

A bill for an act

1.1 relating to the state budget; balancing proposed general fund spending and  
1.2 anticipated general fund revenue; modifying certain payment schedules to  
1.3 improve cash flow; making reductions in appropriations for E-12 education,  
1.4 higher education, environment and natural resources, energy and commerce,  
1.5 agriculture, economic development, transportation, public safety, state  
1.6 government, human services, and health; modifying calculation of state tax aids  
1.7 and credits; providing for deposit of certain receipts in the special revenue fund  
1.8 rather than the general fund; making changes to health and human services policy  
1.9 provisions including state health care programs, continuing care, children and  
1.10 family services, health care reform, Department of Health, public health, health  
1.11 plans; increasing fees; requiring reports; making supplemental and contingent  
1.12 appropriations and reductions for the Departments of Health and Human Services  
1.13 and other health-related boards and councils; amending Minnesota Statutes  
1.14 2008, sections 3.9741, subdivision 2; 8.15, subdivision 3; 13.03, subdivision 10;  
1.15 13.3806, subdivision 13; 16C.23, subdivision 6; 62D.08, by adding a subdivision;  
1.16 62J.692, subdivision 4; 62Q.19, subdivision 1; 103B.101, subdivision 9;  
1.17 103I.681, subdivision 11; 116J.551, subdivision 1; 123B.75, subdivisions 5, 9, by  
1.18 adding a subdivision; 126C.48, subdivision 7; 127A.441; 127A.45, subdivisions  
1.19 2, 3, 13, by adding a subdivision; 127A.46; 144.05, by adding a subdivision;  
1.20 144.226, subdivision 3; 144.293, subdivision 4; 144.603; 144.605, subdivisions  
1.21 2, 3, by adding a subdivision; 144.608, subdivision 1; 144.651, subdivision 2;  
1.22 144.9504, by adding a subdivision; 144A.51, subdivision 5; 144D.03, subdivision  
1.23 2; 144D.04, subdivision 2; 144E.37; 144G.06; 152.126, as amended; 190.32;  
1.24 214.40, subdivision 7; 246.18, by adding a subdivision; 254B.01, subdivision  
1.25 2; 254B.02, subdivisions 1, 5; 254B.03, subdivision 4, by adding a subdivision;  
1.26 254B.05, subdivision 4; 254B.06, subdivision 2; 254B.09, subdivision 8; 256.01,  
1.27 by adding a subdivision; 256B.04, subdivision 14a; 256B.055, by adding a  
1.28 subdivision; 256B.056, subdivisions 3, 4; 256B.057, subdivision 9; 256B.0625,  
1.29 subdivisions 8, 8a, 8b, 18a, 22, 31, by adding subdivisions; 256B.0631,  
1.30 subdivisions 1, 3; 256B.0644, as amended; 256B.0915, by adding a subdivision;  
1.31 256B.19, subdivision 1c; 256B.69, subdivision 27, by adding a subdivision;  
1.32 256B.692, subdivision 1; 256B.76, subdivisions 2, 4; 256D.03, subdivision 3b;  
1.33 256D.0515; 256I.05, by adding a subdivision; 256J.24, subdivision 6; 256L.07,  
1.34 by adding a subdivision; 256L.11, subdivision 6; 256L.12, subdivisions 5,  
1.35 9; 256L.15, subdivision 1; 257.69, subdivision 2; 260C.331, subdivision 6;  
1.36 273.1384, subdivision 6, as added; 276.112; 289A.60, by adding a subdivision;  
1.37 299C.48; 299E.02; 446A.086, subdivision 2, as amended; 469.177, subdivision  
1.38 11; 517.08, subdivision 1c, as amended; 518.165, subdivision 3; 609.3241;  
1.39

**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

2.1 611.20, subdivision 3; Minnesota Statutes 2009 Supplement, sections 123B.54;  
2.2 137.025, subdivision 1; 157.16, subdivision 3; 252.27, subdivision 2a; 256.969,  
2.3 subdivision 2b; 256.975, subdivision 7; 256B.0625, subdivision 13h; 256B.0659,  
2.4 subdivision 11; 256B.0911, subdivision 1a; 256B.441, subdivision 55; 256B.69,  
2.5 subdivisions 5a, 23; 256B.76, subdivision 1; 256B.766; 256D.03, subdivision 3,  
2.6 as amended; 256J.425, subdivision 3; 256J.621; 256L.03, subdivision 5; 270.97;  
2.7 289A.20, subdivision 4; 327.15, subdivision 3; 517.08, subdivision 1b; Laws  
2.8 1994, chapter 531, section 1; Laws 2005, First Special Session chapter 4, article  
2.9 8, section 66, as amended; Laws 2009, chapter 79, article 3, section 18; article  
2.10 5, sections 17; 18; 22; 75, subdivision 1; 78, subdivision 5; article 8, sections  
2.11 4; 51; 84; article 13, sections 3, subdivisions 1, as amended, 3, as amended,  
2.12 4, as amended, 8, as amended; 4, subdivision 4, as amended; 5, subdivision  
2.13 8, as amended; Laws 2009, chapter 96, article 1, section 24, subdivisions 2,  
2.14 4, 5, 6, 7; article 2, section 67, subdivisions 2, 3, 4, 7, 9; article 3, section 21,  
2.15 subdivisions 2, 4, 5; article 4, section 12, subdivisions 2, 3, 4, 6; article 5, section  
2.16 13, subdivisions 4, 6, 7, 9; article 6, section 11, subdivisions 2, 3, 4, 6, 7, 8, 9, 12;  
2.17 article 7, section 3, subdivision 2; Laws 2009, chapter 173, article 1, section 17;  
2.18 Laws 2010, chapter 200, article 1, sections 12, subdivisions 5, 6, 7, 8; 16; 21;  
2.19 article 2, section 2, subdivisions 1, 4, 5, 8; Laws 2010, chapter 215, article 3,  
2.20 section 3, subdivision 6; article 13, section 6; proposing coding for new law in  
2.21 Minnesota Statutes, chapters 62D; 62E; 62Q; 137; 144; 144D; 246; 254B; 256;  
2.22 256B; 477A; repealing Minnesota Statutes 2008, sections 144.607; 254B.02,  
2.23 subdivisions 2, 3, 4; 254B.09, subdivisions 4, 5, 7; 256D.03, subdivisions 3, 3a,  
2.24 5, 6, 7, 8; Laws 2009, chapter 79, article 7, section 26, subdivision 3; Laws 2010,  
2.25 chapter 200, article 1, sections 12, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10; 18; 19.

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

2.27 **ARTICLE 1**

2.28 **SUMMARY**

2.29 Section 1. **GENERAL FUND SUMMARY.**

2.30 The amounts shown in this section summarize general fund direct and open  
2.31 appropriations, and transfers into the general fund from other funds, made in articles 2 to  
2.32 15, after forecast adjustments and after voiding certain allotment reductions.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
2.34 <u>E-12 Education</u>	<u>\$ (1,069,361,000)</u>	<u>\$ (893,834,000)</u>	<u>\$ (1,963,195,000)</u>
2.35 <u>Higher Education</u>	<u>(77,000)</u>	<u>(100,077,000)</u>	<u>(100,154,000)</u>
2.36 <u>Environment and Natural</u>			
2.37 <u>Resources</u>	<u>(1,571,000)</u>	<u>(1,564,000)</u>	<u>(3,135,000)</u>
2.38 <u>Energy</u>	<u>(247,000)</u>	<u>(247,000)</u>	<u>(494,000)</u>
2.39 <u>Agriculture</u>	<u>(493,000)</u>	<u>(492,000)</u>	<u>(985,000)</u>
2.40 <u>Economic Development</u>	<u>(489,000)</u>	<u>(745,000)</u>	<u>(1,234,000)</u>
2.41 <u>Transportation</u>	<u>(1,649,000)</u>	<u>(11,649,000)</u>	<u>(13,298,000)</u>
2.42 <u>Public Safety</u>	<u>(79,000)</u>	<u>(79,000)</u>	<u>(158,000)</u>
2.43 <u>State Government</u>	<u>(1,694,000)</u>	<u>(1,820,000)</u>	<u>(3,514,000)</u>
2.44 <u>Health and Human Services</u>	<u>(74,704,000)</u>	<u>(83,154,000)</u>	<u>(157,858,000)</u>
2.45 <u>Tax Aids and Credits</u>	<u>(103,986,000)</u>	<u>(260,495,000)</u>	<u>(364,481,000)</u>
2.46 <b><u>Subtotal of Appropriations</u></b>	<b><u>(1,254,530,000)</u></b>	<b><u>(1,354,156,000)</u></b>	<b><u>(2,608,686,000)</u></b>



**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

4.1 Subdivision 1. **Monthly payments.** The commissioner of management and budget  
4.2 shall pay 1/12 of the annual appropriation to the University of Minnesota ~~on~~ by the ~~21st~~  
4.3 25th day of each month. If the ~~21st~~ 25th day of the month falls on a Saturday or Sunday,  
4.4 the monthly payment must be made ~~on~~ by the first business day immediately following  
4.5 the ~~21st~~ 25th day of the month.

4.6 Sec. 3. Minnesota Statutes 2008, section 276.112, is amended to read:

4.7 **276.112 STATE PROPERTY TAXES; COUNTY TREASURER.**

4.8 ~~On or before January 25 each year, for the period ending December 31 of the~~  
4.9 ~~prior year, and on or before June 28 each year, for the period ending on the most recent~~  
4.10 ~~settlement day determined in section 276.09, and on or before December 2 each year, for~~  
4.11 ~~the period ending November 20~~ the estimated payment and settlement dates provided in  
4.12 this chapter for the settlement of taxes levied by school districts, the county treasurer must  
4.13 make full settlement with the county auditor ~~according to sections 276.09, 276.10, and~~  
4.14 ~~276.111~~ for all receipts of state property taxes levied under section 275.025, and must  
4.15 transmit those receipts to the commissioner of revenue by electronic means on the dates  
4.16 and according to the provisions applicable to distributions to school districts.

4.17 **EFFECTIVE DATE.** This section is effective for distributions beginning October  
4.18 1, 2010, and thereafter.

4.19 Sec. 4. Minnesota Statutes 2009 Supplement, section 289A.20, subdivision 4, is  
4.20 amended to read:

4.21 Subd. 4. **Sales and use tax.** (a) The taxes imposed by chapter 297A are due and  
4.22 payable to the commissioner monthly on or before the 20th day of the month following  
4.23 the month in which the taxable event occurred, or following another reporting period  
4.24 as the commissioner prescribes or as allowed under section 289A.18, subdivision 4,  
4.25 paragraph (f) or (g), except that:

4.26 (1) use taxes due on an annual use tax return as provided under section 289A.11,  
4.27 subdivision 1, are payable by April 15 following the close of the calendar year; and

4.28 (2) except as provided in paragraph (f), for a vendor having a liability of \$120,000  
4.29 or more during a fiscal year ending June 30, 2009, and fiscal years thereafter, the taxes  
4.30 imposed by chapter 297A, except as provided in paragraph (b), are due and payable to the  
4.31 commissioner monthly in the following manner:

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5.1 (i) On or before the 14th day of the month following the month in which the taxable  
5.2 event occurred, the vendor must remit to the commissioner 90 percent of the estimated  
5.3 liability for the month in which the taxable event occurred.

5.4 (ii) On or before the 20th day of the month in which the taxable event occurs, the  
5.5 vendor must remit to the commissioner a prepayment for the month in which the taxable  
5.6 event occurs equal to 67 percent of the liability for the previous month.

5.7 (iii) On or before the 20th day of the month following the month in which the taxable  
5.8 event occurred, the vendor must pay any additional amount of tax not previously remitted  
5.9 under either item (i) or (ii) or, if the payment made under item (i) or (ii) was greater than  
5.10 the vendor's liability for the month in which the taxable event occurred, the vendor may  
5.11 take a credit against the next month's liability in a manner prescribed by the commissioner.

5.12 (iv) Once the vendor first pays under either item (i) or (ii), the vendor is required to  
5.13 continue to make payments in the same manner, as long as the vendor continues having a  
5.14 liability of \$120,000 or more during the most recent fiscal year ending June 30.

5.15 (v) Notwithstanding items (i), (ii), and (iv), if a vendor fails to make the required  
5.16 payment in the first month that the vendor is required to make a payment under either item  
5.17 (i) or (ii), then the vendor is deemed to have elected to pay under item (ii) and must make  
5.18 subsequent monthly payments in the manner provided in item (ii).

5.19 (vi) For vendors making an accelerated payment under item (ii), for the first month  
5.20 that the vendor is required to make the accelerated payment, on the 20th of that month, the  
5.21 vendor will pay 100 percent of the liability for the previous month and a prepayment for  
5.22 the first month equal to 67 percent of the liability for the previous month.

5.23 (b) Notwithstanding paragraph (a), a vendor having a liability of \$120,000 or more  
5.24 during a fiscal year ending June 30 must remit the June liability for the next year in the  
5.25 following manner:

5.26 (1) Two business days before June 30 of the year, the vendor must remit 90 percent  
5.27 of the estimated June liability to the commissioner.

5.28 (2) On or before August 20 of the year, the vendor must pay any additional amount  
5.29 of tax not remitted in June.

5.30 (c) A vendor having a liability of:

5.31 ~~(1) \$20,000 or more in the fiscal year ending June 30, 2005; or~~

5.32 ~~(2) (1) \$10,000 or more in the, but less than \$120,000 during a fiscal year ending~~  
5.33 June 30, 2006 2009, and fiscal years thereafter, must remit by electronic means all

5.34 liabilities on returns due for periods beginning in the subsequent calendar year by  
5.35 electronic means on or before the 20th day of the month following the month in which the  
5.36 taxable event occurred, or on or before the 20th day of the month following the month in

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6.1 which the sale is reported under section 289A.18, subdivision 4, ~~except for 90 percent of~~  
6.2 ~~the estimated June liability, which is due two business days before June 30. The remaining~~  
6.3 ~~amount of the June liability is due on August 20; or~~

6.4 (2) \$120,000 or more, during a fiscal year ending June 30, 2009, and fiscal years  
6.5 thereafter, must remit by electronic means all liabilities in the manner provided in  
6.6 paragraph (a), clause (2), on returns due for periods beginning in the subsequent calendar  
6.7 year, except for 90 percent of the estimated June liability, which is due two business days  
6.8 before June 30. The remaining amount of the June liability is due on August 20.

6.9 (d) Notwithstanding paragraph (b) or (c), a person prohibited by the person's  
6.10 religious beliefs from paying electronically shall be allowed to remit the payment by mail.  
6.11 The filer must notify the commissioner of revenue of the intent to pay by mail before  
6.12 doing so on a form prescribed by the commissioner. No extra fee may be charged to a  
6.13 person making payment by mail under this paragraph. The payment must be postmarked  
6.14 at least two business days before the due date for making the payment in order to be  
6.15 considered paid on a timely basis.

6.16 (e) Whenever the liability is \$120,000 or more separately for: (1) the tax imposed  
6.17 under chapter 297A; (2) a fee that is to be reported on the same return as and paid with the  
6.18 chapter 297A taxes; or (3) any other tax that is to be reported on the same return as and  
6.19 paid with the chapter 297A taxes, then the payment of all the liabilities on the return must  
6.20 be accelerated as provided in this subdivision.

6.21 (f) At the start of the first calendar quarter at least 90 days after the cash flow  
6.22 account established in section 16A.152, subdivision 1, and the budget reserve account  
6.23 established in section 16A.152, subdivision 1a, reach the amounts listed in section  
6.24 16A.152, subdivision 2, paragraph (a), the remittance of the accelerated payments required  
6.25 under paragraph (a), clause (2), must be suspended. The commissioner of management  
6.26 and budget shall notify the commissioner of revenue when the accounts have reached  
6.27 the required amounts. Beginning with the suspension of paragraph (a), clause (2), for a  
6.28 vendor with a liability of \$120,000 or more during a fiscal year ending June 30, 2009,  
6.29 and fiscal years thereafter, the taxes imposed by chapter 297A are due and payable to the  
6.30 commissioner on the 20th day of the month following the month in which the taxable  
6.31 event occurred. Payments of tax liabilities for taxable events occurring in June under  
6.32 paragraph (b) are not changed.

6.33 **EFFECTIVE DATE.** This section is effective for taxes due and payable after  
6.34 September 1, 2010.

**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

7.1 Sec. 5. Minnesota Statutes 2008, section 289A.60, is amended by adding a subdivision  
7.2 to read:

7.3 Subd. 31. Accelerated payment of monthly sales tax liability; penalty for  
7.4 underpayment. For payments made after September 1, 2010, if a vendor is required  
7.5 by section 289A.20, subdivision 4, paragraph (a), clause (2), item (i) or (ii), to make  
7.6 accelerated payments, then the penalty for underpayment is as follows:

7.7 (a) For those vendors that must remit a 90 percent payment by the 14th day of  
7.8 the month following the month in which the taxable event occurred, as an estimation  
7.9 of monthly sales tax liabilities, including the liability of any fee or other tax that is to  
7.10 be reported on the same return as and paid with the chapter 297A taxes, for the month  
7.11 in which the taxable event occurred, the vendor shall pay a penalty equal to ten percent  
7.12 of the amount of liability that was required to be paid by the 14th day of the month, less  
7.13 the amount remitted by the 14th day of the month. The penalty must not be imposed,  
7.14 however, if the amount remitted by the 14th day of the month equals the least of: (1) 90  
7.15 percent of the liability for the month preceding the month in which the taxable event  
7.16 occurred; (2) 90 percent of the liability for the same month in the previous calendar year  
7.17 as the month in which the taxable event occurred; or (3) 90 percent of the average monthly  
7.18 liability for the previous calendar year.

7.19 (b) For those vendors that, on or before the 20th day of the month in which the  
7.20 taxable event occurs, must remit to the commissioner a prepayment of sales tax liabilities  
7.21 for the month in which the taxable event occurs equal to 67 percent of the liabilities for the  
7.22 previous month, including the liability of any fee or other tax that is to be reported on the  
7.23 same return as and paid with the chapter 297A taxes, for the month in which the taxable  
7.24 event occurred, the vendor shall pay a penalty equal to ten percent of the amount of liability  
7.25 that was required to be paid by the 20th of the month, less the amount remitted by the 20th  
7.26 of the month. The penalty must not be imposed, however, if the amount remitted by the  
7.27 20th of the month equals the lesser of 67 percent of the liability for the month preceding  
7.28 the month in which the taxable event occurred or 67 percent of the liability of the same  
7.29 month in the previous calendar year as the month in which the taxable event occurred.

7.30 **EFFECTIVE DATE.** This section is effective for taxes due and payable after  
7.31 September 1, 2010.

ARTICLE 3

E-12 EDUCATION

Section 1. Minnesota Statutes 2008, section 123B.75, is amended by adding a subdivision to read:

Subd. 1a. **Definition.** For the purposes of this section, "school district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district.

**EFFECTIVE DATE.** This section is effective retroactively from July 1, 2009.

Sec. 2. Minnesota Statutes 2008, section 123B.75, subdivision 5, is amended to read:

~~Subd. 5. **Levy recognition.** (a) "School district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district.~~

~~(b) For fiscal year 2004 and later years 2009 and 2010, in June of each year, the school district must recognize as revenue, in the fund for which the levy was made, the lesser of:~~

~~(1) the sum of May, June, and July school district tax settlement revenue received in that calendar year, plus general education aid according to section 126C.13, subdivision 4, received in July and August of that calendar year; or~~

~~(2) the sum of:~~

~~(i) 31 percent of the referendum levy certified according to section 126C.17, in calendar year 2000; and~~

~~(ii) the entire amount of the levy certified in the prior calendar year according to section 124D.86, subdivision 4, for school districts receiving revenue under sections 124D.86, subdivision 3, clauses (1), (2), and (3); 126C.41, subdivisions 1, 2, paragraph (a), and 3, paragraphs (b), (c), and (d); 126C.43, subdivision 2; 126C.457; and 126C.48, subdivision 6; plus~~

~~(iii) zero percent of the amount of the levy certified in the prior calendar year for the school district's general and community service funds, plus or minus auditor's adjustments, not including the levy portions that are assumed by the state, that remains after subtracting the referendum levy certified according to section 126C.17 and the amount recognized according to item (ii).~~

~~(b) For fiscal year 2011 and later years, in June of each year, the school district must recognize as revenue, in the fund for which the levy was made, the lesser of:~~

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9.1 (1) the sum of May, June, and July school district tax settlement revenue received in  
9.2 that calendar year, plus general education aid according to section 126C.13, subdivision  
9.3 4, received in July and August of that calendar year; or

9.4 (2) the sum of:

9.5 (i) the greater of 48.6 percent of the referendum levy certified according to section  
9.6 126C.17 in the prior calendar year, or 31 percent of the referendum levy certified  
9.7 according to section 126C.17 in calendar year 2000; plus

9.8 (ii) the entire amount of the levy certified in the prior calendar year according to  
9.9 section 124D.86, subdivision 4, for school districts receiving revenue under sections  
9.10 124D.86, subdivision 3, clauses (1), (2), and (3); 126C.41, subdivisions 1, 2, paragraph  
9.11 (a), and 3, paragraphs (b), (c), and (d); 126C.43, subdivision 2; 126C.457; and 126C.48,  
9.12 subdivision 6; plus

9.13 (iii) 48.6 percent of the amount of the levy certified in the prior calendar year for the  
9.14 school district's general and community service funds, plus or minus auditor's adjustments,  
9.15 not including the levy portions that are assumed by the state, that remains after subtracting  
9.16 the referendum levy certified according to section 126C.17 and the amount recognized  
9.17 according to item (ii).

9.18 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2009.

9.19 Sec. 3. Minnesota Statutes 2008, section 123B.75, subdivision 9, is amended to read:

9.20 Subd. 9. **Commissioner shall specify fiscal year.** The commissioner shall specify  
9.21 the fiscal year or years to which the revenue from any aid or tax levy is applicable if  
9.22 Minnesota Statutes do not so specify. The commissioner must report to the chairs and  
9.23 ranking minority members of the house of representatives and senate committees with  
9.24 jurisdiction over education finance by January 15 of each year any adjustments under this  
9.25 subdivision in the previous year.

9.26 Sec. 4. Minnesota Statutes 2008, section 126C.48, subdivision 7, is amended to read:

9.27 Subd. 7. **Reporting.** For each tax settlement, the county auditor shall report to each  
9.28 school district by fund, the district tax settlement revenue defined in section 123B.75,  
9.29 subdivision 5, ~~paragraph (a)~~ 1a, on the form specified in section 276.10. The county auditor  
9.30 shall send to the district a copy of the spread levy report specified in section 275.124.

9.31 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2009.

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10.1 Sec. 5. Minnesota Statutes 2008, section 127A.441, is amended to read:

10.2 **127A.441 AID REDUCTION; LEVY REVENUE RECOGNITION CHANGE.**

10.3 Each year, the state aids payable to any school district for that fiscal year that are  
10.4 recognized as revenue in the school district's general and community service funds shall  
10.5 be adjusted by an amount equal to (1) the amount the district recognized as revenue for the  
10.6 prior fiscal year pursuant to section 123B.75, subdivision 5, paragraph (a) or (b), minus (2)  
10.7 the amount the district recognized as revenue for the current fiscal year pursuant to section  
10.8 123B.75, subdivision 5, paragraph (a) or (b). For purposes of making the aid adjustments  
10.9 under this section, the amount the district recognizes as revenue for either the prior fiscal  
10.10 year or the current fiscal year pursuant to section 123B.75, subdivision 5, paragraph (b),  
10.11 shall not include any amount levied pursuant to section 124D.86, subdivision 4, for school  
10.12 districts receiving revenue under sections 124D.86, subdivision 3, clauses (1), (2), and (3);  
10.13 126C.41, subdivisions 1, 2, and 3, paragraphs (b), (c), and (d); 126C.43, subdivision 2;  
10.14 126C.457; and 126C.48, subdivision 6. Payment from the permanent school fund shall not  
10.15 be adjusted pursuant to this section. The school district shall be notified of the amount of  
10.16 the adjustment made to each payment pursuant to this section.

10.17 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2009.

10.18 Sec. 6. Minnesota Statutes 2008, section 127A.45, subdivision 2, is amended to read:

10.19 Subd. 2. **Definitions.** (a) ~~The term~~ "Other district receipts" means payments by  
10.20 county treasurers pursuant to section 276.10, apportionments from the school endowment  
10.21 fund pursuant to section 127A.33, apportionments by the county auditor pursuant to  
10.22 section 127A.34, subdivision 2, and payments to school districts by the commissioner of  
10.23 revenue pursuant to chapter 298.

10.24 (b) ~~The term~~ "Cumulative amount guaranteed" means the product of

10.25 (1) the cumulative disbursement percentage shown in subdivision 3; times

10.26 (2) the sum of

10.27 (i) the current year aid payment percentage of the estimated aid and credit  
10.28 entitlements paid according to subdivision 13; plus

10.29 (ii) 100 percent of the entitlements paid according to subdivisions 11 and 12; plus

10.30 (iii) the other district receipts.

10.31 (c) ~~The term~~ "Payment date" means the date on which state payments to districts  
10.32 are made by the electronic funds transfer method. If a payment date falls on a Saturday,  
10.33 a Sunday, or a weekday which is a legal holiday, the payment shall be made on the  
10.34 immediately preceding business day. The commissioner may make payments on dates

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11.1 other than those listed in subdivision 3, but only for portions of payments from any  
11.2 preceding payment dates which could not be processed by the electronic funds transfer  
11.3 method due to documented extenuating circumstances.

11.4 (d) The current year aid payment percentage equals ~~90~~ 73 in fiscal year 2010, 70  
11.5 in fiscal year 2011, and 90 in fiscal years 2012 and later.

11.6 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2009.

11.7 Sec. 7. Minnesota Statutes 2008, section 127A.45, subdivision 3, is amended to read:

11.8 Subd. 3. **Payment dates and percentages.** (a) ~~For fiscal year 2004 and later,~~ The  
11.9 commissioner shall pay to a district on the dates indicated an amount computed as follows:  
11.10 the cumulative amount guaranteed minus the sum of ~~(a)~~ (1) the district's other district  
11.11 receipts through the current payment, and ~~(b)~~ (2) the aid and credit payments through the  
11.12 immediately preceding payment. For purposes of this computation, the payment dates and  
11.13 the cumulative disbursement percentages are as follows:

	Payment date	Percentage
11.14		
11.15	Payment 1 July 15:	5.5
11.16	Payment 2 July 30:	8.0
11.17	Payment 3 August 15:	17.5
11.18	Payment 4 August 30:	20.0
11.19	Payment 5 September 15:	22.5
11.20	Payment 6 September 30:	25.0
11.21	Payment 7 October 15:	27.0
11.22	Payment 8 October 30:	30.0
11.23	Payment 9 November 15:	32.5
11.24	Payment 10 November 30:	36.5
11.25	Payment 11 December 15:	42.0
11.26	Payment 12 December 30:	45.0
11.27	Payment 13 January 15:	50.0
11.28	Payment 14 January 30:	54.0
11.29	Payment 15 February 15:	58.0
11.30	Payment 16 February 28:	63.0
11.31	Payment 17 March 15:	68.0
11.32	Payment 18 March 30:	74.0
11.33	Payment 19 April 15:	78.0
11.34	Payment 20 April 30:	85.0
11.35	Payment 21 May 15:	90.0
11.36	Payment 22 May 30:	95.0
11.37	Payment 23 June 20:	100.0

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12.1 ~~(b) In addition to the amounts paid under paragraph (a), for fiscal year 2004, the~~  
12.2 ~~commissioner shall pay to a district on the dates indicated an amount computed as follows:~~

12.3 ~~Payment 3 August 15: the final adjustment for the prior fiscal year for the state paid~~  
12.4 ~~property tax credits established in section 273.1392~~

12.5 ~~Payment 4 August 30: one-third of the final adjustment for the prior fiscal year for~~  
12.6 ~~all aid entitlements except state paid property tax credits~~

12.7 ~~Payment 6 September 30: one-third of the final adjustment for the prior fiscal year~~  
12.8 ~~for all aid entitlements except state paid property tax credits~~

12.9 ~~Payment 8 October 30: one-third of the final adjustment for the prior fiscal year for~~  
12.10 ~~all aid entitlements except state paid property tax credits~~

12.11 ~~(e) (b) In addition to the amounts paid under paragraph (a), for fiscal year 2005 and~~  
12.12 ~~later, the commissioner shall pay to a district on the dates indicated an amount computed~~  
12.13 ~~as follows:~~

12.14 Payment 3 August 15: the final adjustment for the prior fiscal year for the state paid  
12.15 property tax credits established in section 273.1392

12.16 Payment 4 August 30: 30 percent of the final adjustment for the prior fiscal year for  
12.17 all aid entitlements except state paid property tax credits

12.18 Payment 6 September 30: 40 percent of the final adjustment for the prior fiscal year  
12.19 for all aid entitlements except state paid property tax credits

12.20 Payment 8 October 30: 30 percent of the final adjustment for the prior fiscal year  
12.21 for all aid entitlements except state paid property tax credits

12.22 **EFFECTIVE DATE.** This section is effective the day following final enactment  
12.23 and applies to fiscal years 2010 and later.

12.24 Sec. 8. Minnesota Statutes 2008, section 127A.45, is amended by adding a subdivision  
12.25 to read:

12.26 Subd. 7b. **Advance final payment.** (a) Notwithstanding subdivisions 3 and 7, if the  
12.27 current year aid payment percentage, under subdivision 2, is less than 90, then a school  
12.28 district or charter school exceeding its expenditure limitations under section 123B.83 as of  
12.29 June 30 of the prior fiscal year may receive a portion of its final payment for the current  
12.30 fiscal year on June 20, if requested by the district or charter school. The amount paid  
12.31 under this subdivision must not exceed the lesser of:

12.32 (1) the difference between 90 percent and the current year payment percentage in  
12.33 subdivision 2, paragraph (d), in the current fiscal year times the sum of the district or  
12.34 charter school's general education aid plus the aid adjustment in section 127A.50 for  
12.35 the current fiscal year; or

12.36 (2) the amount by which the district's or charter school's net negative unreserved  
12.37 general fund balance as of June 30 of the prior fiscal year exceeds 2.5 percent of the  
12.38 district or charter school's expenditures for that fiscal year.

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13.1            (b) The state total advance final payment under this subdivision for any year must  
13.2            not exceed \$7,500,000. If the amount request exceeds \$7,500,000, the advance final  
13.3            payment for each eligible district must be reduced proportionately.

13.4            **EFFECTIVE DATE.** This section is effective the day following final enactment  
13.5            and applies to fiscal years 2010 and later.

13.6            Sec. 9. Minnesota Statutes 2008, section 127A.45, subdivision 13, is amended to read:

13.7            Subd. 13. **Aid payment percentage.** Except as provided in subdivisions 11, 12, 12a,  
13.8            and 14, each fiscal year, all education aids and credits in this chapter and chapters 120A,  
13.9            120B, 121A, 122A, 123A, 123B, 124D, 125A, 125B, 126C, 134, and section 273.1392,  
13.10           shall be paid at the current year aid payment percentage of the estimated entitlement during  
13.11           the fiscal year of the entitlement. ~~For the purposes of this subdivision, a district's estimated~~  
13.12           ~~entitlement for special education excess cost aid under section 125A.79 for fiscal year~~  
13.13           ~~2005 equals 70 percent of the district's entitlement for the second prior fiscal year.~~ For the  
13.14           purposes of this subdivision, a district's estimated entitlement for special education excess  
13.15           cost aid under section 125A.79 for fiscal year 2006 and later equals 74.0 percent of the  
13.16           district's entitlement for the current fiscal year. The final adjustment payment, according  
13.17           to subdivision 9, must be the amount of the actual entitlement, after adjustment for actual  
13.18           data, minus the payments made during the fiscal year of the entitlement.

13.19           Sec. 10. Laws 2009, chapter 96, article 1, section 24, subdivision 2, is amended to read:

13.20           Subd. 2. **General education aid.** For general education aid under Minnesota  
13.21           Statutes, section 126C.13, subdivision 4:

13.22                    ~~5,195,504,000~~  
13.23                    \$ 4,291,422,000        ..... 2010  
13.24                    ~~5,626,994,000~~  
13.25                    \$ 4,776,884,000        ..... 2011

13.26            The 2010 appropriation includes ~~\$555,864,000~~ \$553,591,000 for 2009 and  
13.27            ~~\$4,639,640,000~~ \$3,737,831,000 for 2010.

13.28            The 2011 appropriation includes ~~\$500,976,000~~ \$1,363,306,000 for 2010 and  
13.29            ~~\$5,126,018,000~~ \$3,413,578,000 for 2011.

13.30            Sec. 11. Laws 2009, chapter 96, article 6, section 11, subdivision 6, is amended to read:

13.31            Subd. 6. **Educate parents partnership.** For the educate parents partnership under  
13.32            Minnesota Statutes, section 124D.129:

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14.1           \$ ~~50,000~~ 49,000       ..... 2010

14.2           \$ ~~50,000~~ 49,000       ..... 2011

14.3           Any balance in the first year does not cancel but is available in the second year.

14.4           Sec. 12. Laws 2009, chapter 96, article 6, section 11, subdivision 7, is amended to read:

14.5           Subd. 7. **Kindergarten entrance assessment initiative and intervention**

14.6 **program.** For the kindergarten entrance assessment initiative and intervention program

14.7 under Minnesota Statutes, section 124D.162:

14.8           \$ ~~287,000~~ 281,000       ..... 2010

14.9           \$ ~~287,000~~ 281,000       ..... 2011

14.10          Any balance in the first year does not cancel but is available in the second year.

14.11          Sec. 13. Laws 2009, chapter 96, article 7, section 3, subdivision 2, is amended to read:

14.12          Subd. 2. **Department.** (a) For the Department of Education:

14.13                   ~~20,943,000~~

14.14           \$     20,147,600       ..... 2010

14.15                   ~~20,943,000~~

14.16           \$     19,811,000       ..... 2011

14.17          Any balance in the first year does not cancel but is available in the second year.

14.18          (b) \$260,000 each year is for the Minnesota Children's Museum.

14.19          (c) \$41,000 each year is for the Minnesota Academy of Science.

14.20          (d) ~~\$632,000~~ \$618,000 each year is for the Board of Teaching. Any balance in the

14.21 first year does not cancel but is available in the second year.

14.22          (e) ~~\$171,000~~ \$167,000 each year is for the Board of School Administrators. Any

14.23 balance in the first year does not cancel but is available in the second year.

14.24          (f) ~~\$40,000 each year~~ \$10,000 is for an early hearing loss intervention coordinator

14.25 under Minnesota Statutes, section 125A.63, subdivision 5. This appropriation is for

14.26 fiscal year 2010 only. If the department expends federal funds to employ a hearing

14.27 loss coordinator under Minnesota Statutes, section 125A.63, subdivision 5, then the

14.28 appropriation under this paragraph is reallocated for purposes of employing a world

14.29 languages coordinator.

14.30          (g) \$50,000 each year is for the Duluth Children's Museum.

14.31          (h) None of the amounts appropriated under this subdivision may be used for

14.32 Minnesota's Washington, D.C., office.

14.33          (i) The expenditures of federal grants and aids as shown in the biennial budget

14.34 document and its supplements are approved and appropriated and shall be spent as

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15.1 indicated. The commissioner must provide, to the K-12 Education Finance Division in  
15.2 the house of representatives and the E-12 Budget Division in the senate, details about the  
15.3 distribution of state incentive grants, education technology state grants, teacher incentive  
15.4 funds, and statewide data system funds as outlined in the supplemental federal funds  
15.5 submission dated March 25, 2009.

15.6 **ARTICLE 4**

15.7 **E-12 EDUCATION FORECAST ADJUSTMENTS**

15.8 Section 1. Minnesota Statutes 2009 Supplement, section 123B.54, is amended to read:

15.9 **123B.54 DEBT SERVICE APPROPRIATION.**

15.10 (a) ~~\$9,109,000 in fiscal year 2009, \$7,948,000 in fiscal year 2010, \$9,275,000 in~~  
15.11 ~~fiscal year 2011, \$9,574,000~~ \$17,161,000 in fiscal year 2012, and ~~\$8,904,000~~ \$19,175,000  
15.12 in fiscal year 2013 and later are appropriated from the general fund to the commissioner of  
15.13 education for payment of debt service equalization aid under section 123B.53.

15.14 (b) The appropriations in paragraph (a) must be reduced by the amount of any  
15.15 money specifically appropriated for the same purpose in any year from any state fund.

15.16 **EFFECTIVE DATE.** This section is effective July 1, 2010, and supersedes any  
15.17 contrary provision in 2010 H.F. No. 3329, regardless of its date of final enactment.

15.18 Sec. 2. Laws 2009, chapter 96, article 1, section 24, subdivision 4, is amended to read:

15.19 Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section  
15.20 127A.49:

15.21 ~~1,175,000~~  
15.22 \$ 1,000,000 ..... 2010

15.23 ~~1,034,000~~  
15.24 \$ 1,132,000 ..... 2011

15.25 The 2010 appropriation includes \$140,000 for 2009 and ~~\$1,035,000~~ \$860,000 for  
15.26 2010.

15.27 The 2011 appropriation includes ~~\$115,000~~ \$317,000 for 2010 and ~~\$919,000~~  
15.28 \$815,000 for 2011.

15.29 Sec. 3. Laws 2009, chapter 96, article 1, section 24, subdivision 5, is amended to read:

15.30 Subd. 5. **Consolidation transition.** For districts consolidating under Minnesota  
15.31 Statutes, section 123A.485:

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16.1           \$ ~~854,000~~ 684,000       ..... 2010

16.2           \$ ~~927,000~~ 576,000       ..... 2011

16.3           The 2010 appropriation includes \$0 for 2009 and ~~\$854,000~~ \$684,000 for 2010.

16.4           The 2011 appropriation includes ~~\$94,000~~ \$252,000 for 2010 and ~~\$833,000~~ \$324,000  
16.5 for 2011.

16.6           Sec. 4. Laws 2009, chapter 96, article 1, section 24, subdivision 6, is amended to read:

16.7           Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under  
16.8 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

16.9                     ~~17,250,000~~  
16.10           \$     12,861,000       ..... 2010

16.11                     ~~17,889,000~~  
16.12           \$     16,157,000       ..... 2011

16.13           The 2010 appropriation includes ~~\$1,647,000~~ \$1,067,000 for 2009 and ~~\$15,603,000~~  
16.14 \$11,794,000 for 2010.

16.15           The 2011 appropriation includes ~~\$1,733,000~~ \$4,362,000 for 2010 and ~~\$16,156,000~~  
16.16 \$11,795,000 for 2011.

16.17           Sec. 5. Laws 2009, chapter 96, article 1, section 24, subdivision 7, is amended to read:

16.18           Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid  
16.19 under Minnesota Statutes, section 123B.92, subdivision 9:

16.20                     ~~22,159,000~~  
16.21           \$     17,297,000       ..... 2010

16.22                     ~~22,712,000~~  
16.23           \$     19,729,000       ..... 2011

16.24           The 2010 appropriation includes \$2,077,000 for 2009 and ~~\$20,082,000~~ \$15,220,000  
16.25 for 2010.

16.26           The 2011 appropriation includes ~~\$2,231,000~~ \$5,629,000 for 2010 and ~~\$20,481,000~~  
16.27 \$14,100,000 for 2011.

16.28           Sec. 6. Laws 2009, chapter 96, article 2, section 67, subdivision 2, is amended to read:

16.29           Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota  
16.30 Statutes, section 124D.11, subdivision 4:

16.31                     ~~40,453,000~~  
16.32           \$     34,833,000       ..... 2010

16.33                     ~~44,775,000~~  
16.34           \$     44,938,000       ..... 2011

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17.1 The 2010 appropriation includes \$3,704,000 for 2009 and ~~\$36,749,000~~ \$31,129,000  
17.2 for 2010.

17.3 The 2011 appropriation includes ~~\$4,083,000~~ \$11,513,000 for 2010 and ~~\$40,692,000~~  
17.4 \$33,425,000 for 2011.

17.5 Sec. 7. Laws 2009, chapter 96, article 2, section 67, subdivision 3, is amended to read:

17.6 Subd. 3. **Charter school startup aid.** For charter school startup cost aid under  
17.7 Minnesota Statutes, section 124D.11:

17.8 ~~1,488,000~~  
17.9 \$ 1,218,000 ..... 2010

17.10 ~~1,064,000~~  
17.11 \$ 743,000 ..... 2011

17.12 The 2010 appropriation includes \$202,000 for 2009 and ~~\$1,286,000~~ \$1,016,000  
17.13 for 2010.

17.14 The 2011 appropriation includes ~~\$142,000~~ \$375,000 for 2010 and ~~\$922,000~~  
17.15 \$368,000 for 2011.

17.16 Sec. 8. Laws 2009, chapter 96, article 2, section 67, subdivision 4, is amended to read:

17.17 Subd. 4. **Integration aid.** For integration aid under Minnesota Statutes, section  
17.18 124D.86, subdivision 5:

17.19 ~~65,358,000~~  
17.20 \$ 50,812,000 ..... 2010

17.21 ~~65,484,000~~  
17.22 \$ 61,782,000 ..... 2011

17.23 The 2010 appropriation includes ~~\$6,110,000~~ \$5,832,000 for 2009 and ~~\$59,248,000~~  
17.24 \$44,980,000 for 2010.

17.25 The 2011 appropriation includes ~~\$6,583,000~~ \$16,636,000 for 2010 and ~~\$58,901,000~~  
17.26 \$45,146,000 for 2011.

17.27 Sec. 9. Laws 2009, chapter 96, article 2, section 67, subdivision 7, is amended to read:

17.28 Subd. 7. **Success for the future.** For American Indian success for the future grants  
17.29 under Minnesota Statutes, section 124D.81:

17.30 ~~2,137,000~~  
17.31 \$ 1,774,000 ..... 2010

17.32 ~~2,137,000~~  
17.33 \$ 2,072,000 ..... 2011

17.34 The 2010 appropriation includes \$213,000 for 2009 and ~~\$1,924,000~~ \$1,561,000  
17.35 for 2010.

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18.1 The 2011 appropriation includes ~~\$213,000~~ \$576,000 for 2010 and ~~\$1,924,000~~  
18.2 \$1,496,000 for 2011.

18.3 Sec. 10. Laws 2009, chapter 96, article 2, section 67, subdivision 9, is amended to read:

18.4 Subd. 9. **Tribal contract schools.** For tribal contract school aid under Minnesota  
18.5 Statutes, section 124D.83:

18.6		<del>2,030,000</del>		
18.7	\$	<u>1,702,000</u>	.....	2010
18.8		<del>2,211,000</del>		
18.9	\$	<u>2,119,000</u>	.....	2011

18.10 The 2010 appropriation includes \$191,000 for 2009 and ~~\$1,839,000~~ \$1,511,000  
18.11 for 2010.

18.12 The 2011 appropriation includes ~~\$204,000~~ \$558,000 for 2010 and ~~\$2,007,000~~  
18.13 \$1,561,000 for 2011.

18.14 Sec. 11. Laws 2009, chapter 96, article 3, section 21, subdivision 2, is amended to read:

18.15 Subd. 2. **Special education; regular.** For special education aid under Minnesota  
18.16 Statutes, section 125A.75:

18.17		<del>734,071,000</del>		
18.18	\$	<u>609,003,000</u>	.....	2010
18.19		<del>781,497,000</del>		
18.20	\$	<u>749,248,000</u>	.....	2011

18.21 The 2010 appropriation includes \$71,947,000 for 2009 and ~~\$662,124,000~~  
18.22 \$537,056,000 for 2010.

18.23 The 2011 appropriation includes ~~\$73,569,000~~ \$198,637,000 for 2010 and  
18.24 ~~\$707,928,000~~ \$550,611,000 for 2011.

18.25 Sec. 12. Laws 2009, chapter 96, article 3, section 21, subdivision 4, is amended to read:

18.26 Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based  
18.27 services under Minnesota Statutes, section 125A.75, subdivision 1:

18.28	\$	<del>258,000</del> <u>224,000</u>	.....	2010
18.29	\$	<del>282,000</del> <u>282,000</u>	.....	2011

18.30 The 2010 appropriation includes \$24,000 for 2009 and ~~\$234,000~~ \$200,000 for 2010.

18.31 The 2011 appropriation includes ~~\$26,000~~ \$73,000 for 2010 and ~~\$256,000~~ \$209,000  
18.32 for 2011.

18.33 Sec. 13. Laws 2009, chapter 96, article 3, section 21, subdivision 5, is amended to read:

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19.1 Subd. 5. **Special education; excess costs.** For excess cost aid under Minnesota  
19.2 Statutes, section 125A.79, subdivision 7:

19.3 ~~110,871,000~~  
19.4 \$ 96,926,000 ..... 2010  
19.5 ~~110,877,000~~  
19.6 \$ 108,410,000 ..... 2011

19.7 The 2010 appropriation includes \$37,046,000 for 2009 and ~~\$73,825,000~~ \$59,880,000  
19.8 for 2010.

19.9 The 2011 appropriation includes ~~\$37,022,000~~ \$50,967,000 for 2010 and ~~\$73,855,000~~  
19.10 \$57,443,000 for 2011.

19.11 Sec. 14. Laws 2009, chapter 96, article 4, section 12, subdivision 2, is amended to read:

19.12 Subd. 2. **Health and safety revenue.** For health and safety aid according to  
19.13 Minnesota Statutes, section 123B.57, subdivision 5:

19.14 \$ ~~161,000~~ 132,000 ..... 2010  
19.15 \$ ~~160,000~~ 135,000 ..... 2011

19.16 The 2010 appropriation includes \$10,000 for 2009 and ~~\$151,000~~ \$122,000 for 2010.

19.17 The 2011 appropriation includes ~~\$16,000~~ \$44,000 for 2010 and ~~\$144,000~~ \$91,000  
19.18 for 2011.

19.19 Sec. 15. Laws 2009, chapter 96, article 4, section 12, subdivision 3, is amended to read:

19.20 Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota  
19.21 Statutes, section 123B.53, subdivision 6:

19.22 ~~7,948,000~~  
19.23 \$ 6,608,000 ..... 2010  
19.24 ~~9,275,000~~  
19.25 \$ 8,204,000 ..... 2011

19.26 The 2010 appropriation includes \$851,000 for 2009 and ~~\$7,097,000~~ \$5,757,000  
19.27 for 2010.

19.28 The 2011 appropriation includes ~~\$788,000~~ \$2,128,000 for 2010 and ~~\$8,487,000~~  
19.29 \$6,076,000 for 2011.

19.30 Sec. 16. Laws 2009, chapter 96, article 4, section 12, subdivision 4, is amended to read:

19.31 Subd. 4. **Alternative facilities bonding aid.** For alternative facilities bonding aid,  
19.32 according to Minnesota Statutes, section 123B.59, subdivision 1:

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20.1                    ~~19,287,000~~  
20.2                 \$     16,008,000     ..... 2010  
20.3                    ~~19,287,000~~  
20.4                 \$     18,708,000     ..... 2011

20.5                 The 2010 appropriation includes \$1,928,000 for 2009 and ~~\$17,359,000~~ \$14,080,000  
20.6                 for 2010.

20.7                 The 2011 appropriation includes ~~\$1,928,000~~ \$5,207,000 for 2010 and ~~\$17,359,000~~  
20.8                 \$13,501,000 for 2011.

20.9                 Sec. 17. Laws 2009, chapter 96, article 4, section 12, subdivision 6, is amended to read:

20.10                Subd. 6. **Deferred maintenance aid.** For deferred maintenance aid, according to  
20.11                Minnesota Statutes, section 123B.591, subdivision 4:

20.12                    ~~2,302,000~~  
20.13                 \$     1,918,000     ..... 2010  
20.14                    ~~2,073,000~~  
20.15                 \$     2,146,000     ..... 2011

20.16                The 2010 appropriation includes \$260,000 for 2009 and ~~\$2,042,000~~ \$1,658,000  
20.17                for 2010.

20.18                The 2011 appropriation includes ~~\$226,000~~ \$613,000 for 2010 and ~~\$1,847,000~~  
20.19                \$1,533,000 for 2011.

20.20                Sec. 18. Laws 2009, chapter 96, article 5, section 13, subdivision 4, is amended to read:

20.21                Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,  
20.22                section 124D.118:

20.23                    ~~1,098,000~~  
20.24                 \$     1,104,000     ..... 2010  
20.25                    ~~1,120,000~~  
20.26                 \$     1,126,000     ..... 2011

20.27                Sec. 19. Laws 2009, chapter 96, article 5, section 13, subdivision 6, is amended to read:

20.28                Subd. 6. **Basic system support.** For basic system support grants under Minnesota  
20.29                Statutes, section 134.355:

20.30                    ~~13,570,000~~  
20.31                 \$     11,264,000     ..... 2010  
20.32                    ~~13,570,000~~  
20.33                 \$     13,162,000     ..... 2011

20.34                The 2010 appropriation includes \$1,357,000 for 2009 and ~~\$12,213,000~~ \$9,907,000  
20.35                for 2010.

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21.1 The 2011 appropriation includes ~~\$1,357,000~~ \$3,663,000 for 2010 and ~~\$12,213,000~~  
21.2 \$9,499,000 for 2011.

21.3 Sec. 20. Laws 2009, chapter 96, article 5, section 13, subdivision 7, is amended to read:

21.4 Subd. 7. **Multicounty, multitype library systems.** For grants under Minnesota  
21.5 Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

21.6		<del>1,300,000</del>		
21.7	\$	<u>1,079,000</u>	.....	2010
21.8		<del>1,300,000</del>		
21.9	\$	<u>1,261,000</u>	.....	2011

21.10 The 2010 appropriation includes \$130,000 for 2009 and ~~\$1,170,000~~ \$949,000 for  
21.11 2010.

21.12 The 2011 appropriation includes ~~\$130,000~~ \$351,000 for 2010 and ~~\$1,170,000~~  
21.13 \$910,000 for 2011.

21.14 Sec. 21. Laws 2009, chapter 96, article 5, section 13, subdivision 9, is amended to read:

21.15 Subd. 9. **Regional library telecommunications aid.** For regional library  
21.16 telecommunications aid under Minnesota Statutes, section 134.355:

21.17		<del>2,300,000</del>		
21.18	\$	<u>1,909,000</u>	.....	2010
21.19		<del>2,300,000</del>		
21.20	\$	<u>2,231,000</u>	.....	2011

21.21 The 2010 appropriation includes \$230,000 for 2009 and ~~\$2,070,000~~ \$1,679,000  
21.22 for 2010.

21.23 The 2011 appropriation includes ~~\$230,000~~ \$621,000 for 2010 and ~~\$2,070,000~~  
21.24 \$1,610,000 for 2011.

21.25 Sec. 22. Laws 2009, chapter 96, article 6, section 11, subdivision 2, is amended to read:

21.26 Subd. 2. **School readiness.** For revenue for school readiness programs under  
21.27 Minnesota Statutes, sections 124D.15 and 124D.16:

21.28		<del>10,095,000</del>		
21.29	\$	<u>8,379,000</u>	.....	2010
21.30		<del>10,095,000</del>		
21.31	\$	<u>9,792,000</u>	.....	2011

21.32 The 2010 appropriation includes \$1,009,000 for 2009 and ~~\$9,086,000~~ \$7,370,000  
21.33 for 2010.

21.34 The 2011 appropriation includes ~~\$1,009,000~~ \$2,725,000 for 2010 and ~~\$9,086,000~~  
21.35 \$7,067,000 for 2011.

**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

22.1 Sec. 23. Laws 2009, chapter 96, article 6, section 11, subdivision 3, is amended to read:

22.2 Subd. 3. **Early childhood family education aid.** For early childhood family  
22.3 education aid under Minnesota Statutes, section 124D.135:

22.4 ~~22,955,000~~  
22.5 \$ 19,005,000 ..... 2010  
22.6 ~~22,547,000~~  
22.7 \$ 21,460,000 ..... 2011

22.8 The 2010 appropriation includes \$3,020,000 for 2009 and ~~\$19,935,000~~ \$15,985,000  
22.9 for 2010.

22.10 The 2011 appropriation includes ~~\$2,214,000~~ \$5,911,000 for 2010 and ~~\$20,333,000~~  
22.11 \$15,549,000 for 2011.

22.12 Sec. 24. Laws 2009, chapter 96, article 6, section 11, subdivision 4, is amended to read:

22.13 Subd. 4. **Health and developmental screening aid.** For health and developmental  
22.14 screening aid under Minnesota Statutes, sections 121A.17 and 121A.19:

22.15 ~~3,694,000~~  
22.16 \$ 2,922,000 ..... 2010  
22.17 ~~3,800,000~~  
22.18 \$ 3,425,000 ..... 2011

22.19 The 2010 appropriation includes \$367,000 for 2009 and ~~\$3,327,000~~ \$2,555,000  
22.20 for 2010.

22.21 The 2011 appropriation includes ~~\$369,000~~ \$945,000 for 2010 and ~~\$3,431,000~~  
22.22 \$2,480,000 for 2011.

22.23 Sec. 25. Laws 2009, chapter 96, article 6, section 11, subdivision 8, is amended to read:

22.24 Subd. 8. **Community education aid.** For community education aid under  
22.25 Minnesota Statutes, section 124D.20:

22.26 \$ ~~585,000~~ 476,000 ..... 2010  
22.27 \$ ~~467,000~~ 473,000 ..... 2011

22.28 The 2010 appropriation includes \$73,000 for 2009 and ~~\$512,000~~ \$403,000 for 2010.

22.29 The 2011 appropriation included ~~\$56,000~~ \$148,000 for 2010 and ~~\$411,000~~ \$325,000  
22.30 for 2011.

22.31 Sec. 26. Laws 2009, chapter 96, article 6, section 11, subdivision 9, is amended to read:

22.32 Subd. 9. **Adults with disabilities program aid.** For adults with disabilities  
22.33 programs under Minnesota Statutes, section 124D.56:



**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

24.1 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 24.2 day following final enactment.

24.3		<b><u>APPROPRIATIONS</u></b>	
24.4		<b><u>Available for the Year</u></b>	
24.5		<b><u>Ending June 30</u></b>	
24.6		<b><u>2010</u></b>	<b><u>2011</u></b>

24.7	<b><u>Sec. 3. MINNESOTA OFFICE OF HIGHER</u></b>			
24.8	<b><u>EDUCATION</u></b>	<b><u>\$</u></b>	<b><u>(77,000)</u></b>	<b><u>\$</u></b>
				<b><u>(77,000)</u></b>

24.9 This reduction is from the appropriation for  
 24.10 agency administration.

24.11	<b><u>Sec. 4. BOARD OF TRUSTEES OF THE</u></b>			
24.12	<b><u>MINNESOTA STATE COLLEGES AND</u></b>			
24.13	<b><u>UNIVERSITIES</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>
				<b><u>(50,000,000)</u></b>

24.14 \$2,079,000 of the reduction in 2011 is from  
 24.15 the central offices and shared services unit  
 24.16 appropriation. None of these reductions may  
 24.17 be charged back or allocated to the campuses.

24.18 \$47,921,000 of the reduction in 2011  
 24.19 is from the operations and maintenance  
 24.20 appropriation.

24.21 For fiscal years 2012 and 2013, the base for  
 24.22 operations and maintenance is \$580,802,000  
 24.23 each year.

24.24	<b><u>Sec. 5. BOARD OF REGENTS OF THE</u></b>			
24.25	<b><u>UNIVERSITY OF MINNESOTA</u></b>			
24.26	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>
				<b><u>(50,000,000)</u></b>

24.27 The appropriation reductions for each  
 24.28 purpose are shown in the following  
 24.29 subdivisions.

24.30	<b><u>Subd. 2. Operations and Maintenance</u></b>		<b><u>-0-</u></b>	<b><u>(44,606,000)</u></b>
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24.31 For fiscal years 2012 and 2013, the base for  
 24.32 operations and maintenance is \$578,370,000  
 24.33 each year.

24.34 **Subd. 3. Special Appropriations**

**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

25.1	<u>(a) Agriculture and Extension Service</u>	-0-	<u>(3,858,000)</u>
25.2	<u>(b) Health Sciences</u>	-0-	<u>(389,000)</u>
25.3	<u>\$26,000 of the 2011 reduction is from the St.</u>		
25.4	<u>Cloud family practice residency program.</u>		
25.5	<u>(c) Institute of Technology</u>	-0-	<u>(102,000)</u>
25.6	<u>(d) System Special</u>	-0-	<u>(454,000)</u>
25.7	<u>(e) University of Minnesota and Mayo</u>		
25.8	<u>Foundation Partnership</u>	-0-	<u>(591,000)</u>

**ARTICLE 6**

**ENVIRONMENT AND NATURAL RESOURCES**

**Section 1. SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize changes to direct appropriations, by fund, made in this article.

		<u>2010</u>		<u>2011</u>		<u>Total</u>
25.14						
25.15	<u>General</u>	\$	<u>(1,571,000)</u>	\$	<u>(1,564,000)</u>	\$ <u>(3,135,000)</u>

**Sec. 2. APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 37, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment.

**APPROPRIATIONS**  
**Available for the Year**  
**Ending June 30**  
**2010**                      **2011**

**Sec. 3. POLLUTION CONTROL AGENCY**

25.31	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(110,000)</u>	\$	<u>(99,000)</u>
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**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

26.1 The appropriation reductions for each  
 26.2 purpose are shown in the following  
 26.3 subdivisions.

26.4	<u>Subd. 2. <b>Water</b></u>	<u>(98,000)</u>	<u>(38,000)</u>
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26.5 The \$98,000 reduction in fiscal year 2010  
 26.6 is from the agency's activities to develop  
 26.7 minimal impact design standards for urban  
 26.8 stormwater runoff.

26.9	<u>Subd. 3. <b>Land</b></u>	<u>-0-</u>	<u>(30,000)</u>
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26.10 The \$30,000 reduction in the second year is  
 26.11 from the environmental health tracking and  
 26.12 biomonitoring activities of the agency.

