19.26 including short-term measurable outcomes and timelines for achievement of and reporting  
19.27 on these outcomes. Functional milestones must also be identified and reported according  
19.28 to the timelines agreed upon by the transitional service planning team. In addition, the  
19.29 comprehensive transitional service plan must identify additional supports that may assist  
19.30 in the achievement of the fundamental service outcome such as the development of greater  
19.31 natural community support, increased collaboration among agencies, and technological  
19.32 supports.

19.33 The timelines for reporting on functional milestones will prompt a reassessment of  
19.34 services provided, the units of services, rates, and appropriate service providers. It is  
19.35 the responsibility of the transitional service planning team leader to review functional  
19.36 milestone reporting to determine if the milestones are consistent with observable skills

20.1 and that milestone achievement prompts any needed changes to the comprehensive  
20.2 transitional service plan.

20.3 For those whose fundamental transitional service outcome involves the need to  
20.4 procure housing, a plan for the recipient to seek the resources necessary to secure the least  
20.5 restrictive housing possible should be incorporated into the plan, including employment  
20.6 and public supports such as housing access and shelter needy funding.

20.7 (c) Counties and other agencies responsible for funding community placement and  
20.8 ongoing community supportive services are responsible for the implementation of the  
20.9 comprehensive transitional service plans. Oversight responsibilities include both ensuring  
20.10 effective transitional service delivery and efficient utilization of funding resources.

20.11 (d) Following one year of transitional services, the transitional services planning  
20.12 team will make a determination as to whether or not the individual receiving services  
20.13 requires the current level of continuous and consistent support in order to maintain the  
20.14 recipient's current level of functioning. Recipients who are determined to have not had  
20.15 a significant change in functioning for 12 months must move from a transitional to a  
20.16 maintenance service plan. Recipients on a maintenance service plan must be reassessed  
20.17 to determine if the recipient would benefit from a transitional service plan at least every  
20.18 12 months and at other times when there has been a significant change in the recipient's  
20.19 functioning. This assessment should consider any changes to technological or natural  
20.20 community supports.

20.21 (e) When a county is evaluating denials, reductions, or terminations of home and  
20.22 community-based services under section 256B.49 for an individual, the case manager  
20.23 shall offer to meet with the individual or the individual's guardian in order to discuss the  
20.24 prioritization of service needs within the individualized service plan, comprehensive  
20.25 transitional service plan, or maintenance service plan. The reduction in the authorized  
20.26 services for an individual due to changes in funding for waived services may not exceed  
20.27 the amount needed to ensure medically necessary services to meet the individual's health,  
20.28 safety, and welfare.

20.29 (f) At the time of reassessment, local agency case managers shall assess each  
20.30 recipient of community alternatives for disabled individuals or traumatic brain injury  
20.31 waived services currently residing in a licensed adult foster home that is not the primary  
20.32 residence of the license holder, or in which the license holder is not the primary caregiver,  
20.33 to determine if that recipient could appropriately be served in a community-living setting.  
20.34 If appropriate for the recipient, the case manager shall offer the recipient, through a  
20.35 person-centered planning process, the option to receive alternative housing and service  
20.36 options. In the event that the recipient chooses to transfer from the adult foster home,

21.1 the vacated bed shall not be filled with another recipient of waiver services and group  
21.2 residential housing, unless provided under section 245A.03, subdivision 7, paragraph (a),  
21.3 clauses (3) and (4), and the statewide licensed capacity shall be reduced accordingly. If  
21.4 the adult foster home becomes no longer viable due to these transfers, the county agency,  
21.5 with the assistance of the department, shall facilitate a consolidation of settings or closure.  
21.6 This reassessment process shall be completed by June 30, ~~2012~~ 2013. The results of the  
21.7 assessments will be used in the statewide needs determination process. Implementation of  
21.8 the statewide licensed capacity reduction will begin on July 1, 2013.

