

A bill for an act
relating to human services; expanding a quality assurance system to include
additional service recipients; establishing a statewide quality assurance and
improvement system; establishing a State Quality Commission; removing
sunset dates; appropriating money; amending Minnesota Statutes 2006, sections
256B.095; 256B.0951, subdivision 1; proposing coding for new law in Minnesota
Statutes, chapter 256B.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2006, section 256B.095, is amended to read:

256B.095 QUALITY ASSURANCE SYSTEM ESTABLISHED.

(a) Effective July 1, 1998, a quality assurance system for persons with developmental disabilities, which includes an alternative quality assurance licensing system for programs, is established in Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, and Winona Counties for the purpose of improving the quality of services provided to persons with developmental disabilities. A county, at its option, may choose to have all programs for persons with developmental disabilities located within the county licensed under chapter 245A using standards determined under the alternative quality assurance licensing system or may continue regulation of these programs under the licensing system operated by the commissioner. ~~The project expires on June 30, 2009.~~

(b) Effective July 1, 2003, a county not listed in paragraph (a) may apply to participate in the quality assurance system established under paragraph (a). The commission established under section 256B.0951 may, at its option, allow additional counties to participate in the system.

(c) Effective July 1, 2003, any county or group of counties not listed in paragraph (a) may establish a quality assurance system under this section. A new system established

under this section shall have the same rights and duties as the system established under paragraph (a). A new system shall be governed by a commission under section 256B.0951. The commissioner shall appoint the initial commission members based on recommendations from advocates, families, service providers, and counties in the geographic area included in the new system. Counties that choose to participate in a new system shall have the duties assigned under section 256B.0952. The new system shall establish a quality assurance process under section 256B.0953. The provisions of section 256B.0954 shall apply to a new system established under this paragraph. The commissioner shall delegate authority to a new system established under this paragraph according to section 256B.0955.

(d) Effective July 1, 2007, the quality assurance system may be expanded to include programs for persons with disabilities and older adults.

Sec. 2. Minnesota Statutes 2006, section 256B.0951, subdivision 1, is amended to read:

Subdivision 1. **Membership.** The Quality Assurance Commission is established. The commission consists of at least 14 but not more than 21 members as follows: at least three but not more than five members representing advocacy organizations; at least three but not more than five members representing consumers, families, and their legal representatives; at least three but not more than five members representing service providers; at least three but not more than five members representing counties; and the commissioner of human services or the commissioner's designee. The first commission shall establish membership guidelines for the transition and recruitment of membership for the commission's ongoing existence. Members of the commission who do not receive a salary or wages from an employer for time spent on commission duties may receive a per diem payment when performing commission duties and functions. All members may be reimbursed for expenses related to commission activities. ~~Notwithstanding the provisions of section 15.059, subdivision 5, the commission expires on June 30, 2009.~~

Sec. 3. **[256B.096] STATE AND REGIONAL QUALITY ASSURANCE AND IMPROVEMENT SYSTEM FOR MINNESOTANS RECEIVING DISABILITY SERVICES.**

Subdivision 1. **Scope.** In order to improve the quality of services provided to Minnesotans with disabilities, a statewide quality assurance and improvement system for Minnesotans receiving disability services is established. The disability services included are the home and community-based services waiver programs for persons with developmental disabilities under section 256B.092, subdivision 4, traumatic brain injury,

and for those who qualify for nursing facility or hospital levels of care under section 256B.49; home care services under section 256B.0651; family support grant under section 252.32; consumer support grant under section 256.476; and semi-independent living services under section 252.275. The statewide quality assurance and improvement system shall include a state quality commission, six regional quality councils, an outcome based quality review component, and a comprehensive system for effective incident reporting, investigation, analysis, and follow-up.

Subd. 2. **State Quality Commission.** (a) The commissioner shall appoint the members of the State Quality Commission, including representatives from the following groups: disability service recipients; at least one member from each regional quality council; disability service providers; disability advocacy groups; county human service agencies; and state agency staff from the Departments of Human Services, Health, and the Office of the Ombudsman for Mental Health and Developmental Disabilities.

(b) The State Quality Commission shall assist the Departments of Human Services and Health in fulfilling federally mandated obligations by monitoring disability service quality and quality assurance and improvement practices in Minnesota, establishing state quality improvement priorities with methods for achieving results, and providing an annual report to the legislative committees with jurisdiction over policy and funding of disability services on the outcomes, improvement priorities, and activities undertaken by the commission during the previous state fiscal year.

Subd. 3. **Regional quality councils.** (a) The commissioner shall establish six regional quality councils of key stakeholders including regional representatives of disability service recipients, disability service providers, disability advocacy groups, county government, and state agency regional staff from the Departments of Human Services, Health, and the Office of the Ombudsman for Mental Health and Developmental Disabilities who are appointed by the State Quality Commission.