26.13	<u>Subd. 4. <b>Environmental</b></u>		
26.14	<u><b>Assistance and Cross Media</b></u>	<u>-0-</u>	<u>(16,000)</u>

26.15	<u>Subd. 5. <b>Administrative</b></u>		
26.16	<u><b>Support</b></u>	<u>(12,000)</u>	<u>(15,000)</u>

26.17 **Sec. 4. NATURAL RESOURCES**

26.18	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$</u>	<u>(1,375,000)</u>	<u>\$</u>	<u>(1,379,000)</u>
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26.19 The appropriation reductions for each  
 26.20 purpose are shown in the following  
 26.21 subdivisions.

26.22	<u>Subd. 2. <b>Lands and</b></u>		
26.23	<u><b>Minerals</b></u>	<u>(30,000)</u>	<u>(30,000)</u>

26.24	<u>Subd. 3. <b>Water Resources</b></u>		
26.25	<u><b>Management</b></u>	<u>(84,000)</u>	<u>(84,000)</u>

26.26	<u>Subd. 4. <b>Forest</b></u>		
26.27	<u><b>Management</b></u>	<u>(188,000)</u>	<u>(188,000)</u>

26.28 \$53,000 of the reduction each year is from  
 26.29 activities supporting the Forest Resources  
 26.30 Council with implementation of the  
 26.31 Sustainable Forest Resources Act.

26.32	<u>Subd. 5. <b>Parks and Trails</b></u>		
26.33	<u><b>Management</b></u>	<u>(420,000)</u>	<u>(422,000)</u>

**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

27.1	<u>Subd. 6. Fish and Wildlife</u>		
27.2	<u>Management</u>	<u>(265,000)</u>	<u>(265,000)</u>
27.3	<u>\$265,000 of the reduction each year is from</u>		
27.4	<u>activities for preserving, restoring, and</u>		
27.5	<u>enhancing grassland/wetland complexes on</u>		
27.6	<u>public or private land.</u>		
27.7	<u>Subd. 7. Ecological Services</u>	<u>(46,000)</u>	<u>(47,000)</u>
27.8	<u>Subd. 8. Enforcement</u>	<u>(230,000)</u>	<u>(230,000)</u>
27.9	<u>Subd. 9. Operations</u>		
27.10	<u>Support</u>	<u>(112,000)</u>	<u>(113,000)</u>
27.11	Sec. 5. <u>METROPOLITAN COUNCIL</u>	<u>\$ (86,000)</u>	<u>\$ (86,000)</u>

27.12 Sec. 6. Laws 2010, chapter 215, article 3, section 3, subdivision 6, is amended to read:

27.13 **Subd. 6. Transfers In**

27.14 (a) The amounts appropriated from the  
 27.15 agency indirect costs account in the special  
 27.16 revenue fund are reduced by \$328,000 in  
 27.17 fiscal year 2010 and \$462,000 in fiscal year  
 27.18 2011, and those amounts must be transferred  
 27.19 to the general fund by June 30, 2011. The  
 27.20 appropriation reductions are onetime.

27.21 (b) The commissioner of management and  
 27.22 budget shall transfer ~~\$8,000,000~~ \$48,000,000  
 27.23 in fiscal year 2011 from the closed landfill  
 27.24 investment fund in Minnesota Statutes,  
 27.25 section 115B.421, to the general fund. The  
 27.26 commissioner shall transfer ~~\$4,000,000~~  
 27.27 \$12,000,000 on July 1, ~~2013,~~ and ~~\$4,000,000~~  
 27.28 ~~on July 1,~~ in each of the years 2014, 2015,  
 27.29 2016, and 2017 from the general fund to the  
 27.30 closed landfill investment fund. For ~~the July~~  
 27.31 ~~1, 2014,~~ each transfer to the closed landfill  
 27.32 investment fund, the commissioner shall  
 27.33 determine the total amount of interest and

28.1 other earnings that would have accrued to  
 28.2 the fund if the transfers to the general fund  
 28.3 under this paragraph had not been made and  
 28.4 add this amount to the transfer. The amounts  
 28.5 necessary for these transfers are appropriated  
 28.6 from the general fund in the fiscal years  
 28.7 specified for the transfers.

28.8 **ARTICLE 7**

28.9 **ENERGY**

28.10 Section 1. **SUMMARY OF APPROPRIATIONS.**

28.11 The amounts shown in this section summarize direct appropriations, by fund, made  
 28.12 in this article.

	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>Total</u></b>
28.13 <u>General</u>	\$ <u>(247,000)</u>	\$ <u>(247,000)</u>	\$ <u>(494,000)</u>

28.15 Sec. 2. **APPROPRIATIONS.**

28.16 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 28.17 in parentheses, subtracted from the appropriations in Laws 2009, chapter 37, article 2, to  
 28.18 the agencies and for the purposes specified in this article. The appropriations are from the  
 28.19 general fund, or another named fund, and are available for the fiscal years indicated for  
 28.20 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 28.21 to or subtraction from the appropriation listed under them is available for the fiscal year  
 28.22 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 28.23 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 28.24 day following final enactment.

28.25	<b><u>APPROPRIATIONS</u></b>
28.26	<b><u>Available for the Year</u></b>
28.27	<b><u>Ending June 30</u></b>
28.28	<b><u>2010</u>                      <u>2011</u></b>

28.29 Sec. 3. **DEPARTMENT OF COMMERCE**

28.30 <u>Subdivision 1. Total Appropriation</u>	\$	<b><u>(247,000)</u></b>	\$	<b><u>(247,000)</u></b>
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28.31 The appropriation reductions for each  
 28.32 purpose are shown in the following  
 28.33 subdivisions.

**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

29.1	<u>Subd. 2. Administrative Services</u>	<u>(97,000)</u>	<u>(97,000)</u>
29.2	<u>Subd. 3. Market Assurance</u>	<u>(150,000)</u>	<u>(150,000)</u>

**ARTICLE 8**

**AGRICULTURE**

29.5 Section 1. SUMMARY OF APPROPRIATIONS.

29.6 The amounts shown in this section summarize direct appropriations, by fund, made  
 29.7 in this article.

29.8		<u>2010</u>	<u>2011</u>	<u>Total</u>
29.9	<u>General</u>	\$ <u>(493,000)</u> \$	<u>(492,000)</u> \$	<u>(985,000)</u>

29.10 Sec. 2. AGRICULTURAL APPROPRIATIONS.

29.11 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 29.12 in parentheses, subtracted from the appropriations in Laws 2009, chapter 94, article 1, to  
 29.13 the agencies and for the purposes specified in this article. The appropriations are from the  
 29.14 general fund, or another named fund, and are available for the fiscal years indicated for  
 29.15 each purpose. The figures "2010" and "2011" used in this article mean that the addition to  
 29.16 or subtraction from the appropriations listed under them are available for the fiscal year  
 29.17 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 29.18 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 29.19 day following final enactment.

29.20	<u>APPROPRIATIONS</u>
29.21	<u>Available for the Year</u>
29.22	<u>Ending June 30</u>
29.23	<u>2010</u> <u>2011</u>

29.24 Sec. 3. DEPARTMENT OF AGRICULTURE

29.25	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(493,000)</u> \$	<u>(492,000)</u>
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29.26 The appropriation reductions for each  
 29.27 purpose are shown in the following  
 29.28 subdivisions.

29.29	<u>Subd. 2. Protection Services</u>	<u>(228,000)</u>	<u>(228,000)</u>
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29.30 \$13,000 in fiscal year 2010 and \$13,000 in  
 29.31 fiscal year 2011 are reductions from plant  
 29.32 pest surveys.

30.1	<u>Subd. 3. Agricultural Marketing and</u>		
30.2	<u>Development</u>	(127,000)	(127,000)
30.3	<u>\$77,000 in fiscal year 2010 and \$77,000 in</u>		
30.4	<u>fiscal year 2011 are reductions for integrated</u>		
30.5	<u>pest management activities.</u>		
30.6	<u>Subd. 4. Administration and Financial</u>		
30.7	<u>Assistance</u>	(138,000)	(137,000)
30.8	<u>\$69,000 in fiscal year 2010 and \$69,000 in</u>		
30.9	<u>fiscal year 2011 are reductions from the dairy</u>		
30.10	<u>and profitability enhancement and dairy</u>		
30.11	<u>business planning grant programs established</u>		
30.12	<u>under Laws 1997, chapter 216, section 7,</u>		
30.13	<u>subdivision 2, and Laws 2001, First Special</u>		
30.14	<u>Session chapter 2, section 9, subdivision 2.</u>		
30.15	<u>\$1,000 in fiscal year 2010 is a reduction from</u>		
30.16	<u>the appropriation for the administration of</u>		
30.17	<u>the Feeding Minnesota Task Force.</u>		

ARTICLE 9

ECONOMIC DEVELOPMENT

Section 1. SUMMARY OF APPROPRIATIONS.

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

		<u>2010</u>	<u>2011</u>	<u>Total</u>
30.23				
30.24	<u>General</u>	\$ (489,000)	\$ (745,000)	\$ (1,234,000)

Sec. 2. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are added to, or if shown in parentheses, subtracted from the appropriations in Laws 2009, chapter 78, article 1, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and

**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

31.1 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 31.2 day following final enactment.

31.3		<b><u>APPROPRIATIONS</u></b>	
31.4		<b><u>Available for the Year</u></b>	
31.5		<b><u>Ending June 30</u></b>	
31.6		<b><u>2010</u></b>	<b><u>2011</u></b>

31.7 **Sec. 3. EMPLOYMENT AND ECONOMIC**  
 31.8 **DEVELOPMENT**

31.9	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>(285,000)</u></b>	<b><u>\$</u></b>	<b><u>(285,000)</u></b>
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31.10 The appropriation reductions for each  
 31.11 purpose are shown in the following  
 31.12 subdivisions.

31.13	<b><u>Subd. 2. Business and Community</u></b>				
31.14	<b><u>Development</u></b>		<b><u>(87,000)</u></b>		<b><u>(87,000)</u></b>

31.15 \$25,000 in 2010 and \$25,000 in 2011 are  
 31.16 from the appropriation for the Office of  
 31.17 Science and Technology.

31.18	<b><u>Subd. 3. Workforce Development</u></b>		<b><u>(115,000)</u></b>		<b><u>(115,000)</u></b>
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31.19 \$15,000 in 2010 and \$15,000 in 2011 are  
 31.20 from the appropriation for the Minnesota job  
 31.21 skills partnership program under Minnesota  
 31.22 Statutes, sections 116L.01 to 116L.17.

31.23 \$11,000 in 2010 and \$11,000 in 2011 are from  
 31.24 the appropriation for administrative expenses  
 31.25 to programs that provide employment  
 31.26 support services to persons with mental  
 31.27 illness under Minnesota Statutes, sections  
 31.28 268A.13 and 268A.14.

31.29 \$89,000 in 2010 and \$89,000 in 2011 are  
 31.30 from the appropriation for state services for  
 31.31 the blind activities.

31.32	<b><u>Subd. 4. State-Funded Administration</u></b>		<b><u>(83,000)</u></b>		<b><u>(83,000)</u></b>
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31.33	<b><u>Sec. 4. HOUSING FINANCE AGENCY</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>(256,000)</u></b>
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**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

33.1		<u>2010</u>		<u>2011</u>		<u>Total</u>
33.2	<u>General</u>	\$	<u>(1,649,000)</u>	\$	<u>(11,649,000)</u>	\$ <u>(13,298,000)</u>

33.3 **Sec. 2. APPROPRIATIONS.**

33.4 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 33.5 in parentheses, subtracted from the appropriations in Laws 2009, chapter 36, article 1, to  
 33.6 the agencies and for the purposes specified in this article. The appropriations are from the  
 33.7 general fund, or another named fund, and are available for the fiscal years indicated for  
 33.8 each purpose. The figures "2010" and "2011" used in this article mean that the addition to  
 33.9 or subtraction from the appropriation listed under them are available for the fiscal year  
 33.10 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 33.11 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 33.12 day following final enactment.

33.13		<b><u>APPROPRIATIONS</u></b>	
33.14		<b><u>Available for the Year</u></b>	
33.15		<b><u>Ending June 30</u></b>	
33.16		<b><u>2010</u></b>	<b><u>2011</u></b>

33.17 **Sec. 3. TRANSPORTATION**

33.18	<u>Subdivision 1. <b>Total Appropriation</b></u>	\$	<u>(24,000)</u>	\$	<u>(1,474,000)</u>
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33.19 The appropriation reductions for each  
 33.20 purpose are shown in the following  
 33.21 subdivisions.

33.22 **Subd. 2. Multimodal Systems**

33.23	<u>(a) <b>Transit</b></u>		<u>(9,000)</u>		<u>(1,459,000)</u>
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33.24 This reduction is to the Transit Improvement  
 33.25 Administration appropriation.

33.26 The base appropriation from the general fund  
 33.27 for fiscal years 2012 and 2013 is \$16,292,000  
 33.28 each year.

33.29	<u>(b) <b>Freight</b></u>		<u>(9,000)</u>		<u>(9,000)</u>
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33.30 This reduction is to the rail service plan  
 33.31 appropriation.

33.32	<u>(c) <b>Electronic Communication</b></u>		<u>(6,000)</u>		<u>(6,000)</u>
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**S.F. No. 1, as introduced - 86th Legislative Session (2009-2010) [10-6502]**

35.1 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 35.2 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 35.3 day following final enactment.

35.4			<b><u>APPROPRIATIONS</u></b>	
35.5			<b><u>Available for the Year</u></b>	
35.6			<b><u>Ending June 30</u></b>	
35.7			<b><u>2010</u></b>	<b><u>2011</u></b>

35.8	Sec. 3. <b><u>HUMAN RIGHTS</u></b>	<b>\$</b>	<b><u>(79,000)</u></b>	<b>\$</b>	<b><u>(79,000)</u></b>
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**ARTICLE 12**

**STATE GOVERNMENT**

35.11 Section 1. **SUMMARY OF APPROPRIATIONS.**

35.12 The amounts shown in this section summarize direct appropriations, by fund, made  
 35.13 in this article.

35.14			<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
35.15	<b><u>General</u></b>	<b>\$</b>	<b><u>(1,694,000)</u></b>	<b>\$</b>	<b><u>(1,820,000)</u></b>	<b>\$</b>	<b><u>(3,514,000)</u></b>

35.16 Sec. 2. **APPROPRIATIONS.**

35.17 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 35.18 in parentheses, subtracted from, the appropriations in Laws 2009, chapter 101, article 1, to  
 35.19 the agencies and for the purposes specified in this article. The appropriations are from the  
 35.20 general fund, or another named fund, and are available for the fiscal years indicated for  
 35.21 each purpose. The figures "2010" and "2011" used in this article mean that the addition  
 35.22 to or subtraction from the appropriation listed under them is available for the fiscal year  
 35.23 ending June 30, 2010, or June 30, 2011, respectively. Supplemental appropriations and  
 35.24 reductions to appropriations for the fiscal year ending June 30, 2010, are effective the  
 35.25 day following final enactment.

35.26			<b><u>APPROPRIATIONS</u></b>	
35.27			<b><u>Available for the Year</u></b>	
35.28			<b><u>Ending June 30</u></b>	
35.29			<b><u>2010</u></b>	<b><u>2011</u></b>

35.30	Sec. 3. <b><u>GOVERNOR AND LIEUTENANT</u></b>				
35.31	<b><u>GOVERNOR</u></b>	<b>\$</b>	<b><u>(81,000)</u></b>	<b>\$</b>	<b><u>(81,000)</u></b>

35.32 \$13,000 of the reduction in each of  
 35.33 fiscal years 2010 and 2011 are from the





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38.1 477A.0124 that the county was certified to receive in 2009, plus the amount of taconite  
38.2 aids under sections 298.28 and 298.282 that the county was certified to receive in 2009,  
38.3 including any amounts required to be placed in a special fund for distribution in a later year.

38.4 (d) The "2009 revenue base" for a town is the sum of the town's certified property  
38.5 tax levy for taxes payable in 2009, plus the amount of aid under section 477A.013 that  
38.6 the town was certified to receive in 2009, plus the amount of taconite aids under sections  
38.7 298.28 and 298.282 that the town was certified to receive in 2009, including any amounts  
38.8 required to be placed in a special fund for distribution in a later year.

38.9 (e) "Population" means the population of the county, city, or town for 2007 based on  
38.10 information available to the commissioner of revenue in July 2009.

38.11 (f) "Adjusted net tax capacity" means the amount of net tax capacity for the county,  
38.12 city, or town, computed using equalized market values according to section 477A.011,  
38.13 subdivision 20, for aid payable in 2009.

38.14 (g) "Adjusted net tax capacity per capita" means the jurisdiction's adjusted net tax  
38.15 capacity divided by its population.

38.16 Subd. 2. **2009 aid reductions.** (a) The commissioner of revenue must compute a  
38.17 2009 aid reduction amount for each county.

38.18 The aid reduction amount is zero for a county with a population of less than 5,000,  
38.19 and is zero for a county containing the Shooting Star Casino property that was removed  
38.20 from the tax rolls in 2009.

38.21 For all other counties, the aid reduction amount is equal to 1.188968672 percent of  
38.22 the county's 2009 revenue base.

38.23 The reduction amount is limited to the sum of the amount of county program aid  
38.24 under section 477A.0124 that the county was certified to receive in 2009, plus the amount  
38.25 of market value credit reimbursements under section 273.1384 payable to the county in  
38.26 2009 before the reductions in this section.

38.27 The reduction amount is applied first to reduce the amount payable to the county  
38.28 in 2009 as county program aid under section 477A.013 and then, if necessary, to reduce  
38.29 the amount payable to the county in 2009 as market value credit reimbursements under  
38.30 section 273.1384.

38.31 No county's aid or reimbursements are reduced to less than zero under this section.

38.32 (b) The commissioner of revenue must compute a 2009 aid reduction amount for  
38.33 each city.

38.34 The aid reduction amount is zero for any city with a population of less than 1,000 that  
38.35 has an adjusted net tax capacity per capita amount less than the statewide average adjusted  
38.36 net tax capacity amount per capita for all cities. The aid reduction amount is also zero for

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39.1 a city located outside the seven-county metropolitan area, with a 2006 population greater  
39.2 than 3,500, a pre-1940 housing percentage greater than 29 percent, a commercial-industrial  
39.3 percentage less than nine percent, and a population decline percentage of zero based on the  
39.4 data used to certify the 2009 local government aid distribution under section 477A.013.

39.5 For all other cities, the aid reduction amount is equal to 3.3127634 percent of the  
39.6 city's 2009 revenue base.

39.7 The reduction amount is limited to the sum of the amount of local government aid  
39.8 under section 477A.013, subdivision 9, that the city was certified to receive in 2009, plus  
39.9 the amount of market value credit reimbursements under section 273.1384 payable to the  
39.10 city in 2009 before the reductions in this section.

39.11 The reduction amount for a city is further limited to \$22 per capita.

39.12 The reduction amount is applied first to reduce the amount payable to the city in  
39.13 2009 as local government aid under section 477A.013 and then, if necessary, to reduce  
39.14 the amount payable to the city in 2009 as market value credit reimbursements under  
39.15 section 273.1384.

39.16 No city's aid or reimbursements are reduced to less than zero under this section.

39.17 (c) The commissioner of revenue must compute a 2009 aid reduction amount for  
39.18 each town.

39.19 The aid reduction amount is zero for any town with a population of less than 1,000  
39.20 that has an adjusted net tax capacity per capita amount less than the statewide average  
39.21 adjusted net tax capacity amount per capita for all towns.

39.22 For all other towns, the aid reduction amount is equal to 1.735103 percent of the  
39.23 town's 2009 revenue base.

39.24 The reduction amount is limited to \$5 per capita.

39.25 The reduction amount is applied to reduce the amount payable to the town in 2009  
39.26 as market value credit reimbursements under section 273.1384.

39.27 No town's reimbursements are reduced to less than zero under this section.

39.28 Subd. 3. **2010 aid reductions.** (a) The commissioner of revenue must compute a  
39.29 2010 aid reduction amount for each county.

39.30 The aid reduction amount is zero for a county with a population of less than 5,000,  
39.31 and is zero for a county containing the Shooting Star Casino property that was removed  
39.32 from the tax rolls in 2009.

39.33 For all other counties, the aid reduction amount is equal to 2.41396687 percent of  
39.34 the county's 2009 revenue base.

39.35 The reduction amount is limited to the sum of the amount of county program aid  
39.36 under section 477A.0124 that the county was certified to receive in 2009, plus the amount

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40.1 of market value credit reimbursements under section 273.1384 payable to the county in  
40.2 2009 before the reductions in this section.

40.3 The reduction amount is applied first to reduce the amount payable to the county  
40.4 in 2010 as county program aid under section 477A.013 and then, if necessary, to reduce  
40.5 the amount payable to the county in 2010 as market value credit reimbursements under  
40.6 section 273.1384.

40.7 No county's aid or reimbursements are reduced to less than zero under this section.

40.8 (b) The commissioner of revenue must compute a 2010 aid reduction amount for  
40.9 each city.

40.10 The aid reduction amount is zero for any city with a population of less than 1,000  
40.11 that has an adjusted net tax capacity per capita amount less than the statewide average  
40.12 adjusted net tax capacity amount per capita for all cities.

40.13 For all other cities, the aid reduction amount is equal to 7.643803025 percent of the  
40.14 city's 2009 revenue base.

40.15 The reduction amount is limited to the sum of the amount of local government aid  
40.16 under section 477A.013, subdivision 9, that the city was certified to receive in 2010, plus  
40.17 the amount of market value credit reimbursements under section 273.1384 payable to the  
40.18 city in 2010 before the reductions in this section.

40.19 The reduction amount for a city is further limited to \$55 per capita.

40.20 The reduction amount is applied first to reduce the amount payable to the city in  
40.21 2010 as local government aid under section 477A.013 and then, if necessary, to reduce  
40.22 the amount payable to the city in 2010 as market value credit reimbursements under  
40.23 section 273.1384.

40.24 No city's aid or reimbursements are reduced to less than zero under this section.

40.25 (c) The commissioner of revenue must compute a 2010 aid reduction amount for  
40.26 each town.

40.27 The aid reduction amount is zero for any town with a population of less than 1,000  
40.28 that has an adjusted net tax capacity per capita amount less than the statewide average  
40.29 adjusted net tax capacity amount per capita for all towns.

40.30 For all other towns, the aid reduction amount is equal to 3.660798 percent of the  
40.31 town's 2009 revenue base.

40.32 The reduction amount is limited to \$10 per capita.

40.33 The reduction amount is applied to reduce the amount payable to the town in 2010  
40.34 as market value credit reimbursements under section 273.1384.

40.35 No town's reimbursements are reduced to less than zero under this section.

41.1 EFFECTIVE DATE. This section is effective the day following final enactment  
41.2 and is retroactive for aids and credit reimbursements payable in 2009.

41.3 Sec. 3. Laws 2010, chapter 215, article 13, section 6, is amended to read:

41.4 Sec. 6. **477A.0133 ADDITIONAL 2010 AID AND CREDIT REDUCTIONS.**

41.5 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms  
41.6 have the meanings given them in this subdivision.

41.7 (b) The "2010 revenue base" for a county is the sum of the county's certified property  
41.8 tax levy for taxes payable in 2010, plus the amount of county program aid under section  
41.9 477A.0124 that the county was certified to receive in 2010, plus the amount of taconite  
41.10 aids under sections 298.28 and 298.282 that the county was certified to receive in 2010  
41.11 including any amounts required to be placed in a special fund for distribution in a later year.

41.12 (c) The "2010 revenue base" for a statutory or home rule charter city is the sum of  
41.13 the city's certified property tax levy for taxes payable in 2010, plus the amount of local  
41.14 government aid under section 477A.013, subdivision 9, that the city was certified to  
41.15 receive in 2010, plus the amount of taconite aids under sections 298.28 and 298.282 that  
41.16 the city was certified to receive in 2010 including any amounts required to be placed in a  
41.17 special fund for distribution in a later year.

41.18 Subd. 2. **2010 reductions; counties and cities.** The commissioner of revenue  
41.19 must compute additional 2010 aid and credit reimbursement reduction amounts for each  
41.20 county and city under this section, after implementing any reduction of county program  
41.21 aid under section 477A.0124, local government aid under section 477A.013, or market  
41.22 value credit reimbursements under section 273.1384, to reflect the ~~reduction of allotments~~  
41.23 ~~under section 16A.152~~ reductions under section 477A.0132.

41.24 The additional reduction amounts under this section are limited to the sum of the  
41.25 amount of county program aid under section 477A.0124, local government aid under  
41.26 section 477A.013, and market value credit reimbursements under section 273.1384  
41.27 payable to the county or city in 2010 before the reductions in this section, but after the  
41.28 reductions ~~for unallotments~~ under section 477A.0132.

41.29 The reduction amount under this section is applied first to reduce the amount  
41.30 payable to the county or city in 2010 as market value credit reimbursements under section  
41.31 273.1384, and then if necessary, to reduce the amount payable as either county program  
41.32 aid under section 477A.0124 in the case of a county, or local government aid under section  
41.33 477A.013 in the case of a city.

41.34 No aid or reimbursement amount is reduced to less than zero under this section.

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42.1 The additional 2010 aid reduction amount for a county is equal to 1.82767 percent  
42.2 of the county's 2010 revenue base. The additional 2010 aid reduction amount for a city  
42.3 is equal to the lesser of (1) 3.4287 percent of the city's 2010 revenue base or (2) \$28  
42.4 multiplied by the city's 2008 population.

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

42.6 Sec. 4. **REFUNDS AND CREDITS.**

42.7 **Subdivision 1. Political contribution credit.** Notwithstanding the provisions of  
42.8 Minnesota Statutes, section 290.06, subdivision 23, or any other law to the contrary, the  
42.9 political contribution refund does not apply to contributions made after June 30, 2009,  
42.10 and before July 1, 2011.

42.11 **Subd. 2. Property tax refund.** For property tax refunds based on rent paid during  
42.12 calendar year 2009 only, but also applying to refunds based on property taxes payable in  
42.13 2010 that include gross rent paid in 2009, the following rules apply:

42.14 **(1) "rent constituting property taxes" must be calculated by substituting "15 percent"**  
42.15 **for "19 percent" under Minnesota Statutes, section 290A.03, subdivision 11; and**

42.16 **(2) "property taxes payable" must be calculated under Minnesota Statutes, section**  
42.17 **290A.03, subdivision 13, by substituting "15 percent" for "19 percent" in determining the**  
42.18 **portion of gross rent paid that is included in property taxes payable.**

42.19 **Subd. 3. Sustainable forest incentive program.** The maximum sustainable forest  
42.20 incentive program payments under Minnesota Statutes, section 290C.07, per each Social  
42.21 Security number or state or federal business tax identification number must not exceed  
42.22 \$100,000. The provisions of this subdivision apply only to payments made during fiscal  
42.23 year 2011.

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

42.25 Sec. 5. **LEVY VALIDATION.**

42.26 **Any special levy under Minnesota Statutes, section 275.70, subdivision 5, clause**  
42.27 **(22), approved by the commissioner of revenue for taxes payable in 2010, is validated**  
42.28 **notwithstanding a later judicial decision that may affect the validity of unallotments that**  
42.29 **were announced in 2009. A local government may not levy under Minnesota Statutes,**  
42.30 **section 275.70, subdivision 5, clause (22), for taxes payable in 2011 for any retroactive**  
42.31 **reduction in aid and credit reimbursements for aids and credits payable in 2008 or 2009.**

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

43.1 Sec. 6. PAYMENT OF REFUNDS.

43.2 (a) In paying refunds during fiscal year 2011 of overpayments of corporate  
43.3 franchise tax and of sales tax, including but not limited to capital equipment refunds,  
43.4 the commissioner of revenue shall delay paying a sufficient number of these refunds  
43.5 until fiscal year 2012 so that \$152,000,000 less in refunds is paid in fiscal year 2011  
43.6 than otherwise would have been paid. This amount is in addition to any amount that the  
43.7 commissioner delays pursuant to administrative actions undertaken in connection with the  
43.8 unallotment announced in June 2009. Refunds delayed by the commissioner under this  
43.9 section are deemed to be due on July 1, 2011, for budget purposes, if the law otherwise  
43.10 would provide an earlier date. Any refunds paid after June 30, 2011, and before the close  
43.11 of fiscal year 2011 are deemed to be paid in fiscal year 2012 for budget purposes.

43.12 (b) In carrying out the requirement of paragraph (a), the commissioner shall, to the  
43.13 extent possible, minimize delaying the payment of refunds that would result in payment of  
43.14 additional interest by the state. The commissioner may select refunds for delayed payment  
43.15 under this section or exempt refunds from this section in the manner that the commissioner  
43.16 determines, in the commissioner's sole discretion, has the least adverse effect on tax  
43.17 administration and taxpayer compliance.

43.18 **ARTICLE 14**

43.19 **SPECIAL REVENUE FUND**

43.20 Section 1. Minnesota Statutes 2008, section 3.9741, subdivision 2, is amended to read:

43.21 Subd. 2. **Postsecondary Education Board.** The legislative auditor may enter into  
43.22 an interagency agreement with the Board of Trustees of the Minnesota State Colleges and  
43.23 Universities to conduct financial audits, in addition to audits conducted under section  
43.24 3.972, subdivision 2. All payments received for audits requested by the board shall be  
43.25 ~~added to the appropriation for~~ deposited in the special revenue fund and appropriated to  
43.26 the legislative auditor to pay audit expenses.

43.27 Sec. 2. Minnesota Statutes 2008, section 8.15, subdivision 3, is amended to read:

43.28 Subd. 3. **Agreements.** (a) To facilitate the delivery of legal services, the attorney  
43.29 general may:

43.30 (1) enter into agreements with executive branch agencies, political subdivisions, or  
43.31 quasi-state agencies to provide legal services for the benefit of the citizens of Minnesota;  
43.32 and

43.33 (2) in addition to funds otherwise appropriated by the legislature, accept and spend  
43.34 funds received under any agreement authorized in clause (1) for the purpose set forth in

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44.1 clause (1), subject to a report of receipts to the chairs of the senate Finance Committee and  
44.2 the house of representatives Ways and Means Committee by October 15 each year.

44.3 (b) When entering into an agreement for legal services, the attorney general must  
44.4 notify the committees responsible for funding the Office of the Attorney General. When  
44.5 the attorney general enters into an agreement with a state agency, the attorney general  
44.6 must also notify the committees responsible for funding that agency.

44.7 Funds received under this subdivision must be deposited in ~~the general~~ an account in  
44.8 the special revenue fund and are appropriated to the attorney general for the purposes set  
44.9 forth in this subdivision.

44.10 Sec. 3. Minnesota Statutes 2008, section 13.03, subdivision 10, is amended to read:

44.11 Subd. 10. **Costs for providing copies of data.** Money may be collected by a  
44.12 responsible authority in a state agency for the actual cost to the agency of providing  
44.13 copies or electronic transmittal of government data ~~is appropriated to the agency and~~  
44.14 ~~added to the appropriations from which the costs were paid.~~ When money collected for  
44.15 purposes of this section is of a magnitude sufficient to warrant a separate account in the  
44.16 state treasury, that money must be deposited in a fund other than the general fund and is  
44.17 appropriated to the agency.

44.18 Sec. 4. Minnesota Statutes 2008, section 16C.23, subdivision 6, is amended to read:

44.19 Subd. 6. **State surplus property.** The commissioner may do any of the following to  
44.20 dispose of state surplus property:

- 44.21 (1) transfer it to or between state agencies;
- 44.22 (2) transfer it to a governmental unit or nonprofit organization in Minnesota; or
- 44.23 (3) sell it and charge a fee to cover expenses incurred by the commissioner in the  
44.24 disposal of the surplus property.

44.25 The proceeds of the sale less the fee must be deposited in an account in a fund other  
44.26 than the general fund and are appropriated to the agency for whose account the sale was  
44.27 made, to be used and expended by that agency to purchase similar state property.

44.28 Sec. 5. Minnesota Statutes 2008, section 103B.101, subdivision 9, is amended to read:

44.29 Subd. 9. **Powers and duties.** In addition to the powers and duties prescribed  
44.30 elsewhere, the board shall:

- 44.31 (1) coordinate the water and soil resources planning activities of counties, soil and  
44.32 water conservation districts, watershed districts, watershed management organizations,

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45.1 and any other local units of government through its various authorities for approval of  
45.2 local plans, administration of state grants, and by other means as may be appropriate;

45.3 (2) facilitate communication and coordination among state agencies in cooperation  
45.4 with the Environmental Quality Board, and between state and local units of government,  
45.5 in order to make the expertise and resources of state agencies involved in water and soil  
45.6 resources management available to the local units of government to the greatest extent  
45.7 possible;

45.8 (3) coordinate state and local interests with respect to the study in southwestern  
45.9 Minnesota under United States Code, title 16, section 1009;

45.10 (4) develop information and education programs designed to increase awareness  
45.11 of local water and soil resources problems and awareness of opportunities for local  
45.12 government involvement in preventing or solving them;

45.13 (5) provide a forum for the discussion of local issues and opportunities relating  
45.14 to water and soil resources management;

45.15 (6) adopt an annual budget and work program that integrate the various functions  
45.16 and responsibilities assigned to it by law; and

45.17 (7) report to the governor and the legislature by October 15 of each even-numbered  
45.18 year with an assessment of board programs and recommendations for any program  
45.19 changes and board membership changes necessary to improve state and local efforts  
45.20 in water and soil resources management.

45.21 The board may accept grants, gifts, donations, or contributions in money, services,  
45.22 materials, or otherwise from the United States, a state agency, or other source to achieve  
45.23 an authorized purpose. The board may enter into a contract or agreement necessary or  
45.24 appropriate to accomplish the transfer. The board may receive and expend money to  
45.25 acquire conservation easements, as defined in chapter 84C, on behalf of the state and  
45.26 federal government consistent with the Camp Ripley's Army Compatible Use Buffer  
45.27 Project.

45.28 Any money received is hereby deposited in an account in a fund other than the  
45.29 general fund and appropriated and dedicated for the purpose for which it is granted.

45.30 Sec. 6. Minnesota Statutes 2008, section 103I.681, subdivision 11, is amended to read:

45.31 Subd. 11. **Permit fee schedule.** (a) The commissioner of natural resources shall  
45.32 adopt a permit fee schedule under chapter 14. The schedule may provide minimum fees  
45.33 for various classes of permits, and additional fees, which may be imposed subsequent  
45.34 to the application, based on the cost of receiving, processing, analyzing, and issuing

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46.1 the permit, and the actual inspecting and monitoring of the activities authorized by the  
46.2 permit, including costs of consulting services.

46.3 (b) A fee may not be imposed on a state or federal governmental agency applying  
46.4 for a permit.

46.5 (c) The fee schedule may provide for the refund of a fee, in whole or in part, under  
46.6 circumstances prescribed by the commissioner of natural resources. Fees received must  
46.7 be deposited in the state treasury and credited to ~~the general~~ an account in the natural  
46.8 resources fund. Permit fees received are appropriated annually from the ~~general~~ natural  
46.9 resources fund to the commissioner of natural resources for the costs of inspecting and  
46.10 monitoring the activities authorized by the permit, including costs of consulting services.

46.11 Sec. 7. Minnesota Statutes 2008, section 116J.551, subdivision 1, is amended to read:

46.12 Subdivision 1. **Grant account.** A contaminated site cleanup and development grant  
46.13 account is created in the ~~general~~ special revenue fund. Money in the account may be used,  
46.14 as appropriated by law, to make grants as provided in section 116J.554 and to pay for the  
46.15 commissioner's costs in reviewing applications and making grants. Notwithstanding  
46.16 section 16A.28, money appropriated to the account for this program from any source  
46.17 is available until spent.

46.18 Sec. 8. Minnesota Statutes 2008, section 190.32, is amended to read:

46.19 **190.32 FEDERAL REIMBURSEMENT RECEIPTS.**

46.20 The Department of Military Affairs may deposit federal reimbursement receipts into  
46.21 ~~the general fund~~ an account in the special revenue fund, maintenance of military training  
46.22 facilities. These receipts are for services, supplies, and materials initially purchased by the  
46.23 Camp Ripley maintenance account.

46.24 Sec. 9. Minnesota Statutes 2008, section 257.69, subdivision 2, is amended to read:

46.25 Subd. 2. **Guardian; legal fees.** (a) The court may order expert witness and guardian  
46.26 ad litem fees and other costs of the trial and pretrial proceedings, including appropriate  
46.27 tests, to be paid by the parties in proportions and at times determined by the court. The  
46.28 court shall require a party to pay part of the fees of court-appointed counsel according  
46.29 to the party's ability to pay, but if counsel has been appointed the appropriate agency  
46.30 shall pay the party's proportion of all other fees and costs. The agency responsible for  
46.31 child support enforcement shall pay the fees and costs for blood or genetic tests in a  
46.32 proceeding in which it is a party, is the real party in interest, or is acting on behalf of the  
46.33 child. However, at the close of a proceeding in which paternity has been established under

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47.1 sections 257.51 to 257.74, the court shall order the adjudicated father to reimburse the  
47.2 public agency, if the court finds he has sufficient resources to pay the costs of the blood or  
47.3 genetic tests. When a party bringing an action is represented by the county attorney, no  
47.4 filing fee shall be paid to the court administrator.

47.5 (b) In each fiscal year, the commissioner of management and budget shall deposit  
47.6 guardian ad litem reimbursements in the ~~general~~ special revenue fund and credit them to a  
47.7 separate account with the trial courts. The balance of this account is appropriated to the  
47.8 trial courts and does not cancel but is available until expended. Expenditures by the state  
47.9 court administrator's office from this account must be based on the amount of the guardian  
47.10 ad litem reimbursements received by the state from the courts in each judicial district.

47.11 Sec. 10. Minnesota Statutes 2008, section 260C.331, subdivision 6, is amended to read:

47.12 Subd. 6. **Guardian ad litem fees.** (a) In proceedings in which the court appoints a  
47.13 guardian ad litem pursuant to section 260C.163, subdivision 5, clause (a), the court may  
47.14 inquire into the ability of the parents to pay for the guardian ad litem's services and,  
47.15 after giving the parents a reasonable opportunity to be heard, may order the parents to  
47.16 pay guardian fees.

47.17 (b) In each fiscal year, the commissioner of management and budget shall deposit  
47.18 guardian ad litem reimbursements in the ~~general~~ special revenue fund and credit them to a  
47.19 separate account with the trial courts. The balance of this account is appropriated to the  
47.20 trial courts and does not cancel but is available until expended. Expenditures by the state  
47.21 court administrator's office from this account must be based on the amount of the guardian  
47.22 ad litem reimbursements received by the state from the courts in each judicial district.

47.23 Sec. 11. Minnesota Statutes 2009 Supplement, section 270.97, is amended to read:

47.24 **270.97 DEPOSIT OF REVENUES.**

47.25 The commissioner shall deposit all revenues derived from the tax, interest, and  
47.26 penalties received from the county in the contaminated site cleanup and development  
47.27 account in the ~~general~~ special revenue fund and is annually appropriated to the  
47.28 commissioner of the Department of Employment and Economic Development, for the  
47.29 purposes of section 116J.551.

47.30 Sec. 12. Minnesota Statutes 2008, section 299C.48, is amended to read:

47.31 **299C.48 CONNECTION BY AUTHORIZED AGENCY; FEE,**  
47.32 **APPROPRIATION.**

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48.1 (a) An agency authorized under section 299C.46, subdivision 3, may connect with  
48.2 and participate in the criminal justice data communications network upon approval  
48.3 of the commissioner of public safety; provided, that the agency shall first agree to pay  
48.4 installation charges as may be necessary for connection and monthly operational charges  
48.5 as may be established by the commissioner of public safety. Before participation by a  
48.6 criminal justice agency may be approved, the agency must have executed an agreement  
48.7 with the commissioner providing for security of network facilities and restrictions on  
48.8 access to data supplied to and received through the network.

48.9 (b) In addition to any fee otherwise authorized, the commissioner of public safety  
48.10 shall impose a fee for providing secure dial-up or Internet access for criminal justice  
48.11 agencies and noncriminal justice agencies. The following monthly fees apply:

48.12 (1) criminal justice agency accessing via Internet, \$15;

48.13 (2) criminal justice agency accessing via dial-up, \$35;

48.14 (3) noncriminal justice agency accessing via Internet, \$35; and

48.15 (4) noncriminal justice agency accessing via dial-up, \$35.

48.16 (c) The installation and monthly operational charges collected by the commissioner  
48.17 of public safety under paragraphs (a) and (b) must be deposited in an account in the special  
48.18 revenue fund and are annually appropriated to the commissioner to administer sections  
48.19 299C.46 to 299C.50.

48.20 Sec. 13. Minnesota Statutes 2008, section 299E.02, is amended to read:

48.21 **299E.02 CONTRACT SERVICES; APPROPRIATION.**

48.22 Fees charged for contracted security services provided by the Capitol Complex  
48.23 Security Division of the Department of Public Safety must be deposited in an account in  
48.24 the special revenue fund and are annually appropriated to the commissioner of public  
48.25 safety to administer and provide these services.

48.26 Sec. 14. Minnesota Statutes 2008, section 446A.086, subdivision 2, as amended by  
48.27 Laws 2010, chapter 290, section 14, is amended to read:

48.28 Subd. 2. **Application.** (a) This section provides a state guarantee of the payment of  
48.29 principal and interest on debt obligations if:

48.30 (1) the obligations are issued for new projects and are not issued for the purposes of  
48.31 refunding previous obligations;

48.32 (2) application to the Public Facilities Authority is made before issuance; and

48.33 (3) the obligations are covered by an agreement meeting the requirements of  
48.34 subdivision 3.

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49.1 (b) Applications to be covered by the provisions of this section must be made in a  
49.2 form and contain the information prescribed by the authority. Applications are subject to  
49.3 either a fee of \$500 for each bond issue requested by a county or governmental unit or the  
49.4 applicable fees under section 446A.087.

49.5 (c) Application fees paid under this section must be deposited in a separate credit  
49.6 enhancement bond guarantee account in the ~~general~~ special revenue fund. Money in the  
49.7 credit enhancement bond guarantee account is appropriated to the authority for purposes  
49.8 of administering this section.

49.9 (d) Neither the authority nor the commissioner is required to promulgate  
49.10 administrative rules under this section and the procedures and requirements established by  
49.11 the authority or commissioner under this section are not subject to chapter 14.

49.12 Sec. 15. Minnesota Statutes 2008, section 469.177, subdivision 11, is amended to read:

49.13 Subd. 11. **Deduction for enforcement costs; appropriation.** (a) The county  
49.14 treasurer shall deduct an amount equal to 0.25 percent of any increment distributed to an  
49.15 authority or municipality. The county treasurer shall pay the amount deducted to the  
49.16 commissioner of management and budget for deposit in ~~the state general~~ an account in  
49.17 the special revenue fund.

49.18 (b) The amounts deducted and paid under paragraph (a) are appropriated to the state  
49.19 auditor for the cost of (1) the financial reporting of tax increment financing information  
49.20 and (2) the cost of examining and auditing of authorities' use of tax increment financing  
49.21 as provided under section 469.1771, subdivision 1. Notwithstanding section 16A.28 or  
49.22 any other law to the contrary, this appropriation does not cancel and remains available  
49.23 until spent.

49.24 (c) For taxes payable in 2002 and thereafter, the commissioner of revenue shall  
49.25 increase the percent in paragraph (a) to a percent equal to the product of the percent in  
49.26 paragraph (a) and the amount that the statewide tax increment levy for taxes payable in  
49.27 2002 would have been without the class rate changes in this act and the elimination of  
49.28 the general education levy in this act divided by the statewide tax increment levy for  
49.29 taxes payable in 2002.

49.30 Sec. 16. Minnesota Statutes 2008, section 518.165, subdivision 3, is amended to read:

49.31 Subd. 3. **Fees.** (a) A guardian ad litem appointed under either subdivision 1 or 2  
49.32 may be appointed either as a volunteer or on a fee basis. If a guardian ad litem is appointed  
49.33 on a fee basis, the court shall enter an order for costs, fees, and disbursements in favor  
49.34 of the child's guardian ad litem. The order may be made against either or both parties,

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50.1 except that any part of the costs, fees, or disbursements which the court finds the parties  
50.2 are incapable of paying shall be borne by the state courts. The costs of court-appointed  
50.3 counsel to the guardian ad litem shall be paid by the county in which the proceeding is  
50.4 being held if a party is incapable of paying for them. Until the recommendations of the  
50.5 task force created in Laws 1999, chapter 216, article 7, section 42, are implemented, the  
50.6 costs of court-appointed counsel to a guardian ad litem in the Eighth Judicial District shall  
50.7 be paid by the state courts if a party is incapable of paying for them. In no event may the  
50.8 court order that costs, fees, or disbursements be paid by a party receiving public assistance  
50.9 or legal assistance or by a party whose annual income falls below the poverty line as  
50.10 established under United States Code, title 42, section 9902(2).

50.11 (b) In each fiscal year, the commissioner of management and budget shall deposit  
50.12 guardian ad litem reimbursements in the ~~general~~ special revenue fund and credit them to a  
50.13 separate account with the trial courts. The balance of this account is appropriated to the  
50.14 trial courts and does not cancel but is available until expended. Expenditures by the state  
50.15 court administrator's office from this account must be based on the amount of the guardian  
50.16 ad litem reimbursements received by the state from the courts in each judicial district.

50.17 Sec. 17. Minnesota Statutes 2008, section 609.3241, is amended to read:

50.18 **609.3241 PENALTY ASSESSMENT AUTHORIZED.**

50.19 When a court sentences an adult convicted of violating section 609.322 or 609.324,  
50.20 while acting other than as a prostitute, the court shall impose an assessment of not less  
50.21 than \$250 and not more than \$500 for a violation of section 609.324, subdivision 2, or a  
50.22 misdemeanor violation of section 609.324, subdivision 3; otherwise the court shall impose  
50.23 an assessment of not less than \$500 and not more than \$1,000. The mandatory minimum  
50.24 portion of the assessment is to be used for the purposes described in section 626.558,  
50.25 subdivision 2a, and is in addition to the surcharge required by section 357.021, subdivision  
50.26 6. Any portion of the assessment imposed in excess of the mandatory minimum amount  
50.27 shall be ~~forwarded to the general~~ deposited in an account in the special revenue fund and  
50.28 is appropriated annually to the commissioner of public safety. The commissioner, with the  
50.29 assistance of the General Crime Victims Advisory Council, shall use money received under  
50.30 this section for grants to agencies that provide assistance to individuals who have stopped  
50.31 or wish to stop engaging in prostitution. Grant money may be used to provide these  
50.32 individuals with medical care, child care, temporary housing, and educational expenses.

50.33 Sec. 18. Minnesota Statutes 2008, section 611.20, subdivision 3, is amended to read:

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51.1 Subd. 3. **Reimbursement.** In each fiscal year, the commissioner of management  
51.2 and budget shall deposit the payments in the ~~general~~ special revenue fund and credit them  
51.3 to a separate account with the Board of Public Defense. The amount credited to this  
51.4 account is appropriated to the Board of Public Defense.

51.5 The balance of this account does not cancel but is available until expended.  
51.6 Expenditures by the board from this account for each judicial district public defense office  
51.7 must be based on the amount of the payments received by the state from the courts in  
51.8 each judicial district. A district public defender's office that receives money under this  
51.9 subdivision shall use the money to supplement office overhead payments to part-time  
51.10 attorneys providing public defense services in the district. By January 15 of each year,  
51.11 the Board of Public Defense shall report to the chairs and ranking minority members of  
51.12 the senate and house of representatives divisions having jurisdiction over criminal justice  
51.13 funding on the amount appropriated under this subdivision, the number of cases handled  
51.14 by each district public defender's office, the number of cases in which reimbursements  
51.15 were ordered, the average amount of reimbursement ordered, and the average amount of  
51.16 money received by part-time attorneys under this subdivision.

51.17 Sec. 19. Laws 1994, chapter 531, section 1, is amended to read:

51.18 Section 1. **SALE OF WILDLIFE LANDS.**

51.19 Notwithstanding Minnesota Statutes, sections 84.027, subdivision 10; 92.45; 94.09  
51.20 to 94.165; 97A.135; 103F.535, or any other law, the commissioner of administration may  
51.21 sell lands located in the Gordy Yaeger wildlife management area in Olmsted county. The  
51.22 consideration for the lands described in sections 2 and 3 shall be \$950 per acre. The  
51.23 conveyances shall be by ~~quitclaim~~ quitclaim deed in a form approved by the attorney  
51.24 general and shall reserve to the state all minerals and mineral rights. The proceeds received  
51.25 from the sales are to be deposited in an account in the ~~general~~ natural resources fund and  
51.26 are appropriated to the commissioner of natural resources for acquisition of replacement  
51.27 wildlife management area lands. These sales are pursuant to the recommendation of the  
51.28 Gordy Yaeger wildlife management area advisory committee.

51.29 **ARTICLE 15**

51.30 **HEALTH AND HUMAN SERVICES**

51.31 Section 1. **SUMMARY OF APPROPRIATIONS.**

51.32 The amounts shown in this section summarize direct appropriations, by fund, made  
51.33 in this article.

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52.1		<u><b>2010</b></u>		<u><b>2011</b></u>		<u><b>Total</b></u>
52.2	<u>General</u>	\$	<u>(74,704,000)</u>	\$	<u>(83,154,000)</u>	\$ <u>(157,858,000)</u>

52.3 **Sec. 2. APPROPRIATIONS.**

52.4 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 52.5 in parentheses, subtracted from the appropriations in Laws 2009, chapter 79, article 13,  
 52.6 as amended by Laws 2009, chapter 173, article 2, to the agencies and for the purposes  
 52.7 specified in this article. The appropriations are from the general fund and are available  
 52.8 for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in  
 52.9 this article mean that the addition to or subtraction from the appropriation listed under  
 52.10 them is available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively.  
 52.11 Supplemental appropriations and reductions to appropriations for the fiscal year ending  
 52.12 June 30, 2010, are effective the day following final enactment unless a different effective  
 52.13 date is explicit. All reductions in this article are onetime, unless otherwise stated.

52.14		<u><b>APPROPRIATIONS</b></u>	
52.15		<u><b>Available for the Year</b></u>	
52.16		<u><b>Ending June 30</b></u>	
52.17		<u><b>2010</b></u>	<u><b>2011</b></u>

52.18 **Sec. 3. DEPARTMENT OF HUMAN**  
 52.19 **SERVICES**

52.20	<u>Subdivision 1. <b>Total Appropriation</b></u>	\$	<u><b>(74,177,000)</b></u>	\$	<u><b>(82,629,000)</b></u>
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52.21 The appropriation reductions for each  
 52.22 purpose are shown in the following  
 52.23 subdivisions.

52.24	<u>Subd. 2. <b>Agency Management; Financial</b></u>				
52.25	<u><b>Operations</b></u>		<u>(3,289,000)</u>		<u>(3,282,000)</u>

52.26 Subd. 3. **Children and Economic Assistance**  
 52.27 **Grants**

52.28	<u>(a) <b>Child Support Enforcement Grants</b></u>		<u>(3,400,000)</u>		<u>(1,249,000)</u>
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52.29	<u>(b) <b>Children's Services Grants</b></u>		<u>(600,000)</u>		<u>-0-</u>
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52.30 **American Indian Child Welfare Projects.**

52.31 Notwithstanding Laws 2009, chapter 79,  
 52.32 article 2, section 35, \$600,000 of the fiscal  
 52.33 year 2009 funds extended in fiscal year 2010  
 52.34 cancel to the general fund.

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53.1	<b><u>(c) Children and Community Services Grants</u></b>	<u>(16,900,000)</u>	<u>(1,500,000)</u>
53.2	<b><u>(d) General Assistance Grants</u></b>	<u>(5,267,000)</u>	<u>-0-</u>
53.3	<b><u>(e) Minnesota Supplemental Aid Grants</u></b>	<u>(733,000)</u>	<u>-0-</u>
53.4	<b><u>(f) Group Residential Housing Grants</u></b>	<u>(467,000)</u>	<u>(706,000)</u>
53.5	<b><u>Subd. 4. Basic Health Care Grants</u></b>		
53.6	<b><u>(a) Medical Assistance Basic Health Care Grants - Families and Children</u></b>	<u>(5,599,000)</u>	<u>(29,979,000)</u>
53.7			
53.8	<b><u>(b) Medical Assistance Basic Health Care Grants - Elderly and Disabled</u></b>	<u>(2,331,000)</u>	<u>(22,298,000)</u>
53.9			
53.10	<b><u>Hospital Fee-for-Service Payment Delay.</u></b>		
53.11	<u>Payments from the Medicaid Management</u>		
53.12	<u>Information System that would otherwise</u>		
53.13	<u>have been made for inpatient hospital</u>		
53.14	<u>services for Minnesota health care program</u>		
53.15	<u>enrollees must be delayed as follows: for</u>		
53.16	<u>fiscal year 2011, June payments must be</u>		
53.17	<u>included in the first payments in fiscal</u>		
53.18	<u>year 2012. The provisions of Minnesota</u>		
53.19	<u>Statutes, section 16A.124, do not apply</u>		
53.20	<u>to these delayed payments. This payment</u>		
53.21	<u>delay includes, and is not in addition to, the</u>		
53.22	<u>payment delay for inpatient hospital services</u>		
53.23	<u>in Laws 2009, chapter 79, article 13, section</u>		
53.24	<u>3, subdivision 6, paragraph (c).</u>		
53.25	<b><u>Nonhospital Fee-for-Service Payment</u></b>		
53.26	<b><u>Delay.</u></b> <u>Payments from the Medicaid</u>		
53.27	<u>Management Information System that would</u>		
53.28	<u>otherwise have been made for nonhospital</u>		
53.29	<u>acute care services for Minnesota health</u>		
53.30	<u>care program enrollees must be delayed as</u>		
53.31	<u>follows: for fiscal year 2011, June payments</u>		
53.32	<u>must be included in the first payments in</u>		
53.33	<u>fiscal year 2012. This payment delay must</u>		
53.34	<u>not include nursing facilities, intermediate</u>		

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54.1	<u>care facilities for persons with developmental</u>		
54.2	<u>disabilities, home and community-based</u>		
54.3	<u>services, prepaid health plans, personal care</u>		
54.4	<u>provider organizations, and home health</u>		
54.5	<u>agencies. The provisions of Minnesota</u>		
54.6	<u>Statutes, section 16A.124, do not apply</u>		
54.7	<u>to these delayed payments. This payment</u>		
54.8	<u>delay includes, and is not in addition to, the</u>		
54.9	<u>payment delay for nonhospital acute care</u>		
54.10	<u>services in Laws 2009, chapter 79, article 13,</u>		
54.11	<u>section 3, subdivision 6, paragraph (c).</u>		
54.12	<b><u>(c) General Assistance Medical Care Grants</u></b>	<u>(15,879,000)</u>	<u>-0-</u>
54.13	<b><u>Subd. 5. Health Care Management;</u></b>		
54.14	<b><u>Administration</u></b>	<u>(180,000)</u>	<u>(360,000)</u>
54.15	<b><u>Incentive Program and Outreach Grants.</u></b>		
54.16	<u>The general fund appropriation for the</u>		
54.17	<u>incentive program under Laws 2008, chapter</u>		
54.18	<u>358, article 5, section 3, subdivision 4,</u>		
54.19	<u>paragraph (b), is canceled. This paragraph is</u>		
54.20	<u>effective retroactively from January 1, 2010.</u>		
54.21	<b><u>Subd. 6. Continuing Care Grants</u></b>		
54.22	<b><u>(a) Aging and Adult Services Grants</u></b>	<u>(3,600,000)</u>	<u>(3,600,000)</u>
54.23	<b><u>Community Service/Service Development</u></b>		
54.24	<b><u>Grants Reduction.</u></b> Effective retroactively		
54.25	<u>from July 1, 2009, funding for grants made</u>		
54.26	<u>under Minnesota Statutes, sections 256.9754</u>		
54.27	<u>and 256B.0917, subdivision 13, is reduced</u>		
54.28	<u>by \$5,807,000 for each year of the biennium.</u>		
54.29	<u>Grants made during the biennium under</u>		
54.30	<u>Minnesota Statutes, section 256.9754, shall</u>		
54.31	<u>not be used for new construction or building</u>		
54.32	<u>renovation.</u>		
54.33	<b><u>Aging Grants Delay.</u></b> Aging grants must be		
54.34	<u>reduced by \$917,000 in fiscal year 2011 and</u>		
54.35	<u>increased by \$917,000 in fiscal year 2012.</u>		

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55.1	<u>These adjustments are onetime and must not</u>		
55.2	<u>be applied to the base. This provision expires</u>		
55.3	<u>June 30, 2012.</u>		
55.4	<b><u>(b) Medical Assistance Long-Term Care</u></b>		
55.5	<b><u>Facilities Grants</u></b>	<u>(3,827,000)</u>	<u>(2,745,000)</u>
55.6	<b><u>ICF/MR Variable Rates Suspension.</u></b>		
55.7	<u>Effective retroactively from July 1, 2009,</u>		
55.8	<u>to June 30, 2010, no new variable rates</u>		
55.9	<u>shall be authorized for intermediate care</u>		
55.10	<u>facilities for persons with developmental</u>		
55.11	<u>disabilities under Minnesota Statutes, section</u>		
55.12	<u>256B.5013, subdivision 1.</u>		
55.13	<b><u>ICF/MR Occupancy Rate Adjustment</u></b>		
55.14	<b><u>Suspension.</u></b> <u>Effective retroactively from</u>		
55.15	<u>July 1, 2009, to June 30, 2011, approval</u>		
55.16	<u>of new applications for occupancy rate</u>		
55.17	<u>adjustments for unoccupied short-term</u>		
55.18	<u>beds under Minnesota Statutes, section</u>		
55.19	<u>256B.5013, subdivision 7, is suspended.</u>		
55.20	<b><u>(c) Medical Assistance Long-Term Care</u></b>	<u>(2,318,000)</u>	<u>(5,807,000)</u>
55.21	<b><u>Waivers and Home Care Grants</u></b>		
55.22	<b><u>Developmental Disability Waiver Acuity</u></b>		
55.23	<b><u>Factor.</u></b> <u>Effective retroactively from January</u>		
55.24	<u>1, 2010, the January 1, 2010, one percent</u>		
55.25	<u>growth factor in the developmental disability</u>		
55.26	<u>waiver allocations under Minnesota Statutes,</u>		
55.27	<u>section 256B.092, subdivisions 4 and 5,</u>		
55.28	<u>that is attributable to changes in acuity, is</u>		
55.29	<u>suspended to June 30, 2011.</u>		
55.30	<b><u>(d) Adult Mental Health Grants</u></b>	<u>(5,000,000)</u>	<u>-0-</u>
55.31	<b><u>(e) Chemical Dependency Entitlement Grants</u></b>	<u>(3,622,000)</u>	<u>(3,622,000)</u>
55.32	<b><u>(f) Chemical Dependency Nonentitlement</u></b>		
55.33	<b><u>Grants</u></b>	<u>(393,000)</u>	<u>(393,000)</u>
55.34	<b><u>(g) Other Continuing Care Grants</u></b>	<u>-0-</u>	<u>(2,500,000)</u>

56.1	<b><u>Other Continuing Care Grants Delay.</u></b>		
56.2	<u>Other continuing care grants must be reduced</u>		
56.3	<u>by \$1,414,000 in fiscal year 2011 and</u>		
56.4	<u>increased by \$1,414,000 in fiscal year 2012.</u>		
56.5	<u>These adjustments are onetime and must not</u>		
56.6	<u>be applied to the base. This provision expires</u>		
56.7	<u>June 30, 2012.</u>		
56.8	<b><u>Subd. 7. Continuing Care Management</u></b>	<u>(350,000)</u>	<u>-0-</u>
56.9	<b><u>County Maintenance of Effort.</u></b> The general		
56.10	<u>fund appropriation for the State-County</u>		
56.11	<u>Results Accountability and Service Delivery</u>		
56.12	<u>Reform under Minnesota Statutes, chapter</u>		
56.13	<u>402A, is canceled. This paragraph is</u>		
56.14	<u>effective retroactively from July 1, 2009.</u>		
56.15	<b><u>Subd. 8. State-Operated Services; Adult</u></b>		
56.16	<b><u>Mental Health Services</u></b>	<u>(422,000)</u>	<u>(4,588,000)</u>
56.17	Sec. 4. <b><u>DEPARTMENT OF HEALTH</u></b>		
56.18	<b><u>Subdivision. 1. Total Appropriation</u></b>	<b><u>\$ (527,000)</u></b>	<b><u>\$ (525,000)</u></b>
56.19	<u>The appropriation reductions for each</u>		
56.20	<u>purpose are shown in the following</u>		
56.21	<u>subdivisions.</u>		
56.22	<b><u>Subd. 2. Community and Family Health</u></b>		
56.23	<b><u>Promotion</u></b>	<u>(53,000)</u>	<u>(355,000)</u>
56.24	<b><u>Subd. 3. Policy Quality and Compliance</u></b>	<u>(118,000)</u>	<u>(74,000)</u>
56.25	<b><u>Office of Unlicensed Health Care Practice.</u></b>		
56.26	<u>Of the general fund reduction \$74,000</u>		
56.27	<u>in fiscal year 2011 is from the Office of</u>		
56.28	<u>Unlicensed Complementary and Alternative</u>		
56.29	<u>Health Care Practice.</u>		
56.30	<b><u>Subd. 4. Health Protection</u></b>	<u>(225,000)</u>	<u>(74,000)</u>
56.31	<b><u>Subd. 5. Administrative Support Services</u></b>	<u>(131,000)</u>	<u>(22,000)</u>

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57.1 Sec. 5. Laws 2009, chapter 79, article 13, section 3, subdivision 8, as amended by  
57.2 Laws 2009, chapter 173, article 2, section 1, subdivision 8, is amended to read:

57.3 **Subd. 8. Continuing Care Grants**

57.4 The amounts that may be spent from the  
57.5 appropriation for each purpose are as follows:

57.6 <b>(a) Aging and Adult Services Grants</b>	13,499,000	15,805,000
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57.7 **Base Adjustment.** The general fund base is  
57.8 increased by \$5,751,000 in fiscal year 2012  
57.9 and \$6,705,000 in fiscal year 2013.