21.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

21.10 Sec. 11. Minnesota Statutes 2011 Supplement, section 256B.69, subdivision 5c,  
21.11 is amended to read:

21.12 Subd. 5c. **Medical education and research fund.** (a) The commissioner of human  
21.13 services shall transfer each year to the medical education and research fund established  
21.14 under section 62J.692, ~~an amount specified in this subdivision. The commissioner shall~~  
21.15 ~~calculate~~ the following:

21.16 (1) an amount equal to the reduction in the prepaid medical assistance payments as  
21.17 specified in this clause. Until January 1, 2002, the county medical assistance capitation  
21.18 base rate prior to plan specific adjustments and after the regional rate adjustments under  
21.19 subdivision 5b is reduced 6.3 percent for Hennepin County, two percent for the remaining  
21.20 metropolitan counties, and no reduction for nonmetropolitan Minnesota counties; and after  
21.21 January 1, 2002, the county medical assistance capitation base rate prior to plan specific  
21.22 adjustments is reduced 6.3 percent for Hennepin County, two percent for the remaining  
21.23 metropolitan counties, and 1.6 percent for nonmetropolitan Minnesota counties. Nursing  
21.24 facility and elderly waiver payments and demonstration project payments operating  
21.25 under subdivision 23 are excluded from this reduction. The amount calculated under  
21.26 this clause shall not be adjusted for periods already paid due to subsequent changes to  
21.27 the capitation payments;

21.28 (2) beginning July 1, 2003, \$4,314,000 from the capitation rates paid under this  
21.29 section;

21.30 (3) beginning July 1, 2002, an additional \$12,700,000 from the capitation rates  
21.31 paid under this section; and

21.32 (4) beginning July 1, 2003, an additional \$4,700,000 from the capitation rates paid  
21.33 under this section.

21.34 (b) This subdivision shall be effective upon approval of a federal waiver which  
21.35 allows federal financial participation in the medical education and research fund. The

22.1 amount specified under paragraph (a), clauses (1) to (4), shall not exceed the total amount  
 22.2 transferred for fiscal year 2009. Any excess shall first reduce the amounts specified under  
 22.3 paragraph (a), clauses (2) to (4). Any excess following this reduction shall proportionally  
 22.4 reduce the amount specified under paragraph (a), clause (1).

22.5 (c) Beginning September 1, 2011, of the amount in paragraph (a), the commissioner  
 22.6 shall transfer \$21,714,000 each fiscal year to the medical education and research fund.

22.7 (d) ~~Beginning September 1, 2011,~~ Of the amount in paragraph (a), and following  
 22.8 the transfer under paragraph (c), the commissioner shall transfer to the medical education  
 22.9 research fund \$23,936,000 in fiscal ~~years~~ year 2012 ~~and 2013~~ and \$36,744,000 in fiscal  
 22.10 year ~~2014 and thereafter~~ 2013.

22.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.12 Sec. 12. Laws 2011, First Special Session chapter 9, article 7, section 52, is amended to  
 22.13 read:

22.14 Sec. 52. **IMPLEMENT NURSING HOME LEVEL OF CARE CRITERIA.**

22.15 The commissioner shall seek any necessary federal approval in order to implement  
 22.16 the changes to the level of care criteria in Minnesota Statutes, section 144.0724,  
 22.17 subdivision 11, on or after July 1, 2012 for adults and children.

22.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.19 Sec. 13. Laws 2011, First Special Session chapter 9, article 7, section 54, is amended to  
 22.20 read:

22.21 Sec. 54. **CONTINGENCY PROVIDER RATE AND GRANT REDUCTIONS.**

22.22 (a) Notwithstanding any other rate reduction in this article, the commissioner of  
 22.23 human services shall decrease grants, allocations, reimbursement rates, individual limits,  
 22.24 and rate limits, as applicable, by 1.67 percent effective July 1, 2012, for services rendered  
 22.25 on or after those dates. County or tribal contracts for services specified in this section must  
 22.26 be amended to pass through these rate reductions within 60 days of the effective date of  
 22.27 the decrease, and must be retroactive from the effective date of the rate decrease.

