

A bill for an act
relating to human services; amending county maintenance of effort provisions;
amending Minnesota Statutes 2008, section 245.4835.

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

Section 1. Minnesota Statutes 2008, section 245.4835, is amended to read:

245.4835 COUNTY MAINTENANCE OF EFFORT.

Subdivision 1. **Required expenditures.** (a) Counties must maintain a level of expenditures for mental health services under sections 245.461 to 245.484 and 245.487 to 245.4889 so that each year's county expenditures are at least equal to that county's average expenditures for those services for calendar years 2004 and 2005. The commissioner will adjust each county's base level for minimum expenditures in each year by the amount of any increase or decrease in that county's state grants or other noncounty revenues for mental health services under sections 245.461 to 245.484 and 245.487 to 245.4889.

(b) In order to simplify administration and improve budgeting predictability, the commissioner shall:

(1) use each county's actual prior year revenues to determine the county's minimum required expenditures for the coming year;

(2) allocate each county's revenues proportionally across applicable expenditures;
and

(3) reduce each county's base to allow for major decreases in state or federal block grants or other revenues that can be used for mental health services, but are not dedicated to mental health; in this case, the commissioner shall calculate the mental health share of total county expenditures which were eligible to be funded from that revenue source in the base year and then use that mental health share to allocate the change in those revenues to

mental health. This clause applies to changes in revenues that are beyond the county's control and expires December 31, 2011.

(c) In order to simplify administration and improve budgeting predictability, the commissioner may:

(1) use more current information regarding major changes in revenues if the change is known early enough to allow counties time to reduce their budgets; and

(2) reduce a county's base if the county's population is declining and the county's per capita mental health expenditures are higher than the state average.

Subd. 2. Failure to maintain expenditures. (a) If a county does not comply with subdivision 1, the commissioner shall require the county to develop a corrective action plan according to a format and timeline established by the commissioner. If the commissioner determines that a county has not developed an acceptable corrective action plan within the required timeline, or that the county is not in compliance with an approved corrective action plan, the protections provided to that county under section 245.485 do not apply.

(b) The commissioner shall consider the following factors to determine whether to approve a county's corrective action plan:

(1) the degree to which a county is maximizing revenues for mental health services from noncounty sources;

(2) the degree to which a county is expanding use of alternative services which meet mental health needs but do not count as mental health services within existing reporting systems. If approved by the commissioner, the alternative services must be included in the county's base as well as subsequent years. The commissioner's approval for alternative services must be based on the following criteria:

(i) the services must be provided to children with emotional disturbance or adults with mental illness;

(ii) the services must be based on an individual treatment plan or individual family community support plan, as defined in section 245.4871;

(iii) the services must be supervised by a mental health professional and provided by staff who meet the staff qualifications defined in sections 256B.0943, subdivision 7, and 256B.0622, subdivision 5; and

(iv) additional county expenditures to make up for the prior year's underspending may be spread out over a two-year period.