57.10 **Information and Assistance**

57.11 **Reimbursement.** Federal administrative  
57.12 reimbursement obtained from information  
57.13 and assistance services provided by the  
57.14 Senior LinkAge or Disability Linkage lines  
57.15 to people who are identified as eligible for  
57.16 medical assistance shall be appropriated to  
57.17 the commissioner for this activity.

57.18 **Community Service Development Grant**

57.19 **Reduction.** Funding for community service  
57.20 development grants must be reduced by  
57.21 \$260,000 for fiscal year 2010; \$284,000 in  
57.22 fiscal year 2011; \$43,000 in fiscal year 2012;  
57.23 and \$43,000 in fiscal year 2013. Base level  
57.24 funding shall be restored in fiscal year 2014.

57.25 **Community Service Development Grant**

57.26 **Community Initiative.** Funding for  
57.27 community service development grants shall  
57.28 be used to offset the cost of aging support  
57.29 grants. Base level funding shall be restored  
57.30 in fiscal year 2014.

57.31 **Senior Nutrition Use of Federal Funds.**

57.32 For fiscal year 2010, general fund grants  
57.33 for home-delivered meals and congregate  
57.34 dining shall be reduced by \$500,000. The

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58.1 commissioner must replace these general  
58.2 fund reductions with equal amounts from  
58.3 federal funding for senior nutrition from the  
58.4 American Recovery and Reinvestment Act  
58.5 of 2009.

58.6 **(b) Alternative Care Grants** 50,234,000 48,576,000

58.7 **Base Adjustment.** The general fund base is  
58.8 decreased by \$3,598,000 in fiscal year 2012  
58.9 and \$3,470,000 in fiscal year 2013.

58.10 **Alternative Care Transfer.** Any money  
58.11 allocated to the alternative care program that  
58.12 is not spent for the purposes indicated does  
58.13 not cancel but must be transferred to the  
58.14 medical assistance account.

58.15 **(c) Medical Assistance Grants; Long-Term**  
58.16 **Care Facilities.** 367,444,000 419,749,000

58.17 **(d) Medical Assistance Long-Term Care**  
58.18 **Waivers and Home Care Grants** 853,567,000 1,039,517,000

58.19 **Manage Growth in TBI and CADI**

58.20 **Waivers.** During the fiscal years beginning  
58.21 on July 1, 2009, and July 1, 2010, the  
58.22 commissioner shall allocate money for home  
58.23 and community-based waiver programs  
58.24 under Minnesota Statutes, section 256B.49,  
58.25 to ensure a reduction in state spending that is  
58.26 equivalent to limiting the caseload growth of  
58.27 the TBI waiver to 12.5 allocations per month  
58.28 each year of the biennium and the CADI  
58.29 waiver to 95 allocations per month each year  
58.30 of the biennium. Limits do not apply: (1)  
58.31 when there is an approved plan for nursing  
58.32 facility bed closures for individuals under  
58.33 age 65 who require relocation due to the  
58.34 bed closure; (2) to fiscal year 2009 waiver  
58.35 allocations delayed due to unallotment; or (3)

59.1 to transfers authorized by the commissioner  
59.2 from the personal care assistance program  
59.3 of individuals having a home care rating  
59.4 of "CS," "MT," or "HL." Priorities for the  
59.5 allocation of funds must be for individuals  
59.6 anticipated to be discharged from institutional  
59.7 settings or who are at imminent risk of a  
59.8 placement in an institutional setting.

59.9 **Manage Growth in DD Waiver.** The  
59.10 commissioner shall manage the growth in  
59.11 the DD waiver by limiting the allocations  
59.12 included in the February 2009 forecast to 15  
59.13 additional diversion allocations each month  
59.14 for the calendar years that begin on January  
59.15 1, 2010, and January 1, 2011. Additional  
59.16 allocations must be made available for  
59.17 transfers authorized by the commissioner  
59.18 from the personal care program of individuals  
59.19 having a home care rating of "CS," "MT,"  
59.20 or "HL."

59.21 **Adjustment to Lead Agency Waiver**  
59.22 **Allocations.** Prior to the availability of the  
59.23 alternative license defined in Minnesota  
59.24 Statutes, section 245A.11, subdivision 8,  
59.25 the commissioner shall reduce lead agency  
59.26 waiver allocations for the purposes of  
59.27 implementing a moratorium on corporate  
59.28 foster care.

59.29 **Alternatives to Personal Care Assistance**  
59.30 **Services.** Base level funding of \$3,237,000  
59.31 in fiscal year 2012 and \$4,856,000 in  
59.32 fiscal year 2013 is to implement alternative  
59.33 services to personal care assistance services  
59.34 for persons with mental health and other  
59.35 behavioral challenges who can benefit

60.1 from other services that more appropriately  
 60.2 meet their needs and assist them in living  
 60.3 independently in the community. These  
 60.4 services may include, but not be limited to, a  
 60.5 1915(i) state plan option.

60.6 **(e) Mental Health Grants**

60.7	Appropriations by Fund		
60.8	General	77,739,000	77,739,000
60.9	Health Care Access	750,000	750,000
60.10	Lottery Prize	1,508,000	1,508,000

60.11 **Funding Usage.** Up to 75 percent of a fiscal  
 60.12 year's appropriation for adult mental health  
 60.13 grants may be used to fund allocations in that  
 60.14 portion of the fiscal year ending December  
 60.15 31.

60.16	<b>(f) Deaf and Hard-of-Hearing Grants</b>	1,930,000	1,917,000
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60.17	<b>(g) Chemical Dependency Entitlement Grants</b>	111,303,000	122,822,000
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60.18 **Payments for Substance Abuse Treatment.**

60.19 For services provided during fiscal years  
 60.20 2010 and 2011, county-negotiated rates and  
 60.21 provider claims to the consolidated chemical  
 60.22 dependency fund must not exceed rates  
 60.23 charged for these services on January 1,  
 60.24 2009; and rates for fiscal years 2010 and  
 60.25 2011 must not exceed 160 percent of the  
 60.26 average rate on January 1, 2009, for each  
 60.27 group of vendors with similar attributes.

60.28 For services provided in fiscal years 2012  
 60.29 and 2013, statewide average rates under  
 60.30 the new rate methodology to be developed  
 60.31 under Minnesota Statutes, section 254B.12,  
 60.32 must not exceed the average rates charged  
 60.33 for these services on January 1, 2009, plus a  
 60.34 state share increase of \$3,787,000 for fiscal  
 60.35 year 2012 and \$5,023,000 for fiscal year

61.1 2013. Notwithstanding any provision to the  
 61.2 contrary in this article, this provision expires  
 61.3 on June 30, 2013.

61.4 **Chemical Dependency Special Revenue**  
 61.5 **Account.** For fiscal year 2010, \$750,000  
 61.6 must be transferred from the consolidated  
 61.7 chemical dependency treatment fund  
 61.8 administrative account and deposited into the  
 61.9 general fund.

61.10 **County CD Share of MA Costs for**  
 61.11 **ARRA Compliance.** Notwithstanding the  
 61.12 provisions of Minnesota Statutes, chapter  
 61.13 254B, for chemical dependency services  
 61.14 provided during the period October 1, 2008,  
 61.15 to December 31, 2010, and reimbursed by  
 61.16 medical assistance at the enhanced federal  
 61.17 matching rate provided under the American  
 61.18 Recovery and Reinvestment Act of 2009, the  
 61.19 county share is 30 percent of the nonfederal  
 61.20 share. This provision is effective the day  
 61.21 following final enactment.

61.22	<b>(h) Chemical Dependency Nonentitlement</b>		
61.23	<b>Grants</b>	1,729,000	1,729,000

61.24	<b>(i) Other Continuing Care Grants</b>	19,201,000	17,528,000
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61.25 **Base Adjustment.** The general fund base is  
 61.26 increased by \$2,639,000 in fiscal year 2012  
 61.27 and increased by \$3,854,000 in fiscal year  
 61.28 2013.

61.29 **Technology Grants.** \$650,000 in fiscal  
 61.30 year 2010 and \$1,000,000 in fiscal year  
 61.31 2011 are for technology grants, case  
 61.32 consultation, evaluation, and consumer  
 61.33 information grants related to developing and  
 61.34 supporting alternatives to shift-staff foster  
 61.35 care residential service models.

62.1 **Other Continuing Care Grants; HIV**

62.2 **Grants.** Money appropriated for the HIV  
62.3 drug and insurance grant program in fiscal  
62.4 year 2010 may be used in either year of the  
62.5 biennium.

62.6 **Quality Assurance Commission.** Effective  
62.7 July 1, 2009, state funding for the quality  
62.8 assurance commission under Minnesota  
62.9 Statutes, section 256B.0951, is canceled.

62.10 Sec. 6. Laws 2009, chapter 79, article 13, section 4, subdivision 4, as amended by  
62.11 Laws 2009, chapter 173, article 2, section 2, subdivision 4, is amended to read:

62.12 Subd. 4. **Health Protection**

62.13 Appropriations by Fund		
62.14 General	9,871,000	9,780,000
62.15 State Government		
62.16 Special Revenue	30,209,000	30,209,000

62.17 **Base Adjustment.** The general fund base is  
62.18 reduced by \$50,000 in each of fiscal years  
62.19 2012 and 2013.

62.20 **Health Protection Appropriations.** (a)  
62.21 \$163,000 each year is for the lead abatement  
62.22 grant program.

62.23 (b) \$100,000 each year is for emergency  
62.24 preparedness and response activities.

62.25 (c) \$50,000 each year is for tuberculosis  
62.26 prevention and control. This is a onetime  
62.27 appropriation.

62.28 ~~(d) \$55,000 in fiscal year 2010 is for~~  
62.29 ~~pentachlorophenol.~~

62.30 ~~(e) \$20,000 in fiscal year 2010 is for a PFC~~  
62.31 ~~Citizens Advisory Group.~~

62.32 **American Recovery and Reinvestment**  
62.33 **Act Funds.** Federal funds received

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63.1 by the commissioner for immunization  
63.2 operations from the American Recovery  
63.3 and Reinvestment Act of 2009, Public Law  
63.4 111-5, are appropriated to the commissioner  
63.5 for the purposes of the grant.

63.6 Sec. 7. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 11,  
63.7 is amended to read:

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

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

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

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

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

63.16 (3) enroll with the department as a personal care assistant after clearing a background  
63.17 study. Before a personal care assistant provides services, the personal care assistance  
63.18 provider agency must initiate a background study on the personal care assistant under  
63.19 chapter 245C, and the personal care assistance provider agency must have received a  
63.20 notice from the commissioner that the personal care assistant is:

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

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

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

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

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

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

63.33 (8) effective January 1, 2010, complete standardized training as determined by the  
63.34 commissioner before completing enrollment. Personal care assistant training must include  
63.35 successful completion of the following training components: basic first aid, vulnerable

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64.1 adult, child maltreatment, OSHA universal precautions, basic roles and responsibilities of  
64.2 personal care assistants including information about assistance with lifting and transfers  
64.3 for recipients, emergency preparedness, orientation to positive behavioral practices, fraud  
64.4 issues, and completion of time sheets. Upon completion of the training components,  
64.5 the personal care assistant must demonstrate the competency to provide assistance to  
64.6 recipients;

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

64.9 (10) be limited to providing and being paid for up to 310 hours per month, except  
64.10 that this limit shall be 275 hours per month for the period July 1, 2009, through June 30,  
64.11 2011, of personal care assistance services regardless of the number of recipients being  
64.12 served or the number of personal care assistance provider agencies enrolled with.

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

64.15 (c) Effective January 1, 2010, persons who do not qualify as a personal care assistant  
64.16 include parents and stepparents of minors, spouses, paid legal guardians, family foster  
64.17 care providers, except as otherwise allowed in section 256B.0625, subdivision 19a, or  
64.18 staff of a residential setting.

64.19 **EFFECTIVE DATE.** This section is effective July 1, 2009.

64.20 Sec. 8. Minnesota Statutes 2009 Supplement, section 256B.441, subdivision 55,  
64.21 is amended to read:

64.22 Subd. 55. **Phase-in of rebased operating payment rates.** (a) For the rate years  
64.23 beginning October 1, 2008, to October 1, 2015, the operating payment rate calculated  
64.24 under this section shall be phased in by blending the operating rate with the operating  
64.25 payment rate determined under section 256B.434. For purposes of this subdivision, the  
64.26 rate to be used that is determined under section 256B.434 shall not include the portion of  
64.27 the operating payment rate related to performance-based incentive payments under section  
64.28 256B.434, subdivision 4, paragraph (d). For the rate year beginning October 1, 2008, the  
64.29 operating payment rate for each facility shall be 13 percent of the operating payment rate  
64.30 from this section, and 87 percent of the operating payment rate from section 256B.434.  
64.31 ~~For the rate year beginning October 1, 2009, the operating payment rate for each facility~~  
64.32 ~~shall be 14 percent of the operating payment rate from this section, and 86 percent of the~~  
64.33 ~~operating payment rate from section 256B.434.~~ For rate years beginning October 1, 2009;  
64.34 October 1, 2010; October 1, 2011; and October 1, 2012, no rate adjustments shall be  
64.35 implemented under this section, but shall be determined under section 256B.434. For the

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65.1 rate year beginning October 1, 2013, the operating payment rate for each facility shall be  
65.2 65 percent of the operating payment rate from this section, and 35 percent of the operating  
65.3 payment rate from section 256B.434. For the rate year beginning October 1, 2014, the  
65.4 operating payment rate for each facility shall be 82 percent of the operating payment rate  
65.5 from this section, and 18 percent of the operating payment rate from section 256B.434. For  
65.6 the rate year beginning October 1, 2015, the operating payment rate for each facility shall  
65.7 be the operating payment rate determined under this section. The blending of operating  
65.8 payment rates under this section shall be performed separately for each RUG's class.

65.9 (b) For the rate year beginning October 1, 2008, the commissioner shall apply limits  
65.10 to the operating payment rate increases under paragraph (a) by creating a minimum  
65.11 percentage increase and a maximum percentage increase.

65.12 (1) Each nursing facility that receives a blended October 1, 2008, operating payment  
65.13 rate increase under paragraph (a) of less than one percent, when compared to its operating  
65.14 payment rate on September 30, 2008, computed using rates with RUG's weight of 1.00,  
65.15 shall receive a rate adjustment of one percent.

65.16 (2) The commissioner shall determine a maximum percentage increase that will  
65.17 result in savings equal to the cost of allowing the minimum increase in clause (1). Nursing  
65.18 facilities with a blended October 1, 2008, operating payment rate increase under paragraph  
65.19 (a) greater than the maximum percentage increase determined by the commissioner, when  
65.20 compared to its operating payment rate on September 30, 2008, computed using rates with  
65.21 a RUG's weight of 1.00, shall receive the maximum percentage increase.

65.22 (3) Nursing facilities with a blended October 1, 2008, operating payment rate  
65.23 increase under paragraph (a) greater than one percent and less than the maximum  
65.24 percentage increase determined by the commissioner, when compared to its operating  
65.25 payment rate on September 30, 2008, computed using rates with a RUG's weight of 1.00,  
65.26 shall receive the blended October 1, 2008, operating payment rate increase determined  
65.27 under paragraph (a).

65.28 (4) The October 1, 2009, through October 1, 2015, operating payment rate for  
65.29 facilities receiving the maximum percentage increase determined in clause (2) shall be  
65.30 the amount determined under paragraph (a) less the difference between the amount  
65.31 determined under paragraph (a) for October 1, 2008, and the amount allowed under clause  
65.32 (2). This rate restriction does not apply to rate increases provided in any other section.

65.33 (c) A portion of the funds received under this subdivision that are in excess of  
65.34 operating payment rates that a facility would have received under section 256B.434, as  
65.35 determined in accordance with clauses (1) to (3), shall be subject to the requirements in  
65.36 section 256B.434, subdivision 19, paragraphs (b) to (h).

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66.1 (1) Determine the amount of additional funding available to a facility, which shall be  
66.2 equal to total medical assistance resident days from the most recent reporting year times  
66.3 the difference between the blended rate determined in paragraph (a) for the rate year being  
66.4 computed and the blended rate for the prior year.

66.5 (2) Determine the portion of all operating costs, for the most recent reporting year,  
66.6 that are compensation related. If this value exceeds 75 percent, use 75 percent.

66.7 (3) Subtract the amount determined in clause (2) from 75 percent.

66.8 (4) The portion of the fund received under this subdivision that shall be subject to  
66.9 the requirements in section 256B.434, subdivision 19, paragraphs (b) to (h), shall equal  
66.10 the amount determined in clause (1) times the amount determined in clause (3).

66.11 **EFFECTIVE DATE.** This section is effective retroactively from October 1, 2009.

66.12 Sec. 9. Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 5a, is  
66.13 amended to read:

66.14 Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section  
66.15 and sections 256L.12 and 256D.03, shall be entered into or renewed on a calendar year  
66.16 basis beginning January 1, 1996. Managed care contracts which were in effect on June  
66.17 30, 1995, and set to renew on July 1, 1995, shall be renewed for the period July 1, 1995  
66.18 through December 31, 1995 at the same terms that were in effect on June 30, 1995. The  
66.19 commissioner may issue separate contracts with requirements specific to services to  
66.20 medical assistance recipients age 65 and older.

66.21 (b) A prepaid health plan providing covered health services for eligible persons  
66.22 pursuant to chapters 256B, 256D, and 256L, is responsible for complying with the terms  
66.23 of its contract with the commissioner. Requirements applicable to managed care programs  
66.24 under chapters 256B, 256D, and 256L, established after the effective date of a contract  
66.25 with the commissioner take effect when the contract is next issued or renewed.

66.26 (c) Effective for services rendered on or after January 1, 2003, the commissioner  
66.27 shall withhold five percent of managed care plan payments under this section and  
66.28 county-based purchasing plan's payment rate under section 256B.692 for the prepaid  
66.29 medical assistance and general assistance medical care programs pending completion of  
66.30 performance targets. Each performance target must be quantifiable, objective, measurable,  
66.31 and reasonably attainable, except in the case of a performance target based on a federal  
66.32 or state law or rule. Criteria for assessment of each performance target must be outlined  
66.33 in writing prior to the contract effective date. The managed care plan must demonstrate,  
66.34 to the commissioner's satisfaction, that the data submitted regarding attainment of  
66.35 the performance target is accurate. The commissioner shall periodically change the

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67.1 administrative measures used as performance targets in order to improve plan performance  
67.2 across a broader range of administrative services. The performance targets must include  
67.3 measurement of plan efforts to contain spending on health care services and administrative  
67.4 activities. The commissioner may adopt plan-specific performance targets that take into  
67.5 account factors affecting only one plan, including characteristics of the plan's enrollee  
67.6 population. The withheld funds must be returned no sooner than July of the following  
67.7 year if performance targets in the contract are achieved. The commissioner may exclude  
67.8 special demonstration projects under subdivision 23.

67.9 (d) Effective for services rendered on or after January 1, 2009, through December 31,  
67.10 2009, the commissioner shall withhold three percent of managed care plan payments under  
67.11 this section and county-based purchasing plan payments under section 256B.692 for the  
67.12 prepaid medical assistance and general assistance medical care programs. The withheld  
67.13 funds must be returned no sooner than July 1 and no later than July 31 of the following  
67.14 year. The commissioner may exclude special demonstration projects under subdivision 23.

67.15 The return of the withhold under this paragraph is not subject to the requirements of  
67.16 paragraph (c).

67.17 (e) Effective for services provided on or after January 1, 2010, the commissioner  
67.18 shall require that managed care plans use the assessment and authorization processes,  
67.19 forms, timelines, standards, documentation, and data reporting requirements, protocols,  
67.20 billing processes, and policies consistent with medical assistance fee-for-service or the  
67.21 Department of Human Services contract requirements consistent with medical assistance  
67.22 fee-for-service or the Department of Human Services contract requirements for all  
67.23 personal care assistance services under section 256B.0659.

67.24 (f) Effective for services rendered on or after January 1, 2010, through December  
67.25 31, 2010, the commissioner shall withhold ~~3.5~~ 4.5 percent of managed care plan payments  
67.26 under this section and county-based purchasing plan payments under section 256B.692  
67.27 for the prepaid medical assistance program. The withheld funds must be returned no  
67.28 sooner than July 1 and no later than July 31 of the following year. The commissioner may  
67.29 exclude special demonstration projects under subdivision 23.

67.30 (g) Effective for services rendered on or after January 1, 2011, through December 31,  
67.31 2011, the commissioner shall withhold ~~four~~ 4.5 percent of managed care plan payments  
67.32 under this section and county-based purchasing plan payments under section 256B.692  
67.33 for the prepaid medical assistance program. The withheld funds must be returned no  
67.34 sooner than July 1 and no later than July 31 of the following year. The commissioner may  
67.35 exclude special demonstration projects under subdivision 23.

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68.1 (h) Effective for services rendered on or after January 1, 2012, through December  
68.2 31, 2012, the commissioner shall withhold 4.5 percent of managed care plan payments  
68.3 under this section and county-based purchasing plan payments under section 256B.692  
68.4 for the prepaid medical assistance program. The withheld funds must be returned no  
68.5 sooner than July 1 and no later than July 31 of the following year. The commissioner may  
68.6 exclude special demonstration projects under subdivision 23.

68.7 (i) Effective for services rendered on or after January 1, 2013, through December 31,  
68.8 2013, the commissioner shall withhold 4.5 percent of managed care plan payments under  
68.9 this section and county-based purchasing plan payments under section 256B.692 for the  
68.10 prepaid medical assistance program. The withheld funds must be returned no sooner than  
68.11 July 1 and no later than July 31 of the following year. The commissioner may exclude  
68.12 special demonstration projects under subdivision 23.

68.13 (j) Effective for services rendered on or after January 1, 2014, the commissioner  
68.14 shall withhold three percent of managed care plan payments under this section and  
68.15 county-based purchasing plan payments under section 256B.692 for the prepaid medical  
68.16 assistance and prepaid general assistance medical care programs. The withheld funds must  
68.17 be returned no sooner than July 1 and no later than July 31 of the following year. The  
68.18 commissioner may exclude special demonstration projects under subdivision 23.

68.19 (k) A managed care plan or a county-based purchasing plan under section 256B.692  
68.20 may include as admitted assets under section 62D.044 any amount withheld under this  
68.21 section that is reasonably expected to be returned.

68.22 (l) Contracts between the commissioner and a prepaid health plan are exempt from  
68.23 the set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph  
68.24 (a), and 7.

68.25 **EFFECTIVE DATE.** The additional withhold percentage in paragraph (f) is  
68.26 effective retroactively from January 1, 2010.

68.27 Sec. 10. Minnesota Statutes 2009 Supplement, section 256B.76, subdivision 1, is  
68.28 amended to read:

68.29 Subdivision 1. **Physician reimbursement.** (a) Effective for services rendered on  
68.30 or after October 1, 1992, the commissioner shall make payments for physician services  
68.31 as follows:

68.32 (1) payment for level one Centers for Medicare and Medicaid Services' common  
68.33 procedural coding system codes titled "office and other outpatient services," "preventive  
68.34 medicine new and established patient," "delivery, antepartum, and postpartum care,"  
68.35 "critical care," cesarean delivery and pharmacologic management provided to psychiatric

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69.1 patients, and level three codes for enhanced services for prenatal high risk, shall be paid  
69.2 at the lower of (i) submitted charges, or (ii) 25 percent above the rate in effect on June  
69.3 30, 1992. If the rate on any procedure code within these categories is different than the  
69.4 rate that would have been paid under the methodology in section 256B.74, subdivision 2,  
69.5 then the larger rate shall be paid;

69.6 (2) payments for all other services shall be paid at the lower of (i) submitted charges,  
69.7 or (ii) 15.4 percent above the rate in effect on June 30, 1992; and

69.8 (3) all physician rates shall be converted from the 50th percentile of 1982 to the 50th  
69.9 percentile of 1989, less the percent in aggregate necessary to equal the above increases  
69.10 except that payment rates for home health agency services shall be the rates in effect  
69.11 on September 30, 1992.

69.12 (b) Effective for services rendered on or after January 1, 2000, payment rates for  
69.13 physician and professional services shall be increased by three percent over the rates  
69.14 in effect on December 31, 1999, except for home health agency and family planning  
69.15 agency services. The increases in this paragraph shall be implemented January 1, 2000,  
69.16 for managed care.

69.17 (c) Effective for services rendered on or after July 1, 2009, payment rates for  
69.18 physician and professional services shall be reduced by five percent, except that for the  
69.19 period July 1, 2009, through June 30, 2010, payments rates shall be reduced by 6.5 percent  
69.20 for the medical assistance and general assistance medical care programs, over the rates  
69.21 in effect on June 30, 2009. The additional 1.5 percent reduction in effect for the period  
69.22 from July 1, 2010, through June 30, 2010, does not apply to physician services billed by a  
69.23 psychiatrist or an advanced practice registered nurse with a specialty in mental health.

69.24 This reduction does not apply to office or other outpatient visits, preventive medicine visits  
69.25 and family planning visits billed by physicians, advanced practice nurses, or physician  
69.26 assistants in a family planning agency or in one of the following primary care practices:  
69.27 general practice, general internal medicine, general pediatrics, general geriatrics, and  
69.28 family medicine. This reduction does not apply to federally qualified health centers,  
69.29 rural health centers, and Indian health services. Effective October 1, 2009, payments  
69.30 made to managed care plans and county-based purchasing plans under sections 256B.69,  
69.31 256B.692, and 256L.12 shall reflect the payment reduction described in this paragraph.

69.32 **EFFECTIVE DATE.** The additional rate reductions in this section are effective  
69.33 retroactively from July 1, 2009.

69.34 Sec. 11. Minnesota Statutes 2008, section 256B.76, subdivision 4, is amended to read:

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70.1 Subd. 4. **Critical access dental providers.** (a) Effective for dental services rendered  
70.2 on or after January 1, 2002, the commissioner shall increase reimbursements to dentists  
70.3 and dental clinics deemed by the commissioner to be critical access dental providers.  
70.4 For dental services rendered on or after July 1, 2007, the commissioner shall increase  
70.5 reimbursement by 30 percent above the reimbursement rate that would otherwise be paid to  
70.6 the critical access dental provider. The commissioner shall pay the health plan companies  
70.7 in amounts sufficient to reflect increased reimbursements to critical access dental providers  
70.8 as approved by the commissioner. In determining which dentists and dental clinics shall  
70.9 be deemed critical access dental providers, the commissioner shall review:

70.10 (1) the utilization rate in the service area in which the dentist or dental clinic operates  
70.11 for dental services to patients covered by medical assistance, general assistance medical  
70.12 care, or MinnesotaCare as their primary source of coverage;

70.13 (2) the level of services provided by the dentist or dental clinic to patients covered  
70.14 by medical assistance, general assistance medical care, or MinnesotaCare as their primary  
70.15 source of coverage; and

70.16 (3) whether the level of services provided by the dentist or dental clinic is critical to  
70.17 maintaining adequate levels of patient access within the service area.

70.18 In the absence of a critical access dental provider in a service area, the commissioner may  
70.19 designate a dentist or dental clinic as a critical access dental provider if the dentist or  
70.20 dental clinic is willing to provide care to patients covered by medical assistance, general  
70.21 assistance medical care, or MinnesotaCare at a level which significantly increases access  
70.22 to dental care in the service area.

70.23 (b) Notwithstanding paragraph (a), critical access payments must not be made for  
70.24 dental services provided from April 1, 2010, through June 30, 2010.

70.25 **EFFECTIVE DATE.** This section is effective retroactively from April 1, 2010.

70.26 Sec. 12. Minnesota Statutes 2009 Supplement, section 256B.766, is amended to read:

70.27 **256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES.**

70.28 (a) Effective for services provided on or after July 1, 2009, total payments for basic  
70.29 care services, shall be reduced by three percent, except that for the period July 1, 2009,  
70.30 through June 30, 2011, total payments shall be reduced by 4.5 percent for the medical  
70.31 assistance and general assistance medical care programs, prior to third-party liability  
70.32 and spenddown calculation. Payments made to managed care plans and county-based  
70.33 purchasing plans shall be reduced for services provided on or after October 1, 2009,  
70.34 to reflect this reduction.

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71.1 (b) This section does not apply to physician and professional services, inpatient  
71.2 hospital services, family planning services, mental health services, dental services,  
71.3 prescription drugs, medical transportation, federally qualified health centers, rural health  
71.4 centers, Indian health services, and Medicare cost-sharing.

71.5 **EFFECTIVE DATE.** The additional rate reductions in this section are effective  
71.6 retroactively from July 1, 2009.

71.7 Sec. 13. **REDUCTION OF GROUP RESIDENTIAL HOUSING**  
71.8 **SUPPLEMENTAL SERVICE RATE.**

71.9 Effective retroactively from November 1, 2009, through June 30, 2011, the  
71.10 commissioner of human services shall decrease the group residential housing (GRH)  
71.11 supplementary service rate under Minnesota Statutes, section 256I.05, subdivision 1a, by  
71.12 five percent for services rendered on or after that date, except that reimbursement rates  
71.13 for a GRH facility reimbursed as a nursing facility shall not be reduced. The reduction  
71.14 in this paragraph is in addition to the reduction under Laws 2009, chapter 79, article  
71.15 8, section 79, paragraph (b), clause (11).

71.16 **EFFECTIVE DATE.** This section is effective retroactively from November 1, 2009.

71.17 Sec. 14. **ARTICLE EFFECTIVE DATE.**

71.18 This article is effective the day following final enactment.

71.19 **ARTICLE 16**

71.20 **HEALTH CARE**

71.21 Section 1. Minnesota Statutes 2008, section 256.01, is amended by adding a  
71.22 subdivision to read:

71.23 Subd. 30. **Review and evaluation of ongoing studies.** The commissioner  
71.24 shall review all ongoing studies, reports, and program evaluations completed by the  
71.25 Department of Human Services for state fiscal years 2006 through 2010. For each item,  
71.26 the commissioner shall report the legislature's appropriation for that work, if any, and the  
71.27 actual reported cost of the completed work by the Department of Human Services. The  
71.28 commissioner shall make recommendations to the legislature about which studies, reports,  
71.29 and program evaluations required by law on an ongoing basis are duplicative, unnecessary,  
71.30 or obsolete. The commissioner shall repeat this review every five fiscal years.

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72.1 Sec. 2. Minnesota Statutes 2009 Supplement, section 256.969, subdivision 2b, is  
72.2 amended to read:

72.3 Subd. 2b. **Operating payment rates.** In determining operating payment rates for  
72.4 admissions occurring on or after the rate year beginning January 1, 1991, and every two  
72.5 years after, or more frequently as determined by the commissioner, the commissioner shall  
72.6 obtain operating data from an updated base year and establish operating payment rates  
72.7 per admission for each hospital based on the cost-finding methods and allowable costs of  
72.8 the Medicare program in effect during the base year. Rates under the general assistance  
72.9 medical care, medical assistance, and MinnesotaCare programs shall not be rebased to  
72.10 more current data on January 1, 1997, January 1, 2005, for the first 24 months of the  
72.11 rebased period beginning January 1, 2009. For the first ~~three~~ 24 months of the rebased  
72.12 period beginning January 1, 2011, rates shall not be rebased ~~at 74.25 percent of the full~~  
72.13 ~~value of the rebasing percentage change. From April 1, 2011, to March 31, 2012, rates~~  
72.14 ~~shall be rebased at 39.2 percent of the full value of the rebasing percentage change, except~~  
72.15 that a Minnesota long-term hospital shall be rebased effective January 1, 2011, based on  
72.16 its most recent Medicare cost report ending on or before September 1, 2008, with the  
72.17 provisions under subdivisions 9 and 23, based on the rates in effect on December 31, 2010.  
72.18 For subsequent rate setting periods in which the base years are updated, a Minnesota  
72.19 long-term hospital's base year shall remain within the same period as other hospitals.  
72.20 Effective ~~April 1, 2012~~ January 1, 2013, rates shall be rebased at full value. The base year  
72.21 operating payment rate per admission is standardized by the case mix index and adjusted  
72.22 by the hospital cost index, relative values, and disproportionate population adjustment.  
72.23 The cost and charge data used to establish operating rates shall only reflect inpatient  
72.24 services covered by medical assistance and shall not include property cost information  
72.25 and costs recognized in outlier payments.

72.26 **EFFECTIVE DATE.** This section is effective July 1, 2010.

72.27 Sec. 3. Minnesota Statutes 2008, section 256B.04, subdivision 14a, is amended to read:

72.28 Subd. 14a. **Level of need determination.** Nonemergency medical transportation  
72.29 level of need determinations must be performed by a physician, a registered nurse working  
72.30 under direct supervision of a physician, a physician's assistant, a nurse practitioner, a  
72.31 licensed practical nurse, or a discharge planner. Nonemergency medical transportation  
72.32 level of need determinations must not be performed more than ~~semiannually~~ annually on  
72.33 any individual, unless the individual's circumstances have sufficiently changed so as  
72.34 to require a new level of need determination. Individuals residing in licensed nursing  
72.35 facilities are exempt from a level of need determination and are eligible for special

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73.1 transportation services until the individual no longer resides in a licensed nursing facility.  
73.2 If a person authorized by this subdivision to perform a level of need determination  
73.3 determines that an individual requires stretcher transportation, the individual is presumed  
73.4 to maintain that level of need until otherwise determined by a person authorized to  
73.5 perform a level of need determination, or for six months, whichever is sooner.

73.6 Sec. 4. Minnesota Statutes 2008, section 256B.055, is amended by adding a  
73.7 subdivision to read:

73.8 Subd. 15. **Adults without children.** Medical assistance may be paid for a person  
73.9 who is:

73.10 (1) at least age 21 and under age 65;

73.11 (2) not pregnant;

73.12 (3) not entitled to Medicare Part A or enrolled in Medicare Part B under Title XVIII  
73.13 of the Social Security Act;

73.14 (4) not an adult in a family with children as defined in section 256L.01, subdivision  
73.15 3a; and

73.16 (5) not described in another subdivision of this section.

73.17 Sec. 5. Minnesota Statutes 2008, section 256B.056, subdivision 3, is amended to read:

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

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

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

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

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

74.5 (5) effective upon federal approval, for a person who no longer qualifies as an  
74.6 employed person with a disability due to loss of earnings, assets allowed while eligible  
74.7 for medical assistance under section 256B.057, subdivision 9, are not considered for 12  
74.8 months, beginning with the first month of ineligibility as an employed person with a  
74.9 disability, to the extent that the person's total assets remain within the allowed limits of  
74.10 section 256B.057, subdivision 9, paragraph (c).

74.11 (b) No asset limit shall apply to persons eligible under section 256B.055, subdivision  
74.12 15.

74.13 Sec. 6. Minnesota Statutes 2008, section 256B.056, subdivision 4, is amended to read:

74.14 Subd. 4. **Income.** (a) To be eligible for medical assistance, a person eligible under  
74.15 section 256B.055, subdivisions 7, 7a, and 12, may have income up to 100 percent of  
74.16 the federal poverty guidelines. Effective January 1, 2000, and each successive January,  
74.17 recipients of supplemental security income may have an income up to the supplemental  
74.18 security income standard in effect on that date.

74.19 (b) To be eligible for medical assistance, families and children may have an income  
74.20 up to 133-1/3 percent of the AFDC income standard in effect under the July 16, 1996,  
74.21 AFDC state plan. Effective July 1, 2000, the base AFDC standard in effect on July 16,  
74.22 1996, shall be increased by three percent.

74.23 (c) Effective July 1, 2002, to be eligible for medical assistance, families and children  
74.24 may have an income up to 100 percent of the federal poverty guidelines for the family size.

74.25 (d) To be eligible for medical assistance under section 256B.055, subdivision 15, a  
74.26 person may have an income up to 75 percent of federal poverty guidelines for the family  
74.27 size.

74.28 (e) In computing income to determine eligibility of persons under paragraphs (a) to  
74.29 ~~(d)~~ (d) who are not residents of long-term care facilities, the commissioner shall disregard  
74.30 increases in income as required by Public Law Numbers 94-566, section 503; 99-272;  
74.31 and 99-509. Veterans aid and attendance benefits and Veterans Administration unusual  
74.32 medical expense payments are considered income to the recipient.

74.33 Sec. 7. Minnesota Statutes 2008, section 256B.0625, subdivision 8, is amended to read:

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75.1 Subd. 8. **Physical therapy.** Medical assistance covers physical therapy and related  
75.2 services, including specialized maintenance therapy. Authorization by the commissioner  
75.3 is required to provide medically necessary services to a recipient beyond any of the  
75.4 following onetime service thresholds, or a lower threshold where one has been established  
75.5 by the commissioner for a specified service: (1) 80 units of any approved CPT code other  
75.6 than modalities; (2) 20 modality sessions; and (3) three evaluations or reevaluations.  
75.7 Services provided by a physical therapy assistant shall be reimbursed at the same rate as  
75.8 services performed by a physical therapist when the services of the physical therapy  
75.9 assistant are provided under the direction of a physical therapist who is on the premises.  
75.10 Services provided by a physical therapy assistant that are provided under the direction  
75.11 of a physical therapist who is not on the premises shall be reimbursed at 65 percent of  
75.12 the physical therapist rate.

75.13 **EFFECTIVE DATE.** This section is effective July 1, 2010, for services provided  
75.14 through fee-for-service, and January 1, 2011, for services provided through managed care.

75.15 Sec. 8. Minnesota Statutes 2008, section 256B.0625, subdivision 8a, is amended to  
75.16 read:

75.17 Subd. 8a. **Occupational therapy.** Medical assistance covers occupational therapy  
75.18 and related services, including specialized maintenance therapy. Authorization by the  
75.19 commissioner is required to provide medically necessary services to a recipient beyond  
75.20 any of the following onetime service thresholds, or a lower threshold where one has been  
75.21 established by the commissioner for a specified service: (1) 120 units of any combination  
75.22 of approved CPT codes; and (2) two evaluations or reevaluations. Services provided by an  
75.23 occupational therapy assistant shall be reimbursed at the same rate as services performed  
75.24 by an occupational therapist when the services of the occupational therapy assistant are  
75.25 provided under the direction of the occupational therapist who is on the premises. Services  
75.26 provided by an occupational therapy assistant that are provided under the direction of an  
75.27 occupational therapist who is not on the premises shall be reimbursed at 65 percent of  
75.28 the occupational therapist rate.

75.29 **EFFECTIVE DATE.** This section is effective July 1, 2010, for services provided  
75.30 through fee-for-service, and January 1, 2011, for services provided through managed care.

75.31 Sec. 9. Minnesota Statutes 2008, section 256B.0625, subdivision 8b, is amended to  
75.32 read:

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76.1 Subd. 8b. **Speech language pathology and audiology services.** Medical assistance  
76.2 covers speech language pathology and related services, including specialized maintenance  
76.3 therapy. Authorization by the commissioner is required to provide medically necessary  
76.4 services to a recipient beyond any of the following onetime service thresholds, or a  
76.5 lower threshold where one has been established by the commissioner for a specified  
76.6 service: (1) 50 treatment sessions with any combination of approved CPT codes; and  
76.7 (2) one evaluation. Medical assistance covers audiology services and related services.  
76.8 Services provided by a person who has been issued a temporary registration under section  
76.9 148.5161 shall be reimbursed at the same rate as services performed by a speech language  
76.10 pathologist or audiologist as long as the requirements of section 148.5161, subdivision  
76.11 3, are met.

76.12 **EFFECTIVE DATE.** This section is effective July 1, 2010, for services provided  
76.13 through fee-for-service, and January 1, 2011, for services provided through managed care.

76.14 Sec. 10. Minnesota Statutes 2008, section 256B.0625, is amended by adding a  
76.15 subdivision to read:

76.16 Subd. 8d. **Chiropractic services.** Payment for chiropractic services is limited to  
76.17 one annual evaluation and 12 visits per year unless prior authorization of a greater number  
76.18 of visits is obtained.

76.19 Sec. 11. Minnesota Statutes 2009 Supplement, section 256B.0625, subdivision 13h,  
76.20 is amended to read:

76.21 Subd. 13h. **Medication therapy management services.** (a) Medical assistance  
76.22 and general assistance medical care cover medication therapy management services for  
76.23 a recipient taking four or more prescriptions to treat or prevent two or more chronic  
76.24 medical conditions, or a recipient with a drug therapy problem that is identified or prior  
76.25 authorized by the commissioner that has resulted or is likely to result in significant  
76.26 nondrug program costs. The commissioner may cover medical therapy management  
76.27 services under MinnesotaCare if the commissioner determines this is cost-effective. For  
76.28 purposes of this subdivision, "medication therapy management" means the provision  
76.29 of the following pharmaceutical care services by a licensed pharmacist to optimize the  
76.30 therapeutic outcomes of the patient's medications:

76.31 (1) performing or obtaining necessary assessments of the patient's health status;

76.32 (2) formulating a medication treatment plan;

76.33 (3) monitoring and evaluating the patient's response to therapy, including safety  
76.34 and effectiveness;

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77.1 (4) performing a comprehensive medication review to identify, resolve, and prevent  
77.2 medication-related problems, including adverse drug events;

77.3 (5) documenting the care delivered and communicating essential information to  
77.4 the patient's other primary care providers;

77.5 (6) providing verbal education and training designed to enhance patient  
77.6 understanding and appropriate use of the patient's medications;

77.7 (7) providing information, support services, and resources designed to enhance  
77.8 patient adherence with the patient's therapeutic regimens; and

77.9 (8) coordinating and integrating medication therapy management services within the  
77.10 broader health care management services being provided to the patient.

77.11 Nothing in this subdivision shall be construed to expand or modify the scope of practice of  
77.12 the pharmacist as defined in section 151.01, subdivision 27.

77.13 (b) To be eligible for reimbursement for services under this subdivision, a pharmacist  
77.14 must meet the following requirements:

77.15 (1) have a valid license issued under chapter 151;

77.16 (2) have graduated from an accredited college of pharmacy on or after May 1996, or  
77.17 completed a structured and comprehensive education program approved by the Board of  
77.18 Pharmacy and the American Council of Pharmaceutical Education for the provision and  
77.19 documentation of pharmaceutical care management services that has both clinical and  
77.20 didactic elements;

77.21 (3) be practicing in an ambulatory care setting as part of a multidisciplinary team or  
77.22 have developed a structured patient care process that is offered in a private or semiprivate  
77.23 patient care area that is separate from the commercial business that also occurs in the  
77.24 setting, or in home settings, excluding long-term care and group homes, if the service is  
77.25 ordered by the provider-directed care coordination team; and

77.26 (4) make use of an electronic patient record system that meets state standards.

77.27 (c) For purposes of reimbursement for medication therapy management services,  
77.28 the commissioner may enroll individual pharmacists as medical assistance and general  
77.29 assistance medical care providers. The commissioner may also establish contact  
77.30 requirements between the pharmacist and recipient, including limiting the number of  
77.31 reimbursable consultations per recipient.

77.32 (d) If there are no pharmacists who meet the requirements of paragraph (b) practicing  
77.33 within a reasonable geographic distance of the patient, a pharmacist who meets the  
77.34 requirements may provide the services via two-way interactive video. Reimbursement  
77.35 shall be at the same rates and under the same conditions that would otherwise apply to  
77.36 the services provided. To qualify for reimbursement under this paragraph, the pharmacist

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78.1 providing the services must meet the requirements of paragraph (b), and must be located  
78.2 within an ambulatory care setting approved by the commissioner. The patient must also  
78.3 be located within an ambulatory care setting approved by the commissioner. Services  
78.4 provided under this paragraph may not be transmitted into the patient's residence.

78.5 (e) The commissioner shall establish a pilot project for an intensive medication  
78.6 therapy management program for patients identified by the commissioner with multiple  
78.7 chronic conditions and a high number of medications who are at high risk of preventable  
78.8 hospitalizations, emergency room use, medication complications, and suboptimal  
78.9 treatment outcomes due to medication-related problems. For purposes of the pilot  
78.10 project, medication therapy management services may be provided in a patient's home  
78.11 or community setting, in addition to other authorized settings. The commissioner may  
78.12 waive existing payment policies and establish special payment rates for the pilot project.  
78.13 The pilot project must be designed to produce a net savings to the state compared to the  
78.14 estimated costs that would otherwise be incurred for similar patients without the program.  
78.15 The pilot project must begin by January 1, 2010, and end June 30, 2012.

78.16 **EFFECTIVE DATE.** This section is effective July 1, 2010.

78.17 Sec. 12. Minnesota Statutes 2008, section 256B.0625, subdivision 18a, is amended to  
78.18 read:

78.19 Subd. 18a. **Access to medical services.** (a) Medical assistance reimbursement for  
78.20 meals for persons traveling to receive medical care may not exceed \$5.50 for breakfast,  
78.21 \$6.50 for lunch, or \$8 for dinner.

78.22 (b) Medical assistance reimbursement for lodging for persons traveling to receive  
78.23 medical care may not exceed \$50 per day unless prior authorized by the local agency.

78.24 (c) Medical assistance direct mileage reimbursement to the eligible person or the  
78.25 eligible person's driver may not exceed 20 cents per mile.

78.26 (d) Regardless of the number of employees that an enrolled health care provider  
78.27 may have, medical assistance covers sign and oral language interpreter services when  
78.28 provided by an enrolled health care provider during the course of providing a direct,  
78.29 person-to-person covered health care service to an enrolled recipient with limited English  
78.30 proficiency or who has a hearing loss and uses interpreting services. Coverage for  
78.31 face-to-face oral language interpreter services shall be provided only if the oral language  
78.32 interpreter used by the enrolled health care provider is listed in the registry or roster  
78.33 established under section 144.058.

78.34 **EFFECTIVE DATE.** This section is effective January 1, 2011.

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79.1 Sec. 13. Minnesota Statutes 2008, section 256B.0625, subdivision 31, is amended to  
79.2 read:

79.3 Subd. 31. **Medical supplies and equipment.** Medical assistance covers medical  
79.4 supplies and equipment. Separate payment outside of the facility's payment rate shall  
79.5 be made for wheelchairs and wheelchair accessories for recipients who are residents  
79.6 of intermediate care facilities for the developmentally disabled. Reimbursement for  
79.7 wheelchairs and wheelchair accessories for ICF/MR recipients shall be subject to the same  
79.8 conditions and limitations as coverage for recipients who do not reside in institutions. A  
79.9 wheelchair purchased outside of the facility's payment rate is the property of the recipient.  
79.10 The commissioner may set reimbursement rates for specified categories of medical  
79.11 supplies at levels below the Medicare payment rate.

79.12 Sec. 14. Minnesota Statutes 2008, section 256B.0625, is amended by adding a  
79.13 subdivision to read:

79.14 Subd. 54. **Services provided in birth centers.** (a) Medical assistance covers  
79.15 services provided in a licensed birth center by a licensed health professional if the service  
79.16 would otherwise be covered if provided in a hospital.

79.17 (b) Facility services provided by a birth center shall be paid at the lower of billed  
79.18 charges or 70 percent of the statewide average for a facility payment rate made to a  
79.19 hospital for an uncomplicated vaginal birth as determined using the most recent calendar  
79.20 year for which complete claims data is available. If a recipient is transported from a birth  
79.21 center to a hospital prior to the delivery, the payment for facility services to the birth center  
79.22 shall be the lower of billed charges or 15 percent of the average facility payment made to a  
79.23 hospital for the services provided for an uncomplicated vaginal delivery as determined  
79.24 using the most recent calendar year for which complete claims data is available.

79.25 (c) Nursery care services provided by a birth center shall be paid the lower of billed  
79.26 charges or 70 percent of the statewide average for a payment rate paid to a hospital for  
79.27 nursery care as determined by using the most recent calendar year for which complete  
79.28 claims data is available.

79.29 (d) Professional services provided by traditional midwives licensed under chapter  
79.30 147D shall be paid at the lower of billed charges or 100 percent of the rate paid to a  
79.31 physician performing the same services. If a recipient is transported from a birth center to  
79.32 a hospital prior to the delivery, a licensed traditional midwife who does not perform the  
79.33 delivery may not bill for any delivery services. Services are not covered if provided by an  
79.34 unlicensed traditional midwife.

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80.1           (e) The commissioner shall apply for any necessary waivers from the Centers for  
80.2 Medicare and Medicaid Services to allow birth centers and birth center providers to be  
80.3 reimbursed.

80.4           **EFFECTIVE DATE.** This section is effective July 1, 2010.

80.5           Sec. 15. Minnesota Statutes 2008, section 256B.0631, subdivision 1, is amended to  
80.6 read:

80.7           Subdivision 1. **Co-payments.** (a) Except as provided in subdivision 2, the medical  
80.8 assistance benefit plan shall include the following co-payments for all recipients, effective  
80.9 for services provided on or after October 1, 2003, and before January 1, 2009:

80.10           (1) \$3 per nonpreventive visit. For purposes of this subdivision, a visit means an  
80.11 episode of service which is required because of a recipient's symptoms, diagnosis, or  
80.12 established illness, and which is delivered in an ambulatory setting by a physician or  
80.13 physician ancillary, chiropractor, podiatrist, nurse midwife, advanced practice nurse,  
80.14 audiologist, optician, or optometrist;

80.15           (2) \$3 for eyeglasses;

80.16           (3) \$6 for nonemergency visits to a hospital-based emergency room; and

80.17           (4) \$3 per brand-name drug prescription and \$1 per generic drug prescription,  
80.18 subject to a \$12 per month maximum for prescription drug co-payments. No co-payments  
80.19 shall apply to antipsychotic drugs when used for the treatment of mental illness.

80.20           (b) Except as provided in subdivision 2, the medical assistance benefit plan shall  
80.21 include the following co-payments for all recipients, effective for services provided on  
80.22 or after January 1, 2009:

80.23           (1) ~~\$6~~ \$3.50 for nonemergency visits to a hospital-based emergency room;

80.24           (2) \$3 per brand-name drug prescription and \$1 per generic drug prescription,  
80.25 subject to a \$7 per month maximum for prescription drug co-payments. No co-payments  
80.26 shall apply to antipsychotic drugs when used for the treatment of mental illness; and

80.27           (3) for individuals identified by the commissioner with income at or below 100  
80.28 percent of the federal poverty guidelines, total monthly co-payments must not exceed five  
80.29 percent of family income. For purposes of this paragraph, family income is the total  
80.30 earned and unearned income of the individual and the individual's spouse, if the spouse is  
80.31 enrolled in medical assistance and also subject to the five percent limit on co-payments.

80.32           (c) Recipients of medical assistance are responsible for all co-payments in this  
80.33 subdivision.

80.34           **EFFECTIVE DATE.** This section is effective January 1, 2011.

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81.1 Sec. 16. Minnesota Statutes 2008, section 256B.0631, subdivision 3, is amended to  
81.2 read:

81.3 Subd. 3. **Collection.** (a) The medical assistance reimbursement to the provider  
81.4 shall be reduced by the amount of the co-payment, except that reimbursements shall  
81.5 not be reduced:

81.6 (1) once a recipient has reached the \$12 per month maximum or the \$7 per month  
81.7 maximum effective January 1, 2009, for prescription drug co-payments; or

81.8 (2) for a recipient identified by the commissioner under 100 percent of the federal  
81.9 poverty guidelines who has met their monthly five percent co-payment limit.

81.10 (b) The provider collects the co-payment from the recipient. Providers may not deny  
81.11 services to recipients who are unable to pay the co-payment.

81.12 (c) Medical assistance reimbursement to fee-for-service providers and payments to  
81.13 managed care plans shall not be increased as a result of the removal of ~~the~~ co-payments  
81.14 effective on or after January 1, 2009.

81.15 Sec. 17. Minnesota Statutes 2008, section 256B.0644, as amended by Laws 2010,  
81.16 chapter 200, article 1, section 6, is amended to read:

81.17 **256B.0644 REIMBURSEMENT UNDER OTHER STATE HEALTH CARE**  
81.18 **PROGRAMS.**

81.19 (a) A vendor of medical care, as defined in section 256B.02, subdivision 7, and a  
81.20 health maintenance organization, as defined in chapter 62D, must participate as a provider  
81.21 or contractor in the medical assistance program, general assistance medical care program,  
81.22 and MinnesotaCare as a condition of participating as a provider in health insurance plans  
81.23 and programs or contractor for state employees established under section 43A.18, the  
81.24 public employees insurance program under section 43A.316, for health insurance plans  
81.25 offered to local statutory or home rule charter city, county, and school district employees,  
81.26 the workers' compensation system under section 176.135, and insurance plans provided  
81.27 through the Minnesota Comprehensive Health Association under sections 62E.01 to  
81.28 62E.19. The limitations on insurance plans offered to local government employees shall  
81.29 not be applicable in geographic areas where provider participation is limited by managed  
81.30 care contracts with the Department of Human Services.

81.31 (b) For providers other than health maintenance organizations, participation in the  
81.32 medical assistance program means that:

81.33 (1) the provider accepts new medical assistance, general assistance medical care,  
81.34 and MinnesotaCare patients;

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82.1 (2) for providers other than dental service providers, at least 20 percent of the  
82.2 provider's patients are covered by medical assistance, general assistance medical care,  
82.3 and MinnesotaCare as their primary source of coverage; or

82.4 (3) for dental service providers, at least ten percent of the provider's patients are  
82.5 covered by medical assistance, general assistance medical care, and MinnesotaCare as  
82.6 their primary source of coverage, or the provider accepts new medical assistance and  
82.7 MinnesotaCare patients who are children with special health care needs. For purposes  
82.8 of this section, "children with special health care needs" means children up to age 18  
82.9 who: (i) require health and related services beyond that required by children generally;  
82.10 and (ii) have or are at risk for a chronic physical, developmental, behavioral, or emotional  
82.11 condition, including: bleeding and coagulation disorders; immunodeficiency disorders;  
82.12 cancer; endocrinopathy; developmental disabilities; epilepsy, cerebral palsy, and other  
82.13 neurological diseases; visual impairment or deafness; Down syndrome and other genetic  
82.14 disorders; autism; fetal alcohol syndrome; and other conditions designated by the  
82.15 commissioner after consultation with representatives of pediatric dental providers and  
82.16 consumers.

82.17 (c) Patients seen on a volunteer basis by the provider at a location other than  
82.18 the provider's usual place of practice may be considered in meeting the participation  
82.19 requirement in this section. The commissioner shall establish participation requirements  
82.20 for health maintenance organizations. The commissioner shall provide lists of participating  
82.21 medical assistance providers on a quarterly basis to the commissioner of management and  
82.22 budget, the commissioner of labor and industry, and the commissioner of commerce. Each  
82.23 of the commissioners shall develop and implement procedures to exclude as participating  
82.24 providers in the program or programs under their jurisdiction those providers who do  
82.25 not participate in the medical assistance program. The commissioner of management  
82.26 and budget shall implement this section through contracts with participating health and  
82.27 dental carriers.