22.28 (b) The rate changes described in this section must be provided to:

22.29 (1) home and community-based waived services for persons with developmental  
 22.30 disabilities or related conditions, including consumer-directed community supports, under  
 22.31 Minnesota Statutes, section 256B.501;

22.32 (2) home and community-based waived services for the elderly, including  
 22.33 consumer-directed community supports, under Minnesota Statutes, section 256B.0915;

23.1 (3) waived services under community alternatives for disabled individuals,  
23.2 including consumer-directed community supports, under Minnesota Statutes, section  
23.3 256B.49;

23.4 (4) community alternative care waived services, including consumer-directed  
23.5 community supports, under Minnesota Statutes, section 256B.49;

23.6 (5) traumatic brain injury waived services, including consumer-directed  
23.7 community supports, under Minnesota Statutes, section 256B.49;

23.8 (6) nursing services and home health services under Minnesota Statutes, section  
23.9 256B.0625, subdivision 6a;

23.10 (7) personal care services and qualified professional supervision of personal care  
23.11 services under Minnesota Statutes, section 256B.0625, subdivisions 6a and 19a;

23.12 (8) private duty nursing services under Minnesota Statutes, section 256B.0625,  
23.13 subdivision 7;

23.14 (9) day training and habilitation services for adults with developmental disabilities  
23.15 or related conditions, under Minnesota Statutes, sections 252.40 to 252.46, including the  
23.16 additional cost of rate adjustments on day training and habilitation services, provided as a  
23.17 social service under Minnesota Statutes, section 256M.60; and

23.18 (10) alternative care services under Minnesota Statutes, section 256B.0913.

23.19 (c) A managed care plan receiving state payments for the services in this section  
23.20 must include these decreases in their payments to providers. To implement the rate  
23.21 reductions in this section, capitation rates paid by the commissioner to managed care  
23.22 organizations under Minnesota Statutes, section 256B.69, shall reflect a ~~2.34~~ 3.34 percent  
23.23 reduction for the specified services for the period of January 1, 2013, through June 30,  
23.24 2013, and a 1.67 percent reduction for those services on and after July 1, 2013.

23.25 The above payment rate reduction, allocation rates, and rate limits shall expire for  
23.26 services rendered on December 31, 2013.

23.27 (d) If the federal approval required under Laws 2011, First Special Session chapter  
23.28 9, article 7, section 52, is obtained after June 30, 2012, on the first day of the month that  
23.29 is 60 days after receipt of federal approval, the commissioner of human services shall  
23.30 increase payment rates for grants, allocations, reimbursement rates, individual limits, and  
23.31 rate limits by 1.67 percent for those programs and services that received a rate reduction  
23.32 under this section or under Minnesota Statutes, section 256B.5012, subdivision 13.

23.33 (e) If the federal approval required under Laws 2011, First Special Session chapter  
23.34 9, article 7, section 52, is obtained after June 30, 2012, but before the 2013 managed care  
23.35 contracts are finalized, the commissioner of human services shall adjust the capitation for  
23.36 the period January 1, 2013, through June 30, 2013, based on the date the approval is

24.1 obtained and shall not impose the 1.67 percent rate reduction under paragraph (c) on or  
 24.2 after July 1, 2013.

24.3 (f) If the federal approval required under Laws 2011, First Special Session chapter  
 24.4 9, article 7, section 52, is obtained after the 2013 managed care contracts are finalized,  
 24.5 the commissioner of human services shall amend managed care contracts to increase the  
 24.6 capitation to provide for a 1.67 percent increase to providers that received a decrease  
 24.7 under paragraph (c). This capitation increase is effective on the first day of the month that  
 24.8 is 60 days after receipt of federal approval.

24.9 **EFFECTIVE DATE.** This section is effective July 1, 2012, if the federal approval  
 24.10 required under section 11 has not been obtained by June 30, 2012.

24.11 Sec. 14. Laws 2011, First Special Session chapter 9, article 10, section 3, subdivision  
 24.12 3, is amended to read:

24.13 **Subd. 3. Forecasted Programs**

24.14 The amounts that may be spent from this  
 24.15 appropriation for each purpose are as follows:

24.16 **(a) MFIP/DWP Grants**

	Appropriations by Fund	
24.17		
24.18	General	84,680,000 91,978,000
24.19	Federal TANF	84,425,000 75,417,000

24.20 **(b) MFIP Child Care Assistance Grants** 55,456,000 30,923,000

24.21 **(c) General Assistance Grants** 49,192,000 46,938,000

24.22 **General Assistance Standard.** The  
 24.23 commissioner shall set the monthly standard  
 24.24 of assistance for general assistance units  
 24.25 consisting of an adult recipient who is  
 24.26 childless and unmarried or living apart  
 24.27 from parents or a legal guardian at \$203.  
 24.28 The commissioner may reduce this amount  
 24.29 according to Laws 1997, chapter 85, article  
 24.30 3, section 54.

