

House Research Act Summary

CHAPTER: 340

SESSION: 2000 Regular Session

TOPIC: DHS Health Care Programs

Date: April 19, 2000

Analyst: Randall Chun, 651-296-8639

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

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

- 1 **Application.** Amends § 62Q.19, subd. 2. Allows the commissioner of health to accept an application for essential community provider (ECP) status until June 30, 2001, from:
 - (1) a nonprofit community health care facility that delivers culturally competent health care to an under served Southeast Asian immigrant and refugee population;
 - (2) a nonprofit home health care provider that provides culturally competent home health care services to a low-income culturally diverse population;
 - (3) up to five nonprofit community mental health centers that serve children with serious emotional disturbance and their families or adults with serious and persistent mental illness; and
 - (4) a nonprofit provider that provides mental health, child development, and family services to children with physical and mental health disorders and their families.
- 2 **Termination or renewal of designation; commissioner review.** Amends § 62Q.19, subd. 6. Requires the commissioner to review each ECP designation after five years. Allows the commissioner to renew the designation for an additional five-year period, or terminate the designation. (Under current law, a designation terminates five years after it is granted or when universal coverage is achieved, whichever is later.) Also strikes language requiring the

commissioner to report on the duration of the ECP designation.

- 3 **Employed persons with disabilities.** Amends § 256B.057, subd. 9. Clarifies that MA coverage for employed persons with disabilities applies to individuals who are at least 16 but less than 65 years of age. Also makes a technical correction.
- 4 **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.
- 5 **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.
- 6 **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. Limits spending on administrative costs to five percent of federal funds earned.
- 7 **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.
- 8 **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.
- 9 **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.
- 10 **Reports.** Amends § 256B.0945, subd. 8. Standardizes the terminology used to refer to services supported with revenues received under this section.
- 11 **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. Allows the commissioner to limit inappropriate placements in residential treatment.
- 12 **Home and community-based waiver services.** Amends § 256B.69, subd. 6b. Makes conforming changes related to section 13.
- 13 **Alternative integrated long-term care services; elderly and disabled persons.** Amends § 256B.69, subd. 23. Allows the commissioner to implement demonstration projects to integrate acute and long-term care services for persons who meet the definition of disability used by the demonstration project for persons with disabilities. Requires county approval of the demonstration and contracting design and specifies that enrollment is voluntary until July 1, 2001. Sets other requirements for the demonstration projects.
- 14 **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.
- 15 **Copayments and coinsurance.** Amends § 256L.03, subd. 5. Exempts parents and relative caretakers from the MinnesotaCare inpatient hospital copayment 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.

- 16 **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).
- 17 **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.
- 18 **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.
- 19 **Alternative care pilot projects.** Requires expenditures for housing with services and adult foster care to be excluded when determining average monthly expenditures per client for alternative care pilot projects. Allows the projects to continue until June 30, 2005.
- 20 **Repealer.** Repeals Laws 1998, chapter 407, article 5, section 44 (related to the MinnesotaCare inpatient hospital copayment and receipt of federal MA funding).
- 21 **Effective date.** Provides that sections 1, 15 and 17 are effective the day following final enactment.