82.28 ~~(d) Any hospital or other provider that is participating in a coordinated care~~  
82.29 ~~delivery system under section 256D.031, subdivision 6, or receives payments from the~~  
82.30 ~~uncompensated care pool under section 256D.031, subdivision 8, shall not refuse to~~  
82.31 ~~provide services to any patient enrolled in general assistance medical care regardless of~~  
82.32 ~~the availability or the amount of payment.~~

82.33 ~~(e)~~ For purposes of paragraphs (a) and (b), participation in the general assistance  
82.34 medical care program applies only to pharmacy providers.

82.35 **EFFECTIVE DATE.** This section is effective June 1, 2010.

83.1       Sec. 18. [256B.0755] HEALTH CARE DELIVERY SYSTEMS  
83.2 DEMONSTRATION PROJECT.

83.3       Subdivision 1. **Implementation.** (a) The commissioner shall develop and  
83.4 authorize a demonstration project to test alternative and innovative health care delivery  
83.5 systems, including accountable care organizations that provide services to a specified  
83.6 patient population for an agreed upon total cost of care or risk-gain sharing payment  
83.7 arrangement. The commissioner shall develop a request for proposals for participation in  
83.8 the demonstration project in consultation with hospitals, primary care providers, health  
83.9 plans, and other key stakeholders.

83.10       (b) In developing the request for proposals, the commissioner shall:

83.11       (1) establish uniform statewide methods of forecasting utilization and cost of care  
83.12 for the appropriate Minnesota public program populations, to be used by the commissioner  
83.13 for the health care delivery system projects;

83.14       (2) identify key indicators of quality, access, patient satisfaction, and other  
83.15 performance indicators that will be measured, in addition to indicators for measuring  
83.16 cost savings;

83.17       (3) allow maximum flexibility to encourage innovation and variation so that a variety  
83.18 of provider collaborations are able to become health care delivery systems;

83.19       (4) encourage and authorize different levels and types of financial risk;

83.20       (5) encourage and authorize projects representing a wide variety of geographic  
83.21 locations, patient populations, provider relationships, and care coordination models;

83.22       (6) encourage projects that involve close partnerships between the health care  
83.23 delivery system and counties and nonprofit agencies that provide services to patients  
83.24 enrolled with the health care delivery system, including social services, public health,  
83.25 mental health, community-based services, and continuing care;

83.26       (7) encourage projects established by community hospitals, clinics, and other  
83.27 providers in rural communities;

83.28       (8) identify required covered services for a total cost of care model or services  
83.29 considered in whole or partially in an analysis of utilization for a risk/gain sharing model;

83.30       (9) establish a mechanism to monitor enrollment;

83.31       (10) establish quality standards for the delivery system demonstrations;

83.32       (11) encourage participation of privately insured population so as to create sufficient  
83.33 alignment in demonstration systems; and

83.34       (12) coordinate projects with any coordinated care delivery systems established  
83.35 under section 256D.031.

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84.1 (c) To be eligible to participate in the demonstration project, a health care delivery  
84.2 system must:

84.3 (1) provide required covered services and care coordination to recipients enrolled in  
84.4 the health care delivery system;

84.5 (2) establish a process to monitor enrollment and ensure the quality of care provided;

84.6 (3) in cooperation with counties and community social service agencies, coordinate  
84.7 the delivery of health care services with existing social services programs;

84.8 (4) provide a system for advocacy and consumer protection; and

84.9 (5) adopt innovative and cost-effective methods of care delivery and coordination,  
84.10 which may include the use of allied health professionals, telemedicine, patient educators,  
84.11 care coordinators, and community health workers.

84.12 (d) A health care delivery system demonstration may be formed by the following  
84.13 groups of providers of services and suppliers if they have established a mechanism for  
84.14 shared governance:

84.15 (1) professionals in group practice arrangements;

84.16 (2) networks of individual practices of professionals;

84.17 (3) partnerships or joint venture arrangements between hospitals and health care  
84.18 professionals;

84.19 (4) hospitals employing professionals; and

84.20 (5) other groups of providers of services and suppliers as the commissioner  
84.21 determines appropriate.

84.22 A managed care plan or county-based purchasing plan may participate in this  
84.23 demonstration in collaboration with one or more of the entities listed in clauses (1) to (5).

84.24 A health care delivery system may contract with a managed care plan or a  
84.25 county-based purchasing plan to provide administrative services, including the  
84.26 administration of a payment system using the payment methods established by the  
84.27 commissioner for health care delivery systems.

84.28 (e) The commissioner may require a health care delivery system to enter into  
84.29 additional third-party contractual relationships for the assessment of risk and purchase of  
84.30 stop loss insurance or another form of insurance risk management related to the delivery  
84.31 of care described in paragraph (c).

84.32 Subd. 2. **Enrollment.** (a) Individuals eligible for medical assistance or  
84.33 MinnesotaCare shall be eligible for enrollment in a health care delivery system.

84.34 (b) Eligible applicants and recipients may enroll in a health care delivery system if  
84.35 a system serves the county in which the applicant or recipient resides. If more than one  
84.36 health care delivery system serves a county, the applicant or recipient shall be allowed

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85.1 to choose among the delivery systems. The commissioner may assign an applicant or  
85.2 recipient to a health care delivery system if a health care delivery system is available and  
85.3 no choice has been made by the applicant or recipient.

85.4 Subd. 3. **Accountability.** (a) Health care delivery systems must accept responsibility  
85.5 for the quality of care based on standards established under subdivision 1, paragraph (b),  
85.6 clause (10), and the cost of care or utilization of services provided to its enrollees under  
85.7 subdivision 1, paragraph (b), clause (1).

85.8 (b) A health care delivery system may contract and coordinate with providers and  
85.9 clinics for the delivery of services and shall contract with community health clinics,  
85.10 federally qualified health centers, community mental health centers or programs, and rural  
85.11 clinics to the extent practicable.

85.12 Subd. 4. **Payment system.** (a) In developing a payment system for health care  
85.13 delivery systems, the commissioner shall establish a total cost of care benchmark or a  
85.14 risk/gain sharing payment model to be paid for services provided to the recipients enrolled  
85.15 in a health care delivery system.

85.16 (b) The payment system may include incentive payments to health care delivery  
85.17 systems that meet or exceed annual quality and performance targets realized through  
85.18 the coordination of care.

85.19 (c) An amount equal to the savings realized to the general fund as a result of the  
85.20 demonstration project shall be transferred each fiscal year to the health care access fund.

85.21 Subd. 5. **Outpatient prescription drug coverage.** Outpatient prescription drug  
85.22 coverage may be provided through accountable care organizations only if the delivery  
85.23 method qualifies for federal prescription drug rebates.

85.24 Subd. 6. **Federal approval.** The commissioner shall apply for any federal waivers  
85.25 or other federal approval required to implement this section. The commissioner shall  
85.26 also apply for any applicable grant or demonstration under the Patient Protection and  
85.27 Affordable Health Care Act, Public Law 111-148, or the Health Care and Education  
85.28 Reconciliation Act of 2010, Public Law 111-152, that would further the purposes of or  
85.29 assist in the establishment of accountable care organizations.

85.30 Subd. 7. **Expansion.** The commissioner shall explore the expansion of the  
85.31 demonstration project to include additional medical assistance and MinnesotaCare  
85.32 enrollees, and shall seek participation of Medicare in demonstration projects. The  
85.33 commissioner shall seek to include participation of privately insured persons and Medicare  
85.34 recipients in the health care delivery demonstration.

85.35 **EFFECTIVE DATE.** This section is effective July 1, 2011.

86.1       Sec. 19. [256B.0756] HENNEPIN AND RAMSEY COUNTIES PILOT  
86.2 PROGRAM.

86.3       (a) The commissioner, upon federal approval of a new waiver request or amendment  
86.4 of an existing demonstration, may establish a pilot program in Hennepin County or  
86.5 Ramsey County, or both, to test alternative and innovative integrated health care delivery  
86.6 networks.

86.7       (b) Individuals eligible for the pilot program shall be individuals who are eligible for  
86.8 medical assistance under Minnesota Statutes, section 256B.055, subdivision 15, and who  
86.9 reside in Hennepin County or Ramsey County.

86.10       (c) Individuals enrolled in the pilot shall be enrolled in an integrated health care  
86.11 delivery network in their county of residence. The integrated health care delivery network  
86.12 in Hennepin County shall be a network, such as an accountable care organization or a  
86.13 community-based collaborative care network, created by or including Hennepin County  
86.14 Medical Center. The integrated health care delivery network in Ramsey County shall be  
86.15 a network, such as an accountable care organization or community-based collaborative  
86.16 care network, created by or including Regions Hospital.

86.17       (d) The commissioner shall cap pilot program enrollment at 7,000 enrollees for  
86.18 Hennepin County and 3,500 enrollees for Ramsey County.

86.19       (e) In developing a payment system for the pilot programs, the commissioner shall  
86.20 establish a total cost of care for the recipients enrolled in the pilot programs that equals  
86.21 the cost of care that would otherwise be spent for these enrollees in the prepaid medical  
86.22 assistance program.

86.23       (f) Counties may transfer funds necessary to support the nonfederal share of  
86.24 payments for integrated health care delivery networks in their county. Such transfers per  
86.25 county shall not exceed 15 percent of the expected expenses for county enrollees.

86.26       (g) The commissioner shall apply to the federal government for, or as appropriate,  
86.27 cooperate with counties, providers, or other entities that are applying for any applicable  
86.28 grant or demonstration under the Patient Protection and Affordable Health Care Act, Public  
86.29 Law 111-148, or the Health Care and Education Reconciliation Act of 2010, Public Law  
86.30 111-152, that would further the purposes of or assist in the creation of an integrated health  
86.31 care delivery network for the purposes of this subdivision, including, but not limited to, a  
86.32 global payment demonstration or the community-based collaborative care network grants.

86.33       Sec. 20. Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 5a,  
86.34 is amended to read:

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87.1 Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section  
87.2 and sections 256L.12 and 256D.03, shall be entered into or renewed on a calendar year  
87.3 basis beginning January 1, 1996. Managed care contracts which were in effect on June  
87.4 30, 1995, and set to renew on July 1, 1995, shall be renewed for the period July 1, 1995  
87.5 through December 31, 1995 at the same terms that were in effect on June 30, 1995. The  
87.6 commissioner may issue separate contracts with requirements specific to services to  
87.7 medical assistance recipients age 65 and older.

87.8 (b) A prepaid health plan providing covered health services for eligible persons  
87.9 pursuant to chapters 256B, 256D, and 256L, is responsible for complying with the terms  
87.10 of its contract with the commissioner. Requirements applicable to managed care programs  
87.11 under chapters 256B, 256D, and 256L, established after the effective date of a contract  
87.12 with the commissioner take effect when the contract is next issued or renewed.

87.13 (c) Effective for services rendered on or after January 1, 2003, the commissioner  
87.14 shall withhold five percent of managed care plan payments under this section and  
87.15 county-based purchasing ~~plan's payment rate~~ plan payments under section 256B.692 for  
87.16 the prepaid medical assistance and general assistance medical care programs pending  
87.17 completion of performance targets. Each performance target must be quantifiable,  
87.18 objective, measurable, and reasonably attainable, except in the case of a performance target  
87.19 based on a federal or state law or rule. Criteria for assessment of each performance target  
87.20 must be outlined in writing prior to the contract effective date. The managed care plan  
87.21 must demonstrate, to the commissioner's satisfaction, that the data submitted regarding  
87.22 attainment of the performance target is accurate. The commissioner shall periodically  
87.23 change the administrative measures used as performance targets in order to improve plan  
87.24 performance across a broader range of administrative services. The performance targets  
87.25 must include measurement of plan efforts to contain spending on health care services and  
87.26 administrative activities. The commissioner may adopt plan-specific performance targets  
87.27 that take into account factors affecting only one plan, including characteristics of the  
87.28 plan's enrollee population. The withheld funds must be returned no sooner than July of the  
87.29 following year if performance targets in the contract are achieved. The commissioner may  
87.30 exclude special demonstration projects under subdivision 23.

87.31 (d) Effective for services rendered on or after January 1, 2009, through December 31,  
87.32 2009, the commissioner shall withhold three percent of managed care plan payments under  
87.33 this section and county-based purchasing plan payments under section 256B.692 for the  
87.34 prepaid medical assistance and general assistance medical care programs. The withheld  
87.35 funds must be returned no sooner than July 1 and no later than July 31 of the following  
87.36 year. The commissioner may exclude special demonstration projects under subdivision 23.

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88.1 The return of the withhold under this paragraph is not subject to the requirements of  
88.2 paragraph (c).

88.3 (e) Effective for services provided on or after January 1, 2010, the commissioner  
88.4 shall require that managed care plans use the assessment and authorization processes,  
88.5 forms, timelines, standards, documentation, and data reporting requirements, protocols,  
88.6 billing processes, and policies consistent with medical assistance fee-for-service or the  
88.7 Department of Human Services contract requirements consistent with medical assistance  
88.8 fee-for-service or the Department of Human Services contract requirements for all  
88.9 personal care assistance services under section 256B.0659.

88.10 (f) Effective for services rendered on or after January 1, 2010, through December  
88.11 31, 2010, the commissioner shall withhold 3.5 percent of managed care plan payments  
88.12 under this section and county-based purchasing plan payments under section 256B.692  
88.13 for the prepaid medical assistance program. The withheld funds must be returned no  
88.14 sooner than July 1 and no later than July 31 of the following year. The commissioner may  
88.15 exclude special demonstration projects under subdivision 23.

88.16 (g) Effective for services rendered on or after January 1, 2011, the commissioner  
88.17 shall include as part of the performance targets described in paragraph (c) a reduction in  
88.18 the health plan's emergency room utilization rate for state health care program enrollees  
88.19 by a measurable rate of five percent from the plan's utilization rate for state health care  
88.20 program enrollees for the previous calendar year.

88.21 The withheld funds must be returned no sooner than July 1 and no later than July 31  
88.22 of the following calendar year if the managed care plan demonstrates to the satisfaction of  
88.23 the commissioner that a reduction in the utilization rate was achieved.

88.24 The withhold described in this paragraph shall continue for each consecutive  
88.25 contract period until the plan's emergency room utilization rate for state health care  
88.26 program enrollees is reduced by 25 percent of the plan's emergency room utilization  
88.27 rate for state health care program enrollees for calendar year 2009. Hospitals shall  
88.28 cooperate with the health plans in meeting this performance target and shall accept  
88.29 payment withholds that may be returned to the hospitals if the performance target is  
88.30 achieved. The commissioner shall structure the withhold so that the commissioner returns  
88.31 a portion of the withheld funds in amounts commensurate with achieved reductions in  
88.32 utilization less than the targeted amount. The withhold in this paragraph does not apply to  
88.33 county-based purchasing plans.

88.34 ~~(g)~~ (h) Effective for services rendered on or after January 1, 2011, through December  
88.35 31, 2011, the commissioner shall withhold four percent of managed care plan payments  
88.36 under this section and county-based purchasing plan payments under section 256B.692

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89.1 for the prepaid medical assistance program. The withheld funds must be returned no  
89.2 sooner than July 1 and no later than July 31 of the following year. The commissioner may  
89.3 exclude special demonstration projects under subdivision 23.

89.4 ~~(h)~~ (i) Effective for services rendered on or after January 1, 2012, through December  
89.5 31, 2012, the commissioner shall withhold 4.5 percent of managed care plan payments  
89.6 under this section and county-based purchasing plan payments under section 256B.692  
89.7 for the prepaid medical assistance program. The withheld funds must be returned no  
89.8 sooner than July 1 and no later than July 31 of the following year. The commissioner may  
89.9 exclude special demonstration projects under subdivision 23.

89.10 ~~(i)~~ (j) Effective for services rendered on or after January 1, 2013, through December  
89.11 31, 2013, the commissioner shall withhold 4.5 percent of managed care plan payments  
89.12 under this section and county-based purchasing plan payments under section 256B.692  
89.13 for the prepaid medical assistance program. The withheld funds must be returned no  
89.14 sooner than July 1 and no later than July 31 of the following year. The commissioner may  
89.15 exclude special demonstration projects under subdivision 23.

89.16 ~~(j)~~ (k) Effective for services rendered on or after January 1, 2014, the commissioner  
89.17 shall withhold three percent of managed care plan payments under this section and  
89.18 county-based purchasing plan payments under section 256B.692 for the prepaid medical  
89.19 assistance and prepaid general assistance medical care programs. The withheld funds must  
89.20 be returned no sooner than July 1 and no later than July 31 of the following year. The  
89.21 commissioner may exclude special demonstration projects under subdivision 23.

89.22 ~~(k)~~ (l) A managed care plan or a county-based purchasing plan under section  
89.23 256B.692 may include as admitted assets under section 62D.044 any amount withheld  
89.24 under this section that is reasonably expected to be returned.

89.25 ~~(l)~~ (m) Contracts between the commissioner and a prepaid health plan are exempt  
89.26 from the set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph  
89.27 (a), and 7.

89.28 **EFFECTIVE DATE.** This section is effective July 1, 2010.

89.29 Sec. 21. Minnesota Statutes 2008, section 256B.69, is amended by adding a  
89.30 subdivision to read:

89.31 **Subd. 51. Actuarial soundness.** (a) Rates paid to managed care plans and  
89.32 county-based purchasing plans shall satisfy requirements for actuarial soundness. In order  
89.33 to comply with this subdivision, the rates must:

89.34 (1) be neither inadequate nor excessive;

89.35 (2) satisfy federal requirements;

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90.1           (3) in the case of contracts with incentive arrangements, not exceed 105 percent of  
90.2 the approved capitation payments attributable to the enrollees or services covered by  
90.3 the incentive arrangement;

90.4           (4) be developed in accordance with generally accepted actuarial principles and  
90.5 practices;

90.6           (5) be appropriate for the populations to be covered and the services to be furnished  
90.7 under the contract; and

90.8           (6) be certified as meeting the requirements of federal regulations by actuaries who  
90.9 meet the qualification standards established by the American Academy of Actuaries and  
90.10 follow the practice standards established by the Actuarial Standards Board.

90.11           (b) Each year within 30 days of the establishment of plan rates, the commissioner  
90.12 shall report to the chairs and ranking minority members of the senate Health and Human  
90.13 Services Budget Division and the house of representatives Health Care and Human  
90.14 Services Finance Division to certify how each of these conditions have been met by  
90.15 the new payment rates.

90.16           Sec. 22. Minnesota Statutes 2008, section 256B.69, subdivision 27, is amended to read:

90.17           Subd. 27. **Information for persons with limited English-language proficiency.**  
90.18 Managed care contracts entered into under this section and ~~sections 256D.03, subdivision~~  
90.19 ~~4, paragraph (c), and section 256L.12~~ must require demonstration providers to provide  
90.20 language assistance to enrollees that ensures meaningful access to its programs and  
90.21 services according to Title VI of the Civil Rights Act and federal regulations adopted  
90.22 under that law or any guidance from the United States Department of Health and Human  
90.23 Services.

90.24           **EFFECTIVE DATE.** This section is effective retroactively from April 1, 2010.

90.25           Sec. 23. Minnesota Statutes 2008, section 256B.692, subdivision 1, is amended to read:

90.26           Subdivision 1. **In general.** County boards or groups of county boards may elect  
90.27 to purchase or provide health care services on behalf of persons eligible for medical  
90.28 assistance and ~~general assistance medical care~~ who would otherwise be required to or may  
90.29 elect to participate in the prepaid medical assistance or ~~prepaid general assistance medical~~  
90.30 ~~care programs~~ according to ~~sections~~ section 256B.69 and 256D.03. Counties that elect to  
90.31 purchase or provide health care under this section must provide all services included in  
90.32 prepaid managed care programs according to ~~sections~~ section 256B.69, subdivisions 1  
90.33 to 22, ~~and 256D.03~~. County-based purchasing under this section is governed by section  
90.34 256B.69, unless otherwise provided for under this section.

91.1 EFFECTIVE DATE. This section is effective retroactively from April 1, 2010.

91.2 Sec. 24. Minnesota Statutes 2009 Supplement, section 256B.76, subdivision 1, is  
91.3 amended to read:

91.4 Subdivision 1. **Physician reimbursement.** (a) Effective for services rendered on  
91.5 or after October 1, 1992, the commissioner shall make payments for physician services  
91.6 as follows:

91.7 (1) payment for level one Centers for Medicare and Medicaid Services' common  
91.8 procedural coding system codes titled "office and other outpatient services," "preventive  
91.9 medicine new and established patient," "delivery, antepartum, and postpartum care,"  
91.10 "critical care," cesarean delivery and pharmacologic management provided to psychiatric  
91.11 patients, and level three codes for enhanced services for prenatal high risk, shall be paid  
91.12 at the lower of (i) submitted charges, or (ii) 25 percent above the rate in effect on June  
91.13 30, 1992. If the rate on any procedure code within these categories is different than the  
91.14 rate that would have been paid under the methodology in section 256B.74, subdivision 2,  
91.15 then the larger rate shall be paid;

91.16 (2) payments for all other services shall be paid at the lower of (i) submitted charges,  
91.17 or (ii) 15.4 percent above the rate in effect on June 30, 1992; and

91.18 (3) all physician rates shall be converted from the 50th percentile of 1982 to the 50th  
91.19 percentile of 1989, less the percent in aggregate necessary to equal the above increases  
91.20 except that payment rates for home health agency services shall be the rates in effect  
91.21 on September 30, 1992.

91.22 (b) Effective for services rendered on or after January 1, 2000, payment rates for  
91.23 physician and professional services shall be increased by three percent over the rates  
91.24 in effect on December 31, 1999, except for home health agency and family planning  
91.25 agency services. The increases in this paragraph shall be implemented January 1, 2000,  
91.26 for managed care.

91.27 (c) Effective for services rendered on or after July 1, 2009, payment rates for  
91.28 physician and professional services shall be reduced by five percent over the rates in effect  
91.29 on June 30, 2009. This reduction ~~does~~ and the reductions in paragraph (d) do not apply  
91.30 to office or other outpatient visits, preventive medicine visits and family planning visits  
91.31 billed by physicians, advanced practice nurses, or physician assistants in a family planning  
91.32 agency or in one of the following primary care practices: general practice, general internal  
91.33 medicine, general pediatrics, general geriatrics, and family medicine. This reduction ~~does~~  
91.34 and the reductions in paragraph (d) do not apply to federally qualified health centers,  
91.35 rural health centers, and Indian health services. Effective October 1, 2009, payments

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92.1 made to managed care plans and county-based purchasing plans under sections 256B.69,  
92.2 256B.692, and 256L.12 shall reflect the payment reduction described in this paragraph.

92.3 (d) Effective for services rendered on or after July 1, 2010, payment rates for  
92.4 physician and professional services shall be reduced an additional seven percent over  
92.5 the five percent reduction in rates described in paragraph (c). This additional reduction  
92.6 does not apply to physical therapy services, occupational therapy services, and speech  
92.7 pathology and related services provided on or after July 1, 2010. This additional reduction  
92.8 does not apply to physician services billed by a psychiatrist or an advanced practice nurse  
92.9 with a specialty in mental health. Effective October 1, 2010, payments made to managed  
92.10 care plans and county-based purchasing plans under sections 256B.69, 256B.692, and  
92.11 256L.12 shall reflect the payment reduction described in this paragraph.

92.12 **EFFECTIVE DATE.** This section is effective July 1, 2010.

92.13 Sec. 25. Minnesota Statutes 2008, section 256B.76, subdivision 2, is amended to read:

92.14 Subd. 2. **Dental reimbursement.** (a) Effective for services rendered on or after  
92.15 October 1, 1992, the commissioner shall make payments for dental services as follows:

92.16 (1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25  
92.17 percent above the rate in effect on June 30, 1992; and

92.18 (2) dental rates shall be converted from the 50th percentile of 1982 to the 50th  
92.19 percentile of 1989, less the percent in aggregate necessary to equal the above increases.

92.20 (b) Beginning October 1, 1999, the payment for tooth sealants and fluoride treatments  
92.21 shall be the lower of (1) submitted charge, or (2) 80 percent of median 1997 charges.

92.22 (c) Effective for services rendered on or after January 1, 2000, payment rates for  
92.23 dental services shall be increased by three percent over the rates in effect on December  
92.24 31, 1999.

92.25 (d) Effective for services provided on or after January 1, 2002, payment for  
92.26 diagnostic examinations and dental x-rays provided to children under age 21 shall be the  
92.27 lower of (1) the submitted charge, or (2) 85 percent of median 1999 charges.

92.28 (e) The increases listed in paragraphs (b) and (c) shall be implemented January 1,  
92.29 2000, for managed care.

92.30 (f) Effective for dental services rendered on or after October 1, 2010, by a  
92.31 state-operated dental clinic, payment shall be paid on a reasonable cost basis that is based  
92.32 on the Medicare principles of reimbursement. This payment shall be effective for services  
92.33 rendered on or after January 1, 2011, to recipients enrolled in managed care plans or  
92.34 county-based purchasing plans.

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93.1 (g) Beginning in fiscal year 2011, if the payments to state-operated dental clinics  
93.2 in paragraph (f), including state and federal shares, are less than \$1,850,000 per fiscal  
93.3 year, a supplemental state payment equal to the difference between the total payments  
93.4 in paragraph (f) and \$1,850,000 shall be paid from the general fund to state-operated  
93.5 services for the operation of the dental clinics.

93.6 (h) If the cost-based payment system for state-operated dental clinics described in  
93.7 paragraph (f) does not receive federal approval, then state-operated dental clinics shall be  
93.8 designated as critical access dental providers under subdivision 4, paragraph (b), and shall  
93.9 receive the critical access dental reimbursement rate as described under subdivision 4,  
93.10 paragraph (a).

93.11 **EFFECTIVE DATE.** This section is effective July 1, 2010.

93.12 Sec. 26. Minnesota Statutes 2008, section 256B.76, subdivision 4, is amended to read:

93.13 Subd. 4. **Critical access dental providers.** (a) Effective for dental services  
93.14 rendered on or after January 1, 2002, the commissioner shall increase reimbursements  
93.15 to dentists and dental clinics deemed by the commissioner to be critical access dental  
93.16 providers. For dental services rendered on or after July 1, 2007, the commissioner shall  
93.17 increase reimbursement by 30 percent above the reimbursement rate that would otherwise  
93.18 be paid to the critical access dental provider. The commissioner shall pay the ~~health plan~~  
93.19 ~~companies~~ managed care plans and county-based purchasing plans in amounts sufficient  
93.20 to reflect increased reimbursements to critical access dental providers as approved by the  
93.21 commissioner. ~~In determining which dentists and dental clinics shall be deemed critical~~  
93.22 ~~access dental providers, the commissioner shall review:~~

93.23 (b) The commissioner shall designate the following dentists and dental clinics as  
93.24 critical access dental providers:

93.25 ~~(1) the utilization rate in the service area in which the dentist or dental clinic operates~~  
93.26 ~~for dental services to patients covered by medical assistance, general assistance medical~~  
93.27 ~~care, or MinnesotaCare as their primary source of coverage~~ nonprofit community clinics  
93.28 that:

93.29 (i) have nonprofit status in accordance with chapter 317A;

93.30 (ii) have tax exempt status in accordance with the Internal Revenue Code, section  
93.31 501(c)(3);

93.32 (iii) are established to provide oral health services to patients who are low income,  
93.33 uninsured, have special needs, and are underserved;

93.34 (iv) have professional staff familiar with the cultural background of the clinic's  
93.35 patients;

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94.1 (v) charge for services on a sliding fee scale designed to provide assistance to  
94.2 low-income patients based on current poverty income guidelines and family size;

94.3 (vi) do not restrict access or services because of a patient's financial limitations  
94.4 or public assistance status; and

94.5 (vii) have free care available as needed;

94.6 ~~(2) the level of services provided by the dentist or dental clinic to patients covered~~  
94.7 ~~by medical assistance, general assistance medical care, or MinnesotaCare as their primary~~  
94.8 ~~source of coverage~~ federally qualified health centers, rural health clinics, and public  
94.9 health clinics; and

94.10 ~~(3) whether the level of services provided by the dentist or dental clinic is critical~~  
94.11 ~~to maintaining adequate levels of patient access within the service area~~ county owned  
94.12 and operated hospital-based dental clinics;

94.13 (4) a dental clinic or dental group owned and operated by a nonprofit corporation in  
94.14 accordance with chapter 317A with more than 10,000 patient encounters per year with  
94.15 patients who are uninsured or covered by medical assistance, general assistance medical  
94.16 care, or MinnesotaCare; and

94.17 (5) a dental clinic associated with an oral health or dental education program  
94.18 operated by the University of Minnesota or an institution within the Minnesota State  
94.19 Colleges and Universities system.

94.20 ~~In the absence of a critical access dental provider in a service area, (c) The~~  
94.21 commissioner may designate a dentist or dental clinic as a critical access dental provider  
94.22 if the dentist or dental clinic is willing to provide care to patients covered by medical  
94.23 assistance, general assistance medical care, or MinnesotaCare at a level which significantly  
94.24 increases access to dental care in the service area.

94.25 **EFFECTIVE DATE.** This section is effective July 1, 2010.

94.26 Sec. 27. Minnesota Statutes 2009 Supplement, section 256B.766, is amended to read:

94.27 **256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES.**

94.28 (a) Effective for services provided on or after July 1, 2009, total payments for  
94.29 basic care services, shall be reduced by three percent, prior to third-party liability and  
94.30 spenddown calculation. Effective July 1, 2010, the commissioner shall classify physical  
94.31 therapy services, occupational therapy services, and speech language pathology and  
94.32 related services as basic care services. The reduction in this paragraph shall apply to  
94.33 physical therapy services, occupational therapy services, and speech language pathology  
94.34 and related services provided on or after July 1, 2010.

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95.1 (b) Payments made to managed care plans and county-based purchasing plans shall  
95.2 be reduced for services provided on or after October 1, 2009, to reflect ~~this~~ the reduction  
95.3 effective July 1, 2009, and payments made to the plans shall be reduced effective October  
95.4 1, 2010, to reflect the reduction effective July 1, 2010.

95.5 ~~(b)~~ (c) This section does not apply to physician and professional services, inpatient  
95.6 hospital services, family planning services, mental health services, dental services,  
95.7 prescription drugs, medical transportation, federally qualified health centers, rural health  
95.8 centers, Indian health services, and Medicare cost-sharing.

95.9 Sec. 28. **[256B.767] MEDICARE PAYMENT LIMIT.**

95.10 (a) Effective for services rendered on or after July 1, 2010, fee-for-service payment  
95.11 rates for physician and professional services under section 256B.76, subdivision 1, and  
95.12 basic care services subject to the rate reduction specified in section 256B.766, shall not  
95.13 exceed the Medicare payment rate for the applicable service, as adjusted for any changes  
95.14 in Medicare payment rates after July 1, 2010. The commissioner shall implement this  
95.15 section after any other rate adjustment that is effective July 1, 2010, and shall reduce rates  
95.16 under this section by first reducing or eliminating provider rate add-ons.

95.17 (b) This section does not apply to services provided by advanced practice certified  
95.18 nurse midwives licensed under chapter 148 or traditional midwives licensed under chapter  
95.19 147D. Notwithstanding this exemption, medical assistance fee-for-service payment rates  
95.20 for advanced practice certified nurse midwives and licensed traditional midwives shall  
95.21 equal and shall not exceed the medical assistance payment rate to physicians for the  
95.22 applicable service.

95.23 (c) This section does not apply to mental health services or physician services billed  
95.24 by a psychiatrist or an advanced practice registered nurse with a specialty in mental health.

95.25 Sec. 29. Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 3, as  
95.26 amended by Laws 2010, chapter 200, article 1, section 11, is amended to read:

95.27 Subd. 3. **General assistance medical care; eligibility.** (a) Beginning April 1, 2010,  
95.28 the general assistance medical care program shall be administered according to section  
95.29 256D.031, unless otherwise stated, except for outpatient prescription drug coverage,  
95.30 which shall continue to be administered under this section and funded under section  
95.31 256D.031, subdivision 9, beginning June 1, 2010.

95.32 (b) Outpatient prescription drug coverage under general assistance medical care is  
95.33 limited to prescription drugs that:

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96.1 (1) are covered under the medical assistance program as described in section  
96.2 256B.0625, subdivisions 13 and 13d; and

96.3 (2) are provided by manufacturers that have fully executed general assistance  
96.4 medical care rebate agreements with the commissioner and comply with the agreements.  
96.5 Outpatient prescription drug coverage under general assistance medical care must conform  
96.6 to coverage under the medical assistance program according to section 256B.0625,  
96.7 subdivisions 13 to ~~13g~~ 13h.

96.8 (c) Outpatient prescription drug coverage does not include drugs administered in a  
96.9 clinic or other outpatient setting.

96.10 (d) For the period beginning April 1, 2010, to May 31, 2010, general assistance  
96.11 medical care covers the services listed in subdivision 4.

96.12 **EFFECTIVE DATE.** This section is effective retroactively from April 1, 2010.

96.13 Sec. 30. Minnesota Statutes 2008, section 256D.03, subdivision 3b, is amended to read:

96.14 Subd. 3b. **Cooperation.** ~~(a) General assistance or general assistance medical care~~  
96.15 ~~applicants and recipients must cooperate with the state and local agency to identify~~  
96.16 ~~potentially liable third-party payors and assist the state in obtaining third-party payments.~~  
96.17 ~~Cooperation includes identifying any third party who may be liable for care and services~~  
96.18 ~~provided under this chapter to the applicant, recipient, or any other family member for~~  
96.19 ~~whom application is made and providing relevant information to assist the state in pursuing~~  
96.20 ~~a potentially liable third party. General assistance medical care applicants and recipients~~  
96.21 ~~must cooperate by providing information about any group health plan in which they may~~  
96.22 ~~be eligible to enroll. They must cooperate with the state and local agency in determining~~  
96.23 ~~if the plan is cost-effective. For purposes of this subdivision, coverage provided by the~~  
96.24 ~~Minnesota Comprehensive Health Association under chapter 62E shall not be considered~~  
96.25 ~~group health plan coverage or cost-effective by the state and local agency. If the plan is~~  
96.26 ~~determined cost-effective and the premium will be paid by the state or local agency or is~~  
96.27 ~~available at no cost to the person, they must enroll or remain enrolled in the group health~~  
96.28 ~~plan. Cost-effective insurance premiums approved for payment by the state agency and~~  
96.29 ~~paid by the local agency are eligible for reimbursement according to subdivision 6.~~

96.30 ~~(b) Effective for all premiums due on or after June 30, 1997, general assistance~~  
96.31 ~~medical care does not cover premiums that a recipient is required to pay under a qualified~~  
96.32 ~~or Medicare supplement plan issued by the Minnesota Comprehensive Health Association.~~  
96.33 ~~General assistance medical care shall continue to cover premiums for recipients who are~~  
96.34 ~~covered under a plan issued by the Minnesota Comprehensive Health Association on June~~

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97.1 ~~30, 1997, for a period of six months following receipt of the notice of termination or~~  
97.2 ~~until December 31, 1997, whichever is later.~~

97.3 **EFFECTIVE DATE.** This section is effective July 1, 2010.

97.4 Sec. 31. Minnesota Statutes 2008, section 256D.031, subdivision 5, as added by Laws  
97.5 2010, chapter 200, article 1, section 12, subdivision 5, is amended to read:

97.6 Subd. 5. **Payment rates and contract modification; April 1, 2010, to May 31,**  
97.7 **2010.** (a) For the period April 1, 2010, to May 31, 2010, general assistance medical  
97.8 care shall be paid on a fee-for-service basis. Fee-for-service payment rates for services  
97.9 other than outpatient prescription drugs shall be set at 37 percent of the payment rate in  
97.10 effect on March 31, 2010.

97.11 (b) Outpatient prescription drugs covered under section 256D.03, subdivision 3,  
97.12 provided on or after April 1, 2010, to May 31, 2010, shall be paid on a fee-for-service  
97.13 basis according to section 256B.0625, subdivisions 13 to 13g.

97.14 (c) If section 256B.055, subdivision 15, and section 256B.056, subdivisions 3 and 4  
97.15 are implemented effective July 1, 2010:

97.16 (1) general assistance medical care must be paid on a fee-for-service basis for the  
97.17 period June 1 to June 30, 2010;

97.18 (2) fee-for-service payment rates for services other than outpatient prescription drugs  
97.19 must be set at 27 percent of the payment rate in effect on March 31, 2010; and

97.20 (3) outpatient prescription drugs considered under section 256D.03, subdivision 3,  
97.21 must be paid on a fee-for-service basis according to section 256B.0625, subdivisions  
97.22 13 to 13g.

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

97.24 Sec. 32. Minnesota Statutes 2009 Supplement, section 256L.03, subdivision 5, is  
97.25 amended to read:

97.26 Subd. 5. **Co-payments and coinsurance.** (a) Except as provided in paragraphs (b)  
97.27 and (c), the MinnesotaCare benefit plan shall include the following co-payments and  
97.28 coinsurance requirements for all enrollees:

97.29 (1) ten percent of the paid charges for inpatient hospital services for adult enrollees,  
97.30 subject to an annual inpatient out-of-pocket maximum of \$1,000 per individual;

97.31 (2) \$3 per prescription for adult enrollees;

97.32 (3) \$25 for eyeglasses for adult enrollees;

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98.1 (4) \$3 per nonpreventive visit. For purposes of this subdivision, a "visit" means an  
98.2 episode of service which is required because of a recipient's symptoms, diagnosis, or  
98.3 established illness, and which is delivered in an ambulatory setting by a physician or  
98.4 physician ancillary, chiropractor, podiatrist, nurse midwife, advanced practice nurse,  
98.5 audiologist, optician, or optometrist; and

98.6 (5) \$6 for nonemergency visits to a hospital-based emergency room for services  
98.7 provided through December 31, 2010, and \$3.50 effective January 1, 2011.

98.8 (b) Paragraph (a), clause (1), does not apply to parents and relative caretakers of  
98.9 children under the age of 21.

98.10 (c) Paragraph (a) does not apply to pregnant women and children under the age of 21.

98.11 (d) Paragraph (a), clause (4), does not apply to mental health services.

98.12 (e) Adult enrollees with family gross income that exceeds 200 percent of the federal  
98.13 poverty guidelines or 215 percent of the federal poverty guidelines on or after July 1, 2009,  
98.14 and who are not pregnant shall be financially responsible for the coinsurance amount, if  
98.15 applicable, and amounts which exceed the \$10,000 inpatient hospital benefit limit.

98.16 (f) When a MinnesotaCare enrollee becomes a member of a prepaid health plan,  
98.17 or changes from one prepaid health plan to another during a calendar year, any charges  
98.18 submitted towards the \$10,000 annual inpatient benefit limit, and any out-of-pocket  
98.19 expenses incurred by the enrollee for inpatient services, that were submitted or incurred  
98.20 prior to enrollment, or prior to the change in health plans, shall be disregarded.

98.21 (g) MinnesotaCare reimbursements to fee-for-service providers and payments to  
98.22 managed care plans or county-based purchasing plans shall not be increased as a result of  
98.23 the reduction of the co-payments in paragraph (a), clause (5), effective January 1, 2011.

98.24 **EFFECTIVE DATE.** This section is effective July 1, 2010.

98.25 Sec. 33. Minnesota Statutes 2008, section 256L.11, subdivision 6, is amended to read:

98.26 Subd. 6. **Enrollees 18 or older.** Payment by the MinnesotaCare program for  
98.27 inpatient hospital services provided to MinnesotaCare enrollees eligible under section  
98.28 256L.04, subdivision 7, or who qualify under section 256L.04, subdivisions 1 and 2,  
98.29 with family gross income that exceeds 175 percent of the federal poverty guidelines  
98.30 and who are not pregnant, who are 18 years old or older on the date of admission to the  
98.31 inpatient hospital must be in accordance with paragraphs (a) and (b). Payment for adults  
98.32 who are not pregnant and are eligible under section 256L.04, subdivisions 1 and 2, and  
98.33 whose incomes are equal to or less than 175 percent of the federal poverty guidelines,  
98.34 shall be as provided for under paragraph (c).

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99.1 (a) If the medical assistance rate minus any co-payment required under section  
99.2 256L.03, subdivision 4, is less than or equal to the amount remaining in the enrollee's  
99.3 benefit limit under section 256L.03, subdivision 3, payment must be the medical  
99.4 assistance rate minus any co-payment required under section 256L.03, subdivision 4. The  
99.5 hospital must not seek payment from the enrollee in addition to the co-payment. The  
99.6 MinnesotaCare payment plus the co-payment must be treated as payment in full.

99.7 (b) If the medical assistance rate minus any co-payment required under section  
99.8 256L.03, subdivision 4, is greater than the amount remaining in the enrollee's benefit limit  
99.9 under section 256L.03, subdivision 3, payment must be the lesser of:

99.10 (1) the amount remaining in the enrollee's benefit limit; or

99.11 (2) charges submitted for the inpatient hospital services less any co-payment  
99.12 established under section 256L.03, subdivision 4.

99.13 The hospital may seek payment from the enrollee for the amount by which usual and  
99.14 customary charges exceed the payment under this paragraph. If payment is reduced under  
99.15 section 256L.03, subdivision 3, paragraph (b), the hospital may not seek payment from the  
99.16 enrollee for the amount of the reduction.

99.17 ~~(c) For admissions occurring during the period of July 1, 1997, through June 30,~~  
99.18 ~~1998, for adults who are not pregnant and are eligible under section 256L.04, subdivisions~~  
99.19 ~~1 and 2, and whose incomes are equal to or less than 175 percent of the federal poverty~~  
99.20 ~~guidelines, the commissioner shall pay hospitals directly, up to the medical assistance~~  
99.21 ~~payment rate, for inpatient hospital benefits in excess of the \$10,000 annual inpatient~~  
99.22 ~~benefit limit. For admissions occurring on or after July 1, 2011, for single adults and~~  
99.23 households without children who are eligible under section 256L.04, subdivision 7, the  
99.24 commissioner shall pay hospitals directly, up to the medical assistance payment rate, for  
99.25 inpatient hospital benefits up to the \$10,000 annual inpatient benefit limit, minus any  
99.26 co-payment required under section 256L.03, subdivision 5.

99.27 Sec. 34. Minnesota Statutes 2008, section 256L.07, is amended by adding a subdivision  
99.28 to read:

99.29 Subd. 9. **Firefighters; volunteer ambulance attendants.** (a) For purposes of this  
99.30 subdivision, "qualified individual" means:

99.31 (1) a volunteer firefighter with a department as defined in section 299N.01,  
99.32 subdivision 2, who has passed the probationary period; and

99.33 (2) a volunteer ambulance attendant as defined in section 144E.001, subdivision 15.

99.34 (b) A qualified individual who documents to the satisfaction of the commissioner  
99.35 status as a qualified individual by completing and submitting a one-page form developed

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100.1 by the commissioner is eligible for MinnesotaCare without meeting other eligibility  
100.2 requirements of this chapter, but must pay premiums equal to the average expected  
100.3 capitation rate for adults with no children paid under section 256L.12. Individuals eligible  
100.4 under this subdivision shall receive coverage for the benefit set provided to adults with no  
100.5 children.

100.6 **EFFECTIVE DATE.** This section is effective April 1, 2011.

100.7 Sec. 35. Minnesota Statutes 2008, section 256L.12, subdivision 5, is amended to read:

100.8 Subd. 5. **Eligibility for other state programs.** MinnesotaCare enrollees who  
100.9 become eligible for medical assistance ~~or general assistance medical care~~ will remain in  
100.10 the same managed care plan if the managed care plan has a contract for that population.  
100.11 ~~Effective January 1, 1998,~~ MinnesotaCare enrollees who were formerly eligible for  
100.12 general assistance medical care pursuant to section 256D.03, subdivision 3, within six  
100.13 months of MinnesotaCare enrollment and were enrolled in a prepaid health plan pursuant  
100.14 to section 256D.03, subdivision 4, paragraph (c), must remain in the same managed care  
100.15 plan if the managed care plan has a contract for that population. Managed care plans must  
100.16 participate in the MinnesotaCare ~~and general assistance medical care programs~~ program  
100.17 under a contract with the Department of Human Services in service areas where they  
100.18 participate in the medical assistance program.

100.19 **EFFECTIVE DATE.** This section is effective retroactively from April 1, 2010.

100.20 Sec. 36. Minnesota Statutes 2008, section 256L.12, subdivision 9, is amended to read:

100.21 Subd. 9. **Rate setting; performance withholds.** (a) Rates will be prospective,  
100.22 per capita, where possible. The commissioner may allow health plans to arrange for  
100.23 inpatient hospital services on a risk or nonrisk basis. The commissioner shall consult with  
100.24 an independent actuary to determine appropriate rates.

100.25 ~~(b) For services rendered on or after January 1, 2003, to December 31, 2003, the~~  
100.26 ~~commissioner shall withhold .5 percent of managed care plan payments under this section~~  
100.27 ~~pending completion of performance targets. The withheld funds must be returned no~~  
100.28 ~~sooner than July 1 and no later than July 31 of the following year if performance targets~~  
100.29 ~~in the contract are achieved. A managed care plan may include as admitted assets under~~  
100.30 ~~section 62D.044 any amount withheld under this paragraph that is reasonably expected~~  
100.31 ~~to be returned.~~

100.32 ~~(c)~~ (e) For services rendered on or after January 1, 2004, the commissioner shall  
100.33 withhold five percent of managed care plan payments and county-based purchasing

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101.1 plan payments under this section pending completion of performance targets. Each  
101.2 performance target must be quantifiable, objective, measurable, and reasonably attainable,  
101.3 except in the case of a performance target based on a federal or state law or rule. Criteria  
101.4 for assessment of each performance target must be outlined in writing prior to the  
101.5 contract effective date. The managed care plan must demonstrate, to the commissioner's  
101.6 satisfaction, that the data submitted regarding attainment of the performance target is  
101.7 accurate. The commissioner shall periodically change the administrative measures used  
101.8 as performance targets in order to improve plan performance across a broader range of  
101.9 administrative services. The performance targets must include measurement of plan  
101.10 efforts to contain spending on health care services and administrative activities. The  
101.11 commissioner may adopt plan-specific performance targets that take into account factors  
101.12 affecting only one plan, such as characteristics of the plan's enrollee population. The  
101.13 withheld funds must be returned no sooner than July 1 and no later than July 31 of the  
101.14 following calendar year if performance targets in the contract are achieved. ~~A managed  
101.15 care plan or a county-based purchasing plan under section 256B.692 may include as  
101.16 admitted assets under section 62D.044 any amount withheld under this paragraph that is  
101.17 reasonably expected to be returned.~~

101.18 (c) For services rendered on or after January 1, 2011, the commissioner shall  
101.19 withhold an additional three percent of managed care plan or county-based purchasing  
101.20 plan payments under this section. The withheld funds must be returned no sooner than  
101.21 July 1 and no later than July 31 of the following calendar year. The return of the withhold  
101.22 under this paragraph is not subject to the requirements of paragraph (b).

101.23 (d) Effective for services rendered on or after January 1, 2011, the commissioner  
101.24 shall include as part of the performance targets described in paragraph (b) a reduction in  
101.25 the plan's emergency room utilization rate for state health care program enrollees by a  
101.26 measurable rate of five percent from the plan's utilization rate for the previous calendar  
101.27 year.

101.28 The withheld funds must be returned no sooner than July 1 and no later than July 31  
101.29 of the following calendar year if the managed care plan demonstrates to the satisfaction of  
101.30 the commissioner that a reduction in the utilization rate was achieved.

101.31 The withhold described in this paragraph shall continue for each consecutive  
101.32 contract period until the plan's emergency room utilization rate for state health care  
101.33 program enrollees is reduced by 25 percent of the plan's emergency room utilization rate  
101.34 for state health care program enrollees for calendar year 2009. Hospitals shall cooperate  
101.35 with the health plans in meeting this performance target and shall accept payment  
101.36 withholds that may be returned to the hospitals if the performance target is achieved. The

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102.1 commissioner shall structure the withhold so that the commissioner returns a portion of  
102.2 the withheld funds in amounts commensurate with achieved reductions in utilization less  
102.3 than the targeted amount. The withhold described in this paragraph does not apply to  
102.4 county-based purchasing plans.

102.5 (e) A managed care plan or a county-based purchasing plan under section 256B.692  
102.6 may include as admitted assets under section 62D.044 any amount withheld under this  
102.7 section that is reasonably expected to be returned.

102.8 **EFFECTIVE DATE.** This section is effective July 1, 2010.

102.9 Sec. 37. Laws 2009, chapter 79, article 5, section 75, subdivision 1, is amended to read:

102.10 Subdivision 1. **Medical assistance coverage.** The commissioner of human services  
102.11 shall establish a demonstration project to provide additional medical assistance coverage  
102.12 for a maximum of 200 American Indian children in Minneapolis, St. Paul, and Duluth  
102.13 who are burdened by health disparities associated with the cumulative health impact  
102.14 of toxic environmental exposures. Under this demonstration project, the additional  
102.15 medical assistance coverage for this population must include, but is not limited to, home  
102.16 environmental assessments for triggers of asthma, and in-home asthma education on the  
102.17 proper medical management of asthma by a certified asthma educator or public health  
102.18 nurse with asthma management training, and must be limited to two visits per child. The  
102.19 home visit payment rates must be based on a rate commensurate with a first-time visit rate  
102.20 and follow-up visit rate. Coverage also includes the following durable medical equipment:  
102.21 high efficiency particulate air (HEPA) cleaners, HEPA vacuum cleaners, allergy bed and  
102.22 pillow encasements, high filtration filters for forced air gas furnaces, and dehumidifiers  
102.23 with medical tubing to connect the appliance to a floor drain, if the listed item is ~~medically~~  
102.24 ~~necessary~~ useful to reduce asthma symptoms. Provision of these items of durable medical  
102.25 equipment must be preceded by a home environmental assessment for triggers of asthma  
102.26 and in-home asthma education on the proper medical management of asthma by a Certified  
102.27 Asthma Educator or public health nurse with asthma management training.

102.28 Sec. 38. Laws 2009, chapter 79, article 5, section 78, subdivision 5, is amended to read:

102.29 Subd. 5. **Expiration.** This section, with the exception of subdivision 4, expires  
102.30 ~~December 31, 2010~~ August 31, 2011. Subdivision 4 expires February 28, 2012.

102.31 Sec. 39. Laws 2010, chapter 200, article 1, section 12, subdivision 6, is amended to  
102.32 read:

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103.1           Subd. 6. **Coordinated care delivery systems.** (a) Effective June 1, 2010, the  
103.2 commissioner shall contract with hospitals or groups of hospitals that qualify under  
103.3 paragraph (b) and agree to deliver services according to this subdivision. Contracting  
103.4 hospitals shall develop and implement a coordinated care delivery system to provide  
103.5 health care services to individuals who are eligible for general assistance medical care  
103.6 under this section and who either choose to receive services through the coordinated  
103.7 care delivery system or who are enrolled by the commissioner under paragraph (c). The  
103.8 health care services provided by the system must include: (1) the services described in  
103.9 subdivision 4 with the exception of outpatient prescription drug coverage but shall include  
103.10 drugs administered in a clinic or other outpatient setting; or (2) a set of comprehensive  
103.11 and medically necessary health services that the recipients might reasonably require to be  
103.12 maintained in good health and that has been approved by the commissioner, including at a  
103.13 minimum, but not limited to, emergency care, medical transportation services, inpatient  
103.14 hospital and physician care, outpatient health services, preventive health services, mental  
103.15 health services, and prescription drugs administered in a clinic or other outpatient setting.  
103.16 Outpatient prescription drug coverage is covered on a fee-for-service basis in accordance  
103.17 with section 256D.03, subdivision 3, and funded under subdivision 9. A hospital  
103.18 establishing a coordinated care delivery system under this subdivision must ensure that the  
103.19 requirements of this subdivision are met.

103.20           (b) A hospital or group of hospitals may contract with the commissioner to develop  
103.21 and implement a coordinated care delivery system as follows:

103.22           (1) effective June 1, 2010, a hospital qualifies under this subdivision if: (i) during  
103.23 calendar year 2008, it received fee-for-service payments for services to general assistance  
103.24 medical care recipients (A) equal to or greater than \$1,500,000, or (B) equal to or greater  
103.25 than 1.3 percent of net patient revenue; or (ii) a contract with the hospital is necessary to  
103.26 provide geographic access or to ensure that at least 80 percent of enrollees have access to  
103.27 a coordinated care delivery system; and

103.28           (2) effective December 1, 2010, a Minnesota hospital not qualified under clause  
103.29 (1) may contract with the commissioner under this subdivision if it agrees to satisfy the  
103.30 requirements of this subdivision.

103.31 Participation by hospitals shall become effective quarterly on June 1, September 1,  
103.32 December 1, or March 1. Hospital participation is effective for a period of 12 months and  
103.33 may be renewed for successive 12-month periods.

103.34           (c) Applicants and recipients may enroll in any available coordinated care delivery  
103.35 system statewide. If more than one coordinated care delivery system is available, the  
103.36 applicant or recipient shall be allowed to choose among the systems. The commissioner

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104.1 may assign an applicant or recipient to a coordinated care delivery system if no choice  
104.2 is made by the applicant or recipient. The commissioner shall consider a recipient's zip  
104.3 code, city of residence, county of residence, or distance from a participating coordinated  
104.4 care delivery system when determining default assignment. An applicant or recipient  
104.5 may decline enrollment in a coordinated care delivery system. Upon enrollment into a  
104.6 coordinated care delivery system, the recipient must agree to receive all nonemergency  
104.7 services through the coordinated care delivery system. Enrollment in a coordinated care  
104.8 delivery system is for six months and may be renewed for additional six-month periods,  
104.9 except that initial enrollment is for six months or until the end of a recipient's period  
104.10 of general assistance medical care eligibility, whichever occurs first. A recipient who  
104.11 continues to meet the eligibility requirements of this section is not eligible to enroll in  
104.12 MinnesotaCare during a period of enrollment in a coordinated care delivery system.  
104.13 From June 1, 2010, to ~~November 30, 2010~~ February 28, 2011, applicants and recipients  
104.14 not enrolled in a coordinated care delivery system may seek services from a hospital  
104.15 eligible for reimbursement under the temporary uncompensated care pool established  
104.16 under subdivision 8. After ~~November 30, 2010~~ February 28, 2011, services are available  
104.17 only through a coordinated care delivery system.

104.18 (d) The hospital may contract and coordinate with providers and clinics for the  
104.19 delivery of services and shall contract with essential community providers as defined  
104.20 under section 62Q.19, subdivision 1, paragraph (a), clauses (1) and (2), to the extent  
104.21 practicable. If a provider or clinic contracts with a hospital to provide services through the  
104.22 coordinated care delivery system, the provider may not refuse to provide services to any  
104.23 recipient enrolled in the system, and payment for services shall be negotiated with the  
104.24 hospital and paid by the hospital from the system's allocation under subdivision 7.

104.25 (e) A coordinated care delivery system must:

104.26 (1) provide the covered services required under paragraph (a) to recipients enrolled  
104.27 in the coordinated care delivery system, and comply with the requirements of subdivision  
104.28 4, paragraphs (b) to (g);

104.29 (2) establish a process to monitor enrollment and ensure the quality of care provided;  
104.30 and

104.31 (3) in cooperation with counties, coordinate the delivery of health care services with  
104.32 existing homeless prevention, supportive housing, and rent subsidy programs and funding  
104.33 administered by the Minnesota Housing Finance Agency under chapter 462A; and

104.34 (4) adopt innovative and cost-effective methods of care delivery and coordination,  
104.35 which may include the use of allied health professionals, telemedicine, patient educators,  
104.36 care coordinators, and community health workers.

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105.1 (f) The hospital may require a recipient to designate a primary care provider or  
105.2 a primary care clinic. The hospital may limit the delivery of services to a network of  
105.3 providers who have contracted with the hospital to deliver services in accordance with  
105.4 this subdivision, and require a recipient to seek services only within this network. The  
105.5 hospital may also require a referral to a provider before the service is eligible for payment.  
105.6 A coordinated care delivery system is not required to provide payment to a provider who  
105.7 is not employed by or under contract with the system for services provided to a recipient  
105.8 enrolled in the system, except in cases of an emergency. For purposes of this section,  
105.9 emergency services are defined in accordance with Code of Federal Regulations, title  
105.10 42, section 438.114 (a).

105.11 (g) A recipient enrolled in a coordinated care delivery system has the right to appeal  
105.12 to the commissioner according to section 256.045.

105.13 (h) The state shall not be liable for the payment of any cost or obligation incurred  
105.14 by the coordinated care delivery system.

105.15 (i) The hospital must provide the commissioner with data necessary for assessing  
105.16 enrollment, quality of care, cost, and utilization of services. Each hospital must provide,  
105.17 on a quarterly basis on a form prescribed by the commissioner for each recipient served by  
105.18 the coordinated care delivery system, the services provided, the cost of services provided,  
105.19 and the actual payment amount for the services provided and any other information the  
105.20 commissioner deems necessary to claim federal Medicaid match. The commissioner must  
105.21 provide this data to the legislature on a quarterly basis.

105.22 (j) Effective June 1, 2010, the provisions of section 256.9695, subdivision 2,  
105.23 paragraph (b), do not apply to general assistance medical care provided under this section.

105.24 (k) Notwithstanding any other provision in this section to the contrary, for  
105.25 participation beginning September 1, 2010, the commissioner shall offer the same contract  
105.26 terms related to an enrollment threshold formula and financial liability protections to a  
105.27 hospital or group of hospitals qualified under this subdivision to develop and implement  
105.28 a coordinated care delivery system as those contained in the coordinated care delivery  
105.29 system contracts effective June 1, 2010.

105.30 (l) If section 256B.055, subdivision 15, and section 256B.056, subdivisions 3 and 4  
105.31 are implemented effective July 1, 2010, this subdivision must not be implemented.