24.31 **Emergency General Assistance.** The  
 24.32 amount appropriated for emergency general



25.1 assistance funds is limited to no more  
 25.2 than \$6,689,812 in fiscal year 2012 and  
 25.3 \$6,729,812 in fiscal year 2013. Funds  
 25.4 to counties shall be allocated by the  
 25.5 commissioner using the allocation method  
 25.6 specified in Minnesota Statutes, section  
 25.7 256D.06.

25.8	<b>(d) Minnesota Supplemental Aid Grants</b>	38,095,000	39,120,000
25.9	<b>(e) Group Residential Housing Grants</b>	121,080,000	129,238,000
25.10	<b>(f) MinnesotaCare Grants</b>	295,046,000	317,272,000

25.11 This appropriation is from the health care  
 25.12 access fund.

25.13	<b>(g) Medical Assistance Grants</b>	4,501,582,000	4,437,282,000
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25.14 **Managed Care Incentive Payments.** The  
 25.15 commissioner shall not make managed care  
 25.16 incentive payments for expanding preventive  
 25.17 services during fiscal years beginning July 1,  
 25.18 2011, and July 1, 2012.

25.19 **Reduction of Rates for Congregate**  
 25.20 **Living for Individuals with Lower Needs.**  
 25.21 Beginning October 1, 2011, lead agencies  
 25.22 must reduce rates in effect on January 1,  
 25.23 2011, by ~~ten~~ up to five percent for individuals  
 25.24 with lower needs living in foster care settings  
 25.25 where the license holder does not share  
 25.26 the residence with recipients on the CADI  
 25.27 and DD waivers and customized living  
 25.28 settings for CADI. Lead agencies must adjust  
 25.29 contracts within 60 days of the effective date.

25.30 **Reduction of Lead Agency Waiver**  
 25.31 **Allocations to Implement Rate Reductions**  
 25.32 **for Congregate Living for Individuals**  
 25.33 **with Lower Needs.** Beginning October 1,  
 25.34 2011, the commissioner shall reduce lead

26.1 agency waiver allocations to implement the  
26.2 reduction of rates for individuals with lower  
26.3 needs living in foster care settings where the  
26.4 license holder does not share the residence  
26.5 with recipients on the CADI and DD waivers  
26.6 and customized living settings for CADI.

26.7 **Reduce customized living and 24-hour**  
26.8 **customized living component rates.**

26.9 Effective July 1, 2011, the commissioner  
26.10 shall reduce elderly waiver customized living  
26.11 and 24-hour customized living component  
26.12 service spending by five percent through  
26.13 reductions in component rates and service  
26.14 rate limits. The commissioner shall adjust  
26.15 the elderly waiver capitation payment  
26.16 rates for managed care organizations paid  
26.17 under Minnesota Statutes, section 256B.69,  
26.18 subdivisions 6a and 23, to reflect reductions  
26.19 in component spending for customized living  
26.20 services and 24-hour customized living  
26.21 services under Minnesota Statutes, section  
26.22 256B.0915, subdivisions 3e and 3h, for the  
26.23 contract period beginning January 1, 2012.  
26.24 To implement the reduction specified in  
26.25 this provision, capitation rates paid by the  
26.26 commissioner to managed care organizations  
26.27 under Minnesota Statutes, section 256B.69,  
26.28 shall reflect a ten percent reduction for the  
26.29 specified services for the period January 1,  
26.30 2012, to June 30, 2012, and a five percent  
26.31 reduction for those services on or after July  
26.32 1, 2012.

26.33 **Limit Growth in the Developmental**  
26.34 **Disability Waiver.** The commissioner  
26.35 shall limit growth in the developmental  
26.36 disability waiver to six diversion allocations

27.1 per month beginning July 1, 2011, through  
27.2 June 30, 2013, and 15 diversion allocations  
27.3 per month beginning July 1, 2013, through  
27.4 June 30, 2015. Waiver allocations shall  
27.5 be targeted to individuals who meet the  
27.6 priorities for accessing waiver services  
27.7 identified in Minnesota Statutes, 256B.092,  
27.8 subdivision 12. The limits do not include  
27.9 conversions from intermediate care facilities  
27.10 for persons with developmental disabilities.  
27.11 Notwithstanding any contrary provisions in  
27.12 this article, this paragraph expires June 30,  
27.13 2015.