(b) The regional councils shall:

(1) direct and monitor outcome-based quality assurance programs;

(2) analyze and review quality outcomes and critical incident data;

(3) provide information and training programs for persons with disabilities, including service recipients and their caregivers, on service options and quality expectations;

(4) disseminate information and resources developed to other regional quality councils;

(5) respond to state level priorities;

(6) establish regional priorities for quality improvement;

4.1 (7) submit an annual report to the State Quality Commission on the status, outcomes,
4.2 and improvement priorities and activities in the region;

4.3 (8) choose a representative to participate on the State Quality Commission; and

4.4 (9) assume other responsibilities consistent with the priorities of the State Quality
4.5 Commission.

4.6 (c) The regional councils shall maintain staff and manage resources needed,
4.7 consistent with funding and direction from the commissioner in consultation with the
4.8 State Quality Commission.

4.9 Subd. 4. **Annual survey of service recipients.** The commissioner, in consultation
4.10 with the State Quality Commission, shall conduct an annual independent statewide survey
4.11 of at least five to ten percent of service recipients, randomly selected, to determine the
4.12 effectiveness and quality of disability services. The survey shall be consistent with the
4.13 system performance expectations of the Centers for Medicare and Medicaid Services
4.14 (CMS) Quality Framework and analyze whether desired outcomes for persons with
4.15 different demographic, diagnostic, health, and functional needs, receiving different types
4.16 of services, in different settings, with different costs, have been achieved. Annual
4.17 statewide and regional reports of the results will be published for use by regions, counties,
4.18 and providers to plan and measure the impact of quality improvement activities.

4.19 Subd. 5. **Outcome-based quality review.** The state commission shall designate an
4.20 outcome-based quality review program to assure that quality assessment and licensing
4.21 practices are founded on valid, reliable assessments in areas consistent with the CMS
4.22 Quality Framework. The outcome-based quality review process shall:

4.23 (1) be designed and implemented based on the work of the State Quality Commission
4.24 and Regional Councils, information from the statewide service user survey, and the
4.25 incident reporting data;

4.26 (2) cover both licensed and unlicensed services;

4.27 (3) include outcome-based interviews of a sufficient sample of individuals and
4.28 caregivers served by an agency to provide reliable information which can be used to
4.29 determine the level of service quality, issue program licenses as needed, recommend
4.30 remedial activities, and determine the need for general and specific training, technical
4.31 assistance, consumer education, and other service improvement activities; and

4.32 (4) be available for use by regional councils for an alternative quality assurance
4.33 program should counties in a region seek to develop an alternative to the state licensure
4.34 system pursuant to the process established under sections 256B.095 to 256B.0955.

4.35 Subd. 6. **Incident reporting, investigation, analysis, and follow-up**
4.36 **improvements.** (a) The commissioner shall improve the system of incident reporting,

including reports made under the Maltreatment of Minors and Vulnerable Adults Acts, investigation, analysis, and follow-up for disability services to assure that incidents that may have jeopardized safety, health, civil and human rights, service-related assurances, and other protections to prevent abuse, neglect, and exploitation are reviewed, investigated, and acted upon in a timely manner.

(b) Information, data, and analysis from the reporting system shall be used at the provider, county, and regional levels to improve services for recipients and shall be provided in a standardized format on a regular basis to regional quality councils, the State Quality Commission, and appropriate state and county agencies.

Subd. 7. **Effective date.** (a) Subdivisions 1 to 4 and 6 are effective July 1, 2007, subject to the following phased implementation:

(1) the State Quality Commission and at least two regional quality councils, one in southeastern Minnesota and the other to be designated by the commissioner, shall begin July 1, 2008;

(2) two additional regional councils must be established by January 1, 2010;

(3) the remaining two regional councils must be established by July 1, 2011;

(4) the statewide survey of service recipients shall be developed beginning July 1, 2007, and field-tested during calendar year 2008 with implementation beginning on or before January 31, 2009; and

(5) beginning July 1, 2007, in consultation with a stakeholder workgroup, the commissioner shall develop, design, and make recommendations for improvements in the incident reporting, analysis, and data systems.

(b) Subdivision 5 is effective July 1, 2009. The outcome-based quality review process shall be designed and implemented based on the work of the State Quality Commission and regional councils, information from the statewide service user survey, and the incident reporting data, as funding allows after July 1, 2009.

Sec. 4. APPROPRIATION.

(a) \$..... is appropriated from the general fund to the commissioner of human services for the biennium beginning July 1, 2007, for the purposes of section 1.

(b) \$..... is appropriated from the general fund to the commissioner of human services for fiscal year 2008 to develop and establish the quality assurance and improvement system according to the schedule set forth under Minnesota Statutes, section 256B.096, subdivision 7. Federal Medicaid match obtained for this purpose shall be dedicated to the commissioner for this purpose.

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6.1 (c) \$..... in fiscal year 2008 and \$..... in fiscal year 2009 are appropriated from
6.2 the general fund to the commissioner of human services for the implementation of the
6.3 quality assurance and improvement system. Federal Medicaid match obtained for this
6.4 purpose shall be dedicated to the commissioner for this purpose. This appropriation is
6.5 added to the agency's base.