105.32 Sec. 40. Laws 2010, chapter 200, article 1, section 12, subdivision 7, is amended to  
105.33 read:

105.34 Subd. 7. **Payments; rate setting for the hospital coordinated care delivery**  
105.35 **system.** (a) Effective for general assistance medical care services, with the exception

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106.1 of outpatient prescription drug coverage, provided on or after June 1, 2010, through a  
106.2 coordinated care delivery system, the commissioner shall allocate the annual appropriation  
106.3 for the coordinated care delivery system to hospitals participating under subdivision  
106.4 6 in quarterly payments, beginning on the first scheduled warrant on or after June 1,  
106.5 2010. The payment shall be allocated among all hospitals qualified to participate on the  
106.6 allocation date. ~~Each hospital or group of hospitals shall receive a pro rata share of the~~  
106.7 ~~allocation based on the hospital's or group of hospitals' calendar year 2008 payments for~~  
106.8 ~~general assistance medical care services, provided that, for the purposes of this allocation,~~  
106.9 ~~payments to Hennepin County Medical Center, Regions Hospital, Saint Mary's Medical~~  
106.10 ~~Center, and University of Minnesota Medical Center, Fairview, shall be weighted at 110~~  
106.11 ~~percent of the actual amount.~~ as follows:

106.12 (1) each hospital or group of hospitals shall be allocated an initial amount based on  
106.13 the hospital's or group of hospitals' pro rata share of calendar year 2008 payments for  
106.14 general assistance medical care services to all participating hospitals;

106.15 (2) the initial allocations to Hennepin County Medical Center; Regions Hospital;  
106.16 Saint Mary's Medical Center; and the University of Minnesota Medical Center, Fairview,  
106.17 shall be increased to 110 percent of the value determined in clause (1);

106.18 (3) the initial allocation to hospitals not listed in clause (2) shall be reduced a pro rata  
106.19 amount in order to keep the allocations within the limit of available appropriations; and

106.20 (4) the amounts determined under clauses (1) to (3) shall be allocated to participating  
106.21 hospitals.

106.22 The commissioner may prospectively reallocate payments to participating hospitals on  
106.23 a biannual basis to ensure that final allocations reflect actual coordinated care delivery  
106.24 system enrollment. The 2008 base year shall be updated by one calendar year each June 1,  
106.25 beginning June 1, 2011.

106.26 (b) Beginning June 1, 2010, and every quarter beginning in June thereafter, the  
106.27 commissioner shall make one-third of the quarterly payment in June and the remaining  
106.28 two-thirds of the quarterly payment in July to each participating hospital or group of  
106.29 hospitals.

106.30 (c) In order to be reimbursed under this section, nonhospital providers of health  
106.31 care services shall contract with one or more hospitals described in paragraph (a) to  
106.32 provide services to general assistance medical care recipients through the coordinated care  
106.33 delivery system established by the hospital. The hospital shall reimburse bills submitted  
106.34 by nonhospital providers participating under this paragraph at a rate negotiated between  
106.35 the hospital and the nonhospital provider.

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107.1 ~~(e)~~ (d) The commissioner shall apply for federal matching funds under section  
107.2 256B.199, paragraphs (a) to (d), for expenditures under this subdivision.

107.3 ~~(d)~~ (e) Outpatient prescription drug coverage is provided in accordance with section  
107.4 256D.03, subdivision 3, and paid on a fee-for-service basis under subdivision 9.

107.5 **EFFECTIVE DATE.** This section is effective retroactively from April 1, 2010.

107.6 Sec. 41. Laws 2010, chapter 200, article 1, section 12, subdivision 8, is amended to  
107.7 read:

107.8 Subd. 8. **Temporary uncompensated care pool.** (a) The commissioner shall  
107.9 establish a temporary uncompensated care pool, effective June 1, 2010. Payments from  
107.10 the pool must be distributed, within the limits of the available appropriation, to hospitals  
107.11 that are not part of a coordinated care delivery system established under subdivision 6.

107.12 (b) Hospitals seeking reimbursement from this pool must submit an invoice to  
107.13 the commissioner in a form prescribed by the commissioner for payment for services  
107.14 provided to an applicant or recipient not enrolled in a coordinated care delivery system. A  
107.15 payment amount, as calculated under current law, must be determined, but not paid, for  
107.16 each admission of or service provided to a general assistance medical care recipient on or  
107.17 after June 1, 2010, to ~~November 30, 2010~~ February 28, 2011.

107.18 (c) The aggregated payment amounts for each hospital must be calculated as a  
107.19 percentage of the total calculated amount for all hospitals.

107.20 (d) Distributions from the uncompensated care pool for each hospital must be  
107.21 determined by multiplying the factor in paragraph (c) by the amount of money in the  
107.22 uncompensated care pool that is available for the six-month period.

107.23 (e) The commissioner shall apply for federal matching funds under section  
107.24 256B.199, paragraphs (a) to (d), for expenditures under this subdivision.

107.25 (f) Outpatient prescription drugs are not eligible for payment under this subdivision.

107.26 Sec. 42. Laws 2010, chapter 200, article 1, section 16, is amended by adding an  
107.27 effective date to read:

107.28 **EFFECTIVE DATE.** This section is effective June 1, 2010.

107.29 Sec. 43. Laws 2010, chapter 200, article 1, section 21, is amended to read:

107.30 Sec. 21. **REPEALER.**

107.31 (a) Minnesota Statutes 2008, sections 256.742; 256.979, subdivision 8; and 256D.03,  
107.32 subdivision 9, are repealed effective April 1, 2010.

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108.1 (b) Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 4, is repealed  
108.2 effective ~~April~~ June 1, 2010.

108.3 (c) Minnesota Statutes 2008, section 256B.195, subdivisions 4 and 5, are repealed  
108.4 effective for federal fiscal year 2010.

108.5 (d) Minnesota Statutes 2009 Supplement, section 256B.195, subdivisions 1, 2, and  
108.6 3, are repealed effective for federal fiscal year 2010.

108.7 (e) Minnesota Statutes 2008, sections 256L.07, subdivision 6; 256L.15, subdivision  
108.8 4; and 256L.17, subdivision 7, are repealed ~~January 1, 2011~~ July 1, 2010.

108.9 **EFFECTIVE DATE.** This section is effective retroactively from April 1, 2010.

108.10 Sec. 44. **PREPAID HEALTH PLAN RATES.**

108.11 In negotiating the prepaid health plan contract rates for services rendered on or  
108.12 after January 1, 2011, the commissioner of human services shall take into consideration  
108.13 and the rates shall reflect the anticipated savings in the medical assistance program due  
108.14 to extending medical assistance coverage to services provided in licensed birth centers,  
108.15 the anticipated use of these services within the medical assistance population, and the  
108.16 reduced medical assistance costs associated with the use of birth centers for normal,  
108.17 low-risk deliveries.

108.18 **EFFECTIVE DATE.** This section is effective July 1, 2010.

108.19 Sec. 45. **STATE PLAN AMENDMENT; FEDERAL APPROVAL.**

108.20 (a) The commissioner of human services shall submit a Medicaid state plan  
108.21 amendment to receive federal fund participation for adults without children whose income  
108.22 is equal to or less than 75 percent of federal poverty guidelines in accordance with the  
108.23 Patient Protection and Affordable Care Act, Public Law 111-148, or the Health Care and  
108.24 Education Reconciliation Act of 2010, Public Law 111-152. The effective date of the  
108.25 state plan amendment shall be July 1, 2010.

108.26 (b) The commissioner of human services shall submit a federal waiver or an  
108.27 amendment to the MinnesotaCare health care reform waiver to include in the waiver  
108.28 single adults and households without children.

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

108.30 Sec. 46. **REPEALER.**

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109.1 (a) Minnesota Statutes 2008, section 256D.03, subdivisions 3, 3a, 5, 6, 7, and 8, are  
109.2 repealed contingently upon implementation of Minnesota Statutes, sections 256B.055,  
109.3 subdivision 15, and 256B.056, subdivisions 3 and 4.

109.4 (b) Laws 2010, chapter 200, article 1, sections 12, subdivisions 1, 2, 3, and 5; 18;  
109.5 and 19, are repealed contingently upon implementation of Minnesota Statutes, sections  
109.6 256B.055, subdivision 15, and 256B.056, subdivisions 3 and 4.

109.7 (c) Laws 2010, chapter 200, article 1, section 12, subdivisions 4, 6, 7, 8, 9, and 10,  
109.8 are repealed contingently upon implementation of Minnesota Statutes, sections 256B.055,  
109.9 subdivision 15, and 256B.056, subdivisions 3 and 4.

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

109.11 Sec. 47. **EFFECTIVE DATE OF EARLY ENROLLMENT IN MEDICAL**  
109.12 **ASSISTANCE.**

109.13 (a) In order for sections 4 to 6 and 19 to be effective, the governor in office at the  
109.14 time of enactment of this section must direct, by executive order issued at any time  
109.15 during that governor's term, the commissioner of human services to implement them,  
109.16 notwithstanding any other effective dates for those sections.

109.17 (b) If the governor in office at the time of enactment of this section does not issue an  
109.18 executive order under paragraph (a) directing implementation, the succeeding governor,  
109.19 from the start of that governor's term until January 15, 2011, may by executive order direct  
109.20 the commissioner of human services to implement sections 4 to 6 and 19.

109.21 (c) If a governor does not issue an executive order under paragraph (a) or (b),  
109.22 sections 4 to 6 and 19 are not effective and do not have the force of law.

109.23 (d) In making the determinations under this section whether to issue an executive  
109.24 order under paragraph (a) or (b), the governor shall consider the cost of implementation  
109.25 and the availability of funds in the state treasury, the potential for increased federal  
109.26 funding, the effect of implementation on access to health care services in the state, and  
109.27 alternative approaches that may be available to pursue policy goals.

109.28 (e) If this section is determined by a court of competent jurisdiction to be  
109.29 unconstitutional, sections 4 to 6 and 19 are not effective and do not have the force of law.

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

ARTICLE 17

CONTINUING CARE

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Section 1. Minnesota Statutes 2008, section 144D.03, subdivision 2, is amended to read:

Subd. 2. **Registration information.** The establishment shall provide the following information to the commissioner in order to be registered:

(1) the business name, street address, and mailing address of the establishment;

(2) the name and mailing address of the owner or owners of the establishment and, if the owner or owners are not natural persons, identification of the type of business entity of the owner or owners, and the names and addresses of the officers and members of the governing body, or comparable persons for partnerships, limited liability corporations, or other types of business organizations of the owner or owners;

(3) the name and mailing address of the managing agent, whether through management agreement or lease agreement, of the establishment, if different from the owner or owners, and the name of the on-site manager, if any;

(4) verification that the establishment has entered into a housing with services contract, as required in section 144D.04, with each resident or resident's representative;

(5) verification that the establishment is complying with the requirements of section 325F.72, if applicable;

(6) the name and address of at least one natural person who shall be responsible for dealing with the commissioner on all matters provided for in sections 144D.01 to 144D.06, and on whom personal service of all notices and orders shall be made, and who shall be authorized to accept service on behalf of the owner or owners and the managing agent, if any; ~~and~~

(7) the signature of the authorized representative of the owner or owners or, if the owner or owners are not natural persons, signatures of at least two authorized representatives of each owner, one of which shall be an officer of the owner; and

(8) whether services are included in the base rate to be paid by the resident.

Personal service on the person identified under clause (6) by the owner or owners in the registration shall be considered service on the owner or owners, and it shall not be a defense to any action that personal service was not made on each individual or entity. The designation of one or more individuals under this subdivision shall not affect the legal responsibility of the owner or owners under sections 144D.01 to 144D.06.

Sec. 2. Minnesota Statutes 2008, section 144D.04, subdivision 2, is amended to read:

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111.1 Subd. 2. **Contents of contract.** A housing with services contract, which need not be  
111.2 entitled as such to comply with this section, shall include at least the following elements  
111.3 in itself or through supporting documents or attachments:

111.4 (1) the name, street address, and mailing address of the establishment;

111.5 (2) the name and mailing address of the owner or owners of the establishment and, if  
111.6 the owner or owners is not a natural person, identification of the type of business entity  
111.7 of the owner or owners;

111.8 (3) the name and mailing address of the managing agent, through management  
111.9 agreement or lease agreement, of the establishment, if different from the owner or owners;

111.10 (4) the name and address of at least one natural person who is authorized to accept  
111.11 service of process on behalf of the owner or owners and managing agent;

111.12 (5) a statement describing the registration and licensure status of the establishment  
111.13 and any provider providing health-related or supportive services under an arrangement  
111.14 with the establishment;

111.15 (6) the term of the contract;

111.16 (7) a description of the services to be provided to the resident in the base rate to be  
111.17 paid by resident, including a delineation of the portion of the base rate that constitutes rent  
111.18 and a delineation of charges for each service included in the base rate;

111.19 (8) a description of any additional services, including home care services, available  
111.20 for an additional fee from the establishment directly or through arrangements with the  
111.21 establishment, and a schedule of fees charged for these services;

111.22 (9) a description of the process through which the contract may be modified,  
111.23 amended, or terminated;

111.24 (10) a description of the establishment's complaint resolution process available  
111.25 to residents including the toll-free complaint line for the Office of Ombudsman for  
111.26 Long-Term Care;

111.27 (11) the resident's designated representative, if any;

111.28 (12) the establishment's referral procedures if the contract is terminated;

111.29 (13) requirements of residency used by the establishment to determine who may  
111.30 reside or continue to reside in the housing with services establishment;

111.31 (14) billing and payment procedures and requirements;

111.32 (15) a statement regarding the ability of residents to receive services from service  
111.33 providers with whom the establishment does not have an arrangement;

111.34 (16) a statement regarding the availability of public funds for payment for residence  
111.35 or services in the establishment; and

112.1 (17) a statement regarding the availability of and contact information for  
112.2 long-term care consultation services under section 256B.0911 in the county in which the  
112.3 establishment is located.

112.4 **Sec. 3. [144D.08] UNIFORM CONSUMER INFORMATION GUIDE.**

112.5 All housing with services establishments shall make available to all prospective  
112.6 and current residents information consistent with the uniform format and the required  
112.7 components adopted by the commissioner under section 144G.06.

112.8 **Sec. 4. [144D.09] TERMINATION OF LEASE.**

112.9 The housing with services establishment shall include with notice of termination  
112.10 of lease information about how to contact the ombudsman for long-term care, including  
112.11 the address and phone number along with a statement of how to request problem-solving  
112.12 assistance.

112.13 Sec. 5. Minnesota Statutes 2008, section 144G.06, is amended to read:

112.14 **144G.06 UNIFORM CONSUMER INFORMATION GUIDE.**

112.15 (a) The commissioner of health shall establish an advisory committee consisting  
112.16 of representatives of consumers, providers, county and state officials, and other  
112.17 groups the commissioner considers appropriate. The advisory committee shall present  
112.18 recommendations to the commissioner on:

112.19 (1) a format for a guide to be used by individual providers of assisted living, as  
112.20 defined in section 144G.01, that includes information about services offered by that  
112.21 provider, which services may be covered by Medicare, service costs, and other relevant  
112.22 provider-specific information, as well as a statement of philosophy and values associated  
112.23 with assisted living, presented in uniform categories that facilitate comparison with guides  
112.24 issued by other providers; and

112.25 (2) requirements for informing assisted living clients, as defined in section 144G.01,  
112.26 of their applicable legal rights.

112.27 (b) The commissioner, after reviewing the recommendations of the advisory  
112.28 committee, shall adopt a uniform format for the guide to be used by individual providers,  
112.29 and the required components of materials to be used by providers to inform assisted  
112.30 living clients of their legal rights, and shall make the uniform format and the required  
112.31 components available to assisted living providers.

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113.1 Sec. 6. Minnesota Statutes 2009 Supplement, section 252.27, subdivision 2a, is  
113.2 amended to read:

113.3 Subd. 2a. **Contribution amount.** (a) The natural or adoptive parents of a minor  
113.4 child, including a child determined eligible for medical assistance without consideration of  
113.5 parental income, must contribute to the cost of services used by making monthly payments  
113.6 on a sliding scale based on income, unless the child is married or has been married,  
113.7 parental rights have been terminated, or the child's adoption is subsidized according to  
113.8 section 259.67 or through title IV-E of the Social Security Act. The parental contribution  
113.9 is a partial or full payment for medical services provided for diagnostic, therapeutic,  
113.10 curing, treating, mitigating, rehabilitation, maintenance, and personal care services as  
113.11 defined in United States Code, title 26, section 213, needed by the child with a chronic  
113.12 illness or disability.

113.13 (b) For households with adjusted gross income equal to or greater than 100 percent  
113.14 of federal poverty guidelines, the parental contribution shall be computed by applying the  
113.15 following schedule of rates to the adjusted gross income of the natural or adoptive parents:

113.16 (1) if the adjusted gross income is equal to or greater than 100 percent of federal  
113.17 poverty guidelines and less than 175 percent of federal poverty guidelines, the parental  
113.18 contribution is \$4 per month;

113.19 (2) if the adjusted gross income is equal to or greater than 175 percent of federal  
113.20 poverty guidelines and less than or equal to 545 percent of federal poverty guidelines,  
113.21 the parental contribution shall be determined using a sliding fee scale established by the  
113.22 commissioner of human services which begins at one percent of adjusted gross income  
113.23 at 175 percent of federal poverty guidelines and increases to 7.5 percent of adjusted  
113.24 gross income for those with adjusted gross income up to 545 percent of federal poverty  
113.25 guidelines;

113.26 (3) if the adjusted gross income is greater than 545 percent of federal poverty  
113.27 guidelines and less than 675 percent of federal poverty guidelines, the parental  
113.28 contribution shall be 7.5 percent of adjusted gross income;

113.29 (4) if the adjusted gross income is equal to or greater than 675 percent of federal  
113.30 poverty guidelines and less than 975 percent of federal poverty guidelines, the parental  
113.31 contribution shall be determined using a sliding fee scale established by the commissioner  
113.32 of human services which begins at 7.5 percent of adjusted gross income at 675 percent of  
113.33 federal poverty guidelines and increases to ten percent of adjusted gross income for those  
113.34 with adjusted gross income up to 975 percent of federal poverty guidelines; and

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114.1 (5) if the adjusted gross income is equal to or greater than 975 percent of federal  
114.2 poverty guidelines, the parental contribution shall be 12.5 percent of adjusted gross  
114.3 income.

114.4 If the child lives with the parent, the annual adjusted gross income is reduced by  
114.5 \$2,400 prior to calculating the parental contribution. If the child resides in an institution  
114.6 specified in section 256B.35, the parent is responsible for the personal needs allowance  
114.7 specified under that section in addition to the parental contribution determined under this  
114.8 section. The parental contribution is reduced by any amount required to be paid directly to  
114.9 the child pursuant to a court order, but only if actually paid.

114.10 (c) The household size to be used in determining the amount of contribution under  
114.11 paragraph (b) includes natural and adoptive parents and their dependents, including the  
114.12 child receiving services. Adjustments in the contribution amount due to annual changes  
114.13 in the federal poverty guidelines shall be implemented on the first day of July following  
114.14 publication of the changes.

114.15 (d) For purposes of paragraph (b), "income" means the adjusted gross income of the  
114.16 natural or adoptive parents determined according to the previous year's federal tax form,  
114.17 except, effective retroactive to July 1, 2003, taxable capital gains to the extent the funds  
114.18 have been used to purchase a home shall not be counted as income.

114.19 (e) The contribution shall be explained in writing to the parents at the time eligibility  
114.20 for services is being determined. The contribution shall be made on a monthly basis  
114.21 effective with the first month in which the child receives services. Annually upon  
114.22 redetermination or at termination of eligibility, if the contribution exceeded the cost of  
114.23 services provided, the local agency or the state shall reimburse that excess amount to  
114.24 the parents, either by direct reimbursement if the parent is no longer required to pay a  
114.25 contribution, or by a reduction in or waiver of parental fees until the excess amount is  
114.26 exhausted. All reimbursements must include a notice that the amount reimbursed may be  
114.27 taxable income if the parent paid for the parent's fees through an employer's health care  
114.28 flexible spending account under the Internal Revenue Code, section 125, and that the  
114.29 parent is responsible for paying the taxes owed on the amount reimbursed.

114.30 (f) The monthly contribution amount must be reviewed at least every 12 months;  
114.31 when there is a change in household size; and when there is a loss of or gain in income  
114.32 from one month to another in excess of ten percent. The local agency shall mail a written  
114.33 notice 30 days in advance of the effective date of a change in the contribution amount.  
114.34 A decrease in the contribution amount is effective in the month that the parent verifies a  
114.35 reduction in income or change in household size.

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115.1 (g) Parents of a minor child who do not live with each other shall each pay the  
115.2 contribution required under paragraph (a). An amount equal to the annual court-ordered  
115.3 child support payment actually paid on behalf of the child receiving services shall be  
115.4 deducted from the adjusted gross income of the parent making the payment prior to  
115.5 calculating the parental contribution under paragraph (b).

115.6 (h) The contribution under paragraph (b) shall be increased by an additional five  
115.7 percent if the local agency determines that insurance coverage is available but not  
115.8 obtained for the child. For purposes of this section, "available" means the insurance is a  
115.9 benefit of employment for a family member at an annual cost of no more than five percent  
115.10 of the family's annual income. For purposes of this section, "insurance" means health  
115.11 and accident insurance coverage, enrollment in a nonprofit health service plan, health  
115.12 maintenance organization, self-insured plan, or preferred provider organization.

115.13 Parents who have more than one child receiving services shall not be required  
115.14 to pay more than the amount for the child with the highest expenditures. There shall  
115.15 be no resource contribution from the parents. The parent shall not be required to pay  
115.16 a contribution in excess of the cost of the services provided to the child, not counting  
115.17 payments made to school districts for education-related services. Notice of an increase in  
115.18 fee payment must be given at least 30 days before the increased fee is due.

115.19 (i) The contribution under paragraph (b) shall be reduced by \$300 per fiscal year if,  
115.20 in the 12 months prior to July 1:

115.21 (1) the parent applied for insurance for the child;

115.22 (2) the insurer denied insurance;

115.23 (3) the parents submitted a complaint or appeal, in writing to the insurer, submitted  
115.24 a complaint or appeal, in writing, to the commissioner of health or the commissioner of  
115.25 commerce, or litigated the complaint or appeal; and

115.26 (4) as a result of the dispute, the insurer reversed its decision and granted insurance.

115.27 For purposes of this section, "insurance" has the meaning given in paragraph (h).

115.28 A parent who has requested a reduction in the contribution amount under this  
115.29 paragraph shall submit proof in the form and manner prescribed by the commissioner or  
115.30 county agency, including, but not limited to, the insurer's denial of insurance, the written  
115.31 letter or complaint of the parents, court documents, and the written response of the insurer  
115.32 approving insurance. The determinations of the commissioner or county agency under this  
115.33 paragraph are not rules subject to chapter 14.

115.34 (j) Notwithstanding paragraph (b), for the period from July 1, 2010, to June 30,  
115.35 2013, the parental contribution shall be computed by applying the following contribution  
115.36 schedule to the adjusted gross income of the natural or adoptive parents:

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116.1 (1) if the adjusted gross income is equal to or greater than 100 percent of federal  
116.2 poverty guidelines and less than 175 percent of federal poverty guidelines, the parental  
116.3 contribution is \$4 per month;

116.4 (2) if the adjusted gross income is equal to or greater than 175 percent of federal  
116.5 poverty guidelines and less than or equal to 525 percent of federal poverty guidelines,  
116.6 the parental contribution shall be determined using a sliding fee scale established by the  
116.7 commissioner of human services which begins at one percent of adjusted gross income  
116.8 at 175 percent of federal poverty guidelines and increases to eight percent of adjusted  
116.9 gross income for those with adjusted gross income up to 525 percent of federal poverty  
116.10 guidelines;

116.11 (3) if the adjusted gross income is greater than 525 percent of federal poverty  
116.12 guidelines and less than 675 percent of federal poverty guidelines, the parental contribution  
116.13 shall be 9.5 percent of adjusted gross income;

116.14 (4) if the adjusted gross income is equal to or greater than 675 percent of federal  
116.15 poverty guidelines and less than 900 percent of federal poverty guidelines, the parental  
116.16 contribution shall be determined using a sliding fee scale established by the commissioner  
116.17 of human services which begins at 9.5 percent of adjusted gross income at 675 percent of  
116.18 federal poverty guidelines and increases to 12 percent of adjusted gross income for those  
116.19 with adjusted gross income up to 900 percent of federal poverty guidelines; and

116.20 (5) if the adjusted gross income is equal to or greater than 900 percent of federal  
116.21 poverty guidelines, the parental contribution shall be 13.5 percent of adjusted gross  
116.22 income. If the child lives with the parent, the annual adjusted gross income is reduced by  
116.23 \$2,400 prior to calculating the parental contribution. If the child resides in an institution  
116.24 specified in section 256B.35, the parent is responsible for the personal needs allowance  
116.25 specified under that section in addition to the parental contribution determined under this  
116.26 section. The parental contribution is reduced by any amount required to be paid directly to  
116.27 the child pursuant to a court order, but only if actually paid.

116.28 **Sec. 7. [256.4825] REPORT REGARDING PROGRAMS AND SERVICES FOR**  
116.29 **PEOPLE WITH DISABILITIES.**

116.30 The Minnesota State Council on Disability, the Minnesota Consortium for Citizens  
116.31 with Disabilities, and the Arc of Minnesota may submit an annual report by January 15 of  
116.32 each year, beginning in 2012, to the chairs and ranking minority members of the legislative  
116.33 committees with jurisdiction over programs serving people with disabilities as provided in  
116.34 this section. The report must describe the existing state policies and goals for programs  
116.35 serving people with disabilities including, but not limited to, programs for employment,

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117.1 transportation, housing, education, quality assurance, consumer direction, physical and  
117.2 programmatic access, and health. The report must provide data and measurements to  
117.3 assess the extent to which the policies and goals are being met. The commissioner of  
117.4 human services and the commissioners of other state agencies administering programs for  
117.5 people with disabilities shall cooperate with the Minnesota State Council on Disability,  
117.6 the Minnesota Consortium for Citizens with Disabilities, and the Arc of Minnesota and  
117.7 provide those organizations with existing published information and reports that will assist  
117.8 in the preparation of the report.

117.9 Sec. 8. Minnesota Statutes 2009 Supplement, section 256.975, subdivision 7, is  
117.10 amended to read:

117.11 Subd. 7. **Consumer information and assistance and long-term care options**  
117.12 **counseling; Senior LinkAge Line.** (a) The Minnesota Board on Aging shall operate a  
117.13 statewide service to aid older Minnesotans and their families in making informed choices  
117.14 about long-term care options and health care benefits. Language services to persons with  
117.15 limited English language skills may be made available. The service, known as Senior  
117.16 LinkAge Line, must be available during business hours through a statewide toll-free  
117.17 number and must also be available through the Internet.

117.18 (b) The service must provide long-term care options counseling by assisting older  
117.19 adults, caregivers, and providers in accessing information and options counseling about  
117.20 choices in long-term care services that are purchased through private providers or available  
117.21 through public options. The service must:

117.22 (1) develop a comprehensive database that includes detailed listings in both  
117.23 consumer- and provider-oriented formats;

117.24 (2) make the database accessible on the Internet and through other telecommunication  
117.25 and media-related tools;

117.26 (3) link callers to interactive long-term care screening tools and make these tools  
117.27 available through the Internet by integrating the tools with the database;

117.28 (4) develop community education materials with a focus on planning for long-term  
117.29 care and evaluating independent living, housing, and service options;

117.30 (5) conduct an outreach campaign to assist older adults and their caregivers in  
117.31 finding information on the Internet and through other means of communication;

117.32 (6) implement a messaging system for overflow callers and respond to these callers  
117.33 by the next business day;

117.34 (7) link callers with county human services and other providers to receive more  
117.35 in-depth assistance and consultation related to long-term care options;

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118.1 (8) link callers with quality profiles for nursing facilities and other providers  
118.2 developed by the commissioner of health;

118.3 (9) incorporate information about the availability of housing options, as well as  
118.4 registered housing with services and consumer rights within the MinnesotaHelp.info  
118.5 network long-term care database to facilitate consumer comparison of services and costs  
118.6 among housing with services establishments and with other in-home services and to  
118.7 support financial self-sufficiency as long as possible. Housing with services establishments  
118.8 and their arranged home care providers shall provide information ~~to the commissioner of~~  
118.9 ~~human services that is consistent with information required by the commissioner of health~~  
118.10 ~~under section 144G.06, the Uniform Consumer Information Guide~~ that will facilitate price  
118.11 comparisons, including delineation of charges for rent and for services available. The  
118.12 commissioners of health and human services shall align the data elements required by  
118.13 section 144G.06, the Uniform Consumer Information Guide, and this section to provide  
118.14 consumers standardized information and ease of comparison of long-term care options.  
118.15 The commissioner of human services shall provide the data to the Minnesota Board on  
118.16 Aging for inclusion in the MinnesotaHelp.info network long-term care database;

118.17 (10) provide long-term care options counseling. Long-term care options counselors  
118.18 shall:

118.19 (i) for individuals not eligible for case management under a public program or public  
118.20 funding source, provide interactive decision support under which consumers, family  
118.21 members, or other helpers are supported in their deliberations to determine appropriate  
118.22 long-term care choices in the context of the consumer's needs, preferences, values, and  
118.23 individual circumstances, including implementing a community support plan;

118.24 (ii) provide Web-based educational information and collateral written materials to  
118.25 familiarize consumers, family members, or other helpers with the long-term care basics,  
118.26 issues to be considered, and the range of options available in the community;

118.27 (iii) provide long-term care futures planning, which means providing assistance to  
118.28 individuals who anticipate having long-term care needs to develop a plan for the more  
118.29 distant future; and

118.30 (iv) provide expertise in benefits and financing options for long-term care, including  
118.31 Medicare, long-term care insurance, tax or employer-based incentives, reverse mortgages,  
118.32 private pay options, and ways to access low or no-cost services or benefits through  
118.33 volunteer-based or charitable programs; and

118.34 (11) using risk management and support planning protocols, provide long-term care  
118.35 options counseling to current residents of nursing homes deemed appropriate for discharge  
118.36 by the commissioner. In order to meet this requirement, the commissioner shall provide

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119.1 designated Senior LinkAge Line contact centers with a list of nursing home residents  
119.2 appropriate for discharge planning via a secure Web portal. Senior LinkAge Line shall  
119.3 provide these residents, if they indicate a preference to receive long-term care options  
119.4 counseling, with initial assessment, review of risk factors, independent living support  
119.5 consultation, or referral to:

- 119.6 (i) long-term care consultation services under section 256B.0911;
- 119.7 (ii) designated care coordinators of contracted entities under section 256B.035 for  
119.8 persons who are enrolled in a managed care plan; or
- 119.9 (iii) the long-term care consultation team for those who are appropriate for relocation  
119.10 service coordination due to high-risk factors or psychological or physical disability.

119.11 Sec. 9. Minnesota Statutes 2008, section 256B.057, subdivision 9, is amended to read:

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

- 119.14 (1) but for excess earnings or assets, meets the definition of disabled under the  
119.15 supplemental security income program;
- 119.16 (2) is at least 16 but less than 65 years of age;
- 119.17 (3) meets the asset limits in paragraph (c); and
- 119.18 (4) ~~effective November 1, 2003~~, pays a premium and other obligations under  
119.19 paragraph (e).

119.20 Any spousal income or assets shall be disregarded for purposes of eligibility and premium  
119.21 determinations.

119.22 (b) After the month of enrollment, a person enrolled in medical assistance under  
119.23 this subdivision who:

- 119.24 (1) is temporarily unable to work and without receipt of earned income due to a  
119.25 medical condition, as verified by a physician, may retain eligibility for up to four calendar  
119.26 months; or
- 119.27 (2) effective January 1, 2004, loses employment for reasons not attributable to the  
119.28 enrollee, may retain eligibility for up to four consecutive months after the month of job  
119.29 loss. To receive a four-month extension, enrollees must verify the medical condition or  
119.30 provide notification of job loss. All other eligibility requirements must be met and the  
119.31 enrollee must pay all calculated premium costs for continued eligibility.

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

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

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

120.3 (3) medical expense accounts set up through the person's employer.

120.4 (d)(1) Effective January 1, 2004, for purposes of eligibility, there will be a \$65  
120.5 earned income disregard. To be eligible, a person applying for medical assistance under  
120.6 this subdivision must have earned income above the disregard level.

120.7 (2) Effective January 1, 2004, to be considered earned income, Medicare, Social  
120.8 Security, and applicable state and federal income taxes must be withheld. To be eligible,  
120.9 a person must document earned income tax withholding.

120.10 (e)(1) A person whose earned and unearned income is equal to or greater than 100  
120.11 percent of federal poverty guidelines for the applicable family size must pay a premium  
120.12 to be eligible for medical assistance under this subdivision. The premium shall be based  
120.13 on the person's gross earned and unearned income and the applicable family size using a  
120.14 sliding fee scale established by the commissioner, which begins at one percent of income  
120.15 at 100 percent of the federal poverty guidelines and increases to 7.5 percent of income  
120.16 for those with incomes at or above 300 percent of the federal poverty guidelines. Annual  
120.17 adjustments in the premium schedule based upon changes in the federal poverty guidelines  
120.18 shall be effective for premiums due in July of each year.

120.19 (2) Effective January 1, 2004, all enrollees must pay a premium to be eligible for  
120.20 medical assistance under this subdivision. An enrollee shall pay the greater of a \$35  
120.21 premium or the premium calculated in clause (1).

120.22 (3) Effective November 1, 2003, all enrollees who receive unearned income must  
120.23 pay one-half of one percent of unearned income in addition to the premium amount.

120.24 (4) Effective November 1, 2003, for enrollees whose income does not exceed 200  
120.25 percent of the federal poverty guidelines and who are also enrolled in Medicare, the  
120.26 commissioner must reimburse the enrollee for Medicare Part B premiums under section  
120.27 256B.0625, subdivision 15, paragraph (a).

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

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

120.33 (g) Any required premium shall be determined at application and redetermined at  
120.34 the enrollee's six-month income review or when a change in income or household size is  
120.35 reported. Enrollees must report any change in income or household size within ten days  
120.36 of when the change occurs. A decreased premium resulting from a reported change in

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121.1 income or household size shall be effective the first day of the next available billing month  
121.2 after the change is reported. Except for changes occurring from annual cost-of-living  
121.3 increases, a change resulting in an increased premium shall not affect the premium amount  
121.4 until the next six-month review.

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

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

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

121.21 **EFFECTIVE DATE.** This section is effective January 1, 2011.

121.22 Sec. 10. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 11,  
121.23 is amended to read:

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

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

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

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

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

121.32 (3) enroll with the department as a personal care assistant after clearing a background  
121.33 study. Before a personal care assistant provides services, the personal care assistance  
121.34 provider agency must initiate a background study on the personal care assistant under

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122.1 chapter 245C, and the personal care assistance provider agency must have received a  
122.2 notice from the commissioner that the personal care assistant is:

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

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

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

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

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

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

122.15 (8) effective January 1, 2010, complete standardized training as determined by the  
122.16 commissioner before completing enrollment. Personal care assistant training must include  
122.17 successful completion of the following training components: basic first aid, vulnerable  
122.18 adult, child maltreatment, OSHA universal precautions, basic roles and responsibilities of  
122.19 personal care assistants including information about assistance with lifting and transfers  
122.20 for recipients, emergency preparedness, orientation to positive behavioral practices, fraud  
122.21 issues, and completion of time sheets. Upon completion of the training components,  
122.22 the personal care assistant must demonstrate the competency to provide assistance to  
122.23 recipients;

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

122.26 (10) be limited to providing and being paid for up to ~~310~~ 275 hours per month of  
122.27 personal care assistance services regardless of the number of recipients being served or the  
122.28 number of personal care assistance provider agencies enrolled with.

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

122.31 (c) Effective January 1, 2010, persons who do not qualify as a personal care assistant  
122.32 include parents and stepparents of minors, spouses, paid legal guardians, family foster  
122.33 care providers, except as otherwise allowed in section 256B.0625, subdivision 19a, or  
122.34 staff of a residential setting.

122.35 **EFFECTIVE DATE.** This section is effective July 1, 2011.

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123.1 Sec. 11. Minnesota Statutes 2008, section 256B.0915, is amended by adding a  
123.2 subdivision to read:

123.3 **Subd. 3i. Rate reduction for customized living and 24-hour customized living**  
123.4 **services.** (a) Effective July 1, 2010, the commissioner shall reduce service component  
123.5 rates and service rate limits for customized living services and 24-hour customized living  
123.6 services, from the rates in effect on June 30, 2010, by five percent.

123.7 (b) To implement the rate reductions in this subdivision, capitation rates paid by the  
123.8 commissioner to managed care organizations under section 256B.69 shall reflect a ten  
123.9 percent reduction for the specified services for the period January 1, 2011, to June 30,  
123.10 2011, and a five percent reduction for those services on and after July 1, 2011.

123.11 Sec. 12. Minnesota Statutes 2009 Supplement, section 256B.441, subdivision 55,  
123.12 is amended to read:

123.13 **Subd. 55. Phase-in of rebased operating payment rates.** (a) For the rate years  
123.14 beginning October 1, 2008, to October 1, 2015, the operating payment rate calculated  
123.15 under this section shall be phased in by blending the operating rate with the operating  
123.16 payment rate determined under section 256B.434. For purposes of this subdivision, the  
123.17 rate to be used that is determined under section 256B.434 shall not include the portion of  
123.18 the operating payment rate related to performance-based incentive payments under section  
123.19 256B.434, subdivision 4, paragraph (d). For the rate year beginning October 1, 2008, the  
123.20 operating payment rate for each facility shall be 13 percent of the operating payment rate  
123.21 from this section, and 87 percent of the operating payment rate from section 256B.434.  
123.22 ~~For the rate year beginning October 1, 2009, the operating payment rate for each facility~~  
123.23 ~~shall be 14 percent of the operating payment rate from this section, and 86 percent of~~  
123.24 ~~the operating payment rate from section 256B.434. For rate years beginning October 1,~~  
123.25 ~~2010; October 1, 2011; and October 1, 2012, For the rate period from October 1, 2009, to~~  
123.26 September 30, 2013, no rate adjustments shall be implemented under this section, but shall  
123.27 be determined under section 256B.434. For the rate year beginning October 1, 2013, the  
123.28 operating payment rate for each facility shall be 65 percent of the operating payment rate  
123.29 from this section, and 35 percent of the operating payment rate from section 256B.434.  
123.30 For the rate year beginning October 1, 2014, the operating payment rate for each facility  
123.31 shall be 82 percent of the operating payment rate from this section, and 18 percent of the  
123.32 operating payment rate from section 256B.434. For the rate year beginning October 1,  
123.33 2015, the operating payment rate for each facility shall be the operating payment rate  
123.34 determined under this section. The blending of operating payment rates under this section  
123.35 shall be performed separately for each RUG's class.

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124.1 (b) For the rate year beginning October 1, 2008, the commissioner shall apply limits  
124.2 to the operating payment rate increases under paragraph (a) by creating a minimum  
124.3 percentage increase and a maximum percentage increase.

124.4 (1) Each nursing facility that receives a blended October 1, 2008, operating payment  
124.5 rate increase under paragraph (a) of less than one percent, when compared to its operating  
124.6 payment rate on September 30, 2008, computed using rates with RUG's weight of 1.00,  
124.7 shall receive a rate adjustment of one percent.

124.8 (2) The commissioner shall determine a maximum percentage increase that will  
124.9 result in savings equal to the cost of allowing the minimum increase in clause (1). Nursing  
124.10 facilities with a blended October 1, 2008, operating payment rate increase under paragraph  
124.11 (a) greater than the maximum percentage increase determined by the commissioner, when  
124.12 compared to its operating payment rate on September 30, 2008, computed using rates with  
124.13 a RUG's weight of 1.00, shall receive the maximum percentage increase.

124.14 (3) Nursing facilities with a blended October 1, 2008, operating payment rate  
124.15 increase under paragraph (a) greater than one percent and less than the maximum  
124.16 percentage increase determined by the commissioner, when compared to its operating  
124.17 payment rate on September 30, 2008, computed using rates with a RUG's weight of 1.00,  
124.18 shall receive the blended October 1, 2008, operating payment rate increase determined  
124.19 under paragraph (a).

124.20 (4) The October 1, 2009, through October 1, 2015, operating payment rate for  
124.21 facilities receiving the maximum percentage increase determined in clause (2) shall be  
124.22 the amount determined under paragraph (a) less the difference between the amount  
124.23 determined under paragraph (a) for October 1, 2008, and the amount allowed under clause  
124.24 (2). This rate restriction does not apply to rate increases provided in any other section.

124.25 (c) A portion of the funds received under this subdivision that are in excess of  
124.26 operating payment rates that a facility would have received under section 256B.434, as  
124.27 determined in accordance with clauses (1) to (3), shall be subject to the requirements in  
124.28 section 256B.434, subdivision 19, paragraphs (b) to (h).

124.29 (1) Determine the amount of additional funding available to a facility, which shall be  
124.30 equal to total medical assistance resident days from the most recent reporting year times  
124.31 the difference between the blended rate determined in paragraph (a) for the rate year being  
124.32 computed and the blended rate for the prior year.

124.33 (2) Determine the portion of all operating costs, for the most recent reporting year,  
124.34 that are compensation related. If this value exceeds 75 percent, use 75 percent.

124.35 (3) Subtract the amount determined in clause (2) from 75 percent.

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125.1 (4) The portion of the fund received under this subdivision that shall be subject to  
125.2 the requirements in section 256B.434, subdivision 19, paragraphs (b) to (h), shall equal  
125.3 the amount determined in clause (1) times the amount determined in clause (3).

125.4 **EFFECTIVE DATE.** This section is effective retroactive to October 1, 2009.

125.5 Sec. 13. Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 23,  
125.6 is amended to read:

125.7 Subd. 23. **Alternative services; elderly and disabled persons.** (a) The  
125.8 commissioner may implement demonstration projects to create alternative integrated  
125.9 delivery systems for acute and long-term care services to elderly persons and persons  
125.10 with disabilities as defined in section 256B.77, subdivision 7a, that provide increased  
125.11 coordination, improve access to quality services, and mitigate future cost increases.  
125.12 The commissioner may seek federal authority to combine Medicare and Medicaid  
125.13 capitation payments for the purpose of such demonstrations and may contract with  
125.14 Medicare-approved special needs plans to provide Medicaid services. Medicare funds and  
125.15 services shall be administered according to the terms and conditions of the federal contract  
125.16 and demonstration provisions. For the purpose of administering medical assistance funds,  
125.17 demonstrations under this subdivision are subject to subdivisions 1 to 22. The provisions  
125.18 of Minnesota Rules, parts 9500.1450 to 9500.1464, apply to these demonstrations,  
125.19 with the exceptions of parts 9500.1452, subpart 2, item B; and 9500.1457, subpart 1,  
125.20 items B and C, which do not apply to persons enrolling in demonstrations under this  
125.21 section. An initial open enrollment period may be provided. Persons who disenroll from  
125.22 demonstrations under this subdivision remain subject to Minnesota Rules, parts 9500.1450  
125.23 to 9500.1464. When a person is enrolled in a health plan under these demonstrations and  
125.24 the health plan's participation is subsequently terminated for any reason, the person shall  
125.25 be provided an opportunity to select a new health plan and shall have the right to change  
125.26 health plans within the first 60 days of enrollment in the second health plan. Persons  
125.27 required to participate in health plans under this section who fail to make a choice of  
125.28 health plan shall not be randomly assigned to health plans under these demonstrations.  
125.29 Notwithstanding section 256L.12, subdivision 5, and Minnesota Rules, part 9505.5220,  
125.30 subpart 1, item A, if adopted, for the purpose of demonstrations under this subdivision,  
125.31 the commissioner may contract with managed care organizations, including counties, to  
125.32 serve only elderly persons eligible for medical assistance, elderly and disabled persons, or  
125.33 disabled persons only. For persons with a primary diagnosis of developmental disability,  
125.34 serious and persistent mental illness, or serious emotional disturbance, the commissioner  
125.35 must ensure that the county authority has approved the demonstration and contracting

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126.1 design. Enrollment in these projects for persons with disabilities shall be voluntary. The  
126.2 commissioner shall not implement any demonstration project under this subdivision for  
126.3 persons with a primary diagnosis of developmental disabilities, serious and persistent  
126.4 mental illness, or serious emotional disturbance, without approval of the county board of  
126.5 the county in which the demonstration is being implemented.

126.6 (b) Notwithstanding chapter 245B, sections 252.40 to 252.46, 256B.092, 256B.501  
126.7 to 256B.5015, and Minnesota Rules, parts 9525.0004 to 9525.0036, 9525.1200 to  
126.8 9525.1330, 9525.1580, and 9525.1800 to 9525.1930, the commissioner may implement  
126.9 under this section projects for persons with developmental disabilities. The commissioner  
126.10 may capitate payments for ICF/MR services, waived services for developmental  
126.11 disabilities, including case management services, day training and habilitation and  
126.12 alternative active treatment services, and other services as approved by the state and by the  
126.13 federal government. Case management and active treatment must be individualized and  
126.14 developed in accordance with a person-centered plan. Costs under these projects may not  
126.15 exceed costs that would have been incurred under fee-for-service. Beginning July 1, 2003,  
126.16 and until four years after the pilot project implementation date, subcontractor participation  
126.17 in the long-term care developmental disability pilot is limited to a nonprofit long-term  
126.18 care system providing ICF/MR services, home and community-based waiver services,  
126.19 and in-home services to no more than 120 consumers with developmental disabilities in  
126.20 Carver, Hennepin, and Scott Counties. The commissioner shall report to the legislature  
126.21 prior to expansion of the developmental disability pilot project. This paragraph expires  
126.22 four years after the implementation date of the pilot project.

126.23 (c) Before implementation of a demonstration project for disabled persons, the  
126.24 commissioner must provide information to appropriate committees of the house of  
126.25 representatives and senate and must involve representatives of affected disability groups  
126.26 in the design of the demonstration projects.

126.27 (d) A nursing facility reimbursed under the alternative reimbursement methodology  
126.28 in section 256B.434 may, in collaboration with a hospital, clinic, or other health care entity  
126.29 provide services under paragraph (a). The commissioner shall amend the state plan and  
126.30 seek any federal waivers necessary to implement this paragraph.

126.31 (e) The commissioner, in consultation with the commissioners of commerce and  
126.32 health, may approve and implement programs for all-inclusive care for the elderly (PACE)  
126.33 according to federal laws and regulations governing that program and state laws or rules  
126.34 applicable to participating providers. ~~The process for approval of these programs shall  
126.35 begin only after the commissioner receives grant money in an amount sufficient to cover  
126.36 the state share of the administrative and actuarial costs to implement the programs during~~

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127.1 ~~state fiscal years 2006 and 2007. Grant amounts for this purpose shall be deposited in an~~  
127.2 ~~account in the special revenue fund and are appropriated to the commissioner to be used~~  
127.3 ~~solely for the purpose of PACE administrative and actuarial costs. A PACE provider is~~  
127.4 not required to be licensed or certified as a health plan company as defined in section  
127.5 62Q.01, subdivision 4. Persons age 55 and older who have been screened by the county  
127.6 and found to be eligible for services under the elderly waiver or community alternatives  
127.7 for disabled individuals or who are already eligible for Medicaid but meet level of  
127.8 care criteria for receipt of waiver services may choose to enroll in the PACE program.  
127.9 Medicare and Medicaid services will be provided according to this subdivision and  
127.10 federal Medicare and Medicaid requirements governing PACE providers and programs.  
127.11 PACE enrollees will receive Medicaid home and community-based services through the  
127.12 PACE provider as an alternative to services for which they would otherwise be eligible  
127.13 through home and community-based waiver programs and Medicaid State Plan Services.  
127.14 The commissioner shall establish Medicaid rates for PACE providers that do not exceed  
127.15 costs that would have been incurred under fee-for-service or other relevant managed care  
127.16 programs operated by the state.

127.17 (f) The commissioner shall seek federal approval to expand the Minnesota disability  
127.18 health options (MnDHO) program established under this subdivision in stages, first to  
127.19 regional population centers outside the seven-county metro area and then to all areas of  
127.20 the state. Until July 1, 2009, expansion for MnDHO projects that include home and  
127.21 community-based services is limited to the two projects and service areas in effect on  
127.22 March 1, 2006. Enrollment in integrated MnDHO programs that include home and  
127.23 community-based services shall remain voluntary. Costs for home and community-based  
127.24 services included under MnDHO must not exceed costs that would have been incurred  
127.25 under the fee-for-service program. Notwithstanding whether expansion occurs under  
127.26 this paragraph, in determining MnDHO payment rates and risk adjustment methods ~~for~~  
127.27 ~~contract years starting in 2012~~, the commissioner must consider the methods used to  
127.28 determine county allocations for home and community-based program participants. If  
127.29 necessary to reduce MnDHO rates to comply with the provision regarding MnDHO costs  
127.30 for home and community-based services, the commissioner shall achieve the reduction  
127.31 by maintaining the base rate for contract ~~years~~ year 2010 and 2011 for services provided  
127.32 under the community alternatives for disabled individuals waiver at the same level as for  
127.33 contract year 2009. The commissioner may apply other reductions to MnDHO rates to  
127.34 implement decreases in provider payment rates required by state law. Effective January  
127.35 1, 2011, enrollment and operation of the MnDHO program in effect during 2010 shall  
127.36 cease. The commissioner may reopen the program provided all applicable conditions of

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128.1 this section are met. In developing program specifications for expansion of integrated  
128.2 programs, the commissioner shall involve and consult the state-level stakeholder group  
128.3 established in subdivision 28, paragraph (d), including consultation on whether and how  
128.4 to include home and community-based waiver programs. Plans ~~for further expansion of to~~  
128.5 reopen MnDHO projects shall be presented to the chairs of the house of representatives  
128.6 and senate committees with jurisdiction over health and human services policy and finance  
128.7 ~~by February 1, 2007~~ prior to implementation.

128.8 (g) Notwithstanding section 256B.0261, health plans providing services under this  
128.9 section are responsible for home care targeted case management and relocation targeted  
128.10 case management. Services must be provided according to the terms of the waivers and  
128.11 contracts approved by the federal government.

128.12 Sec. 14. Laws 2009, chapter 79, article 8, section 51, the effective date, is amended to  
128.13 read:

128.14 **EFFECTIVE DATE.** This section is effective ~~January~~ July 1, 2011.

128.15 Sec. 15. Laws 2009, chapter 79, article 8, section 84, is amended to read:

128.16 Sec. 84. **HOUSING OPTIONS.**

128.17 The commissioner of human services, in consultation with the commissioner of  
128.18 administration and the Minnesota Housing Finance Agency, and representatives of  
128.19 counties, residents' advocacy groups, consumers of housing services, and provider  
128.20 agencies shall explore ways to maximize the availability and affordability of housing  
128.21 choices available to persons with disabilities or who need care assistance due to other  
128.22 health challenges. A goal shall also be to minimize state physical plant costs in order to  
128.23 serve more persons with appropriate program and care support. Consideration shall be  
128.24 given to:

128.25 (1) improved access to rent subsidies;

128.26 (2) use of cooperatives, land trusts, and other limited equity ownership models;

128.27 (3) whether a public equity housing fund should be established that would maintain  
128.28 the state's interest, to the extent paid from state funds, including group residential housing  
128.29 and Minnesota supplemental aid shelter-needy funds in provider-owned housing, so that  
128.30 when sold, the state would recover its share for a public equity fund to be used for future  
128.31 public needs under this chapter;

128.32 (4) the desirability of the state acquiring an ownership interest or promoting the  
128.33 use of publicly owned housing;

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129.1 (5) promoting more choices in the market for accessible housing that meets the  
129.2 needs of persons with physical challenges; ~~and~~

129.3 (6) what consumer ownership models, if any, are appropriate; and

129.4 (7) a review of the definition of home and community services and appropriate  
129.5 settings where these services may be provided, including the number of people who  
129.6 may reside under one roof, through the home and community-based waivers for seniors  
129.7 and individuals with disabilities.

129.8 The commissioner shall provide a written report on the findings of the evaluation of  
129.9 housing options to the chairs and ranking minority members of the house of representatives  
129.10 and senate standing committees with jurisdiction over health and human services policy  
129.11 and funding by December 15, 2010. This report shall replace the November 1, 2010,  
129.12 annual report by the commissioner required in Minnesota Statutes, sections 256B.0916,  
129.13 subdivision 7, and 256B.49, subdivision 21.

129.14 Sec. 16. **COMMISSIONER TO SEEK FEDERAL MATCH.**

129.15 (a) The commissioner of human services shall seek federal financial participation  
129.16 for eligible activity related to fiscal years 2010 and 2011 grants to Advocating Change  
129.17 Together to establish a statewide self-advocacy network for persons with developmental  
129.18 disabilities and for eligible activities under any future grants to the organization.

129.19 (b) The commissioner shall report to the chairs and ranking minority members of  
129.20 the senate Health and Human Services Budget Division and the house of representatives  
129.21 Health Care and Human Services Finance Division by December 15, 2010, with the  
129.22 results of the application for federal matching funds.

129.23 Sec. 17. **ICF/MR RATE INCREASE.**

129.24 The daily rate at an intermediate care facility for the developmentally disabled  
129.25 located in Clearwater County and classified as a Class A facility with 15 beds shall be  
129.26 increased from \$112.73 to \$138.23 for the rate period July 1, 2010, to June 30, 2011.

129.27 **ARTICLE 18**

129.28 **CHILDREN AND FAMILY SERVICES**

129.29 Section 1. Minnesota Statutes 2008, section 256D.0515, is amended to read:

129.30 **256D.0515 ASSET LIMITATIONS FOR FOOD STAMP HOUSEHOLDS.**

129.31 All food stamp households must be determined eligible for the benefit discussed  
129.32 under section 256.029. Food stamp households must demonstrate that:

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130.1 ~~(1) their gross income meets the federal Food Stamp requirements under United~~  
130.2 ~~States Code, title 7, section 2014(c); and~~

130.3 ~~(2) they have financial resources, excluding vehicles, of less than \$7,000 is equal to~~  
130.4 ~~or less than 165 percent of the federal poverty guidelines for the same family size.~~

130.5 **EFFECTIVE DATE.** This section is effective November 1, 2010.

130.6 Sec. 2. Minnesota Statutes 2008, section 256I.05, is amended by adding a subdivision  
130.7 to read:

130.8 **Subd. 1n. Supplemental rate; Mahnomen County.** Notwithstanding the  
130.9 provisions of this section, for the rate period July 1, 2010, to June 30, 2011, a county  
130.10 agency shall negotiate a supplemental service rate in addition to the rate specified in  
130.11 subdivision 1, not to exceed \$753 per month or the existing rate, including any legislative  
130.12 authorized inflationary adjustments, for a group residential provider located in Mahnomen  
130.13 County that operates a 28-bed facility providing 24-hour care to individuals who are  
130.14 homeless, disabled, chemically dependent, mentally ill, or chronically homeless.

130.15 Sec. 3. Minnesota Statutes 2008, section 256J.24, subdivision 6, is amended to read:

130.16 **Subd. 6. Family cap.** (a) MFIP assistance units shall not receive an increase in the  
130.17 cash portion of the transitional standard as a result of the birth of a child, unless one of  
130.18 the conditions under paragraph (b) is met. The child shall be considered a member of the  
130.19 assistance unit according to subdivisions 1 to 3, but shall be excluded in determining  
130.20 family size for purposes of determining the amount of the cash portion of the transitional  
130.21 standard under subdivision 5. The child shall be included in determining family size for  
130.22 purposes of determining the food portion of the transitional standard. The transitional  
130.23 standard under this subdivision shall be the total of the cash and food portions as specified  
130.24 in this paragraph. The family wage level under this subdivision shall be based on the  
130.25 family size used to determine the food portion of the transitional standard.

130.26 (b) A child shall be included in determining family size for purposes of determining  
130.27 the amount of the cash portion of the MFIP transitional standard when at least one of  
130.28 the following conditions is met:

130.29 (1) for families receiving MFIP assistance on July 1, 2003, the child is born to the  
130.30 adult parent before May 1, 2004;

130.31 (2) for families who apply for the diversionary work program under section 256J.95  
130.32 or MFIP assistance on or after July 1, 2003, the child is born to the adult parent within  
130.33 ten months of the date the family is eligible for assistance;

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131.1 (3) the child was conceived as a result of a sexual assault or incest, provided that the  
131.2 incident has been reported to a law enforcement agency;

131.3 (4) the child's mother is a minor caregiver as defined in section 256J.08, subdivision  
131.4 59, and the child, or multiple children, are the mother's first birth; ~~or~~

131.5 (5) the child is the mother's first child subsequent to a pregnancy that did not result  
131.6 in a live birth; or

131.7 (6) any child previously excluded in determining family size under paragraph  
131.8 (a) shall be included if the adult parent or parents have not received benefits from the  
131.9 diversionary work program under section 256J.95 or MFIP assistance in the previous ten  
131.10 months. An adult parent or parents who reapply and have received benefits from the  
131.11 diversionary work program or MFIP assistance in the past ten months shall be under the  
131.12 ten-month grace period of their previous application under clause (2).

131.13 (c) Income and resources of a child excluded under this subdivision, except child  
131.14 support received or distributed on behalf of this child, must be considered using the same  
131.15 policies as for other children when determining the grant amount of the assistance unit.

131.16 (d) The caregiver must assign support and cooperate with the child support  
131.17 enforcement agency to establish paternity and collect child support on behalf of the  
131.18 excluded child. Failure to cooperate results in the sanction specified in section 256J.46,  
131.19 subdivisions 2 and 2a. Current support paid on behalf of the excluded child shall be  
131.20 distributed according to section 256.741, subdivision 15.

131.21 (e) County agencies must inform applicants of the provisions under this subdivision  
131.22 at the time of each application and at recertification.

131.23 (f) Children excluded under this provision shall be deemed MFIP recipients for  
131.24 purposes of child care under chapter 119B.

131.25 **EFFECTIVE DATE.** This section is effective September 1, 2010.