27.14 **Limit Growth in the Community**

27.15 **Alternatives for Disabled Individuals**

27.16 **Waiver.** The commissioner shall limit  
27.17 growth in the community alternatives for  
27.18 disabled individuals waiver to 60 allocations  
27.19 per month beginning July 1, 2011, through  
27.20 June 30, 2013, and 85 allocations per  
27.21 month beginning July 1, 2013, through  
27.22 June 30, 2015. Waiver allocations must  
27.23 be targeted to individuals who meet the  
27.24 priorities for accessing waiver services  
27.25 identified in Minnesota Statutes, section  
27.26 256B.49, subdivision 11a. The limits include  
27.27 conversions and diversions, unless the  
27.28 commissioner has approved a plan to convert  
27.29 funding due to the closure or downsizing  
27.30 of a residential facility or nursing facility  
27.31 to serve directly affected individuals on  
27.32 the community alternatives for disabled  
27.33 individuals waiver. Notwithstanding any  
27.34 contrary provisions in this article, this  
27.35 paragraph expires June 30, 2015.

28.1 ~~**Personal Care Assistance Relative**~~  
 28.2 ~~**Care.** The commissioner shall adjust the~~  
 28.3 ~~capitation payment rates for managed care~~  
 28.4 ~~organizations paid under Minnesota Statutes,~~  
 28.5 ~~section 256B.69, to reflect the rate reductions~~  
 28.6 ~~for personal care assistance provided by~~  
 28.7 ~~a relative pursuant to Minnesota Statutes,~~  
 28.8 ~~section 256B.0659, subdivision 11.~~

28.9 (h) **Alternative Care Grants** 46,421,000 46,035,000

28.10 **Alternative Care Transfer.** Any money  
 28.11 allocated to the alternative care program that  
 28.12 is not spent for the purposes indicated does  
 28.13 not cancel but shall be transferred to the  
 28.14 medical assistance account.

28.15 (i) **Chemical Dependency Entitlement Grants** 94,675,000 93,298,000

28.16 **EFFECTIVE DATE.** This section is effective July 1, 2012.

28.17 Sec. 15. **GRANTS FOR HOUSING ACCESS SERVICES.**

28.18 Notwithstanding Laws 2011, First Special Session chapter 9, article 10, section 3,  
 28.19 subdivision 4, paragraph (k), the fiscal year 2012 appropriation for grants for housing  
 28.20 access services shall be available in fiscal year 2013 for the same purposes.

28.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

## 28.22 **ARTICLE 2**

### 28.23 **HEALTH AND HUMAN SERVICES APPROPRIATIONS**

#### 28.24 Section 1. **SUMMARY OF APPROPRIATIONS.**

28.25 The amounts shown in this section summarize direct appropriations, by fund, made  
 28.26 in this article.

		<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>Total</b></u>
28.27				
28.28	<u>General</u>	\$ <u>1,284,000</u>	\$ <u>26,941,000</u>	\$ <u>28,225,000</u>
28.29	<u>State Government Special</u>			
28.30	<u>Revenue</u>	<u>-0-</u>	<u>638,000</u>	<u>638,000</u>
28.31	<u><b>Total</b></u>	\$ <u><b>1,284,000</b></u>	\$ <u><b>27,579,000</b></u>	\$ <u><b>28,863,000</b></u>

28.32 Sec. 2. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

29.1 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 29.2 in parentheses, subtracted from the appropriations in Laws 2011, First Special Session  
 29.3 chapter 9, article 10, to the agencies and for the purposes specified in this article. The  
 29.4 appropriations are from the general fund or other named fund and are available for the  
 29.5 fiscal years indicated for each purpose. The figures "2012" and "2013" used in this  
 29.6 article mean that the addition to or subtraction from the appropriation listed under them  
 29.7 is available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively.  
 29.8 Supplemental appropriations and reductions to appropriations for the fiscal year ending  
 29.9 June 30, 2012, are effective the day following final enactment unless a different effective  
 29.10 date is explicit.

**APPROPRIATIONS**  
**Available for the Year**  
**Ending June 30**  
**2012**                      **2013**

29.15 **Sec. 3. COMMISSIONER OF HUMAN**  
 29.16 **SERVICES**

29.17 **Subdivision 1. Total Appropriation**                      \$              **1,284,000** \$              **27,016,000**

29.18	<u>Appropriations by Fund</u>		
29.19		<u>2012</u>	<u>2013</u>
29.20	<u>General</u>	1,284,000	26,378,000
29.21	<u>State Government</u>		
29.22	<u>Special Revenue</u>	-0-	638,000

29.23 **Subd. 2. Central Office Operations**

29.24 **(a) Operations**

29.25	<u>Appropriations by Fund</u>		
29.26		<u>2012</u>	<u>2013</u>
29.27	<u>General</u>	107,000	6,000
29.28	<u>State Government</u>		
29.29	<u>Special Revenue</u>	-0-	638,000

29.30 **(b) Health Care**                                              5,000                      (98,000)

29.31 **Base Level Adjustment.** The general fund  
 29.32 base for health care is decreased by \$82,000  
 29.33 in fiscal years 2014 and 2015.

29.34 **(c) Continuing Care**                                              -0-                      48,000

30.1	<b><u>Base Level Adjustment.</u></b> The general fund		
30.2	<u>base for continuing care is decreased by</u>		
30.3	<u>\$152,000 in fiscal years 2014 and 2015.</u>		
30.4	<b><u>Subd. 3. Forecasted Programs</u></b>		
30.5	<b><u>Medical Assistance Grants</u></b>	<u>623,000</u>	<u>21,918,000</u>
30.6	<b><u>Subd. 4. Grant Programs</u></b>		
30.7	<b><u>(a) Children and Community Services Grants</u></b>	<u>-0-</u>	<u>542,000</u>
30.8	<b><u>White Earth Human Services Transfer</u></b>		
30.9	<b><u>Grant.</u></b> Of the general fund appropriation,		
30.10	<u>\$542,000 in fiscal year 2013 is for a grant to</u>		
30.11	<u>the White Earth tribe to support development</u>		
30.12	<u>of local capacity for effective and efficient</u>		
30.13	<u>delivery of human services to tribal members</u>		
30.14	<u>and their families. This appropriation is</u>		
30.15	<u>added to the base.</u>		
30.16	<b><u>(b) Aging and Adult Services Grants</u></b>	<u>-0-</u>	<u>999,000</u>
30.17	<b><u>Essential Community Support grants.</u></b>		
30.18	<u>This is a onetime appropriation in fiscal year</u>		
30.19	<u>2013 and does not affect the fiscal year 2014</u>		
30.20	<u>and 2015 base for these grants.</u>		
30.21	<b><u>(c) Disabilities Grants</u></b>	<u>-0-</u>	<u>250,000</u>
30.22	<b><u>Needs assessments.</u></b> This appropriation is		
30.23	<u>for the needs assessments under Minnesota</u>		
30.24	<u>Statutes, sections 245A.03, subdivision 7,</u>		
30.25	<u>and 256B.49, subdivision 15. This is a</u>		
30.26	<u>onetime appropriation.</u>		
30.27	<b><u>Subd. 5. State-Operated Services</u></b>		
30.28	<b><u>SOS Mental Health</u></b>	<u>549,000</u>	<u>2,713,000</u>
30.29	<b><u>Minnesota Specialty Health Services,</u></b>		
30.30	<b><u>Willmar site.</u></b> \$549,000 in fiscal year 2012		
30.31	<u>and \$2,713,000 in fiscal year 2013 is to</u>		
30.32	<u>continue operations of the Minnesota Health</u>		

31.1 Services, Willmar site. These appropriations  
31.2 are onetime. Closure of the facility shall not  
31.3 occur prior to June 30, 2013.

31.4 Sec. 4. **COMMISSIONER OF HEALTH**            **\$**                            **0** **\$**                            **563,000**

31.5 \$563,000 in fiscal year 2013 is to increase  
31.6 inspection and oversight of licensed home  
31.7 care providers under Minnesota Statutes,  
31.8 chapter 144A. This appropriation is added  
31.9 to the base.

31.10        Sec. 5. **EXPIRATION OF UNCODIFIED LANGUAGE.**

31.11            All uncodified language contained in this article expires on June 30, 2013, unless a  
31.12 different expiration date is explicit.

31.13        Sec. 6. **EFFECTIVE DATE.**

31.14            The provisions in this article are effective July 1, 2012, unless a different effective  
31.15 date is explicit."