131.26 Sec. 4. Minnesota Statutes 2009 Supplement, section 256J.425, subdivision 3, is  
131.27 amended to read:

131.28 Subd. 3. **Hard-to-employ participants.** (a) An assistance unit subject to the time  
131.29 limit in section 256J.42, subdivision 1, is eligible to receive months of assistance under  
131.30 a hardship extension if the participant who reached the time limit belongs to any of the  
131.31 following groups:

131.32 (1) a person who is diagnosed by a licensed physician, psychological practitioner, or  
131.33 other qualified professional, as developmentally disabled or mentally ill, and the condition  
131.34 severely limits the person's ability to obtain or maintain suitable employment;

131.35 (2) a person who:

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132.1 (i) has been assessed by a vocational specialist or the county agency to be  
132.2 unemployable for purposes of this subdivision; or

132.3 (ii) has an IQ below 80 who has been assessed by a vocational specialist or a county  
132.4 agency to be employable, but the condition severely limits the person's ability to obtain or  
132.5 maintain suitable employment. The determination of IQ level must be made by a qualified  
132.6 professional. In the case of a non-English-speaking person: (A) the determination must  
132.7 be made by a qualified professional with experience conducting culturally appropriate  
132.8 assessments, whenever possible; (B) the county may accept reports that identify an  
132.9 IQ range as opposed to a specific score; (C) these reports must include a statement of  
132.10 confidence in the results;

132.11 (3) a person who is determined by a qualified professional to be learning disabled,  
132.12 and the condition severely limits the person's ability to obtain or maintain suitable  
132.13 employment. For purposes of the initial approval of a learning disability extension, the  
132.14 determination must have been made or confirmed within the previous 12 months. In the  
132.15 case of a non-English-speaking person: (i) the determination must be made by a qualified  
132.16 professional with experience conducting culturally appropriate assessments, whenever  
132.17 possible; and (ii) these reports must include a statement of confidence in the results. If a  
132.18 rehabilitation plan for a participant extended as learning disabled is developed or approved  
132.19 by the county agency, the plan must be incorporated into the employment plan. However,  
132.20 a rehabilitation plan does not replace the requirement to develop and comply with an  
132.21 employment plan under section 256J.521; or

132.22 (4) a person who has been granted a family violence waiver, and who is complying  
132.23 with an employment plan under section 256J.521, subdivision 3.

132.24 (b) For purposes of this ~~section~~ chapter, "severely limits the person's ability to obtain  
132.25 or maintain suitable employment" means:

132.26 (1) that a qualified professional has determined that the person's condition prevents  
132.27 the person from working 20 or more hours per week; or

132.28 (2) for a person who meets the requirements of paragraph (a), clause (2), item (ii), or  
132.29 clause (3), a qualified professional has determined the person's condition:

132.30 (i) significantly restricts the range of employment that the person is able to perform;

132.31 or

132.32 (ii) significantly interferes with the person's ability to obtain or maintain suitable  
132.33 employment for 20 or more hours per week.

132.34 Sec. 5. Minnesota Statutes 2009 Supplement, section 256J.621, is amended to read:

132.35 **256J.621 WORK PARTICIPATION CASH BENEFITS.**

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133.1 (a) Effective October 1, 2009, upon exiting the diversionary work program (DWP)  
133.2 or upon terminating the Minnesota family investment program with earnings, a participant  
133.3 who is employed may be eligible for work participation cash benefits of ~~\$50~~ \$25 per  
133.4 month to assist in meeting the family's basic needs as the participant continues to move  
133.5 toward self-sufficiency.

133.6 (b) To be eligible for work participation cash benefits, the participant shall not  
133.7 receive MFIP or diversionary work program assistance during the month and the  
133.8 participant or participants must meet the following work requirements:

133.9 (1) if the participant is a single caregiver and has a child under six years of age, the  
133.10 participant must be employed at least 87 hours per month;

133.11 (2) if the participant is a single caregiver and does not have a child under six years of  
133.12 age, the participant must be employed at least 130 hours per month; or

133.13 (3) if the household is a two-parent family, at least one of the parents must be  
133.14 employed an average of at least 130 hours per month.

133.15 Whenever a participant exits the diversionary work program or is terminated from  
133.16 MFIP and meets the other criteria in this section, work participation cash benefits are  
133.17 available for up to 24 consecutive months.

133.18 (c) Expenditures on the program are maintenance of effort state funds under  
133.19 a separate state program for participants under paragraph (b), clauses (1) and (2).  
133.20 Expenditures for participants under paragraph (b), clause (3), are nonmaintenance of effort  
133.21 funds. Months in which a participant receives work participation cash benefits under this  
133.22 section do not count toward the participant's MFIP 60-month time limit.

133.23 **EFFECTIVE DATE.** This section is effective October 1, 2010.

133.24 **ARTICLE 19**

133.25 **MISCELLANEOUS**

133.26 Section 1. **[62Q.545] COVERAGE OF PRIVATE DUTY NURSING SERVICES.**

133.27 (a) Private duty nursing services, as provided under section 256B.0625, subdivision  
133.28 7, with the exception of section 256B.0654, subdivision 4, shall be covered under a health  
133.29 plan for persons who are concurrently covered by both the health plan and enrolled in  
133.30 medical assistance under chapter 256B.

133.31 (b) For purposes of this section, a period of private duty nursing services may  
133.32 be subject to the co-payment, coinsurance, deductible, or other enrollee cost-sharing  
133.33 requirements that apply under the health plan. Cost-sharing requirements for private  
133.34 duty nursing services must not place a greater financial burden on the insured or enrollee

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134.1 than those requirements applied by the health plan to other similar services or benefits.  
134.2 Nothing in this section is intended to prevent a health plan company from requiring  
134.3 prior authorization by the health plan company for such services as required by section  
134.4 256B.0625, subdivision 7, or use of contracted providers under the applicable provisions  
134.5 of the health plan.

134.6 **EFFECTIVE DATE.** This section is effective July 1, 2010, and applies to health  
134.7 plans offered, sold, issued, or renewed on or after that date.

134.8 **Sec. 2. [137.32] MINNESOTA COUPLES ON THE BRINK PROJECT.**

134.9 Subdivision 1. **Establishment.** Within the limits of available appropriations, the  
134.10 Board of Regents of the University of Minnesota is requested to develop and implement  
134.11 a Minnesota couples on the brink project, as provided for in this section. The regents  
134.12 may administer the project with federal grants, state appropriations, and in-kind services  
134.13 received for this purpose.

134.14 Subd. 2. **Purpose.** The purpose of the project is to develop, evaluate, and  
134.15 disseminate best practices for promoting successful reconciliation between married  
134.16 persons who are considering or have commenced a marriage dissolution proceeding and  
134.17 who choose to pursue reconciliation.

134.18 Subd. 3. **Implementation.** The regents shall:

134.19 (1) enter into contracts or manage a grant process for implementation of the project;

134.20 and

134.21 (2) develop and implement an evaluation component for the project.

134.22 **Sec. 3. Minnesota Statutes 2008, section 152.126, as amended by Laws 2009, chapter**  
134.23 **79, article 11, sections 9, 10, and 11, is amended to read:**

134.24 **152.126 ~~SCHEDULE H AND H~~ CONTROLLED SUBSTANCES**  
134.25 **PRESCRIPTION ELECTRONIC REPORTING SYSTEM.**

134.26 **Subdivision 1. **Definitions.**** For purposes of this section, the terms defined in this  
134.27 subdivision have the meanings given.

134.28 (a) "Board" means the Minnesota State Board of Pharmacy established under  
134.29 chapter 151.

134.30 (b) "Controlled substances" means those substances listed in section 152.02,  
134.31 subdivisions 3 to 5, and those substances defined by the board pursuant to section 152.02,  
134.32 subdivisions 7, 8, and 12.

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135.1 (c) "Dispense" or "dispensing" has the meaning given in section 151.01, subdivision  
135.2 30. Dispensing does not include the direct administering of a controlled substance to a  
135.3 patient by a licensed health care professional.

135.4 (d) "Dispenser" means a person authorized by law to dispense a controlled substance,  
135.5 pursuant to a valid prescription. For the purposes of this section, a dispenser does not  
135.6 include a licensed hospital pharmacy that distributes controlled substances for inpatient  
135.7 hospital care or a veterinarian who is dispensing prescriptions under section 156.18.

135.8 (e) "Prescriber" means a licensed health care professional who is authorized to  
135.9 prescribe a controlled substance under section 152.12, subdivision 1.

135.10 (f) "Prescription" has the meaning given in section 151.01, subdivision 16.

135.11 Subd. 1a. **Treatment of intractable pain.** This section is not intended to limit or  
135.12 interfere with the legitimate prescribing of controlled substances for pain. No prescriber  
135.13 shall be subject to disciplinary action by a health-related licensing board for prescribing a  
135.14 controlled substance according to the provisions of section 152.125.

135.15 Subd. 2. **Prescription electronic reporting system.** (a) The board shall establish  
135.16 by January 1, 2010, an electronic system for reporting the information required under  
135.17 subdivision 4 for all controlled substances dispensed within the state.

135.18 (b) The board may contract with a vendor for the purpose of obtaining technical  
135.19 assistance in the design, implementation, operation, and maintenance of the electronic  
135.20 reporting system.

135.21 Subd. 3. **Prescription Electronic Reporting Advisory Committee.** (a) The  
135.22 board shall convene an advisory committee. The committee must include at least one  
135.23 representative of:

135.24 (1) the Department of Health;

135.25 (2) the Department of Human Services;

135.26 (3) each health-related licensing board that licenses prescribers;

135.27 (4) a professional medical association, which may include an association of pain  
135.28 management and chemical dependency specialists;

135.29 (5) a professional pharmacy association;

135.30 (6) a professional nursing association;

135.31 (7) a professional dental association;

135.32 (8) a consumer privacy or security advocate; and

135.33 (9) a consumer or patient rights organization.

135.34 (b) The advisory committee shall advise the board on the development and operation  
135.35 of the electronic reporting system, including, but not limited to:

135.36 (1) technical standards for electronic prescription drug reporting;

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136.1 (2) proper analysis and interpretation of prescription monitoring data; and

136.2 (3) an evaluation process for the program.

136.3 ~~(c) The Board of Pharmacy, after consultation with the advisory committee, shall~~

136.4 ~~present recommendations and draft legislation on the issues addressed by the advisory~~

136.5 ~~committee under paragraph (b), to the legislature by December 15, 2007.~~

136.6 Subd. 4. **Reporting requirements; notice.** (a) Each dispenser must submit the  
136.7 following data to the board or its designated vendor, subject to the notice required under  
136.8 paragraph (d):

136.9 (1) name of the prescriber;

136.10 (2) national provider identifier of the prescriber;

136.11 (3) name of the dispenser;

136.12 (4) national provider identifier of the dispenser;

136.13 (5) prescription number;

136.14 (6) name of the patient for whom the prescription was written;

136.15 (7) address of the patient for whom the prescription was written;

136.16 (8) date of birth of the patient for whom the prescription was written;

136.17 (9) date the prescription was written;

136.18 (10) date the prescription was filled;

136.19 (11) name and strength of the controlled substance;

136.20 (12) quantity of controlled substance prescribed;

136.21 (13) quantity of controlled substance dispensed; and

136.22 (14) number of days supply.

136.23 (b) The dispenser must submit the required information by a procedure and in a  
136.24 format established by the board. The board may allow dispensers to omit data listed in this  
136.25 subdivision or may require the submission of data not listed in this subdivision provided  
136.26 the omission or submission is necessary for the purpose of complying with the electronic  
136.27 reporting or data transmission standards of the American Society for Automation in  
136.28 Pharmacy, the National Council on Prescription Drug Programs, or other relevant national  
136.29 standard-setting body.

136.30 (c) A dispenser is not required to submit this data for those controlled substance  
136.31 prescriptions dispensed for:

136.32 (1) individuals residing in licensed skilled nursing or intermediate care facilities;

136.33 (2) individuals receiving assisted living services under chapter 144G or through a  
136.34 medical assistance home and community-based waiver;

136.35 (3) individuals receiving medication intravenously;

136.36 (4) individuals receiving hospice and other palliative or end-of-life care; and

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137.1 (5) individuals receiving services from a home care provider regulated under chapter  
137.2 144A.

137.3 (d) A dispenser must not submit data under this subdivision unless a conspicuous  
137.4 notice of the reporting requirements of this section is given to the patient for whom the  
137.5 prescription was written.

137.6 Subd. 5. **Use of data by board.** (a) The board shall develop and maintain a database  
137.7 of the data reported under subdivision 4. The board shall maintain data that could identify  
137.8 an individual prescriber or dispenser in encrypted form. The database may be used by  
137.9 permissible users identified under subdivision 6 for the identification of:

137.10 (1) individuals receiving prescriptions for controlled substances from prescribers  
137.11 who subsequently obtain controlled substances from dispensers in quantities or with a  
137.12 frequency inconsistent with generally recognized standards of use for those controlled  
137.13 substances, including standards accepted by national and international pain management  
137.14 associations; and

137.15 (2) individuals presenting forged or otherwise false or altered prescriptions for  
137.16 controlled substances to dispensers.

137.17 (b) No permissible user identified under subdivision 6 may access the database  
137.18 for the sole purpose of identifying prescribers of controlled substances for unusual or  
137.19 excessive prescribing patterns without a valid search warrant or court order.

137.20 (c) No personnel of a state or federal occupational licensing board or agency may  
137.21 access the database for the purpose of obtaining information to be used to initiate or  
137.22 substantiate a disciplinary action against a prescriber.

137.23 (d) Data reported under subdivision 4 shall be retained by the board in the database  
137.24 for a 12-month period, and shall be removed from the database no later than 12 months  
137.25 from ~~the date~~ the last day of the month during which the data was received.

137.26 Subd. 6. **Access to reporting system data.** (a) Except as indicated in this  
137.27 subdivision, the data submitted to the board under subdivision 4 is private data on  
137.28 individuals as defined in section 13.02, subdivision 12, and not subject to public disclosure.

137.29 (b) Except as specified in subdivision 5, the following persons shall be considered  
137.30 permissible users and may access the data submitted under subdivision 4 in the same or  
137.31 similar manner, and for the same or similar purposes, as those persons who are authorized  
137.32 to access similar private data on individuals under federal and state law:

137.33 (1) a prescriber or an agent or employee of the prescriber to whom the prescriber has  
137.34 delegated the task of accessing the data, to the extent the information relates specifically to  
137.35 a current patient, to whom the prescriber is prescribing or considering prescribing any

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138.1 controlled substance and with the provision that the prescriber remains responsible for the  
138.2 use or misuse of data accessed by a delegated agent or employee;

138.3 (2) a dispenser or an agent or employee of the dispenser to whom the dispenser has  
138.4 delegated the task of accessing the data, to the extent the information relates specifically  
138.5 to a current patient to whom that dispenser is dispensing or considering dispensing any  
138.6 controlled substance and with the provision that the dispenser remains responsible for the  
138.7 use or misuse of data accessed by a delegated agent or employee;

138.8 (3) an individual who is the recipient of a controlled substance prescription for  
138.9 which data was submitted under subdivision 4, or a guardian of the individual, parent or  
138.10 guardian of a minor, or health care agent of the individual acting under a health care  
138.11 directive under chapter 145C;

138.12 (4) personnel of the board specifically assigned to conduct a bona fide investigation  
138.13 of a specific licensee;

138.14 (5) personnel of the board engaged in the collection of controlled substance  
138.15 prescription information as part of the assigned duties and responsibilities under this  
138.16 section;

138.17 (6) authorized personnel of a vendor under contract with the board who are engaged  
138.18 in the design, implementation, operation, and maintenance of the electronic reporting  
138.19 system as part of the assigned duties and responsibilities of their employment, provided  
138.20 that access to data is limited to the minimum amount necessary to carry out such duties  
138.21 and responsibilities;

138.22 (7) federal, state, and local law enforcement authorities acting pursuant to a valid  
138.23 search warrant; and

138.24 (8) personnel of the medical assistance program assigned to use the data collected  
138.25 under this section to identify recipients whose usage of controlled substances may warrant  
138.26 restriction to a single primary care physician, a single outpatient pharmacy, or a single  
138.27 hospital.

138.28 For purposes of clause (3), access by an individual includes persons in the definition  
138.29 of an individual under section 13.02.

138.30 (c) Any permissible user identified in paragraph (b), who directly accesses  
138.31 the data electronically, shall implement and maintain a comprehensive information  
138.32 security program that contains administrative, technical, and physical safeguards that  
138.33 are appropriate to the user's size and complexity, and the sensitivity of the personal  
138.34 information obtained. The permissible user shall identify reasonably foreseeable internal  
138.35 and external risks to the security, confidentiality, and integrity of personal information

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139.1 that could result in the unauthorized disclosure, misuse, or other compromise of the  
139.2 information and assess the sufficiency of any safeguards in place to control the risks.

139.3 (d) The board shall not release data submitted under this section unless it is provided  
139.4 with evidence, satisfactory to the board, that the person requesting the information is  
139.5 entitled to receive the data.

139.6 (e) The board shall not release the name of a prescriber without the written consent  
139.7 of the prescriber or a valid search warrant or court order. The board shall provide a  
139.8 mechanism for a prescriber to submit to the board a signed consent authorizing the release  
139.9 of the prescriber's name when data containing the prescriber's name is requested.

139.10 (f) The board shall maintain a log of all persons who access the data and shall ensure  
139.11 that any permissible user complies with paragraph (c) prior to attaining direct access to  
139.12 the data.

139.13 (g) Section 13.05, subdivision 6, shall apply to any contract the board enters into  
139.14 pursuant to subdivision 2. A vendor shall not use data collected under this section for  
139.15 any purpose not specified in this section.

139.16 **Subd. 7. Disciplinary action.** (a) A dispenser who knowingly fails to submit data to  
139.17 the board as required under this section is subject to disciplinary action by the appropriate  
139.18 health-related licensing board.

139.19 (b) A prescriber or dispenser authorized to access the data who knowingly discloses  
139.20 the data in violation of state or federal laws relating to the privacy of health care data  
139.21 shall be subject to disciplinary action by the appropriate health-related licensing board,  
139.22 and appropriate civil penalties.

139.23 **Subd. 8. Evaluation and reporting.** (a) The board shall evaluate the prescription  
139.24 electronic reporting system to determine if the system is negatively impacting appropriate  
139.25 prescribing practices of controlled substances. The board may contract with a vendor to  
139.26 design and conduct the evaluation.

139.27 (b) The board shall submit the evaluation of the system to the legislature by ~~January~~  
139.28 July 15, 2011.

139.29 **Subd. 9. Immunity from liability; no requirement to obtain information.** (a) A  
139.30 pharmacist, prescriber, or other dispenser making a report to the program in good faith  
139.31 under this section is immune from any civil, criminal, or administrative liability, which  
139.32 might otherwise be incurred or imposed as a result of the report, or on the basis that the  
139.33 pharmacist or prescriber did or did not seek or obtain or use information from the program.

139.34 (b) Nothing in this section shall require a pharmacist, prescriber, or other dispenser  
139.35 to obtain information about a patient from the program, and the pharmacist, prescriber,  
139.36 or other dispenser, if acting in good faith, is immune from any civil, criminal, or

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140.1 administrative liability that might otherwise be incurred or imposed for requesting,  
140.2 receiving, or using information from the program.

140.3 Subd. 10. **Funding.** (a) The board may seek grants and private funds from nonprofit  
140.4 charitable foundations, the federal government, and other sources to fund the enhancement  
140.5 and ongoing operations of the prescription electronic reporting system established under  
140.6 this section. Any funds received shall be appropriated to the board for this purpose. The  
140.7 board may not expend funds to enhance the program in a way that conflicts with this  
140.8 section without seeking approval from the legislature.

140.9 (b) The administrative services unit for the health-related licensing boards shall  
140.10 apportion between the Board of Medical Practice, the Board of Nursing, the Board of  
140.11 Dentistry, the Board of Podiatric Medicine, the Board of Optometry, and the Board  
140.12 of Pharmacy an amount to be paid through fees by each respective board. The amount  
140.13 apportioned to each board shall equal each board's share of the annual appropriation to  
140.14 the Board of Pharmacy from the state government special revenue fund for operating the  
140.15 prescription electronic reporting system under this section. Each board's apportioned  
140.16 share shall be based on the number of prescribers or dispensers that each board identified  
140.17 in this paragraph licenses as a percentage of the total number of prescribers and dispensers  
140.18 licensed collectively by these boards. Each respective board may adjust the fees that the  
140.19 boards are required to collect to compensate for the amount apportioned to each board by  
140.20 the administrative services unit.

140.21 **Sec. 4. [246.125] CHEMICAL AND MENTAL HEALTH SERVICES**  
140.22 **TRANSFORMATION ADVISORY TASK FORCE.**

140.23 Subdivision 1. **Establishment.** The Chemical and Mental Health Services  
140.24 Transformation Advisory Task Force is established to make recommendations to the  
140.25 commissioner of human services and the legislature on the continuum of services needed  
140.26 to provide individuals with complex conditions including mental illness, chemical  
140.27 dependency, traumatic brain injury, and developmental disabilities access to quality care  
140.28 and the appropriate level of care across the state to promote wellness, reduce cost, and  
140.29 improve efficiency.

140.30 Subd. 2. **Duties.** The Chemical and Mental Health Services Transformation  
140.31 Advisory Task Force shall make recommendations to the commissioner and the legislature  
140.32 no later than December 15, 2010, on the following:

140.33 (1) transformation needed to improve service delivery and provide a continuum of  
140.34 care, such as transition of current facilities, closure of current facilities, or the development

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141.1 of new models of care, including the redesign of the Anoka-Metro Regional Treatment  
141.2 Center;

141.3 (2) gaps and barriers to accessing quality care, system inefficiencies, and cost  
141.4 pressures;

141.5 (3) services that are best provided by the state and those that are best provided  
141.6 in the community;

141.7 (4) an implementation plan to achieve integrated service delivery across the public,  
141.8 private, and nonprofit sectors;

141.9 (5) an implementation plan to ensure that individuals with complex chemical and  
141.10 mental health needs receive the appropriate level of care to achieve recovery and wellness;  
141.11 and

141.12 (6) financing mechanisms that include all possible revenue sources to maximize  
141.13 federal funding and promote cost efficiencies and sustainability.

141.14 Subd. 3. **Membership.** The advisory task force shall be composed of the following,  
141.15 who will serve at the pleasure of their appointing authority:

141.16 (1) the commissioner of human services or the commissioner's designee, and two  
141.17 additional representatives from the department;

141.18 (2) two legislators appointed by the speaker of the house, one from the minority  
141.19 and one from the majority;

141.20 (3) two legislators appointed by the senate rules committee, one from the minority  
141.21 and one from the majority;

141.22 (4) one representative appointed by AFSCME Council 5;

141.23 (5) one representative appointed by the ombudsman for mental health and  
141.24 developmental disabilities;

141.25 (6) one representative appointed by the Minnesota Association of Professional  
141.26 Employees;

141.27 (7) one representative appointed by the Minnesota Hospital Association;

141.28 (8) one representative appointed by the Minnesota Nurses Association;

141.29 (9) one representative appointed by NAMI-MN;

141.30 (10) one representative appointed by the Mental Health Association of Minnesota;

141.31 (11) one representative appointed by the Minnesota Association Of Community

141.32 Mental Health Programs;

141.33 (12) one representative appointed by the Minnesota Dental Association;

141.34 (13) three clients or client family members representing different populations

141.35 receiving services from state-operated services, who are appointed by the commissioner;

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142.1 (14) one representative appointed by the chair of the state-operated services  
142.2 governing board;

142.3 (15) one representative appointed by the Minnesota Disability Law Center;

142.4 (16) one representative appointed by the Consumer Survivor Network;

142.5 (17) one representative appointed by the Association of Residential Resources  
142.6 in Minnesota;

142.7 (18) one representative appointed by the Minnesota Council of Child Caring  
142.8 Agencies;

142.9 (19) one representative appointed by the Association of Minnesota Counties; and

142.10 (20) one representative appointed by the Minnesota Pharmacists Association.

142.11 The commissioner may appoint additional members to reflect stakeholders who  
142.12 are not represented above.

142.13 Subd. 4. **Administration.** The commissioner shall convene the first meeting of the  
142.14 advisory task force and shall provide administrative support and staff.

142.15 Subd. 5. **Recommendations.** The advisory task force must report its  
142.16 recommendations to the commissioner and to the legislature no later than December  
142.17 15, 2010.

142.18 Subd. 6. **Member requirement.** The commissioner shall provide per diem and  
142.19 travel expenses pursuant to section 256.01, subdivision 6, for task force members who  
142.20 are consumers or family members and whose participation on the task force is not as a  
142.21 paid representative of any agency, organization, or association. Notwithstanding section  
142.22 15.059, other task force members are not eligible for per diem or travel reimbursement.

142.23 **Sec. 5. [246.128] NOTIFICATION TO LEGISLATURE REQUIRED.**

142.24 The commissioner shall notify the chairs and ranking minority members of  
142.25 the relevant legislative committees regarding the redesign, closure, or relocation of  
142.26 state-operated services programs. The notification must include the advice of the Chemical  
142.27 and Mental Health Services Transformation Advisory Task Force under section 246.125.

142.28 **Sec. 6. [246.129] LEGISLATIVE APPROVAL REQUIRED.**

142.29 If the closure of a state-operated facility is proposed, and the department and  
142.30 respective bargaining units fail to arrive at a mutually agreed upon solution to transfer  
142.31 affected state employees to other state jobs, the closure of the facility requires legislative  
142.32 approval. This does not apply to state-operated enterprise services.

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143.1 Sec. 7. Minnesota Statutes 2008, section 246.18, is amended by adding a subdivision  
143.2 to read:

143.3 Subd. 8. **State-operated services account.** The state-operated services account is  
143.4 established in the special revenue fund. Revenue generated by new state-operated services  
143.5 listed under this section established after July 1, 2010, that are not enterprise activities must  
143.6 be deposited into the state-operated services account, unless otherwise specified in law:

- 143.7 (1) intensive residential treatment services;  
143.8 (2) foster care services; and  
143.9 (3) psychiatric extensive recovery treatment services.

143.10 Sec. 8. Minnesota Statutes 2008, section 254B.01, subdivision 2, is amended to read:

143.11 Subd. 2. **American Indian.** For purposes of services provided under section  
143.12 254B.09, subdivision ~~7~~ 8, "American Indian" means a person who is a member of an  
143.13 Indian tribe, and the commissioner shall use the definitions of "Indian" and "Indian tribe"  
143.14 and "Indian organization" provided in Public Law 93-638. For purposes of services  
143.15 provided under section 254B.09, subdivision ~~4~~ 6, "American Indian" means a resident of  
143.16 federally recognized tribal lands who is recognized as an Indian person by the federally  
143.17 recognized tribal governing body.

143.18 Sec. 9. Minnesota Statutes 2008, section 254B.02, subdivision 1, is amended to read:

143.19 Subdivision 1. **Chemical dependency treatment allocation.** The chemical  
143.20 dependency ~~funds appropriated for allocation~~ treatment appropriation shall be placed in  
143.21 a special revenue account. The commissioner shall annually transfer funds from the  
143.22 chemical dependency fund to pay for operation of the drug and alcohol abuse normative  
143.23 evaluation system and to pay for all costs incurred by adding two positions for licensing  
143.24 of chemical dependency treatment and rehabilitation programs located in hospitals for  
143.25 which funds are not otherwise appropriated. ~~Six percent of the remaining money must~~  
143.26 ~~be reserved for tribal allocation under section 254B.09, subdivisions 4 and 5. The~~  
143.27 ~~commissioner shall annually divide the money available in the chemical dependency~~  
143.28 ~~fund that is not held in reserve by counties from a previous allocation, or allocated to the~~  
143.29 ~~American Indian chemical dependency tribal account. Six percent of the remaining money~~  
143.30 ~~must be reserved for the nonreservation American Indian chemical dependency allocation~~  
143.31 ~~for treatment of American Indians by eligible vendors under section 254B.05, subdivision~~  
143.32 ~~1. The remainder of the money must be allocated among the counties according to the~~  
143.33 ~~following formula, using state demographer data and other data sources determined by~~  
143.34 ~~the commissioner.~~

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144.1 ~~(a) For purposes of this formula, American Indians and children under age 14 are~~  
144.2 ~~subtracted from the population of each county to determine the restricted population.~~

144.3 ~~(b) The amount of chemical dependency fund expenditures for entitled persons for~~  
144.4 ~~services not covered by prepaid plans governed by section 256B.69 in the previous year is~~  
144.5 ~~divided by the amount of chemical dependency fund expenditures for entitled persons for~~  
144.6 ~~all services to determine the proportion of exempt service expenditures for each county.~~

144.7 ~~(c) The prepaid plan months of eligibility is multiplied by the proportion of exempt~~  
144.8 ~~service expenditures to determine the adjusted prepaid plan months of eligibility for~~  
144.9 ~~each county.~~

144.10 ~~(d) The adjusted prepaid plan months of eligibility is added to the number of~~  
144.11 ~~restricted population fee for service months of eligibility for the Minnesota family~~  
144.12 ~~investment program, general assistance, and medical assistance and divided by the county~~  
144.13 ~~restricted population to determine county per capita months of covered service eligibility.~~

144.14 ~~(e) The number of adjusted prepaid plan months of eligibility for the state is added~~  
144.15 ~~to the number of fee for service months of eligibility for the Minnesota family investment~~  
144.16 ~~program, general assistance, and medical assistance for the state restricted population and~~  
144.17 ~~divided by the state restricted population to determine state per capita months of covered~~  
144.18 ~~service eligibility.~~

144.19 ~~(f) The county per capita months of covered service eligibility is divided by the~~  
144.20 ~~state per capita months of covered service eligibility to determine the county welfare~~  
144.21 ~~caseload factor.~~

144.22 ~~(g) The median married couple income for the most recent three-year period~~  
144.23 ~~available for the state is divided by the median married couple income for the same period~~  
144.24 ~~for each county to determine the income factor for each county.~~

144.25 ~~(h) The county restricted population is multiplied by the sum of the county welfare~~  
144.26 ~~caseload factor and the county income factor to determine the adjusted population.~~

144.27 ~~(i) \$15,000 shall be allocated to each county.~~

144.28 ~~(j) The remaining funds shall be allocated proportional to the county adjusted~~  
144.29 ~~population in the special revenue account must be used according to the requirements~~  
144.30 ~~in this chapter.~~

144.31 Sec. 10. Minnesota Statutes 2008, section 254B.02, subdivision 5, is amended to read:

144.32 Subd. 5. **Administrative adjustment.** The commissioner may make payments to  
144.33 local agencies from money allocated under this section to support administrative activities  
144.34 under sections 254B.03 and 254B.04. The administrative payment must not exceed  
144.35 the lesser of: (1) five percent of the first \$50,000, four percent of the next \$50,000, and

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145.1 three percent of the remaining payments for services from the ~~allocation~~ special revenue  
145.2 account according to subdivision 1; or (2) the local agency administrative payment for  
145.3 the fiscal year ending June 30, 2009, adjusted in proportion to the statewide change in  
145.4 the appropriation for this chapter.

145.5 Sec. 11. Minnesota Statutes 2008, section 254B.03, subdivision 4, is amended to read:

145.6 Subd. 4. **Division of costs.** Except for services provided by a county under  
145.7 section 254B.09, subdivision 1, or services provided under section 256B.69 or 256D.03,  
145.8 subdivision 4, paragraph (b), the county shall, out of local money, pay the state for  
145.9 ~~15~~ 16.14 percent of the cost of chemical dependency services, including those services  
145.10 provided to persons eligible for medical assistance under chapter 256B and general  
145.11 assistance medical care under chapter 256D. Counties may use the indigent hospitalization  
145.12 levy for treatment and hospital payments made under this section. ~~Fifteen~~ 16.14 percent  
145.13 of any state collections from private or third-party pay, less 15 percent ~~of~~ for the cost  
145.14 of payment and collections, must be distributed to the county that paid for a portion of  
145.15 the treatment under this section. ~~If all funds allocated according to section 254B.02 are~~  
145.16 ~~exhausted by a county and the county has met or exceeded the base level of expenditures~~  
145.17 ~~under section 254B.02, subdivision 3, the county shall pay the state for 15 percent of the~~  
145.18 ~~costs paid by the state under this section. The commissioner may refuse to pay state funds~~  
145.19 ~~for services to persons not eligible under section 254B.04, subdivision 1, if the county~~  
145.20 ~~financially responsible for the persons has exhausted its allocation.~~

145.21 Sec. 12. Minnesota Statutes 2008, section 254B.03, is amended by adding a  
145.22 subdivision to read:

145.23 Subd. 4a. **Division of costs for medical assistance services.** Notwithstanding  
145.24 subdivision 4, for chemical dependency services provided on or after October 1, 2008, and  
145.25 reimbursed by medical assistance, the county share is 30 percent of the nonfederal share.

145.26 Sec. 13. Minnesota Statutes 2008, section 254B.05, subdivision 4, is amended to read:

145.27 Subd. 4. **Regional treatment centers.** Regional treatment center chemical  
145.28 dependency treatment units are eligible vendors. The commissioner may expand the  
145.29 capacity of chemical dependency treatment units beyond the capacity funded by direct  
145.30 legislative appropriation to serve individuals who are referred for treatment by counties  
145.31 and whose treatment will be paid for ~~with a county's allocation under section 254B.02~~ by  
145.32 funding under this chapter or other funding sources. Notwithstanding the provisions of  
145.33 sections 254B.03 to 254B.041, payment for any person committed at county request to

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146.1 a regional treatment center under chapter 253B for chemical dependency treatment and  
146.2 determined to be ineligible under the chemical dependency consolidated treatment fund,  
146.3 shall become the responsibility of the county.

146.4 Sec. 14. Minnesota Statutes 2008, section 254B.06, subdivision 2, is amended to read:

146.5 Subd. 2. **Allocation of collections.** The commissioner shall allocate all federal  
146.6 financial participation collections to ~~the reserve fund under section 254B.02, subdivision 3~~  
146.7 a special revenue account. The commissioner shall ~~retain 85~~ allocate 83.86 percent of  
146.8 patient payments and third-party payments to the special revenue account and ~~allocate~~  
146.9 ~~the collections to the treatment allocation for the county that is financially responsible~~  
146.10 ~~for the person. Fifteen 16.14~~ percent of patient and third-party payments must be paid  
146.11 to the county financially responsible for the patient. ~~Collections for patient payment and~~  
146.12 ~~third-party payment for services provided under section 254B.09 shall be allocated to the~~  
146.13 ~~allocation of the tribal unit which placed the person. Collections of federal financial~~  
146.14 ~~participation for services provided under section 254B.09 shall be allocated to the tribal~~  
146.15 ~~reserve account under section 254B.09, subdivision 5.~~

146.16 Sec. 15. Minnesota Statutes 2008, section 254B.09, subdivision 8, is amended to read:

146.17 Subd. 8. **Payments to improve services to American Indians.** The commissioner  
146.18 may set rates for chemical dependency services to American Indians according to the  
146.19 American Indian Health Improvement Act, Public Law 94-437, for eligible vendors.  
146.20 These rates shall supersede rates set in county purchase of service agreements when  
146.21 payments are made on behalf of clients eligible according to Public Law 94-437.

146.22 Sec. 16. **[254B.13] PILOT PROJECTS; CHEMICAL HEALTH CARE.**

146.23 Subdivision 1. **Authorization for pilot projects.** The commissioner may approve  
146.24 and implement pilot projects developed under the planning process required under Laws  
146.25 2009, chapter 79, article 7, section 26, to provide alternatives to and enhance coordination  
146.26 of the delivery of chemical health services required under section 254B.03.

146.27 Subd. 2. **Program design and implementation.** (a) The commissioner and counties  
146.28 participating in the pilot projects shall continue to work in partnership to refine and  
146.29 implement the pilot projects initiated under Laws 2009, chapter 79, article 7, section 26.

146.30 (b) The commissioner and counties participating in the pilot projects shall  
146.31 complete the planning phase by June 30, 2010, and, if approved by the commissioner for  
146.32 implementation, enter into agreements governing the operation of the pilot projects with  
146.33 implementation scheduled no earlier than July 1, 2010.

147.1 Subd. 3. **Program evaluation.** The commissioner shall evaluate pilot projects under  
147.2 this section and report the results of the evaluation to the chairs and ranking minority  
147.3 members of the legislative committees with jurisdiction over chemical health issues by  
147.4 January 15, 2013. Evaluation of the pilot projects must be based on outcome evaluation  
147.5 criteria negotiated with the pilot projects prior to implementation.

147.6 Subd. 4. **Notice of project discontinuation.** Each county's participation in the  
147.7 pilot project may be discontinued for any reason by the county or the commissioner of  
147.8 human services after 30 days' written notice to the other party. Any unspent funds held  
147.9 for the exiting county's pro rata share in the special revenue fund under the authority in  
147.10 subdivision 5, paragraph (d), shall be transferred to the consolidated chemical dependency  
147.11 treatment fund following discontinuation of the pilot project.

147.12 Subd. 5. **Duties of commissioner.** (a) Notwithstanding any other provisions in  
147.13 this chapter, the commissioner may authorize pilot projects to use chemical dependency  
147.14 treatment funds to pay for nontreatment pilot services:

147.15 (1) in addition to those authorized under section 254B.03, subdivision 2, paragraph  
147.16 (a); and

147.17 (2) by vendors in addition to those authorized under section 254B.05 when not  
147.18 providing chemical dependency treatment services.

147.19 (b) For purposes of this section, "nontreatment pilot services" include navigator  
147.20 services, peer support, family engagement and support, housing support, rent subsidies,  
147.21 supported employment, and independent living skills.

147.22 (c) State expenditures for chemical dependency services and nontreatment pilot  
147.23 services provided by or through the pilot projects must not be greater than the chemical  
147.24 dependency treatment fund expected share of forecasted expenditures in the absence of  
147.25 the pilot projects. The commissioner may restructure the schedule of payments between  
147.26 the state and participating counties under the local agency share and division of cost  
147.27 provisions under section 254B.03, subdivisions 3 and 4, as necessary to facilitate the  
147.28 operation of the pilot projects.

147.29 (d) To the extent that state fiscal year expenditures within a pilot project are less  
147.30 than the expected share of forecasted expenditures in the absence of the pilot projects,  
147.31 the commissioner shall deposit the unexpended funds in a separate account within the  
147.32 consolidated chemical dependency treatment fund, and make these funds available for  
147.33 expenditure by the pilot projects the following year. To the extent that treatment and  
147.34 nontreatment pilot services expenditures within the pilot project exceed the amount  
147.35 expected in the absence of the pilot projects, the pilot project county or counties are

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148.1 responsible for the portion of nontreatment pilot services expenditures in excess of the  
148.2 otherwise expected share of forecasted expenditures.

148.3 (e) The commissioner may waive administrative rule requirements that are  
148.4 incompatible with the implementation of the pilot project, except that any chemical  
148.5 dependency treatment funded under this section must continue to be provided by a  
148.6 licensed treatment provider.

148.7 (f) The commissioner shall not approve or enter into any agreement related to pilot  
148.8 projects authorized under this section that puts current or future federal funding at risk.

148.9 Subd. 6. **Duties of county board.** The county board, or other county entity that is  
148.10 approved to administer a pilot project, shall:

148.11 (1) administer the pilot project in a manner consistent with the objectives described  
148.12 in subdivision 2 and the planning process in subdivision 5;

148.13 (2) ensure that no one is denied chemical dependency treatment services for which  
148.14 they would otherwise be eligible under section 254A.03, subdivision 3; and

148.15 (3) provide the commissioner with timely and pertinent information as negotiated  
148.16 in agreements governing operation of the pilot projects.

148.17 Sec. 17. Minnesota Statutes 2009 Supplement, section 517.08, subdivision 1b, is  
148.18 amended to read:

148.19 Subd. 1b. **Term of license; fee; premarital education.** (a) The local registrar  
148.20 shall examine upon oath the parties applying for a license relative to the legality of the  
148.21 contemplated marriage. If one party is unable to appear in person, the party appearing  
148.22 may complete the absent applicant's information. The local registrar shall provide a copy  
148.23 of the marriage application to the party who is unable to appear, who must verify the  
148.24 accuracy of the party's information in a notarized statement. The marriage license must  
148.25 not be released until the verification statement has been received by the local registrar. If  
148.26 at the expiration of a five-day period, on being satisfied that there is no legal impediment  
148.27 to it, including the restriction contained in section 259.13, the local registrar shall issue  
148.28 the license, containing the full names of the parties before and after marriage, and county  
148.29 and state of residence, with the county seal attached, and make a record of the date of  
148.30 issuance. The license shall be valid for a period of six months. Except as provided in  
148.31 paragraph (c), the local registrar shall collect from the applicant a fee of ~~\$110~~ \$115 for  
148.32 administering the oath, issuing, recording, and filing all papers required, and preparing  
148.33 and transmitting to the state registrar of vital statistics the reports of marriage required  
148.34 by this section. If the license should not be used within the period of six months due to  
148.35 illness or other extenuating circumstances, it may be surrendered to the local registrar for

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149.1 cancellation, and in that case a new license shall issue upon request of the parties of the  
149.2 original license without fee. A local registrar who knowingly issues or signs a marriage  
149.3 license in any manner other than as provided in this section shall pay to the parties  
149.4 aggrieved an amount not to exceed \$1,000.

149.5 (b) In case of emergency or extraordinary circumstances, a judge of the district court  
149.6 of the county in which the application is made may authorize the license to be issued at  
149.7 any time before expiration of the five-day period required under paragraph (a). A waiver  
149.8 of the five-day waiting period must be in the following form:

149.9 STATE OF MINNESOTA, COUNTY OF ..... (insert county name)  
149.10 APPLICATION FOR WAIVER OF MARRIAGE LICENSE WAITING PERIOD:  
149.11 ..... (legal names of the applicants)

149.12 Represent and state as follows:

149.13 That on ..... (date of application) the applicants applied to the local  
149.14 registrar of the above-named county for a license to marry.

149.15 That it is necessary that the license be issued before the expiration of five days  
149.16 from the date of the application by reason of the following: (insert reason for requesting  
149.17 waiver of waiting period)

149.18 .....  
149.19 .....  
149.20 .....

149.21 WHEREAS, the applicants request that the judge waive the required five-day  
149.22 waiting period and the local registrar be authorized and directed to issue the marriage  
149.23 license immediately.

149.24 Date: .....  
149.25 .....  
149.26 .....

149.27 (Signatures of applicants)

149.28 Acknowledged before me on this ..... day of .....  
149.29 .....

149.30 NOTARY PUBLIC

149.31 COURT ORDER AND AUTHORIZATION:

149.32 STATE OF MINNESOTA, COUNTY OF ..... (insert county name)

149.33 After reviewing the above application, I am satisfied that an emergency or  
149.34 extraordinary circumstance exists that justifies the issuance of the marriage license before  
149.35 the expiration of five days from the date of the application. IT IS HEREBY ORDERED  
149.36 that the local registrar is authorized and directed to issue the license forthwith.

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150.1 .....

150.2 ..... (judge of district court)

150.3 ..... (date).

150.4 (c) The marriage license fee for parties who have completed at least 12 hours of  
150.5 premarital education is \$40. In order to qualify for the reduced license fee, the parties  
150.6 must submit at the time of applying for the marriage license a signed, dated, and notarized  
150.7 statement from the person who provided the premarital education on their letterhead  
150.8 confirming that it was received. The premarital education must be provided by a licensed  
150.9 or ordained minister or the minister's designee, a person authorized to solemnize marriages  
150.10 under section 517.18, or a person authorized to practice marriage and family therapy under  
150.11 section 148B.33. The education must include the use of a premarital inventory and the  
150.12 teaching of communication and conflict management skills.

150.13 (d) The statement from the person who provided the premarital education under  
150.14 paragraph (b) must be in the following form:

150.15 "I, ..... (name of educator), confirm that ..... (names of  
150.16 both parties) received at least 12 hours of premarital education that included the use of a  
150.17 premarital inventory and the teaching of communication and conflict management skills.  
150.18 I am a licensed or ordained minister, a person authorized to solemnize marriages under  
150.19 Minnesota Statutes, section 517.18, or a person licensed to practice marriage and family  
150.20 therapy under Minnesota Statutes, section 148B.33."

150.21 The names of the parties in the educator's statement must be identical to the legal  
150.22 names of the parties as they appear in the marriage license application. Notwithstanding  
150.23 section 138.17, the educator's statement must be retained for seven years, after which  
150.24 time it may be destroyed.

150.25 (e) If section 259.13 applies to the request for a marriage license, the local registrar  
150.26 shall grant the marriage license without the requested name change. Alternatively, the local  
150.27 registrar may delay the granting of the marriage license until the party with the conviction:

150.28 (1) certifies under oath that 30 days have passed since service of the notice for a  
150.29 name change upon the prosecuting authority and, if applicable, the attorney general and no  
150.30 objection has been filed under section 259.13; or

150.31 (2) provides a certified copy of the court order granting it. The parties seeking the  
150.32 marriage license shall have the right to choose to have the license granted without the  
150.33 name change or to delay its granting pending further action on the name change request.

150.34 Sec. 18. Minnesota Statutes 2008, section 517.08, subdivision 1c, as amended by Laws  
150.35 2010, chapter 200, article 1, section 17, is amended to read:

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151.1 Subd. 1c. **Disposition of license fee.** (a) Of the marriage license fee collected  
151.2 pursuant to subdivision 1b, paragraph (a), \$25 must be retained by the county. The  
151.3 local registrar must pay ~~\$85~~ \$90 to the commissioner of management and budget to be  
151.4 deposited as follows:

151.5 (1) \$55 in the general fund;

151.6 (2) \$3 in the state government special revenue fund to be appropriated to the  
151.7 commissioner of public safety for parenting time centers under section 119A.37;

151.8 (3) \$2 in the special revenue fund to be appropriated to the commissioner of health  
151.9 for developing and implementing the MN ENABL program under section 145.9255; ~~and~~

151.10 (4) \$25 in the special revenue fund is appropriated to the commissioner of  
151.11 employment and economic development for the displaced homemaker program under  
151.12 section 116L.96; and

151.13 (5) \$5 in the special revenue fund, which is appropriated to the Board of Regents  
151.14 of the University of Minnesota for the Minnesota couples on the brink project under  
151.15 section 137.32.

151.16 (b) Of the \$40 fee under subdivision 1b, paragraph (b), \$25 must be retained by the  
151.17 county. The local registrar must pay \$15 to the commissioner of management and budget  
151.18 to be deposited as follows:

151.19 (1) \$5 as provided in paragraph (a), clauses (2) and (3); and

151.20 (2) \$10 in the special revenue fund is appropriated to the commissioner of  
151.21 employment and economic development for the displaced homemaker program under  
151.22 section 116L.96.

151.23 Sec. 19. Laws 2009, chapter 79, article 3, section 18, is amended to read:

151.24 Sec. 18. **REQUIRING THE DEVELOPMENT OF COMMUNITY-BASED**  
151.25 **MENTAL HEALTH SERVICES FOR PATIENTS COMMITTED TO THE**  
151.26 **ANOKA-METRO REGIONAL TREATMENT CENTER.**

151.27 ~~In consultation with community partners, the commissioner of human services~~  
151.28 The Chemical and Mental Health Services Transformation Advisory Task Force shall  
151.29 develop recommend an array of community-based services in the metro area to transform  
151.30 the current services now provided to patients at the Anoka-Metro Regional Treatment  
151.31 Center. The community-based services may be ~~provided in facilities with 16 or fewer~~  
151.32 ~~beds, and must provide the appropriate level of care for the patients being admitted to~~  
151.33 the facilities established in partnership with private and public hospital organizations,  
151.34 community mental health centers and other mental health community services providers,  
151.35 and community partnerships, and must be staffed by state employees. The planning

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152.1 for this transition must be completed by October 1, ~~2009~~ 2010, with ~~an initial~~ a report  
152.2 detailing the transition plan, services that will be provided, including incorporating peer  
152.3 specialists where appropriate, the location of the services, and the number of patients  
152.4 that will be served, to the committee chairs of health and human services by November  
152.5 30, 2009, and a semiannual report on progress until the transition is completed. The  
152.6 commissioner of human services shall solicit interest from stakeholders and potential  
152.7 community partners 2010. The individuals ~~working in~~ employed by the community-based  
152.8 services ~~facilities~~ under this section are state employees supervised by the commissioner  
152.9 of human services. No layoffs shall occur as a result of restructuring under this section.  
152.10 Savings generated as a result of transitioning patients from the Anoka-Metro Regional  
152.11 Treatment Center to community-based services may be used to fund supportive housing  
152.12 staffed by state employees.

152.13 Sec. 20. **REPORT ON HUMAN SERVICES FISCAL NOTES.**

152.14 The commissioner of management and budget shall issue a report to the legislature  
152.15 no later than November 15, 2010, making recommendations for improving the preparation  
152.16 and delivery of fiscal notes under Minnesota Statutes, section 3.98, relating to human  
152.17 services. The report shall consider: (1) the establishment of an independent fiscal  
152.18 note office in the human services department and (2) transferring the responsibility for  
152.19 preparing human services fiscal notes to the legislature. The report must include detailed  
152.20 information regarding the financial costs, staff resources, training, access to information,  
152.21 and data protection issues relative to the preparation of human services fiscal notes. The  
152.22 report shall describe methods and procedures used by other states to insure independence  
152.23 and accuracy of fiscal estimates on legislative proposals for changes in human services.

152.24 Sec. 21. **PRESCRIPTION DRUG WASTE REDUCTION.**

152.25 The Minnesota Board of Pharmacy, in cooperation with the commissioners of  
152.26 human services, pollution control, health, veterans affairs, and corrections, shall study  
152.27 prescription drug waste reduction techniques and technologies applicable to long-term  
152.28 care facilities, veterans nursing homes, and correctional facilities. In conducting the  
152.29 study, the commissioners shall consult with the Minnesota Pharmacists Association, the  
152.30 University of Minnesota College of Pharmacy, University of Minnesota's Minnesota  
152.31 Technical Assistance Project, consumers, long-term care providers, and other interested  
152.32 parties. The board shall evaluate the extent to which new prescription drug waste reduction  
152.33 techniques and technologies can reduce the amount of prescription drugs that enter the  
152.34 waste stream and reduce state prescription drug costs. The techniques and technologies

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153.1 studied must include, but are not limited to, daily, weekly, and automated dose dispensing.  
153.2 The study must provide an estimate of the cost of adopting these and other techniques  
153.3 and technologies, and an estimate of waste reduction and state prescription drug savings  
153.4 that would result from adoption. The study must also evaluate methods of encouraging  
153.5 the adoption of effective drug waste reduction techniques and technologies. The board  
153.6 shall present recommendations on the adoption of new prescription drug waste reduction  
153.7 techniques and technologies to the legislature by December 15, 2011.

153.8       Sec. 22. **VETERINARY PRACTICE AND CONTROLLED SUBSTANCE**  
153.9 **ABUSE STUDY.**

153.10       The Board of Pharmacy, in consultation with the Prescription Electronic Reporting  
153.11 Advisory Committee and the Board of Veterinary Medical Practice, shall study the issue  
153.12 of the diversion of controlled substances from veterinary practice and report to the chairs  
153.13 and ranking minority members of the senate health and human services policy and finance  
153.14 division and the house of representatives health care and human services policy and  
153.15 finance division by December 15, 2011, on recommendations to include veterinarians in  
153.16 the prescription electronic reporting system in Minnesota Statutes, section 152.126.

153.17       Sec. 23. **DATA COLLECTION ON HEALTH DISPARITIES.**

153.18       Subdivision 1. **Inventory.** The commissioners of health and human services shall  
153.19 conduct an inventory on the health-related data collected by each respective department  
153.20 including, but not limited to, health care programs and activities, vital statistics, disease  
153.21 surveillance registries and screenings, and health outcome measurements.

153.22       The inventory must review the categories of data that are collected, describe the  
153.23 methods of collecting, organizing, and reporting data relating to race, ethnicity, country of  
153.24 origin, primary language, tribal enrollment status, and socioeconomic status, and specify  
153.25 whether the data being collected in these categories is currently required.

153.26       Subd. 2. **Review.** (a) Upon completion of the inventory in subdivision 1, the  
153.27 commissioners of health and human services shall consult with representatives of culturally  
153.28 based community groups, community health boards, tribal governments, hospitals, and  
153.29 health plan companies to review the compiled inventory and make recommendations on:

153.30       (1) whether the data currently being collected is sufficient to identify and describe  
153.31 health disparities for particular communities or if the collection of additional types and  
153.32 categories of data is necessary in order to better identify health disparities and to facilitate  
153.33 efforts to reduce these disparities;

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154.1 (2) if additional types and categories of data collection is determined necessary, what  
154.2 additional types and categories should be collected and in what areas;

154.3 (3) whether there is a need to aggregate data to make data in the categories identified  
154.4 in subdivision 1 more accessible to community groups, researchers, and to the legislature;  
154.5 and

154.6 (4) other ways to improve data collection efforts in order to ensure the collection  
154.7 of high-quality, reliable data in clauses (1) to (3) that will ensure accurate research and  
154.8 the ability to create measurable program outcomes in order to facilitate public policy  
154.9 decisions regarding the elimination of health disparities.

154.10 (b) In making recommendations, the work group shall consider national and state  
154.11 standardized data classification systems, as well as federal or state requirements for  
154.12 collection of certain data based on predetermined classification systems that may impact  
154.13 some data collection efforts.

154.14 Subd. 3. **Report.** By January 15, 2011, the commissioners of health and human  
154.15 services shall submit to the chairs and ranking minority members of the legislative  
154.16 committees and divisions with jurisdiction over health and human services the inventory  
154.17 compiled in subdivision 1 and the recommendations developed in subdivision 2.

154.18 Sec. 24. **REPEALER.**

154.19 (a) Minnesota Statutes 2008, sections 254B.02, subdivisions 2, 3, and 4; and  
154.20 254B.09, subdivisions 4, 5, and 7, are repealed.

154.21 (b) Laws 2009, chapter 79, article 7, section 26, subdivision 3, is repealed.

154.22 Sec. 25. **EFFECTIVE DATE.**

154.23 Sections 8 to 11, 13 to 15, and 24, paragraph (a) are effective for claims paid on or  
154.24 after July 1, 2010.

154.25 **ARTICLE 20**

154.26 **DEPARTMENT OF HEALTH**

154.27 Section 1. Minnesota Statutes 2008, section 13.3806, subdivision 13, is amended to  
154.28 read:

154.29 Subd. 13. **Traumatic injury.** Data on individuals with a brain or spinal injury or  
154.30 who sustain major trauma that are collected by the commissioner of health are classified  
154.31 under ~~section~~ sections 144.6071 and 144.665.

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155.1 Sec. 2. Minnesota Statutes 2008, section 62D.08, is amended by adding a subdivision  
155.2 to read:

155.3 **Subd. 7. Consistent administrative expenses and investment income reporting.**

155.4 (a) Every health maintenance organization must directly allocate administrative expenses  
155.5 to specific lines of business or products when such information is available. Remaining  
155.6 expenses that cannot be directly allocated must be allocated based on other methods, as  
155.7 recommended by the Advisory Group on Administrative Expenses. Health maintenance  
155.8 organizations must submit this information, including administrative expenses for dental  
155.9 services, using the reporting template provided by the commissioner of health.

155.10 (b) Every health maintenance organization must allocate investment income based  
155.11 on cumulative net income over time by business line or product and must submit this  
155.12 information, including investment income for dental services, using the reporting template  
155.13 provided by the commissioner of health.

155.14 **EFFECTIVE DATE.** This section is effective January 1, 2013.

155.15 Sec. 3. **[62D.31] ADVISORY GROUP ON ADMINISTRATIVE EXPENSES.**

155.16 **Subdivision 1. Establishment.** The Advisory Group on Administrative Expenses  
155.17 is established to make recommendations on the development of consistent guidelines  
155.18 and reporting requirements, including development of a reporting template, for health  
155.19 maintenance organizations and county-based purchasing plans that participate in publicly  
155.20 funded programs.

155.21 **Subd. 2. Membership.** The membership of the advisory group shall be comprised  
155.22 of the following, who serve at the pleasure of their appointing authority:

155.23 (1) the commissioner of health or the commissioner's designee;

155.24 (2) the commissioner of human services or the commissioner's designee;

155.25 (3) the commissioner of commerce or the commissioner's designee; and

155.26 (4) representatives of health maintenance organizations and county-based purchasers  
155.27 appointed by the commissioner of health.

155.28 **Subd. 3. Administration.** The commissioner of health shall convene the first  
155.29 meeting of the advisory group by December 1, 2010, and shall provide administrative  
155.30 support and staff. The commissioner of health may contract with a consultant to provide  
155.31 professional assistance and expertise to the advisory group.

155.32 **Subd. 4. Recommendations.** The Advisory Group on Administrative Expenses  
155.33 must report its recommendations, including any proposed legislation necessary to  
155.34 implement the recommendations, to the commissioner of health and to the chairs and

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156.1 ranking minority members of the legislative committees and divisions with jurisdiction  
156.2 over health policy and finance by February 15, 2012.

156.3 Subd. 5. **Expiration.** This section expires after submission of the report required  
156.4 under subdivision 4 or June 30, 2012, whichever is sooner.

156.5 Sec. 4. Minnesota Statutes 2008, section 62Q.19, subdivision 1, is amended to read:

156.6 Subdivision 1. **Designation.** (a) The commissioner shall designate essential  
156.7 community providers. The criteria for essential community provider designation shall be  
156.8 the following:

156.9 (1) a demonstrated ability to integrate applicable supportive and stabilizing services  
156.10 with medical care for uninsured persons and high-risk and special needs populations,  
156.11 underserved, and other special needs populations; and

156.12 (2) a commitment to serve low-income and underserved populations by meeting the  
156.13 following requirements:

156.14 (i) has nonprofit status in accordance with chapter 317A;

156.15 (ii) has tax exempt status in accordance with the Internal Revenue Service Code,  
156.16 section 501(c)(3);

156.17 (iii) charges for services on a sliding fee schedule based on current poverty income  
156.18 guidelines; and

156.19 (iv) does not restrict access or services because of a client's financial limitation;

156.20 (3) status as a local government unit as defined in section 62D.02, subdivision 11, a  
156.21 hospital district created or reorganized under sections 447.31 to 447.37, an Indian tribal  
156.22 government, an Indian health service unit, or a community health board as defined in  
156.23 chapter 145A;

156.24 (4) a former state hospital that specializes in the treatment of cerebral palsy, spina  
156.25 bifida, epilepsy, closed head injuries, specialized orthopedic problems, and other disabling  
156.26 conditions; ~~or~~

156.27 (5) a sole community hospital. For these rural hospitals, the essential community  
156.28 provider designation applies to all health services provided, including both inpatient and  
156.29 outpatient services. For purposes of this section, "sole community hospital" means a  
156.30 rural hospital that:

156.31 (i) is eligible to be classified as a sole community hospital according to Code  
156.32 of Federal Regulations, title 42, section 412.92, or is located in a community with a  
156.33 population of less than 5,000 and located more than 25 miles from a like hospital currently  
156.34 providing acute short-term services;

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157.1 (ii) has experienced net operating income losses in two of the previous three  
157.2 most recent consecutive hospital fiscal years for which audited financial information is  
157.3 available; and

157.4 (iii) consists of 40 or fewer licensed beds; or  
157.5 (6) a birth center licensed under section 144.615.

157.6 (b) Prior to designation, the commissioner shall publish the names of all applicants  
157.7 in the State Register. The public shall have 30 days from the date of publication to submit  
157.8 written comments to the commissioner on the application. No designation shall be made  
157.9 by the commissioner until the 30-day period has expired.

157.10 (c) The commissioner may designate an eligible provider as an essential community  
157.11 provider for all the services offered by that provider or for specific services designated by  
157.12 the commissioner.

157.13 (d) For the purpose of this subdivision, supportive and stabilizing services include at  
157.14 a minimum, transportation, child care, cultural, and linguistic services where appropriate.

157.15 Sec. 5. Minnesota Statutes 2008, section 144.05, is amended by adding a subdivision  
157.16 to read:

157.17 Subd. 5. **Firearms data.** Notwithstanding any law to the contrary, the commissioner  
157.18 of health is prohibited from collecting data on individuals regarding lawful firearm  
157.19 ownership in the state or data related to an individual's right to carry a weapon under  
157.20 section 624.714.

157.21 Sec. 6. Minnesota Statutes 2008, section 144.226, subdivision 3, is amended to read:

157.22 Subd. 3. **Birth record surcharge.** (a) In addition to any fee prescribed under  
157.23 subdivision 1, there shall be a nonrefundable surcharge of \$3 for each certified birth or  
157.24 stillbirth record and for a certification that the vital record cannot be found. The local or  
157.25 state registrar shall forward this amount to the commissioner of management and budget  
157.26 for deposit into the account for the children's trust fund for the prevention of child abuse  
157.27 established under section 256E.22. This surcharge shall not be charged under those  
157.28 circumstances in which no fee for a certified birth or stillbirth record is permitted under  
157.29 subdivision 1, paragraph (a). Upon certification by the commissioner of management and  
157.30 budget that the assets in that fund exceed \$20,000,000, this surcharge shall be discontinued.

157.31 (b) In addition to any fee prescribed under subdivision 1, there shall be a  
157.32 nonrefundable surcharge of \$10 for each certified birth record. The local or state registrar  
157.33 shall forward this amount to the commissioner of management and budget for deposit in

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158.1 the general fund. This surcharge shall not be charged under those circumstances in which  
158.2 no fee for a certified birth record is permitted under subdivision 1, paragraph (a).

158.3 **EFFECTIVE DATE.** This section is effective July 1, 2010.

158.4 Sec. 7. Minnesota Statutes 2008, section 144.293, subdivision 4, is amended to read:

158.5 Subd. 4. **Duration of consent.** Except as provided in this section, a consent is  
158.6 valid for one year or for a ~~lesser~~ period specified in the consent or for a different period  
158.7 provided by law.

158.8 Sec. 8. Minnesota Statutes 2008, section 144.603, is amended to read:

158.9 **144.603 STATEWIDE TRAUMA SYSTEM CRITERIA.**

158.10 Subdivision 1. **Criteria established.** The commissioner shall adopt criteria to  
158.11 ensure that severely injured people are promptly transported and treated at trauma  
158.12 hospitals appropriate to the severity of injury. Minimum criteria shall address emergency  
158.13 medical service trauma triage and transportation guidelines as approved under section  
158.14 144E.101, subdivision 14, designation of hospitals as trauma hospitals, interhospital  
158.15 transfers, a trauma registry, and a trauma system governance structure.

158.16 Subd. 2. **Basis; verification.** The commissioner shall base the establishment,  
158.17 implementation, and modifications to the criteria under subdivision 1 on the  
158.18 department-published Minnesota comprehensive statewide trauma system plan. The  
158.19 commissioner shall seek the advice of the Trauma Advisory Council in implementing  
158.20 and updating the criteria, using accepted and prevailing trauma transport, treatment,  
158.21 and referral standards of the American College of Surgeons, the American College of  
158.22 Emergency Physicians, the Minnesota Emergency Medical Services Regulatory Board,  
158.23 the national Trauma ~~Resources Network~~ Center Association of America, and other widely  
158.24 recognized trauma experts. The commissioner shall adapt and modify the standards as  
158.25 appropriate to accommodate Minnesota's unique geography and the state's hospital and  
158.26 health professional distribution and shall verify that the criteria are met by each hospital  
158.27 voluntarily participating in the statewide trauma system.

158.28 Subd. 3. **Rule exemption and report to legislature.** In developing and adopting  
158.29 the criteria under this section, the commissioner of health is exempt from chapter 14,  
158.30 including section 14.386. ~~By September 1, 2009, the commissioner must report to the~~  
158.31 ~~legislature on implementation of the voluntary trauma system, including recommendations~~  
158.32 ~~on the need for including the trauma system criteria in rule.~~

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159.1 Sec. 9. Minnesota Statutes 2008, section 144.605, subdivision 2, is amended to read:

159.2 Subd. 2. **Designation; reverification.** The commissioner shall designate ~~four~~ six  
159.3 levels of trauma hospitals. A hospital that voluntarily meets the criteria for a particular  
159.4 level of trauma hospital shall apply to the commissioner for designation and, upon the  
159.5 commissioner's verifying the hospital meets the criteria, be designated a trauma hospital  
159.6 at the appropriate level for a three-year period. Prior to the expiration of the three-year  
159.7 designation, a hospital seeking to remain part of the voluntary system must apply for  
159.8 and successfully complete a reverification process, be awaiting the site visit for the  
159.9 reverification, or be awaiting the results of the site visit. The commissioner may extend a  
159.10 hospital's existing designation for up to 18 months on a provisional basis if the hospital has  
159.11 applied for reverification in a timely manner but has not yet completed the reverification  
159.12 process within the expiration of the three-year designation and the extension is in the  
159.13 best interest of trauma system patient safety. To be granted a provisional extension, the  
159.14 hospital must be:

- 159.15 (1) scheduled and awaiting the site visit for reverification;  
159.16 (2) awaiting the results of the site visit; or  
159.17 (3) responding to and correcting identified deficiencies identified in the site visit.

159.18 Sec. 10. Minnesota Statutes 2008, section 144.605, subdivision 3, is amended to read:

159.19 Subd. 3. **ACS verification.** The commissioner shall grant the appropriate level I, II,  
159.20 or III trauma hospital or level I or II pediatric trauma hospital designation to a hospital that  
159.21 successfully completes and passes the American College of Surgeons (ACS) verification  
159.22 standards at the hospital's cost, submits verification documentation to the Trauma Advisory  
159.23 Council, and formally notifies the Trauma Advisory Council of ACS verification.

159.24 Sec. 11. Minnesota Statutes 2008, section 144.605, is amended by adding a subdivision  
159.25 to read:

159.26 Subd. 9. **Designation process protection.** Data on patients in information and  
159.27 reports related to the designation and redesignation of trauma hospitals pursuant to  
159.28 subdivisions 3 to 5 are private data on individuals, as defined in section 13.02, subdivision  
159.29 12.

159.30 Sec. 12. **[144.6071] TRAUMA REGISTRY.**

159.31 Subdivision 1. **Registry.** The commissioner of health shall establish and maintain  
159.32 a central registry of persons who sustain major trauma as defined in section 144.602,  
159.33 subdivision 3. The registry shall collect information to facilitate the development of

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160.1 clinical and system quality improvement, injury prevention, treatment, and rehabilitation  
160.2 programs.

160.3 Subd. 2. **Registry participation required.** A trauma hospital must participate in  
160.4 the statewide trauma registry. The consent of the injured person is not required.

160.5 Subd. 3. **Registry information.** Trauma hospitals must electronically submit the  
160.6 following information to the registry:

160.7 (1) demographic information of the injured person;

160.8 (2) information about the date, location, and cause of the injury;

160.9 (3) information about the condition of the injured person;

160.10 (4) information about the treatment, comorbidities, and diagnosis of the injured  
160.11 person;

160.12 (5) information about the outcome and disposition of the injured person; and

160.13 (6) other trauma-related information required by the commissioner, if necessary to  
160.14 facilitate the development of clinical and system quality improvement, treatment, and  
160.15 rehabilitation programs.

160.16 Subd. 4. **Rules.** The commissioner may adopt rules to collect other information  
160.17 required to facilitate the development of clinical and system quality improvement, injury  
160.18 prevention, treatment, and rehabilitation programs. The commissioner may adopt rules at  
160.19 any time to implement this section and is not subject to the requirements of section 14.125.

160.20 Subd. 5. **Reporting without liability.** Any person or facility furnishing information  
160.21 required in this section shall not be subject to any action for damages or other relief,  
160.22 provided that the person or facility is acting in good faith.

160.23 Subd. 6. **Data classification.** Data on individuals collected by the commissioner  
160.24 of health under this section are private data on individuals, as defined in section 13.02,  
160.25 subdivision 12. Data not on individuals are nonpublic data as defined in section 13.02,  
160.26 subdivision 9. The commissioner shall provide summary registry data to public and  
160.27 private entities to conduct studies using data collected by the registry. The commissioner  
160.28 may charge a fee under section 13.03, subdivision 3, for all out-of-pocket expenses  
160.29 associated with the provision of data or data analysis.

160.30 Subd. 7. **Report requirements.** The commissioner shall use the registry to annually  
160.31 publish a report that includes comparative demographic and risk-adjusted epidemiological  
160.32 data on designated trauma hospitals. Any analyses or reports that identify providers  
160.33 may only be published after the provider has been provided the opportunity by the  
160.34 commissioner to review the underlying data and submit comments. The provider shall  
160.35 have 21 days to review the data for accuracy.

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161.1 Sec. 13. Minnesota Statutes 2008, section 144.608, subdivision 1, is amended to read:

161.2 Subdivision 1. **Trauma Advisory Council established.** (a) A Trauma Advisory  
161.3 Council is established to advise, consult with, and make recommendations to the  
161.4 commissioner on the development, maintenance, and improvement of a statewide trauma  
161.5 system.

161.6 (b) The council shall consist of the following members:

161.7 (1) a trauma surgeon certified by the American ~~College of Surgeons~~ Board of  
161.8 Surgery or the American Osteopathic Board of Surgery who practices in a level I or  
161.9 II trauma hospital;

161.10 (2) a general surgeon certified by the American ~~College of Surgeons~~ Board  
161.11 of Surgery or the American Osteopathic Board of Surgery whose practice includes  
161.12 trauma and who practices in a designated rural area as defined under section 144.1501,  
161.13 subdivision 1, paragraph (b);

161.14 (3) a neurosurgeon certified by the American Board of Neurological Surgery who  
161.15 practices in a level I or II trauma hospital;

161.16 (4) a trauma program nurse manager or coordinator practicing in a level I or II  
161.17 trauma hospital;

161.18 (5) an emergency physician certified by the American ~~College~~ Board of Emergency  
161.19 ~~Physicians~~ Medicine or the American Osteopathic Board of Emergency Medicine whose  
161.20 practice includes emergency room care in a level I, II, III, or IV trauma hospital;

161.21 (6) ~~an emergency room nurse manager~~ a trauma program manager or coordinator  
161.22 who practices in a level III or IV trauma hospital;

161.23 (7) a ~~family practice~~ physician certified by the American Board of Family Medicine  
161.24 or the American Osteopathic Board of Family Practice whose practice includes emergency  
161.25 ~~room~~ department care in a level III or IV trauma hospital located in a designated rural area  
161.26 as defined under section 144.1501, subdivision 1, paragraph (b);

161.27 (8) a nurse practitioner, as defined under section 144.1501, subdivision 1, paragraph  
161.28 (h), or a physician assistant, as defined under section 144.1501, subdivision 1, paragraph  
161.29 (j), whose practice includes emergency room care in a level IV trauma hospital located in  
161.30 a designated rural area as defined under section 144.1501, subdivision 1, paragraph (b);

161.31 (9) a pediatrician certified by the American ~~Academy~~ Board of Pediatrics or the  
161.32 American Osteopathic Board of Pediatrics whose practice includes emergency ~~room~~  
161.33 department care in a level I, II, III, or IV trauma hospital;

161.34 (10) an orthopedic surgeon certified by the American Board of Orthopaedic Surgery  
161.35 or the American Osteopathic Board of Orthopedic Surgery whose practice includes trauma  
161.36 and who practices in a level I, II, or III trauma hospital;

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162.1 (11) the state emergency medical services medical director appointed by the  
162.2 Emergency Medical Services Regulatory Board;

162.3 (12) a hospital administrator of a level III or IV trauma hospital located in a  
162.4 designated rural area as defined under section 144.1501, subdivision 1, paragraph (b);

162.5 (13) a rehabilitation specialist whose practice includes rehabilitation of patients  
162.6 with major trauma injuries or traumatic brain injuries and spinal cord injuries as defined  
162.7 under section 144.661;

162.8 (14) an attendant or ambulance director who is an EMT, EMT-I, or EMT-P within  
162.9 the meaning of section 144E.001 and who actively practices with a licensed ambulance  
162.10 service in a primary service area located in a designated rural area as defined under section  
162.11 144.1501, subdivision 1, paragraph (b); and

162.12 (15) the commissioner of public safety or the commissioner's designee.

162.13 ~~(c) Council members whose appointment is dependent on practice in a level III or IV~~  
162.14 ~~trauma hospital may be appointed to an initial term based upon their statements that the~~  
162.15 ~~hospital intends to become a level III or IV facility by July 1, 2009.~~

162.16 Sec. 14. **[144.615] BIRTH CENTERS.**

162.17 Subdivision 1. Definitions. (a) For purposes of this section, the following definitions  
162.18 have the meanings given them.

162.19 (b) "Birth center" means a facility licensed for the primary purpose of performing  
162.20 low-risk deliveries that is not a hospital or licensed as part of a hospital and where births are  
162.21 planned to occur away from the mother's usual residence following a low-risk pregnancy.

162.22 (c) "CABC" means the Commission for the Accreditation of Birth Centers.

162.23 (d) "Low-risk pregnancy" means a normal, uncomplicated prenatal course as  
162.24 determined by documentation of adequate prenatal care and the anticipation of a normal  
162.25 uncomplicated labor and birth, as defined by reasonable and generally accepted criteria  
162.26 adopted by professional groups for maternal, fetal, and neonatal health care.

162.27 Subd. 2. License required. (a) Beginning January 1, 2011, no birth center shall be  
162.28 established, operated, or maintained in the state without first obtaining a license from the  
162.29 commissioner of health according to this section.

162.30 (b) A license issued under this section is not transferable or assignable and is subject  
162.31 to suspension or revocation at any time for failure to comply with this section.

162.32 (c) A birth center licensed under this section shall not assert, represent, offer,  
162.33 provide, or imply that the center is or may render care or services other than the services it  
162.34 is permitted to render within the scope of the license or the accreditation issued.

162.35 (d) The license must be conspicuously posted in an area where patients are admitted.

163.1        Subd. 3. **Temporary license.** For new birth centers planning to begin operations  
163.2 after January 1, 2011, the commissioner may issue a temporary license to the birth center  
163.3 that is valid for a period of six months from the date of issuance. The birth center must  
163.4 submit to the commissioner an application and applicable fee for licensure as required  
163.5 under subdivision 4. The application must include the information required in subdivision  
163.6 4, clauses (1) to (3) and (5) to (7), and documentation that the birth center has submitted  
163.7 an application for accreditation to the CABC. Upon receipt of accreditation from the  
163.8 CABC, the birth center must submit to the commissioner the information required in  
163.9 subdivision 4, clause (4), and the applicable fee under subdivision 8. The commissioner  
163.10 shall issue a new license.

163.11        Subd. 4. **Application.** An application for a license to operate a birth center and the  
163.12 applicable fee under subdivision 8 must be submitted to the commissioner on a form  
163.13 provided by the commissioner and must contain:

- 163.14        (1) the name of the applicant;  
163.15        (2) the site location of the birth center;  
163.16        (3) the name of the person in charge of the center;  
163.17        (4) documentation that the accreditation described under subdivision 6 has been  
163.18 issued, including the effective date and the expiration date of the accreditation, and the  
163.19 date of the last site visit by the CABC;  
163.20        (5) the number of patients the birth center is capable of serving at a given time;  
163.21        (6) the names and license numbers, if applicable, of the health care professionals  
163.22 on staff at the birth center; and  
163.23        (7) any other information the commissioner deems necessary.

163.24        Subd. 5. **Suspension, revocation, and refusal to renew.** The commissioner may  
163.25 refuse to grant or renew, or may suspend or revoke, a license on any of the grounds  
163.26 described under section 144.55, subdivision 6, paragraph (a), clause (2), (3), or (4), or  
163.27 upon the loss of accreditation by the CABC. The applicant or licensee is entitled to notice  
163.28 and a hearing as described under section 144.55, subdivision 7, and a new license may be  
163.29 issued after proper inspection of the birth center has been conducted.

163.30        Subd. 6. **Standards for licensure.** (a) To be eligible for licensure under this  
163.31 section, a birth center must be accredited by the CABC or must obtain accreditation  
163.32 within six months of the date of the application for licensure. If the birth center loses its  
163.33 accreditation, the birth center must immediately notify the commissioner.

163.34        (b) The center must have procedures in place specifying criteria by which risk status  
163.35 will be established and applied to each woman at admission and during labor.

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164.1 (c) Upon request, the birth center shall provide the commissioner of health with any  
164.2 material submitted by the birth center to the CABC as part of the accreditation process,  
164.3 including the accreditation application, the self-evaluation report, the accreditation  
164.4 decision letter from the CABC, and any reports from the CABC following a site visit.

164.5 Subd. 7. **Limitations of services.** (a) The following limitations apply to the services  
164.6 performed at a birth center:

164.7 (1) surgical procedures must be limited to those normally accomplished during an  
164.8 uncomplicated birth, including episiotomy and repair;

164.9 (2) no abortions may be administered; and

164.10 (3) no general or regional anesthesia may be administered.

164.11 (b) Notwithstanding paragraph (a), local anesthesia may be administered at a birth  
164.12 center if the administration of the anesthetic is performed within the scope of practice of a  
164.13 health care professional.

164.14 Subd. 8. **Fees.** (a) The biennial license fee for a birth center is \$365.

164.15 (b) The temporary license fee is \$365.

164.16 (c) Fees shall be collected and deposited according to section 144.122.

164.17 Subd. 9. **Renewal.** (a) Except as provided in paragraph (b), a license issued under  
164.18 this section expires two years from the date of issue.

164.19 (b) A temporary license issued under subdivision 3 expires six months from the date  
164.20 of issue, and may be renewed for one additional six-month period.

164.21 (c) An application for renewal shall be submitted at least 60 days prior to expiration  
164.22 of the license on forms prescribed by the commissioner of health.

164.23 Subd. 10. **Records.** All health records maintained on each client by a birth center  
164.24 are subject to sections 144.292 to 144.298.

164.25 Subd. 11. **Report.** (a) The commissioner of health, in consultation with the  
164.26 commissioner of human services and representatives of the licensed birth centers,  
164.27 the American College of Obstetricians and Gynecologists, the American Academy  
164.28 of Pediatrics, the Minnesota Hospital Association, and the Minnesota Ambulance  
164.29 Association, shall evaluate the quality of care and outcomes for services provided in  
164.30 licensed birth centers, including, but not limited to, the utilization of services provided at a  
164.31 birth center, the outcomes of care provided to both mothers and newborns, and the numbers  
164.32 of transfers to other health care facilities that are required and the reasons for the transfers.  
164.33 The commissioner shall work with the birth centers to establish a process to gather and  
164.34 analyze the data within protocols that protect the confidentiality of patient identification.

164.35 (b) The commissioner of health shall report the findings of the evaluation to the  
164.36 legislature by January 15, 2014.

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165.1 Sec. 15. Minnesota Statutes 2008, section 144.651, subdivision 2, is amended to read:

165.2 Subd. 2. **Definitions.** For the purposes of this section, "patient" means a person  
165.3 who is admitted to an acute care inpatient facility for a continuous period longer than  
165.4 24 hours, for the purpose of diagnosis or treatment bearing on the physical or mental  
165.5 health of that person. For purposes of subdivisions 4 to 9, 12, 13, 15, 16, and 18 to 20,  
165.6 "patient" also means a person who receives health care services at an outpatient surgical  
165.7 center or at a birth center licensed under section 144.615. "Patient" also means a minor  
165.8 who is admitted to a residential program as defined in section 253C.01. For purposes of  
165.9 subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any person who is receiving  
165.10 mental health treatment on an outpatient basis or in a community support program or other  
165.11 community-based program. "Resident" means a person who is admitted to a nonacute care  
165.12 facility including extended care facilities, nursing homes, and boarding care homes for  
165.13 care required because of prolonged mental or physical illness or disability, recovery from  
165.14 injury or disease, or advancing age. For purposes of all subdivisions except subdivisions  
165.15 28 and 29, "resident" also means a person who is admitted to a facility licensed as a board  
165.16 and lodging facility under Minnesota Rules, parts 4625.0100 to 4625.2355, or a supervised  
165.17 living facility under Minnesota Rules, parts 4665.0100 to 4665.9900, and which operates  
165.18 a rehabilitation program licensed under Minnesota Rules, parts 9530.4100 to 9530.4450.

165.19 Sec. 16. Minnesota Statutes 2008, section 144.9504, is amended by adding a  
165.20 subdivision to read:

165.21 Subd. 12. **Blood lead level guidelines.** (a) By January 1, 2011, the commissioner  
165.22 must revise clinical and case management guidelines to include recommendations  
165.23 for protective health actions and follow-up services when a child's blood lead level  
165.24 exceeds five micrograms of lead per deciliter of blood. The revised guidelines must be  
165.25 implemented to the extent possible using available resources.

165.26 (b) In revising the clinical and case management guidelines for blood lead levels  
165.27 greater than five micrograms of lead per deciliter of blood under this subdivision,  
165.28 the commissioner of health must consult with a statewide organization representing  
165.29 physicians, the public health department of Minneapolis and other public health  
165.30 departments, one representative of the residential construction industry, and a nonprofit  
165.31 organization with expertise in lead abatement.

165.32 Sec. 17. Minnesota Statutes 2008, section 144A.51, subdivision 5, is amended to read:

165.33 Subd. 5. **Health facility.** "Health facility" means a facility or that part of a facility  
165.34 which is required to be licensed pursuant to sections 144.50 to 144.58, 144.615, and a

166.1 facility or that part of a facility which is required to be licensed under any law of this state  
166.2 which provides for the licensure of nursing homes.

166.3 Sec. 18. Minnesota Statutes 2008, section 144E.37, is amended to read:

166.4 **144E.37 COMPREHENSIVE ADVANCED LIFE SUPPORT.**

166.5 The ~~board~~ commissioner of health shall establish a comprehensive advanced  
166.6 life-support educational program to train rural medical personnel, including physicians,  
166.7 physician assistants, nurses, and allied health care providers, in a team approach to  
166.8 anticipate, recognize, and treat life-threatening emergencies before serious injury or  
166.9 cardiac arrest occurs.

166.10 **EFFECTIVE DATE.** This section is effective July 1, 2010.

166.11 Sec. 19. **HEALTH PLAN AND COUNTY ADMINISTRATIVE COST**  
166.12 **REDUCTION; REPORTING REQUIREMENTS.**

166.13 (a) Minnesota health plans and county-based purchasing plans may complete an  
166.14 inventory of existing data collection and reporting requirements for health plans and  
166.15 county-based purchasing plans and submit to the commissioners of health and human  
166.16 services a list of data, documentation, and reports that:

166.17 (1) are collected from the same health plan or county-based purchasing plan more  
166.18 than once;

166.19 (2) are collected directly from the health plan or county-based purchasing plan but  
166.20 are available to the state agencies from other sources;

166.21 (3) are not currently being used by state agencies; or

166.22 (4) collect similar information more than once in different formats, at different  
166.23 times, or by more than one state agency.

166.24 (b) The report to the commissioners may also identify the percentage of health  
166.25 plan and county-based purchasing plan administrative time and expense attributed to  
166.26 fulfilling reporting requirements and include recommendations regarding ways to reduce  
166.27 duplicative reporting requirements.

166.28 (c) Upon receipt, the commissioners shall submit the inventory and recommendations  
166.29 to the chairs of the appropriate legislative committees, along with their comments  
166.30 and recommendations as to whether any action should be taken by the legislature to  
166.31 establish a consolidated and streamlined reporting system under which data, reports, and  
166.32 documentation are collected only once and only when needed for the state agencies to  
166.33 fulfill their duties under law and applicable regulations.

167.1 Sec. 20. **VENDOR ACCREDITATION SIMPLIFICATION.**

167.2 The Minnesota Hospital Association must coordinate with the Minnesota  
167.3 Credentialing Collaborative to make recommendations by January 1, 2012, on the  
167.4 development of standard accreditation methods for vendor services provided within  
167.5 hospitals and clinics. The recommendations must be consistent with requirements of  
167.6 hospital credentialing organizations and applicable federal requirements.

167.7 Sec. 21. **APPLICATION PROCESS FOR HEALTH INFORMATION**  
167.8 **EXCHANGE.**

167.9 To the extent that the commissioner of health applies for additional federal funding  
167.10 to support the commissioner's responsibilities of developing and maintaining state level  
167.11 health information exchange under section 3013 of the HITECH Act, the commissioner of  
167.12 health shall ensure that applications are made through an open process that provides health  
167.13 information exchange service providers equal opportunity to receive funding.

167.14 Sec. 22. **TRANSFER.**

167.15 The powers and duties of the Emergency Medical Services Regulatory Board with  
167.16 respect to the comprehensive advanced life-support educational program under Minnesota  
167.17 Statutes, section 144E.37, are transferred to the commissioner of health under Minnesota  
167.18 Statutes, section 15.039.

167.19 **EFFECTIVE DATE.** This section is effective July 1, 2010.

167.20 Sec. 23. **REVISOR'S INSTRUCTION.**

167.21 The revisor of statutes shall renumber Minnesota Statutes, section 144E.37, as  
167.22 Minnesota Statutes, section 144.6062, and make all necessary changes in statutory  
167.23 cross-references in Minnesota Statutes and Minnesota Rules.

167.24 **EFFECTIVE DATE.** This section is effective July 1, 2010.

167.25 Sec. 24. **REPEALER.**

167.26 Minnesota Statutes 2008, section 144.607, is repealed.

167.27 **ARTICLE 21**

167.28 **PUBLIC HEALTH**

167.29 Section 1. Minnesota Statutes 2008, section 62J.692, subdivision 4, is amended to read:

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168.1 Subd. 4. **Distribution of funds.** (a) Following the distribution described under  
168.2 paragraph (b), the commissioner shall annually distribute the available medical education  
168.3 funds to all qualifying applicants based on a distribution formula that reflects a summation  
168.4 of two factors:

168.5 (1) a public program volume factor, which is determined by the total volume of  
168.6 public program revenue received by each training site as a percentage of all public  
168.7 program revenue received by all training sites in the fund pool; and

168.8 (2) a supplemental public program volume factor, which is determined by providing  
168.9 a supplemental payment of 20 percent of each training site's grant to training sites whose  
168.10 public program revenue accounted for at least 0.98 percent of the total public program  
168.11 revenue received by all eligible training sites. Grants to training sites whose public  
168.12 program revenue accounted for less than 0.98 percent of the total public program revenue  
168.13 received by all eligible training sites shall be reduced by an amount equal to the total  
168.14 value of the supplemental payment.

168.15 Public program revenue for the distribution formula includes revenue from medical  
168.16 assistance, prepaid medical assistance, general assistance medical care, and prepaid  
168.17 general assistance medical care. Training sites that receive no public program revenue  
168.18 are ineligible for funds available under this subdivision. For purposes of determining  
168.19 training-site level grants to be distributed under paragraph (a), total statewide average  
168.20 costs per trainee for medical residents is based on audited clinical training costs per trainee  
168.21 in primary care clinical medical education programs for medical residents. Total statewide  
168.22 average costs per trainee for dental residents is based on audited clinical training costs  
168.23 per trainee in clinical medical education programs for dental students. Total statewide  
168.24 average costs per trainee for pharmacy residents is based on audited clinical training costs  
168.25 per trainee in clinical medical education programs for pharmacy students.

168.26 (b) \$5,350,000 of the available medical education funds shall be distributed as  
168.27 follows:

168.28 (1) \$1,475,000 to the University of Minnesota Medical Center-Fairview;

168.29 (2) \$2,075,000 to the University of Minnesota School of Dentistry; and

168.30 (3) \$1,800,000 to the Academic Health Center. \$150,000 of the funds distributed to  
168.31 the Academic Health Center under this paragraph shall be used for a program to assist  
168.32 internationally trained physicians who are legal residents and who commit to serving  
168.33 underserved Minnesota communities in a health professional shortage area to successfully  
168.34 compete for family medicine residency programs at the University of Minnesota.

168.35 (c) Funds distributed shall not be used to displace current funding appropriations  
168.36 from federal or state sources.

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169.1 (d) Funds shall be distributed to the sponsoring institutions indicating the amount  
169.2 to be distributed to each of the sponsor's clinical medical education programs based on  
169.3 the criteria in this subdivision and in accordance with the commissioner's approval letter.  
169.4 Each clinical medical education program must distribute funds allocated under paragraph  
169.5 (a) to the training sites as specified in the commissioner's approval letter. Sponsoring  
169.6 institutions, which are accredited through an organization recognized by the Department  
169.7 of Education or the Centers for Medicare and Medicaid Services, may contract directly  
169.8 with training sites to provide clinical training. To ensure the quality of clinical training,  
169.9 those accredited sponsoring institutions must:

169.10 (1) develop contracts specifying the terms, expectations, and outcomes of the clinical  
169.11 training conducted at sites; and

169.12 (2) take necessary action if the contract requirements are not met. Action may  
169.13 include the withholding of payments under this section or the removal of students from  
169.14 the site.

169.15 (e) Any funds not distributed in accordance with the commissioner's approval letter  
169.16 must be returned to the medical education and research fund within 30 days of receiving  
169.17 notice from the commissioner. The commissioner shall distribute returned funds to the  
169.18 appropriate training sites in accordance with the commissioner's approval letter.

169.19 (f) A maximum of \$150,000 of the funds dedicated to the commissioner under  
169.20 section 297F.10, subdivision 1, clause (2), may be used by the commissioner for  
169.21 administrative expenses associated with implementing this section.

169.22 Sec. 2. Minnesota Statutes 2009 Supplement, section 157.16, subdivision 3, is  
169.23 amended to read:

169.24 Subd. 3. **Establishment fees; definitions.** (a) The following fees are required  
169.25 for food and beverage service establishments, youth camps, hotels, motels, lodging  
169.26 establishments, public pools, and resorts licensed under this chapter. Food and beverage  
169.27 service establishments must pay the highest applicable fee under paragraph (d), clause  
169.28 (1), (2), (3), or (4), and establishments serving alcohol must pay the highest applicable  
169.29 fee under paragraph (d), clause (6) or (7). The license fee for new operators previously  
169.30 licensed under this chapter for the same calendar year is one-half of the appropriate annual  
169.31 license fee, plus any penalty that may be required. The license fee for operators opening  
169.32 on or after October 1 is one-half of the appropriate annual license fee, plus any penalty  
169.33 that may be required.

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170.1 (b) All food and beverage service establishments, except special event food stands,  
170.2 and all hotels, motels, lodging establishments, public pools, and resorts shall pay an  
170.3 annual base fee of \$150.

170.4 (c) A special event food stand shall pay a flat fee of \$50 annually. "Special event  
170.5 food stand" means a fee category where food is prepared or served in conjunction with  
170.6 celebrations, county fairs, or special events from a special event food stand as defined  
170.7 in section 157.15.

170.8 (d) In addition to the base fee in paragraph (b), each food and beverage service  
170.9 establishment, other than a special event food stand, and each hotel, motel, lodging  
170.10 establishment, public pool, and resort shall pay an additional annual fee for each fee  
170.11 category, additional food service, or required additional inspection specified in this  
170.12 paragraph:

170.13 (1) Limited food menu selection, \$60. "Limited food menu selection" means a fee  
170.14 category that provides one or more of the following:

170.15 (i) prepackaged food that receives heat treatment and is served in the package;

170.16 (ii) frozen pizza that is heated and served;

170.17 (iii) a continental breakfast such as rolls, coffee, juice, milk, and cold cereal;

170.18 (iv) soft drinks, coffee, or nonalcoholic beverages; or

170.19 (v) cleaning for eating, drinking, or cooking utensils, when the only food served  
170.20 is prepared off site.

170.21 (2) Small establishment, including boarding establishments, \$120. "Small  
170.22 establishment" means a fee category that has no salad bar and meets one or more of  
170.23 the following:

170.24 (i) possesses food service equipment that consists of no more than a deep fat fryer, a  
170.25 grill, two hot holding containers, and one or more microwave ovens;

170.26 (ii) serves dipped ice cream or soft serve frozen desserts;

170.27 (iii) serves breakfast in an owner-occupied bed and breakfast establishment;

170.28 (iv) is a boarding establishment; or

170.29 (v) meets the equipment criteria in clause (3), item (i) or (ii), and has a maximum  
170.30 patron seating capacity of not more than 50.

170.31 (3) Medium establishment, \$310. "Medium establishment" means a fee category  
170.32 that meets one or more of the following:

170.33 (i) possesses food service equipment that includes a range, oven, steam table, salad  
170.34 bar, or salad preparation area;

170.35 (ii) possesses food service equipment that includes more than one deep fat fryer,  
170.36 one grill, or two hot holding containers; or

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171.1 (iii) is an establishment where food is prepared at one location and served at one or  
171.2 more separate locations.

171.3 Establishments meeting criteria in clause (2), item (v), are not included in this fee  
171.4 category.

171.5 (4) Large establishment, \$540. "Large establishment" means either:

171.6 (i) a fee category that (A) meets the criteria in clause (3), items (i) or (ii), for a  
171.7 medium establishment, (B) seats more than 175 people, and (C) offers the full menu  
171.8 selection an average of five or more days a week during the weeks of operation; or

171.9 (ii) a fee category that (A) meets the criteria in clause (3), item (iii), for a medium  
171.10 establishment, and (B) prepares and serves 500 or more meals per day.

171.11 (5) Other food and beverage service, including food carts, mobile food units,  
171.12 seasonal temporary food stands, and seasonal permanent food stands, \$60.

171.13 (6) Beer or wine table service, \$60. "Beer or wine table service" means a fee  
171.14 category where the only alcoholic beverage service is beer or wine, served to customers  
171.15 seated at tables.

171.16 (7) Alcoholic beverage service, other than beer or wine table service, \$165.

171.17 "Alcohol beverage service, other than beer or wine table service" means a fee  
171.18 category where alcoholic mixed drinks are served or where beer or wine are served from  
171.19 a bar.

171.20 (8) Lodging per sleeping accommodation unit, \$10, including hotels, motels,  
171.21 lodging establishments, and resorts, up to a maximum of \$1,000. "Lodging per sleeping  
171.22 accommodation unit" means a fee category including the number of guest rooms, cottages,  
171.23 or other rental units of a hotel, motel, lodging establishment, or resort; or the number of  
171.24 beds in a dormitory.

171.25 (9) First public pool, \$325; each additional public pool, \$175. "Public pool" means a  
171.26 fee category that has the meaning given in section 144.1222, subdivision 4.

171.27 (10) First spa, \$175; each additional spa, \$100. "Spa pool" means a fee category that  
171.28 has the meaning given in Minnesota Rules, part 4717.0250, subpart 9.

171.29 (11) Private sewer or water, \$60. "Individual private water" means a fee category  
171.30 with a water supply other than a community public water supply as defined in Minnesota  
171.31 Rules, chapter 4720. "Individual private sewer" means a fee category with an individual  
171.32 sewage treatment system which uses subsurface treatment and disposal.

171.33 (12) Additional food service, \$150. "Additional food service" means a location at  
171.34 a food service establishment, other than the primary food preparation and service area,  
171.35 used to prepare or serve food to the public.

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172.1 (13) Additional inspection fee, \$360. "Additional inspection fee" means a fee to  
 172.2 conduct the second inspection each year for elementary and secondary education facility  
 172.3 school lunch programs when required by the Richard B. Russell National School Lunch  
 172.4 Act.

172.5 (e) A fee for review of construction plans must accompany the initial license  
 172.6 application for restaurants, hotels, motels, lodging establishments, resorts, seasonal food  
 172.7 stands, and mobile food units. The fee for this construction plan review is as follows:

172.8	<b>Service Area</b>	<b>Type</b>	<b>Fee</b>
172.9	Food	limited food menu	\$275
172.10		small establishment	\$400
172.11		medium establishment	\$450
172.12		large food establishment	\$500
172.13		additional food service	\$150
172.14	Transient food service	food cart	\$250
172.15		seasonal permanent food stand	\$250
172.16		seasonal temporary food stand	\$250
172.17		mobile food unit	\$350
172.18	Alcohol	beer or wine table service	\$150
172.19		alcohol service from bar	\$250
172.20	Lodging	less than 25 rooms	\$375
172.21		25 to less than 100 rooms	\$400
172.22		100 rooms or more	\$500
172.23		less than five cabins	\$350
172.24		five to less than ten cabins	\$400
172.25		ten cabins or more	\$450

172.26 (f) When existing food and beverage service establishments, hotels, motels, lodging  
 172.27 establishments, resorts, seasonal food stands, and mobile food units are extensively  
 172.28 remodeled, a fee must be submitted with the remodeling plans. The fee for this  
 172.29 construction plan review is as follows:

172.30	<b>Service Area</b>	<b>Type</b>	<b>Fee</b>
172.31	Food	limited food menu	\$250
172.32		small establishment	\$300
172.33		medium establishment	\$350
172.34		large food establishment	\$400
172.35		additional food service	\$150
172.36	Transient food service	food cart	\$250
172.37		seasonal permanent food stand	\$250
172.38		seasonal temporary food stand	\$250
172.39		mobile food unit	\$250
172.40	Alcohol	beer or wine table service	\$150
172.41		alcohol service from bar	\$250

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173.1	Lodging	less than 25 rooms	\$250
173.2		25 to less than 100 rooms	\$300
173.3		100 rooms or more	\$450
173.4		less than five cabins	\$250
173.5		five to less than ten cabins	\$350
173.6		ten cabins or more	\$400

173.7 (g) Special event food stands are not required to submit construction or remodeling  
173.8 plans for review.

173.9 (h) Youth camps shall pay an annual single fee for food and lodging as follows:

173.10 (1) camps with up to 99 campers, \$325;

173.11 (2) camps with 100 to 199 campers, \$550; and

173.12 (3) camps with 200 or more campers, \$750.

173.13 (i) A youth camp which pays fees under paragraph (d) is not required to pay fees  
173.14 under paragraph (h).

173.15 Sec. 3. Minnesota Statutes 2009 Supplement, section 327.15, subdivision 3, is  
173.16 amended to read:

173.17 Subd. 3. **Fees, manufactured home parks and recreational camping areas.** (a)

173.18 The following fees are required for manufactured home parks and recreational camping

173.19 areas licensed under this chapter. Recreational camping areas and manufactured home

173.20 parks shall pay the highest applicable base fee under paragraph ~~(e)~~ (b). The license fee

173.21 for new operators of a manufactured home park or recreational camping area previously

173.22 licensed under this chapter for the same calendar year is one-half of the appropriate annual

173.23 license fee, plus any penalty that may be required. The license fee for operators opening

173.24 on or after October 1 is one-half of the appropriate annual license fee, plus any penalty

173.25 that may be required.

173.26 (b) All manufactured home parks and recreational camping areas shall pay the  
173.27 following annual base fee:

173.28 (1) a manufactured home park, \$150; and

173.29 (2) a recreational camping area with:

173.30 (i) 24 or less sites, \$50;

173.31 (ii) 25 to 99 sites, \$212; and

173.32 (iii) 100 or more sites, \$300.

173.33 In addition to the base fee, manufactured home parks and recreational camping areas shall  
173.34 pay \$4 for each licensed site. This paragraph does not apply to special event recreational  
173.35 camping areas ~~or to~~. Operators of a manufactured home park or a recreational camping

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174.1 area also licensed under section 157.16 for the same location shall pay only one base fee,  
174.2 whichever is the highest of the base fees found in this section or section 157.16.

174.3 (c) In addition to the fee in paragraph (b), each manufactured home park or  
174.4 recreational camping area shall pay an additional annual fee for each fee category  
174.5 specified in this paragraph:

174.6 (1) Manufactured home parks and recreational camping areas with public swimming  
174.7 pools and spas shall pay the appropriate fees specified in section 157.16.

174.8 (2) Individual private sewer or water, \$60. "Individual private water" means a fee  
174.9 category with a water supply other than a community public water supply as defined in  
174.10 Minnesota Rules, chapter 4720. "Individual private sewer" means a fee category with a  
174.11 subsurface sewage treatment system which uses subsurface treatment and disposal.

174.12 (d) The following fees must accompany a plan review application for initial  
174.13 construction of a manufactured home park or recreational camping area:

174.14 (1) for initial construction of less than 25 sites, \$375;

174.15 (2) for initial construction of 25 to 99 sites, \$400; and

174.16 (3) for initial construction of 100 or more sites, \$500.

174.17 (e) The following fees must accompany a plan review application when an existing  
174.18 manufactured home park or recreational camping area is expanded:

174.19 (1) for expansion of less than 25 sites, \$250;

174.20 (2) for expansion of 25 to 99 sites, \$300; and

174.21 (3) for expansion of 100 or more sites, \$450.

174.22 **Sec. 4. FOOD SUPPORT FOR CHILDREN WITH SEVERE ALLERGIES.**

174.23 The commissioner of human services must seek a federal waiver from the federal  
174.24 Department of Agriculture, Food and Nutrition Service, for the supplemental nutrition  
174.25 assistance program, to increase the income eligibility requirements to 375 percent of the  
174.26 federal poverty guidelines, in order to cover nutritional food products required to treat  
174.27 or manage severe food allergies, including allergies to wheat and gluten, for infants and  
174.28 children who have been diagnosed with life-threatening severe food allergies.

174.29 **ARTICLE 22**

174.30 **HEALTH CARE REFORM**

174.31 **Section 1. [62E.20] RELATIONSHIP TO TEMPORARY FEDERAL HIGH-RISK**  
174.32 **POOL.**

174.33 **Subdivision 1. Definitions.** (a) For purposes of this section, the terms defined in  
174.34 this subdivision have the meanings given.

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175.1 (b) "Association" means the Minnesota Comprehensive Health Association.

175.2 (c) "Federal law" means Title I, subtitle B, section 1101, of the federal Patient  
175.3 Protection and Affordable Care Act, Public Law 111-148, including any federal  
175.4 regulations adopted under it.

175.5 (d) "Federal qualified high-risk pool" means an arrangement established by the  
175.6 federal secretary of health and human services that meets the requirements of the federal  
175.7 law.

175.8 Subd. 2. **Timing of this section.** This section applies beginning the date the  
175.9 temporary federal qualified high-risk health pool created under the federal law begins  
175.10 to provide coverage in this state.

175.11 Subd. 3. **Maintenance of effort.** The assessments made by the comprehensive  
175.12 health association on its member insurers must comply with the maintenance of effort  
175.13 requirement contained in paragraph (b), clause (3), of the federal law, to the extent that the  
175.14 requirement applies to assessments made by the association.

175.15 Subd. 4. **Coordination with state health care programs.** The commissioner  
175.16 of commerce and the Minnesota Comprehensive Health Association shall ensure that  
175.17 applicants for coverage through the federal qualified high-risk pool, or through the  
175.18 Minnesota Comprehensive Health Association, are referred to the medical assistance or  
175.19 MinnesotaCare programs if they are determined to be potentially eligible for coverage  
175.20 through those programs. The commissioner of human services shall ensure that applicants  
175.21 for coverage under medical assistance or MinnesotaCare who are determined not to be  
175.22 eligible for those programs are provided information about coverage through the federal  
175.23 qualified high-risk pool and the Minnesota Comprehensive Health Association.

175.24 Subd. 5. **Federal funding.** Minnesota shall coordinate its efforts with the United  
175.25 States Department of Health and Human Services (HHS) to obtain the federal funds to  
175.26 implement in Minnesota the federal qualified high-risk pool.

175.27 Sec. 2. **[256B.0756] COORDINATED CARE THROUGH A HEALTH HOME.**

175.28 Subdivision 1. **Provision of coverage.** (a) The commissioner shall provide  
175.29 medical assistance coverage of health home services for eligible individuals with chronic  
175.30 conditions who select a designated provider, a team of health care professionals, or a  
175.31 health team as the individual's health home.

175.32 (b) The commissioner shall implement this section in compliance with the  
175.33 requirements of the state option to provide health homes for enrollees with chronic  
175.34 conditions, as provided under the Patient Protection and Affordable Care Act, Public

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176.1 Law 111-148, sections 2703 and 3502. Terms used in this section have the meaning  
176.2 provided in that act.

176.3 Subd. 2. **Eligible individual.** An individual is eligible for health home services  
176.4 under this section if the individual is eligible for medical assistance under this chapter  
176.5 and has at least:

176.6 (1) two chronic conditions;

176.7 (2) one chronic condition and is at risk of having a second chronic condition; or

176.8 (3) one serious and persistent mental health condition.

176.9 Subd. 3. **Health home services.** (a) Health home services means comprehensive and  
176.10 timely high-quality services that are provided by a health home. These services include:

176.11 (1) comprehensive care management;

176.12 (2) care coordination and health promotion;

176.13 (3) comprehensive transitional care, including appropriate follow-up, from inpatient  
176.14 to other settings;

176.15 (4) patient and family support, including authorized representatives;

176.16 (5) referral to community and social support services, if relevant; and

176.17 (6) use of health information technology to link services, as feasible and appropriate.

176.18 (b) The commissioner shall maximize the number and type of services

176.19 included in this subdivision to the extent permissible under federal law, including

176.20 physician, outpatient, mental health treatment, and rehabilitation services necessary for

176.21 comprehensive transitional care following hospitalization.

176.22 Subd. 4. **Health teams.** The commissioner shall establish health teams to support  
176.23 the patient-centered health home and provide the services described in subdivision 3 to

176.24 individuals eligible under subdivision 2. The commissioner shall apply for grants or

176.25 contracts as provided under section 3502 of the Patient Protection and Affordable Care

176.26 Act to establish health teams and provide capitated payments to primary care providers.

176.27 For purposes of this section, "health teams" means community-based, interdisciplinary,

176.28 inter-professional teams of health care providers that support primary care practices.

176.29 These providers may include medical specialists, nurses, advanced practice registered

176.30 nurses, pharmacists, nutritionists, social workers, behavioral and mental health providers,

176.31 doctors of chiropractic, licensed complementary and alternative medicine practitioners,

176.32 and physician assistants.

176.33 Subd. 5. **Payments.** The commissioner shall make payments to each health home

176.34 and each health team for the provision of health home services to each eligible individual

176.35 with chronic conditions that selects the health home as a provider.

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177.1 Subd. 6. **Coordination.** The commissioner, to the extent feasible, shall ensure that  
177.2 the requirements and payment methods for health homes and health teams developed  
177.3 under this section are consistent with the requirements and payment methods for health  
177.4 care homes established under sections 256B.0751 and 256B.0753. The commissioner may  
177.5 modify requirements and payment methods under sections 256B.0751 and 256B.0753 in  
177.6 order to be consistent with federal health home requirements and payment methods.

177.7 Subd. 7. **State plan amendment.** The commissioner shall submit a state plan  
177.8 amendment to implement this section to the federal Centers for Medicare and Medicaid  
177.9 Services by January 1, 2011.

177.10 **EFFECTIVE DATE.** This section is effective January 1, 2011, or upon federal  
177.11 approval, whichever is later.

177.12 Sec. 3. **FEDERAL HEALTH CARE REFORM DEMONSTRATION PROJECTS**  
177.13 **AND GRANTS.**

177.14 (a) The commissioner of human services shall seek to participate in the following  
177.15 demonstration projects, or apply for the following grants, as described in the federal  
177.16 Patient Protection and Affordable Care Act, Public Law 111-148:

177.17 (1) the demonstration project to evaluate integrated care around a hospitalization,  
177.18 Public Law 111-148, section 2704;

177.19 (2) the Medicaid global payment system demonstration project, Public Law 111-148,  
177.20 section 2705, including a demonstration project for the specific population of childless  
177.21 adults under 75 percent of federal poverty guidelines that were to be served by the general  
177.22 assistance medical care program;

177.23 (3) the pediatric accountable care organization demonstration project, Public Law  
177.24 111-148, section 2706;

177.25 (4) the Medicaid emergency psychiatric demonstration project, Public Law 111-148,  
177.26 section 2707; and

177.27 (5) grants to provide incentives for prevention of chronic diseases in Medicaid,  
177.28 Public Law 111-148, section 4108.

177.29 (b) The commissioner of human services shall report to the chairs and ranking  
177.30 minority members of the house of representatives and senate committees or divisions with  
177.31 jurisdiction over health care policy and finance on the status of the demonstration project  
177.32 and grant applications. If the state is accepted as a demonstration project participant, or is  
177.33 awarded a grant, the commissioner shall notify the chairs and ranking minority members  
177.34 of those committees or divisions of any legislative changes necessary to implement the  
177.35 demonstration projects or grants.

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178.1 (c) The commissioner of health shall apply for federal grants available under the  
178.2 federal Patient Protection and Affordable Care Act, Public Law 111-148, for purposes  
178.3 of funding wellness and prevention, and health improvement programs. To the extent  
178.4 possible under federal law, the commissioner of health must utilize the state health  
178.5 improvement program, established under Minnesota Statutes, section 145.986, to  
178.6 implement grant programs related to wellness and prevention, and health improvement,  
178.7 for which the state receives funding under the federal Patient Protection and Affordable  
178.8 Care Act, Public Law 111-148.

178.9 **Sec. 4. HEALTH CARE REFORM TASK FORCE.**

178.10 Subdivision 1. **Task force.** (a) The governor shall convene a Health Care  
178.11 Reform Task Force to advise and assist the governor and the legislature regarding state  
178.12 implementation of federal health care reform legislation. For purposes of this section,  
178.13 "federal health care reform legislation" means the Patient Protection and Affordable Care  
178.14 Act, Public Law 111-148, and the health care reform provisions in the Health Care and  
178.15 Education Reconciliation Act of 2010, Public Law 111-152. The task force shall consist of:

178.16 (1) two legislators from the house of representatives appointed by the speaker and  
178.17 two legislators from the senate appointed by the Subcommittee on Committees of the  
178.18 Committee on Rules and Administration;

178.19 (2) two representatives appointed by the governor to represent the governor and  
178.20 state agencies;

178.21 (3) three persons appointed by the governor who have demonstrated leadership in  
178.22 health care organizations, health plan companies, or health care trade or professional  
178.23 associations;

178.24 (4) three persons appointed by the governor who have demonstrated leadership in  
178.25 employer and group purchaser activities related to health system improvement of whom  
178.26 two must be from a labor organization and one from the business community; and

178.27 (5) five persons appointed by the governor who have demonstrated expertise in the  
178.28 areas of health care financing, access, and quality.

178.29 The governor is exempt from the requirements of the open appointments process  
178.30 for purposes of appointing task force members. Members shall be appointed for one-year  
178.31 terms and may be reappointed.

178.32 (b) The Department of Health, Department of Human Services, and Department of  
178.33 Commerce shall provide staff support to the task force. The task force may accept outside  
178.34 resources to help support its efforts.

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179.1 (c) Task force members must be appointed by July 1, 2010. The task force must hold  
179.2 its first meeting by July 15, 2010.

179.3 Subd. 2. **Duties.** (a) By December 15, 2010, the task force shall develop and  
179.4 present to the legislature and the governor a preliminary report and recommendations on  
179.5 state implementation of federal health care reform legislation. The report must include  
179.6 recommendations for state law and program changes necessary to comply with the federal  
179.7 health care reform legislation, and also recommendations for implementing provisions of  
179.8 the federal legislation that are optional for states. In developing recommendations, the task  
179.9 force shall consider the extent to which an approach maximizes federal funding to the state.

179.10 (b) The task force, in consultation with the governor and the legislature, shall also  
179.11 establish timelines and criteria for future reports on state implementation of the federal  
179.12 health care reform legislation.

179.13 **Sec. 5. AMERICAN HEALTH BENEFIT EXCHANGE; PLANNING**  
179.14 **PROVISIONS.**

179.15 Subdivision 1. **Federal planning grants.** The commissioners of commerce, health,  
179.16 and human services shall jointly or separately apply to the federal secretary of health and  
179.17 human services for one or more planning grants, including renewal grants, authorized  
179.18 under section 1311 of the Patient Protection and Affordable Care Act, Public Law  
179.19 111-148, including any future amendments of that provision, relating to state creation  
179.20 of American Health Benefit Exchanges.

179.21 Subd. 2. **Consideration of early creation and operation of exchange.** (a) The  
179.22 commissioners referenced in subdivision 1 shall analyze the advantages and disadvantages  
179.23 to the state of planning to have a state health insurance exchange, similar to an American  
179.24 Health Benefit Exchange referenced in subdivision 1, begin prior to the federal deadline  
179.25 of January 1, 2014.

179.26 (b) The commissioners shall provide a written report to the legislature on the results  
179.27 of the analysis required under paragraph (a) no later than December 15, 2010. The written  
179.28 report must comply with Minnesota Statutes, sections 3.195 and 3.197.

179.29 **ARTICLE 23**

179.30 **HUMAN SERVICES FORECAST ADJUSTMENTS**

179.31 **Section 1. SUMMARY OF APPROPRIATIONS.**

179.32 The amounts shown in this section summarize direct appropriations, by fund, made  
179.33 in this article.



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181.1	<b><u>Subd. 3. Children and Economic Assistance</u></b>		
181.2	<b><u>Grants</u></b>		
181.3	<u>Appropriations by Fund</u>		
181.4	<u>General</u>	<u>4,489,000</u>	<u>(4,140,000)</u>
181.5	<u>Federal TANF</u>	<u>(10,220,000)</u>	<u>15,384,000</u>
181.6	<u>The amounts that may be spent from this</u>		
181.7	<u>appropriation are as follows:</u>		
181.8	<b><u>(a) MFIP Grants</u></b>		
181.9	<u>General</u>	<u>7,916,000</u>	<u>(14,481,000)</u>
181.10	<u>Federal TANF</u>	<u>(10,220,000)</u>	<u>15,384,000</u>
181.11	<b><u>(b) MFIP Child Care Assistance Grants</u></b>	<u>(7,832,000)</u>	<u>2,579,000</u>
181.12	<b><u>(c) General Assistance Grants</u></b>	<u>875,000</u>	<u>1,339,000</u>
181.13	<b><u>(d) Minnesota Supplemental Aid Grants</u></b>	<u>2,454,000</u>	<u>3,843,000</u>
181.14	<b><u>(e) Group Residential Housing Grants</u></b>	<u>1,076,000</u>	<u>2,580,000</u>
181.15	<b><u>Subd. 4. Basic Health Care Grants</u></b>		
181.16	<u>Appropriations by Fund</u>		
181.17	<u>General</u>	<u>(62,770,000)</u>	<u>29,192,000</u>
181.18	<u>Health Care Access</u>	<u>99,654,000</u>	<u>276,500,000</u>
181.19	<u>The amounts that may be spent from the</u>		
181.20	<u>appropriation for each purpose are as follows:</u>		
181.21	<b><u>(a) MinnesotaCare Grants</u></b>		
181.22	<u>Health Care Access</u>	<u>99,654,000</u>	<u>276,500,000</u>
181.23	<b><u>(b) Medical Assistance Basic Health Care -</u></b>		
181.24	<b><u>Families and Children</u></b>	<u>1,165,000</u>	<u>24,146,000</u>
181.25	<b><u>(c) Medical Assistance Basic Health Care -</u></b>		
181.26	<b><u>Elderly and Disabled</u></b>	<u>(63,935,000)</u>	<u>5,046,000</u>
181.27	<b><u>Subd. 5. Continuing Care Grants</u></b>	<u>(51,595,000)</u>	<u>(53,396,000)</u>
181.28	<u>The amounts that may be spent from the</u>		
181.29	<u>appropriation for each purpose are as follows:</u>		
181.30	<b><u>(a) Medical Assistance Long-Term Care</u></b>		
181.31	<b><u>Facilities</u></b>	<u>(3,774,000)</u>	<u>(8,275,000)</u>
181.32	<b><u>(b) Medical Assistance Long-Term Care</u></b>		
181.33	<b><u>Waivers</u></b>	<u>(27,710,000)</u>	<u>(22,452,000)</u>

182.1 (c) Chemical Dependency Entitlement Grants (20,111,000) (22,669,000)

182.2 Sec. 4. EFFECTIVE DATE.

182.3 This article is effective the day following final enactment.

182.4 **ARTICLE 24**

182.5 **HUMAN SERVICES CONTINGENT APPROPRIATIONS**

182.6 Section 1. SUMMARY OF HUMAN SERVICES APPROPRIATIONS.

182.7 The amounts shown in this section summarize direct appropriations, by fund, made  
 182.8 in this bill.

	<u>2010</u>		<u>2011</u>		<u>Total</u>
182.9					
182.10	<u>General</u>	\$	-0-	\$	<u>13,383,000</u>
182.11	<u>Health Care Access</u>		-0-		<u>686,000</u>
182.12	<b><u>Total</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>14,069,000</u></b>

182.13 Sec. 2. HEALTH AND HUMAN SERVICES CONTINGENT APPROPRIATIONS.

182.14 The sums shown in the columns marked "Appropriations" are added to the  
 182.15 appropriations in Laws 2009, chapter 79, article 13, as amended by Laws 2009, chapter  
 182.16 173, article 2, to the agency and for the purposes specified in this bill. The appropriations  
 182.17 are from the general fund, or another named fund, and are available for the fiscal years  
 182.18 indicated for each purpose. The figures "2010" and "2011" used in this bill mean that the  
 182.19 addition to or subtraction from the appropriation listed under them is available for the  
 182.20 fiscal year ending June 30, 2010, or June 30, 2011, respectively.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>

182.25 Sec. 3. COMMISSIONER OF HUMAN  
 182.26 SERVICES

182.27 Subdivision 1. Total Appropriation \$ -0- \$ 14,069,000

	<u>Appropriations by Fund</u>	
	<u>2010</u>	<u>2011</u>
182.29		
182.30	<u>General</u>	-0- 13,383,000
182.31	<u>Health Care Access</u>	-0- 686,000

182.32 The appropriations for each purpose are  
 182.33 shown in the following subdivisions.

183.1 Subd. 2. Basic Health Care Grants

183.2 (a) MinnesotaCare Grants -0- 686,000

183.3 This appropriation is from the health care  
183.4 access fund.

183.5 (b) Medical Assistance Basic Health Care  
183.6 Grants - Families and Children -0- 6,297,000

183.7 (c) Medical Assistance Basic Health Care  
183.8 Grants - Elderly and Disabled -0- 3,697,000

183.9 Subd. 3. Continuing Care Grants

183.10 (a) Medical Assistance - Long-Term Care  
183.11 Facilities Grants -0- 2,486,000

183.12 (b) Medical Assistance Grants - Long-Term  
183.13 Care Waivers and Home Care Grants -0- 547,000

183.14 (c) Chemical Dependency Entitlement Grants -0- 356,000

183.15 EFFECTIVE DATE. This section is effective upon enactment of an extension of  
183.16 the enhanced federal medical assistance percentage (FMAP) under Public Law 111-5,  
183.17 section 5001, to at least June 30, 2011.

183.18 Sec. 4. Minnesota Statutes 2008, section 256B.0625, subdivision 22, is amended to  
183.19 read:

183.20 Subd. 22. **Hospice care.** Medical assistance covers hospice care services under  
183.21 Public Law 99-272, section 9505, to the extent authorized by rule, except that a recipient  
183.22 age 21 or under who elects to receive hospice services does not waive coverage for  
183.23 services that are related to the treatment of the condition for which a diagnosis of terminal  
183.24 illness has been made.

183.25 EFFECTIVE DATE. This section is effective retroactive from March 23, 2010.

183.26 Sec. 5. Minnesota Statutes 2009 Supplement, section 256B.0911, subdivision 1a,  
183.27 is amended to read:

183.28 Subd. 1a. **Definitions.** For purposes of this section, the following definitions apply:

183.29 (a) "Long-term care consultation services" means:

183.30 (1) assistance in identifying services needed to maintain an individual in the most  
183.31 inclusive environment;

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184.1 (2) providing recommendations on cost-effective community services that are  
184.2 available to the individual;

184.3 (3) development of an individual's person-centered community support plan;

184.4 (4) providing information regarding eligibility for Minnesota health care programs;

184.5 (5) face-to-face long-term care consultation assessments, which may be completed  
184.6 in a hospital, nursing facility, intermediate care facility for persons with developmental  
184.7 disabilities (ICF/DDs), regional treatment centers, or the person's current or planned  
184.8 residence;

184.9 (6) federally mandated screening to determine the need for a institutional level of  
184.10 care under section 256B.0911, ~~subdivision 4, paragraph (a)~~ subdivision 4a;

184.11 (7) determination of home and community-based waiver service eligibility including  
184.12 level of care determination for individuals who need an institutional level of care as  
184.13 defined under section 144.0724, subdivision 11, or 256B.092, service eligibility including  
184.14 state plan home care services identified in section 256B.0625, subdivisions 6, 7, and  
184.15 19, paragraphs (a) and (c), based on assessment and support plan development with  
184.16 appropriate referrals;

184.17 (8) providing recommendations for nursing facility placement when there are no  
184.18 cost-effective community services available; and

184.19 (9) assistance to transition people back to community settings after facility  
184.20 admission.

184.21 (b) "Long-term care options counseling" means the services provided by the linkage  
184.22 lines as mandated by sections 256.01 and 256.975, subdivision 7, and also includes  
184.23 telephone assistance and follow up once a long-term care consultation assessment has  
184.24 been completed.

184.25 (c) "Minnesota health care programs" means the medical assistance program under  
184.26 chapter 256B and the alternative care program under section 256B.0913.

184.27 (d) "Lead agencies" means counties or a collaboration of counties, tribes, and health  
184.28 plans administering long-term care consultation assessment and support planning services.

184.29 Sec. 6. Minnesota Statutes 2008, section 256B.19, subdivision 1c, is amended to read:

184.30 Subd. 1c. **Additional portion of nonfederal share.** (a) Hennepin County shall  
184.31 be responsible for a monthly transfer payment of \$1,500,000, due before noon on the  
184.32 15th of each month and the University of Minnesota shall be responsible for a monthly  
184.33 transfer payment of \$500,000 due before noon on the 15th of each month, beginning July  
184.34 15, 1995. These sums shall be part of the designated governmental unit's portion of the  
184.35 nonfederal share of medical assistance costs.

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185.1 (b) Beginning July 1, 2001, Hennepin County's payment under paragraph (a) shall  
185.2 be \$2,066,000 each month.

185.3 (c) Beginning July 1, 2001, the commissioner shall increase annual capitation  
185.4 payments to the metropolitan health plan under section 256B.69 for the prepaid medical  
185.5 assistance program by approximately ~~\$3,400,000, plus any available federal matching~~  
185.6 ~~funds, \$6,800,000~~ to recognize higher than average medical education costs.

185.7 (d) Effective August 1, 2005, Hennepin County's payment under paragraphs (a)  
185.8 and (b) shall be reduced to \$566,000, and the University of Minnesota's payment under  
185.9 paragraph (a) shall be reduced to zero. Effective October 1, 2008, to December 31, 2010,  
185.10 Hennepin County's payment under paragraphs (a) and (b) shall be \$434,688. Effective  
185.11 January 1, 2011, Hennepin County's payment under paragraphs (a) and (b) shall be  
185.12 \$566,000.

185.13 (e) Notwithstanding paragraph (d), upon federal enactment of an extension to June  
185.14 30, 2011, of the enhanced federal medical assistance percentage (FMAP) originally  
185.15 provided under Public Law 111-5, for the six-month period from January 1, 2011, to June  
185.16 30, 2011, Hennepin County's payment under paragraphs (a) and (b) shall be \$434,688.

185.17 Sec. 7. Minnesota Statutes 2008, section 256L.15, subdivision 1, is amended to read:

185.18 Subdivision 1. **Premium determination.** (a) Families with children and individuals  
185.19 shall pay a premium determined according to subdivision 2.

185.20 (b) Pregnant women and children under age two are exempt from the provisions  
185.21 of section 256L.06, subdivision 3, paragraph (b), clause (3), requiring disenrollment  
185.22 for failure to pay premiums. For pregnant women, this exemption continues until the  
185.23 first day of the month following the 60th day postpartum. Women who remain enrolled  
185.24 during pregnancy or the postpartum period, despite nonpayment of premiums, shall be  
185.25 disenrolled on the first of the month following the 60th day postpartum for the penalty  
185.26 period that otherwise applies under section 256L.06, unless they begin paying premiums.

185.27 (c) Members of the military and their families who meet the eligibility criteria  
185.28 for MinnesotaCare upon eligibility approval made within 24 months following the end  
185.29 of the member's tour of active duty shall have their premiums paid by the commissioner.  
185.30 The effective date of coverage for an individual or family who meets the criteria of this  
185.31 paragraph shall be the first day of the month following the month in which eligibility is  
185.32 approved. This exemption applies for 12 months. This paragraph expires June 30, 2010.  
185.33 If the expiration of this provision is in violation of section 5001 of Public Law 111-5, this  
185.34 provision will expire on the date when it is no longer subject to section 5001 of Public Law  
185.35 111-5. The commissioner of human services shall notify the revisor of statutes of that date.

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186.1 Sec. 8. Laws 2005, First Special Session chapter 4, article 8, section 66, as amended by  
186.2 Laws 2009, chapter 173, article 3, section 24, the effective date, is amended to read:

186.3 **EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2009, ~~and~~ upon federal  
186.4 approval and on the date when it is no longer subject to the maintenance of effort  
186.5 requirements of section 5001 of Public Law 111-5. The commissioner of human services  
186.6 shall notify the revisor of statutes of that date. Paragraph (e) is effective September 1,  
186.7 2006.

186.8 Sec. 9. Laws 2009, chapter 79, article 5, section 17, the effective date, is amended to  
186.9 read:

186.10 **EFFECTIVE DATE.** This section is effective January 1, 2011, or upon federal  
186.11 approval, ~~whichever is later~~ and on the date when it is no longer subject to the maintenance  
186.12 of effort requirements of section 5001 of Public Law 111-5. The commissioner of human  
186.13 services shall notify the revisor of statutes of that date.

186.14 Sec. 10. Laws 2009, chapter 79, article 5, section 18, the effective date, is amended to  
186.15 read:

186.16 **EFFECTIVE DATE.** This section is effective ~~January 1, 2011~~ upon federal  
186.17 approval and on the date when it is no longer subject to the maintenance of effort  
186.18 requirements of section 5001 of Public Law 111-5. The commissioner of human services  
186.19 shall notify the revisor of statutes when federal approval is obtained.

186.20 Sec. 11. Laws 2009, chapter 79, article 5, section 22, the effective date, is amended to  
186.21 read:

186.22 **EFFECTIVE DATE.** This section is effective for periods of ineligibility established  
186.23 on or after January 1, 2011, unless it is in violation of section 5001 of Public Law 111-5.  
186.24 If it is in violation of that section, then it shall be effective on the date when it is no longer  
186.25 subject to maintenance of effort requirements of section 5001 of Public Law 111-5. The  
186.26 commissioner of human services shall notify the revisor of statutes of that date.

186.27 Sec. 12. Laws 2009, chapter 79, article 8, section 4, the effective date, is amended to  
186.28 read:

186.29 **EFFECTIVE DATE.** The section is effective ~~January~~ July 1, 2011.

187.1 Sec. 13. Laws 2009, chapter 173, article 1, section 17, the effective date, is amended to  
 187.2 read:

187.3 **EFFECTIVE DATE.** This section is effective for pooled trust accounts established  
 187.4 on or after January 1, 2011, unless it is in violation of section 5001 of Public Law 111-5.  
 187.5 If it is in violation of that section, then it shall be effective on the date when it is no longer  
 187.6 subject to maintenance of effort requirements of section 5001 of Public Law 111-5. The  
 187.7 commissioner of human services shall notify the revisor of statutes of that date.

187.8 **ARTICLE 25**

187.9 **HEALTH AND HUMAN SERVICES APPROPRIATIONS**

187.10 Section 1. **SUMMARY OF APPROPRIATIONS.**

187.11 The amounts shown in this section summarize direct appropriations by fund made  
 187.12 in this article.

	<b><u>2010</u></b>		<b><u>2011</u></b>		<b><u>Total</u></b>
187.14 <u>General</u>	\$ (6,784,000)	\$	164,339,000	\$	<u>157,555,000</u>
187.15 <u>State Government Special</u>					
187.16 <u>Revenue</u>	113,000		624,000		<u>737,000</u>
187.17 <u>Health Care Access</u>	998,000		(19,921,000)		<u>(18,923,000)</u>
187.18 <u>Federal TANF</u>	8,000,000		20,000,000		<u>28,000,000</u>
187.19 <u>Special Revenue</u>	-0-		93,000		<u>93,000</u>
187.20 <b><u>Total</u></b>	<b>\$ 2,327,000</b>	<b>\$</b>	<b>165,135,000</b>	<b>\$</b>	<b><u>167,462,000</u></b>

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

187.22 The sums shown in the columns marked "Appropriations" are added to or, if shown  
 187.23 in parentheses, subtracted from the appropriations in Laws 2009, chapter 79, article 13,  
 187.24 as amended by Laws 2009, chapter 173, article 2, to the agencies and for the purposes  
 187.25 specified in this article. The appropriations are from the general fund, or another named  
 187.26 fund, and are available for the fiscal years indicated for each purpose. The figures "2010"  
 187.27 and "2011" used in this article mean that the addition to or subtraction from appropriations  
 187.28 listed under them is available for the fiscal year ending June 30, 2010, or June 30, 2011,  
 187.29 respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011.  
 187.30 "The biennium" is fiscal years 2010 and 2011. Supplemental appropriations and reductions  
 187.31 for the fiscal year ending June 30, 2010, are effective the day following final enactment  
 187.32 unless a different effective date is explicit.

187.33 **APPROPRIATIONS**  
 187.34 **Available for the Year**

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188.1			<u>Ending June 30</u>
188.2			<u>2010</u> <u>2011</u>
188.3	<b>Sec. 3. <u>COMMISSIONER OF HUMAN</u></b>		
188.4	<b><u>SERVICES</u></b>		
188.5	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$</b>	<b><u>4,409,000</u></b> <b>\$</b> <b><u>163,461,000</u></b>
188.6	<u>Appropriations by Fund</u>		
188.7		<u>2010</u>	<u>2011</u>
188.8	<u>General</u>	<u>(4,589,000)</u>	<u>163,619,000</u>
188.9	<u>Health Care Access</u>	<u>998,000</u>	<u>(20,158,000)</u>
188.10	<u>Federal TANF</u>	<u>8,000,000</u>	<u>20,000,000</u>

188.11 The appropriation modifications for  
 188.12 each purpose are shown in the following  
 188.13 subdivisions.

188.14 **TANF Financing and Maintenance of**  
 188.15 **Effort.** The commissioner, with the approval  
 188.16 of the commissioner of management and  
 188.17 budget, and after notification of the chairs  
 188.18 of the relevant senate budget division and  
 188.19 house of representatives finance division,  
 188.20 may adjust the amount of TANF transfers  
 188.21 between the MFIP transition year child care  
 188.22 assistance program and MFIP grant programs  
 188.23 within the fiscal year and within the current  
 188.24 biennium and the biennium ending June 30,  
 188.25 2013, to ensure that state and federal match  
 188.26 and maintenance of effort requirements are  
 188.27 met. These transfers and amounts shall be  
 188.28 reported to the chairs of the senate and house  
 188.29 of representatives Finance Committees, the  
 188.30 senate Health and Human Services Budget  
 188.31 Division, and the house of representatives  
 188.32 Health Care and Human Services Finance  
 188.33 Division and Early Childhood Finance and  
 188.34 Policy Division by December 1 of each  
 188.35 fiscal year. Notwithstanding any contrary

189.1 provision in this article, this paragraph

189.2 expires June 30, 2013.

189.3 **SNAP Enhanced Administrative Funding.**

189.4 The funds available for administration

189.5 of the Supplemental Nutrition Assistance

189.6 Program under the Department of Defense

189.7 Appropriations Act of 2010, Public

189.8 Law 111-118, are appropriated to the

189.9 commissioner to pay the actual costs

189.10 of providing for increased eligibility

189.11 determinations, caseload-related costs,

189.12 timely application processing, and quality

189.13 control. Of these funds, 20 percent shall

189.14 be allocated to the commissioner and 80

189.15 percent shall be allocated to counties.

189.16 The commissioner shall allocate the

189.17 county portion based on recent caseload.

189.18 Reimbursement shall be based on actual

189.19 costs reported by counties through existing

189.20 processes. Tribal reimbursement must be

189.21 made from the state portion, based on a

189.22 caseload factor equivalent to that of a county.

189.23 **TANF Transfer to Federal Child**

189.24 **Care and Development Fund.** Of the

189.25 TANF appropriation in fiscal year 2011,

189.26 \$12,500,000 is to the commissioner for

189.27 the purposes of MFIP and transition year

189.28 child care under Minnesota Statutes, section

189.29 119B.05. The commissioner shall authorize

189.30 the transfer of sufficient TANF funds to the

189.31 federal child care and development fund to

189.32 meet this appropriation and shall ensure that

189.33 all transferred funds are expended according

189.34 to federal child care and development fund

189.35 regulations.

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190.1 **Special Revenue Fund Transfers.** (a) The  
 190.2 commissioner shall transfer the following  
 190.3 amounts from special revenue fund balances  
 190.4 to the general fund by June 30 of each  
 190.5 respective fiscal year: \$613,000 in fiscal year  
 190.6 2010, and \$493,000 in fiscal year 2011. This  
 190.7 provision is effective the day following final  
 190.8 enactment.

190.9 (b) The actual transfers made under  
 190.10 paragraph (a) must be separately identified  
 190.11 and reported as part of the quarterly reporting  
 190.12 of transfers to the chairs of the relevant senate  
 190.13 budget division and house of representatives  
 190.14 finance division.

190.15 **Subd. 2. Agency Management**

190.16 **(a) Financial Operations** -0- 103,000

190.17 **Base Adjustment.** The general fund base is  
 190.18 decreased by \$10,000 in fiscal year 2012 and  
 190.19 \$10,000 in fiscal year 2013.

190.20 **(b) Legal and Regulatory Operations** -0- 114,000

190.21 **Base Adjustment.** The general fund base is  
 190.22 decreased by \$18,000 in fiscal year 2012 and  
 190.23 \$18,000 in fiscal year 2013.

190.24 **(c) Management Operations** -0- (114,000)

190.25 **Base Adjustment.** The general fund base is  
 190.26 increased by \$18,000 in fiscal year 2012 and  
 190.27 \$18,000 in fiscal year 2013.

190.28 **(d) Information Technology Operations** -0- (2,500,000)

190.29 **Base Adjustment.** The general fund base is  
 190.30 decreased by \$1,666,000 in fiscal year 2012  
 190.31 and \$1,666,000 in fiscal year 2013.

190.32 **Subd. 3. Revenue and Pass-Through Revenue**  
 190.33 **Expenditures** 8,000,000 20,000,000

191.1 These appropriations are from the federal  
191.2 TANF fund.

191.3 **TANF Funding for the Working Family**

191.4 **Tax Credit.** In addition to the amounts  
191.5 specified in Minnesota Statutes, section  
191.6 290.0671, subdivision 6, \$15,500,000  
191.7 of TANF funds in fiscal year 2010 are  
191.8 appropriated to the commissioner to  
191.9 reimburse the general fund for the cost of  
191.10 the working family tax credit for eligible  
191.11 families. With respect to the amounts  
191.12 appropriated for fiscal year 2010, the  
191.13 commissioner shall reimburse the general  
191.14 fund by June 30, 2010. This paragraph is  
191.15 effective the day following final enactment.

191.16 **Child Care Development Fund**

191.17 **Unexpended Balance.** In addition to  
191.18 the amount provided in this section, the  
191.19 commissioner shall carry over and expend  
191.20 in fiscal year 2011 \$7,500,000 of the TANF  
191.21 funds transferred in fiscal year 2010 that  
191.22 reflect the child care and development fund  
191.23 unexpended balance for the basic sliding  
191.24 fee child care assistance program under  
191.25 Minnesota Statutes, section 119B.03. The  
191.26 commissioner shall ensure that all funds are  
191.27 expended according to the federal child care  
191.28 and development fund regulations relating to  
191.29 the TANF transfers.

191.30 **Base Adjustment.** The general fund base is  
191.31 increased by \$7,500,000 in fiscal year 2012  
191.32 and \$7,500,000 in fiscal year 2013.

191.33 **Subd. 4. Economic Support Grants**

191.34 **(a) MFIP/DWP Grants** -0- (1,583,000)

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192.1	<b><u>(b) Basic Sliding Fee Child Care Assistance</u></b>		
192.2	<b><u>Grants</u></b>	<u>-0-</u>	<u>(7,500,000)</u>
192.3	<b><u>(c) Children's Services Grants</u></b>	<u>(900,000)</u>	<u>-0-</u>
192.4	<b><u>Adoption Assistance.</u></b> Of the appropriation		
192.5	<u>reduction in fiscal year 2010, \$900,000 is</u>		
192.6	<u>from the adoption assistance program. This</u>		
192.7	<u>reduction is onetime.</u>		
192.8	<b><u>(d) Child and Community Services Grants</u></b>	<u>-0-</u>	<u>(16,750,000)</u>
192.9	<b><u>Base adjustment.</u></b> The general fund is		
192.10	<u>increased by \$13,509,000 in fiscal year 2012</u>		
192.11	<u>and \$13,509,000 in fiscal year 2013.</u>		
192.12	<b><u>(e) Group Residential Housing Grants</u></b>	<u>-0-</u>	<u>84,000</u>
192.13	<b><u>Reduction of Supplemental Service Rate.</u></b>		
192.14	<u>Effective July 1, 2011, to June 30, 2013,</u>		
192.15	<u>the commissioner shall decrease the group</u>		
192.16	<u>residential housing supplementary service</u>		
192.17	<u>rate under Minnesota Statutes, section</u>		
192.18	<u>256I.05, subdivision 1a, by five percent</u>		
192.19	<u>for services rendered on or after that date,</u>		
192.20	<u>except that reimbursement rates for a group</u>		
192.21	<u>residential housing facility reimbursed as a</u>		
192.22	<u>nursing facility shall not be reduced. The</u>		
192.23	<u>reduction in this paragraph is in addition to</u>		
192.24	<u>the reduction under Laws 2009, chapter 79,</u>		
192.25	<u>article 8, section 79, paragraph (b), clause</u>		
192.26	<u>(11).</u>		
192.27	<b><u>(f) Children's Mental Health Grants</u></b>	<u>(200,000)</u>	<u>(200,000)</u>
192.28	<b><u>(g) Other Children's and Economic Assistance</u></b>		
192.29	<b><u>Grants</u></b>	<u>400,000</u>	<u>213,000</u>
192.30	<b><u>Minnesota Food Assistance Program.</u></b> Of		
192.31	<u>the 2011 appropriation, \$150,000 is for the</u>		
192.32	<u>Minnesota Food Assistance Program. This</u>		
192.33	<u>appropriation is onetime.</u>		

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193.1 Of this appropriation, \$400,000 in fiscal  
 193.2 year 2010 and \$63,000 in fiscal year 2011  
 193.3 is for food shelf programs under Minnesota  
 193.4 Statutes, section 256E.34. This appropriation  
 193.5 is available until spent.

193.6 **Base Adjustment.** The general fund base is  
 193.7 increased by \$753,000 in fiscal year 2012 and  
 193.8 increased by \$263,000 in fiscal year 2013.

193.9 **Subd. 5. Children and Economic Assistance**  
 193.10 **Management**

193.11 **(a) Children and Economic Assistance**  
 193.12 **Administration**

-0-

-0-

193.13 **Base Adjustment.** The federal TANF fund  
 193.14 base is decreased by \$700,000 in fiscal year  
 193.15 2012 and \$700,000 in fiscal year 2013.

193.16 **(b) Children and Economic Assistance**  
 193.17 **Operations**

-0-

195,000

193.18 **Base Adjustment.** The general fund base is  
 193.19 decreased by \$12,000 in fiscal year 2012 and  
 193.20 \$12,000 in fiscal year 2013.

193.21 **Subd. 6. Health Care Grants**

193.22 **(a) MinnesotaCare Grants**

998,000

(13,376,000)

193.23 This appropriation is from the health care  
 193.24 access fund.

193.25 **Health Care Access Fund Transfer to**

193.26 **General Fund.** The commissioner of

193.27 management and budget shall transfer

193.28 the following amounts in the following

193.29 years from the health care access fund to

193.30 the general fund: \$998,000 in fiscal year

193.31 2010; \$176,704,000 in fiscal year 2011;

193.32 \$141,041,000 in fiscal year 2012; and

193.33 \$286,150,000 in fiscal year 2013. If at any

193.34 time the governor issues an executive order

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194.1 not to participate in early medical assistance  
194.2 expansion, no funds shall be transferred from  
194.3 the health care access fund to the general  
194.4 fund until early medical assistance expansion  
194.5 takes effect. This paragraph is effective the  
194.6 day following final enactment.

194.7 **MinnesotaCare Ratable Reduction.**

194.8 Effective for services rendered on or  
194.9 after July 1, 2010, to December 31, 2013,  
194.10 MinnesotaCare payments to managed care  
194.11 plans under Minnesota Statutes, section  
194.12 256L.12, for single adults and households  
194.13 without children whose income is greater  
194.14 than 75 percent of federal poverty guidelines  
194.15 shall be reduced by 15 percent. Effective  
194.16 for services provided from July 1, 2010, to  
194.17 June 30, 2011, this reduction shall apply to  
194.18 all services. Effective for services provided  
194.19 from July 1, 2011, to December 31, 2013, this  
194.20 reduction shall apply to all services except  
194.21 inpatient hospital services. Notwithstanding  
194.22 any contrary provision of this article, this  
194.23 paragraph shall expire on December 31,  
194.24 2013.

194.25 **(b) Medical Assistance Basic Health Care**  
194.26 **Grants - Families and Children**

-0-

295,512,000

194.27 **Critical Access Dental.** Of the general  
194.28 fund appropriation, \$731,000 in fiscal year  
194.29 2011 is to the commissioner for critical  
194.30 access dental provider reimbursement  
194.31 payments under Minnesota Statutes, section  
194.32 256B.76 subdivision 4. This is a onetime  
194.33 appropriation.

194.34 **Nonadministrative Rate Reduction.** For  
194.35 services rendered on or after July 1, 2010,  
194.36 to December 31, 2013, the commissioner

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195.1 shall reduce contract rates paid to managed  
 195.2 care plans under Minnesota Statutes,  
 195.3 sections 256B.69 and 256L.12, and to  
 195.4 county-based purchasing plans under  
 195.5 Minnesota Statutes, section 256B.692, by  
 195.6 three percent of the contract rate attributable  
 195.7 to nonadministrative services in effect on  
 195.8 June 30, 2010. Notwithstanding any contrary  
 195.9 provision in this article, this rider expires on  
 195.10 December 31, 2013.

195.11 **(c) Medical Assistance Basic Health Care**  
 195.12 **Grants - Elderly and Disabled** -0- (30,265,000)

195.13 **(d) General Assistance Medical Care Grants** -0- (75,389,000)

195.14 **(e) Other Health Care Grants** -0- (7,000,000)

195.15 **Cobra Carryforward.** Unexpended funds  
 195.16 appropriated in fiscal year 2010 for COBRA  
 195.17 grants under Laws 2009, chapter 79, article  
 195.18 5, section 78, do not cancel and are available  
 195.19 to the commissioner for fiscal year 2011  
 195.20 COBRA grant expenditures. Up to \$111,000  
 195.21 of the fiscal year 2011 appropriation for  
 195.22 COBRA grants provided in Laws 2009,  
 195.23 chapter 79, article 13, section 3, subdivision  
 195.24 6, may be used by the commissioner for costs  
 195.25 related to administration of the COBRA  
 195.26 grants.

195.27 **Subd. 7. Health Care Management**

195.28 **(a) Health Care Administration** -0- 391,000

195.29 **Fiscal Note Report.** Of this appropriation,  
 195.30 \$50,000 in fiscal year 2011 is for a transfer to  
 195.31 the commissioner of Minnesota Management  
 195.32 and Budget for the completion of the human  
 195.33 services fiscal note report in article 5.

196.1 **PACE Implementation Funding.** For fiscal  
196.2 year 2011, \$145,000 is appropriated from  
196.3 the general fund to the commissioner of  
196.4 human services to complete the actuarial and  
196.5 administrative work necessary to begin the  
196.6 operation of PACE under Minnesota Statutes,  
196.7 section 256B.69, subdivision 23, paragraph  
196.8 (e). Base level funding for this activity shall  
196.9 be \$130,000 in fiscal year 2012 and \$0 in  
196.10 fiscal year 2013.

196.11 **Minnesota Senior Health Options**  
196.12 **Reimbursement.** Effective July 1, 2011,  
196.13 federal administrative reimbursement  
196.14 resulting from the Minnesota senior  
196.15 health options project is appropriated  
196.16 to the commissioner for this activity.  
196.17 Notwithstanding any contrary provision, this  
196.18 provision expires June 30, 2013.

196.19 **Utilization Review.** Effective July 1,  
196.20 2011, federal administrative reimbursement  
196.21 resulting from prior authorization and  
196.22 inpatient admission certification by a  
196.23 professional review organization shall be  
196.24 dedicated to, and is appropriated to, the  
196.25 commissioner for these activities. A portion  
196.26 of these funds must be used for activities  
196.27 to decrease unnecessary pharmaceutical  
196.28 costs in medical assistance. Notwithstanding  
196.29 any contrary provision of this article, this  
196.30 paragraph expires June 30, 2013.

196.31 **Certified Public Expenditures.** (1) The  
196.32 entities named in Minnesota Statutes, section  
196.33 256B.199, paragraph (b), clause (1), shall  
196.34 comply with the requirements of that statute  
196.35 by promptly reporting on a quarterly basis

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197.1 certified public expenditures that may qualify  
197.2 for federal matching funds. Reporting under  
197.3 this paragraph shall be voluntary from July 1,  
197.4 2010, to December 31, 2010. Upon federal  
197.5 enactment of an extension to June 30, 2011,  
197.6 of the enhanced federal medical assistance  
197.7 percentage (FMAP) originally provided  
197.8 under Public Law 111-5, reporting under  
197.9 this paragraph shall also be voluntary from  
197.10 January 1, 2011, to June 30, 2011.

197.11 (2) To the extent that certified public  
197.12 expenditures reported in compliance  
197.13 with paragraph (1) earn federal matching  
197.14 payments that exceed \$8,079,000 in fiscal  
197.15 year 2012 and \$18,316,000 in fiscal year  
197.16 2013, the excess amount shall be deposited  
197.17 in the health care access fund. For each fiscal  
197.18 year after fiscal year 2013, the commissioner  
197.19 shall forecast in November the amount  
197.20 of federal payments anticipated to match  
197.21 certified public expenditures reported in  
197.22 compliance with paragraph (a). Any federal  
197.23 match earned in a fiscal year in excess of  
197.24 the amount forecasted in November shall be  
197.25 deposited to the health care access fund.

197.26 (3) Notwithstanding any contrary provision  
197.27 of this article, this rider shall not expire.

197.28 **Poverty Guidelines.** Notwithstanding  
197.29 Minnesota Statutes, sections 256B.56,  
197.30 subdivision 1c; 256D.03, subdivision 3;  
197.31 or 256L.04, subdivision 7b, the poverty  
197.32 guidelines for medical assistance, general  
197.33 assistance medical care, and MinnesotaCare  
197.34 from July 1, 2010, through June 30, 2011,  
197.35 shall not be lower than the poverty guidelines

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198.1 issued by the Secretary of Health and Human  
198.2 Services on January 23, 2009. This section  
198.3 shall have no effect on the revision of poverty  
198.4 guidelines for the Minnesota health care  
198.5 programs that would be in effect starting on  
198.6 July 1, 2011. This paragraph is effective the  
198.7 day following final enactment.

198.8 **Base Adjustment.** The general fund base is  
198.9 decreased by \$222,000 in fiscal year 2012  
198.10 and \$352,000 in fiscal year 2013.

198.11 **(b) Health Care Operations**

198.12	<u>Appropriations by Fund</u>		
198.13	<u>General</u>	<u>-0-</u>	<u>186,000</u>
198.14	<u>Health Care Access</u>	<u>-0-</u>	<u>218,000</u>

198.15 The general fund appropriation is a onetime  
198.16 appropriation in fiscal year 2011.

198.17 **Base Adjustment.** The health care access  
198.18 fund base for health care operations is  
198.19 decreased by \$812,000 in fiscal year 2012  
198.20 and \$944,000 in fiscal year 2013.

198.21 **Subd. 8. Continuing Care Grants**

198.22	<b><u>(a) Aging and Adult Services Grants</u></b>	<u>-0-</u>	<u>(1,113,000)</u>
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198.23 **Base Adjustment.** The general fund  
198.24 base for aging and adult services grants is  
198.25 increased by \$974,000 in fiscal year 2012  
198.26 and \$1,113,000 in fiscal year 2013.

198.27 **Community Service Development**

198.28 **Reduction.** The appropriation in Laws  
198.29 2009, chapter 79, article 13, section 3,  
198.30 subdivision 8, paragraph (a), for community  
198.31 service development grants, as amended by  
198.32 Laws 2009, chapter 173, article 2, section  
198.33 1, subdivision 8, paragraph (a), is reduced  
198.34 by \$154,000 in fiscal year 2011. The

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199.1 appropriation base is reduced by \$139,000  
199.2 for fiscal year 2012 and \$0 for fiscal year  
199.3 2013. Notwithstanding any law or rule to  
199.4 the contrary, this provision expires June 30,  
199.5 2012.

199.6 **(b) Medical Assistance Long-Term Care**  
199.7 **Facilities Grants** -0- 1,614,000

199.8 **ICF/MR Occupancy Rate Adjustment**  
199.9 **Suspension.** Effective for fiscal years 2012  
199.10 and 2013, approval of new applications for  
199.11 occupancy rate adjustments for unoccupied  
199.12 short-term beds under Minnesota Statutes,  
199.13 section 256B.5013, subdivision 7, is  
199.14 suspended.

199.15 **Kandiyohi County; ICF/MR Payment**  
199.16 **Rate.** \$36,000 is appropriated from the  
199.17 general fund in fiscal year 2011 and \$4,000  
199.18 in fiscal year 2012 to increase payment rates  
199.19 for an ICF/MR licensed for six beds and  
199.20 located in Kandiyohi County to serve persons  
199.21 with high behavioral needs. The payment  
199.22 rate increase shall be effective for services  
199.23 provided from July 1, 2010, through June 30,  
199.24 2011. These appropriations are onetime.

199.25 **(c) Medical Assistance Long-Term Care**  
199.26 **Waivers and Home Care Grants** -0- (4,035,000)

199.27 **Manage Growth in Traumatic Brain**  
199.28 **Injury and Community Alternatives for**  
199.29 **Disabled Individuals Waivers.** During  
199.30 the fiscal year beginning July 1, 2010, the  
199.31 commissioner shall allocate money for home  
199.32 and community-based waiver programs  
199.33 under Minnesota Statutes, section 256B.49,  
199.34 to ensure a reduction in state spending that is  
199.35 equivalent to limiting the caseload growth  
199.36 of the traumatic brain injury waiver to six

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200.1 allocations per month and the community  
200.2 alternatives for disabled individuals waiver  
200.3 to 60 allocations per month. The limits do not  
200.4 apply: (1) when there is an approved plan for  
200.5 nursing facility bed closures for individuals  
200.6 under age 65 who require relocation due to  
200.7 the bed closure; (2) to fiscal year 2009 waiver  
200.8 allocations delayed due to unallotment; or (3)  
200.9 to transfers authorized by the commissioner  
200.10 from the personal care assistance program  
200.11 of individuals having a home care rating of  
200.12 CS, MT, or HL. Priorities for the allocation  
200.13 of funds must be for individuals anticipated  
200.14 to be discharged from institutional settings or  
200.15 who are at imminent risk of a placement in  
200.16 an institutional setting.

200.17 **Manage Growth in the Developmental**  
200.18 **Disability (DD) Waiver.** The commissioner  
200.19 shall manage the growth in the developmental  
200.20 disability waiver by limiting the allocations  
200.21 included in the November 2010 forecast to  
200.22 six additional diversion allocations each  
200.23 month for the calendar year that begins on  
200.24 January 1, 2011. Additional allocations must  
200.25 be made available for transfers authorized  
200.26 by the commissioner from the personal care  
200.27 assistance program of individuals having a  
200.28 home care rating of CS, MT, or HL. This  
200.29 provision is effective through December 31,  
200.30 2011.

200.31 **(d) Adult Mental Health Grants** (3,500,000) (300,000)

200.32 **Compulsive Gambling Special Revenue**  
200.33 **Account.** \$149,000 for fiscal year 2010  
200.34 and \$27,000 for fiscal year 2011 from  
200.35 the compulsive gambling special revenue

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201.1 account established under Minnesota  
 201.2 Statutes, section 245.982, shall be transferred  
 201.3 and deposited into the general fund by  
 201.4 June 30 of each respective fiscal year. This  
 201.5 paragraph is effective the day following final  
 201.6 enactment.

201.7 **Compulsive Gambling Lottery Prize**  
 201.8 **Fund.** The lottery prize fund appropriation  
 201.9 for compulsive gambling is reduced by  
 201.10 \$80,000 in fiscal year 2010 and \$79,000 in  
 201.11 fiscal year 2011. This is a onetime reduction.

201.12 **Culturally Specific Treatment.** The  
 201.13 appropriation for culturally specific treatment  
 201.14 is reduced by \$300,000 in fiscal year 2011.  
 201.15 This is a onetime reduction.

201.16 (1) Of the fiscal year 2010 general fund  
 201.17 appropriation for grants to counties for  
 201.18 housing with support services for adults  
 201.19 with serious and persistent mental illness,  
 201.20 \$3,300,000 is canceled and returned to the  
 201.21 general fund.

201.22 (2) Of the fiscal year 2010 general  
 201.23 fund appropriation for additional crisis  
 201.24 intervention team training for law  
 201.25 enforcement, \$200,000 is canceled and  
 201.26 returned to the general fund.

201.27 **Base Adjustment.** The general fund base  
 201.28 is increased by \$300,000 in fiscal year 2012  
 201.29 and \$300,000 in fiscal year 2013.

201.30 **(e) Chemical Dependency Entitlement Grants** -0- (2,433,000)

201.31 **(f) Chemical Dependency Nonentitlement**  
 201.32 **Grants** (389,000) -0-

202.1 **Base adjustment.** The general fund base is  
202.2 reduced by \$393,000 in fiscal year 2012 and  
202.3 fiscal year 2013.

202.4 **Chemical Health.** Of the fiscal year 2010  
202.5 general fund appropriation to Mother's First  
202.6 and the Native American Program, \$389,000  
202.7 is canceled and returned to the general fund.

202.8 **(g) Other Continuing Care Grants** -0- 350,000

202.9 This is a onetime appropriation in fiscal year  
202.10 2011.

202.11 **MnDHO Transition.** Of the general fund  
202.12 appropriation for fiscal year 2011, \$250,000  
202.13 is to the commissioner to be made available  
202.14 to county agencies to assist in the transition  
202.15 of the approximately 1,290 current MnDHO  
202.16 members to the fee-for-service Medicaid  
202.17 program or another managed care option by  
202.18 January 1, 2011.

202.19 County agencies shall work with the  
202.20 commissioner, health plans, and MnDHO  
202.21 members and their legal representatives to  
202.22 develop and implement transition plans that  
202.23 include:

202.24 (1) identification of service needs of MnDHO  
202.25 members based on the current assessment or  
202.26 through the completion of a new assessment;

202.27 (2) identification of services currently  
202.28 provided to MnDHO members and which  
202.29 of those services will continue to be  
202.30 reimbursable through fee-for-service  
202.31 or another managed care option under  
202.32 the Medicaid state plan or a home and  
202.33 community-based waiver program;

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203.1 (3) identification of service providers who do  
203.2 not have a contract with the county or who  
203.3 are currently reimbursed at a different rate  
203.4 than the county contracted rate; and  
203.5 (4) development of an individual service  
203.6 plan that is within allowable waiver funding  
203.7 limits.

203.8 **Region 10 Quality Assurance Commission.**  
203.9 \$100,000 is appropriated from the general  
203.10 fund in fiscal year 2011 to the commissioner  
203.11 of human services for the purposes  
203.12 of the Region 10 Quality Assurance  
203.13 Commission under Minnesota Statutes,  
203.14 section 256B.0951. This appropriation is  
203.15 onetime.

203.16 **Subd. 9. Continuing Care Management** -0- 296,000

203.17 **PACE Implementation Funding.** For fiscal  
203.18 year 2011, \$111,000 is appropriated from  
203.19 the general fund to the commissioner of  
203.20 human services to complete the actuarial  
203.21 and administrative work necessary to begin  
203.22 the operation of PACE under Minnesota  
203.23 Statutes, section 256B.69, subdivision 23,  
203.24 paragraph (e). Base level funding for this  
203.25 activity shall be \$101,000 in fiscal year 2012  
203.26 and \$0 in fiscal year 2013. For fiscal year  
203.27 2013 and beyond, the commissioner must  
203.28 work with stakeholders to develop financing  
203.29 mechanisms to complete the actuarial  
203.30 and administrative costs of PACE. The  
203.31 commissioner shall inform the chairs and  
203.32 ranking minority members of the legislative  
203.33 committee with jurisdiction over health care  
203.34 funding by January 15, 2011, on progress to  
203.35 develop financing mechanisms.

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204.1 **Base Adjustment.** The general fund base for  
204.2 continuing care management is increased by  
204.3 \$7,000 in fiscal year 2012 and decreased by  
204.4 \$94,000 in fiscal year 2013.

204.5 **Subd. 10. State-Operated Services**

204.6 **Obsolete Laundry Depreciation Account.**

204.7 \$669,000, or the balance, whichever is  
204.8 greater, must be transferred from the  
204.9 state-operated services laundry depreciation  
204.10 account in the special revenue fund and  
204.11 deposited into the general fund by June 30,  
204.12 2010. This paragraph is effective the day  
204.13 following final enactment.

204.14 **Operating Budget Reductions.** No

204.15 operating budget reductions enacted in Laws  
204.16 2010, chapter 200, or in this act shall be  
204.17 allocated to state-operated services.

204.18 **Prohibition on Transferring Funds.** The

204.19 commissioner shall not transfer mental  
204.20 health grants to state-operated services  
204.21 without specific legislative approval.  
204.22 Notwithstanding any contrary provision in  
204.23 this article, this paragraph shall not expire.

204.24 **(a) Adult Mental Health Services**

-0-

6,888,000

204.25 **Base Adjustment.** The general fund base is  
204.26 decreased by \$12,286,000 in fiscal year 2012  
204.27 and \$12,394,000 in fiscal year 2013.

204.28 **Appropriation Requirements.** (a)

204.29 The general fund appropriation to the  
204.30 commissioner includes funding for the  
204.31 following:

204.32 (1) to a community collaborative to begin  
204.33 providing crisis center services in the  
204.34 Mankato area that are comparable to

205.1 the crisis services provided prior to the  
205.2 closure of the Mankato Crisis Center. The  
205.3 commissioner shall recruit former employees  
205.4 of the Mankato Crisis Center who were  
205.5 recently laid off to staff the new crisis  
205.6 services. The commissioner shall obtain  
205.7 legislative approval prior to discontinuing  
205.8 this funding;

205.9 (2) to maintain the building in Eveleth  
205.10 that currently houses community transition  
205.11 services and to establish a psychiatric  
205.12 intensive therapeutic foster home as an  
205.13 enterprise activity. The commissioner shall  
205.14 request a waiver amendment to allow CADI  
205.15 funding for psychiatric intensive therapeutic  
205.16 foster care services provided in the same  
205.17 location and building as the community  
205.18 transition services. If the federal government  
205.19 does not approve the waiver amendment, the  
205.20 commissioner shall continue to pay the lease  
205.21 for the building out of the state-operated  
205.22 services budget until the commissioner of  
205.23 administration subleases the space or until  
205.24 the lease expires, and shall establish the  
205.25 psychiatric intensive therapeutic foster home  
205.26 at a different site. The commissioner shall  
205.27 make diligent efforts to sublease the space;

205.28 (3) to convert the community behavioral  
205.29 health hospitals in Wadena and Willmar to  
205.30 facilities that provide more suitable services  
205.31 based on the needs of the community,  
205.32 which may include, but are not limited to,  
205.33 psychiatric extensive recovery treatment  
205.34 services. The commissioner may also  
205.35 establish other community-based services in  
205.36 the Willmar and Wadena areas that deliver

206.1 the appropriate level of care in response to  
206.2 the express needs of the communities. The  
206.3 services established under this provision  
206.4 must be staffed by state employees.

206.5 (4) to continue the operation of the dental  
206.6 clinics in Brainerd, Cambridge, Faribault,  
206.7 Fergus Falls, and Willmar at the same level of  
206.8 care and staffing that was in effect on March  
206.9 1, 2010. The commissioner shall not proceed  
206.10 with the planned closure of the dental  
206.11 clinics, and shall not discontinue services or  
206.12 downsize any of the state-operated dental  
206.13 clinics without specific legislative approval.

206.14 The commissioner shall continue to bill  
206.15 for services provided to obtain medical  
206.16 assistance critical access dental payments  
206.17 and cost-based payment rates as provided  
206.18 in Minnesota Statutes, section 256B.76,  
206.19 subdivision 2, and shall bill for services  
206.20 provided three months retroactively from  
206.21 the date of this act. This appropriation is  
206.22 onetime;

206.23 (5) to convert the Minnesota  
206.24 Neurorehabilitation Hospital in Brainerd  
206.25 to a neurocognitive psychiatric extensive  
206.26 recovery treatment service; and

206.27 (6) to convert the Minnesota extended  
206.28 treatment options (METO) program to  
206.29 the following community-based services  
206.30 provided by state employees: (i) psychiatric  
206.31 extensive recovery treatment services;  
206.32 (ii) intensive transitional foster homes  
206.33 as enterprise activities; and (iii) other  
206.34 community-based support services. The  
206.35 provisions under Minnesota Statutes, section

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207.1 252.025, subdivision 7, are applicable to  
207.2 the METO services established under this  
207.3 clause. Notwithstanding Minnesota Statutes,  
207.4 section 246.18, subdivision 8, any revenue  
207.5 lost to the general fund by the conversion  
207.6 of METO to new services must be replaced  
207.7 by revenue from the new services to offset  
207.8 the lost revenue to the general fund until  
207.9 June 30, 2013. Any revenue generated in  
207.10 excess of this amount shall be deposited into  
207.11 the special revenue fund under Minnesota  
207.12 Statutes, section 246.18, subdivision 8.

207.13 (b) The commissioner shall not move beds  
207.14 from the Anoka-Metro Regional Treatment  
207.15 Center to the psychiatric nursing facility  
207.16 at St. Peter without specific legislative  
207.17 approval.

207.18 (c) The commissioner shall implement  
207.19 changes, including the following, to save a  
207.20 minimum of \$6,006,000 beginning in fiscal  
207.21 year 2011, and report to the legislature the  
207.22 specific initiatives implemented and the  
207.23 savings allocated to each one, including:

207.24 (1) maximizing budget savings through  
207.25 strategic employee staffing; and

207.26 (2) identifying and implementing cost  
207.27 reductions in cooperation with state-operated  
207.28 services employees.

207.29 Base level funding is reduced by \$6,006,000  
207.30 effective fiscal year 2011.

207.31 (d) The commissioner shall seek certification  
207.32 or approval from the federal government for  
207.33 the new services under paragraph (a) that are  
207.34 eligible for federal financial participation  
207.35 and deposit the revenue associated with

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208.1 these new services in the account established  
 208.2 under Minnesota Statutes, section 246.18,  
 208.3 subdivision 8, unless otherwise specified.

208.4 (e) Notwithstanding any contrary provision  
 208.5 in this article, this rider shall not expire.

208.6 **(b) Minnesota Sex Offender Services** -0- (145,000)

208.7 **Sex Offender Services.** Base level funding  
 208.8 for Minnesota sex offender services is  
 208.9 reduced by \$418,000 in fiscal year 2012 and  
 208.10 \$419,000 in fiscal year 2013 for the 50-bed  
 208.11 sex offender treatment program within the  
 208.12 Moose Lake correctional facility in which  
 208.13 Department of Human Services staff from  
 208.14 Minnesota sex offender services provide  
 208.15 clinical treatment to incarcerated offenders.  
 208.16 This reduction shall become part of the base  
 208.17 for the Department of Human Services.

208.18 **Interagency Agreements.** The  
 208.19 commissioner of human services may  
 208.20 enter into interagency agreements with the  
 208.21 commissioner of corrections to continue sex  
 208.22 offender treatment and chemical dependency  
 208.23 treatment on a cost-sharing basis, in which  
 208.24 each department pays 50 percent of the costs  
 208.25 of these services.

208.26 **Base Adjustment.** The general fund base  
 208.27 is increased by \$418,000 in fiscal year 2012  
 208.28 and \$419,000 in fiscal year 2013.

208.29 **Sec. 4. COMMISSIONER OF HEALTH**

208.30 **Subdivision 1. Total Appropriation** **\$ (2,392,000) \$ 1,310,000**

<u>Appropriations by Fund</u>	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>(2,392,000)</u>	<u>1,064,000</u>

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209.1	<u>State Government</u>		
209.2	<u>Special Revenue</u>	<u>-0-</u>	<u>9,000</u>
209.3	<u>Health Care Access</u>	<u>-0-</u>	<u>237,000</u>
209.4	<b><u>Subd. 2. Community and Family Health</u></b>		<u>(221,000)</u> <u>(47,000)</u>
209.5	<b><u>Base Level Adjustment.</u></b> <u>The general fund</u>		
209.6	<u>base is decreased by \$1,388,000 in fiscal</u>		
209.7	<u>years 2012 and 2013.</u>		
209.8	<b><u>Subd. 3. Policy, Quality, and Compliance</u></b>		
209.9	<u>Appropriations by Fund</u>		
209.10		<u>2010</u>	<u>2011</u>
209.11	<u>General</u>	<u>(1,797,000)</u>	<u>497,000</u>
209.12	<u>State Government</u>		
209.13	<u>Special Revenue</u>	<u>-0-</u>	<u>9,000</u>
209.14	<u>Health Care Access</u>	<u>-0-</u>	<u>237,000</u>
209.15	<b><u>Health Care Reform.</u></b> <u>Funds appropriated</u>		
209.16	<u>in Laws 2008, chapter 358, article 5, section</u>		
209.17	<u>4, subdivision 3, for health reform activities</u>		
209.18	<u>to implement Laws 2008, chapter 358,</u>		
209.19	<u>article 4, are available until expended.</u>		
209.20	<u>Notwithstanding any contrary provision in</u>		
209.21	<u>this article, this provision shall not expire.</u>		
209.22	<b><u>Health Care Reform Task Force.</u></b> <u>\$198,000</u>		
209.23	<u>from the general fund is for expenses related</u>		
209.24	<u>to the Health Care Reform Task Force</u>		
209.25	<u>established under article 7. This is a onetime</u>		
209.26	<u>appropriation.</u>		
209.27	<b><u>Rural Hospital Capital Improvement</u></b>		
209.28	<b><u>Grants.</u></b> <u>Of the general fund reductions in</u>		
209.29	<u>fiscal year 2010, \$1,755,000 is for the rural</u>		
209.30	<u>hospital capital improvement grant program.</u>		
209.31	<b><u>Section 125 Plans.</u></b> <u>The remaining balance</u>		
209.32	<u>from the Laws 2008, chapter 358, article 5,</u>		
209.33	<u>section 4, subdivision 3, appropriation for</u>		
209.34	<u>Section 125 Plan Employer Incentives is</u>		
209.35	<u>canceled.</u>		

210.1 **Birth Centers.** Of the appropriation in fiscal  
210.2 year 2011 from the state government special  
210.3 revenue fund, \$9,000 is to the commissioner  
210.4 to license birth centers. Base level funding  
210.5 for this activity shall be \$7,000 in fiscal year  
210.6 2012 and \$7,000 in fiscal year 2013.

210.7 **Comprehensive Advanced Life Support**  
210.8 **Program.** Of the general fund appropriation,  
210.9 \$377,000 in fiscal year 2011 is to the  
210.10 commissioner for the comprehensive  
210.11 advanced life support educational program.  
210.12 For fiscal year 2012, base level funding for  
210.13 this program shall be \$377,000.

210.14 **Advisory Group on Administrative**  
210.15 **Expenses.** Of the health care access fund  
210.16 appropriation for fiscal year 2011, \$39,000 is  
210.17 to the commissioner for the advisory group  
210.18 established under Minnesota Statutes, section  
210.19 62D.31. This is a onetime appropriation.

210.20 **Base Level Adjustment.** The general fund  
210.21 base is decreased by \$253,000 in fiscal year  
210.22 2012 and \$253,000 in fiscal year 2013. The  
210.23 state government special revenue fund base  
210.24 is decreased by \$2,000 in fiscal year 2012  
210.25 and \$2,000 in fiscal year 2013.

210.26 **Office of Unlicensed Health Care Practice.**  
210.27 Of the general fund appropriation, \$74,000  
210.28 in fiscal year 2011 is for the Office of  
210.29 Unlicensed Complementary and Alternative  
210.30 Health Care Practice. This is a onetime  
210.31 appropriation.

210.32 **Subd. 4. Health Protection** (374,000) 714,000

210.33 **Lead Base Grant Program.** Of the general  
210.34 fund reduction, \$25,000 in fiscal year 2010  
210.35 and fiscal year 2011 is for the elimination

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211.1 of state funding for the temporary lead-safe  
 211.2 housing base grant program.

211.3 **Birth Defects Information System.** Of the  
 211.4 general fund appropriation for fiscal year  
 211.5 2011, \$919,000 is for the Minnesota Birth  
 211.6 Defects Information System established  
 211.7 under Minnesota Statutes, section 144.2215.

211.8 **Base Adjustment.** The general fund base  
 211.9 is increased by \$440,000 in fiscal year 2012  
 211.10 and \$984,000 in fiscal year 2013.

211.11 **Subd. 5. Administrative Support Services** -0- (100,000)

211.12 The general fund base is decreased by  
 211.13 \$22,000 in fiscal year 2012 and \$22,000 in  
 211.14 fiscal year 2013.

211.15 **Sec. 5. DEPARTMENT OF VETERANS**  
 211.16 **AFFAIRS** \$ (50,000) \$ -0-

211.17 **Cancellation of Prior Appropriation.**  
 211.18 By June 30, 2010, the commissioner of  
 211.19 management and budget shall cancel the  
 211.20 \$50,000 appropriation for fiscal year 2008 to  
 211.21 the board in Laws 2007, chapter 147, article  
 211.22 19, section 5, in the paragraph titled "Pay for  
 211.23 Performance."

211.24 **Sec. 6. HEALTH-RELATED BOARDS**

211.25 **Subdivision 1. Total Appropriation** \$ 113,000 \$ 615,000

211.26 The appropriations in this section are from  
 211.27 the state government special revenue fund.

211.28 In fiscal year 2010, \$591,000 shall be  
 211.29 transferred from the state government special  
 211.30 revenue fund to the general fund. In fiscal  
 211.31 year 2011, \$3,052,000 shall be transferred  
 211.32 from the state government special revenue  
 211.33 fund to the general fund. These transfers

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212.1	<u>are in addition to those made in Laws 2009,</u>		
212.2	<u>chapter 79, article 13, section 5, as amended</u>		
212.3	<u>by Laws 2009, chapter 173, article 2, section</u>		
212.4	<u>3.</u>		
212.5	<u>The transfers in this section are onetime in</u>		
212.6	<u>the fiscal year 2010-2011 biennium.</u>		
212.7	<u>The appropriations for each purpose are</u>		
212.8	<u>shown in the following subdivisions.</u>		
212.9	<b>Subd. 2. <u>Board of Marriage and Family</u></b>		
212.10	<b><u>Therapy</u></b>	<u>47,000</u>	<u>22,000</u>
212.11	<b><u>Operating Costs and Rulemaking. Of</u></b>		
212.12	<u>this appropriation, \$22,000 in fiscal year</u>		
212.13	<u>2010 and \$22,000 in fiscal year 2011 are</u>		
212.14	<u>for operating costs. This is an ongoing</u>		
212.15	<u>appropriation. Of this appropriation, \$25,000</u>		
212.16	<u>in fiscal year 2010 is for rulemaking. This is</u>		
212.17	<u>a onetime appropriation.</u>		
212.18	<b>Subd. 3. <u>Board of Nursing Home</u></b>		
212.19	<b><u>Administrators</u></b>	<u>51,000</u>	<u>61,000</u>
212.20	<b>Subd. 4. <u>Board of Pharmacy</u></b>	<u>-0-</u>	<u>517,000</u>
212.21	<b><u>Prescription Electronic Reporting. Of</u></b>		
212.22	<u>the state government special revenue fund</u>		
212.23	<u>appropriation, \$517,000 in fiscal year 2011</u>		
212.24	<u>is to the board to operate the prescription</u>		
212.25	<u>electronic reporting system in Minnesota</u>		
212.26	<u>Statutes, section 152.126. Base level funding</u>		
212.27	<u>for this activity in fiscal year 2012 shall be</u>		
212.28	<u>\$356,000.</u>		
212.29	<b>Subd. 5. <u>Board of Podiatry</u></b>	<u>15,000</u>	<u>15,000</u>
212.30	<b><u>Purpose.</u> This appropriation is to pay health</b>		
212.31	<b><u>insurance coverage costs and to cover the</u></b>		
212.32	<b><u>cost of expert witnesses in disciplinary cases.</u></b>		
212.33	<b>Sec. 7. <u>EMERGENCY MEDICAL SERVICES</u></b>		
212.34	<b><u>BOARD</u></b>	<b>\$ <u>247,000</u></b>	<b>\$ <u>(382,000)</u></b>

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213.1	Sec. 8. <u>UNIVERSITY OF MINNESOTA</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>93,000</u>
213.2	<u>This appropriation is from the special</u>				
213.3	<u>revenue fund for the couples on the brink</u>				
213.4	<u>program.</u>				
213.5	Sec. 9. <u>DEPARTMENT OF CORRECTIONS</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>-0-</u>
213.6	<u>Sex Offender Services. From the general</u>				
213.7	<u>fund appropriations to the commissioner of</u>				
213.8	<u>corrections, the commissioner shall transfer</u>				
213.9	<u>\$418,000 in fiscal year 2012 and \$419,000</u>				
213.10	<u>in fiscal year 2013 to the commissioner of</u>				
213.11	<u>human services to provide clinical treatment</u>				
213.12	<u>to incarcerated offenders. This transfer shall</u>				
213.13	<u>become part of the base for the Department</u>				
213.14	<u>of Corrections.</u>				
213.15	Sec. 10. <u>DEPARTMENT OF COMMERCE</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>38,000</u>
213.16	<u>Health Plan Filings. Of this appropriation:</u>				
213.17	<u>(1) \$19,000 is for the review and approval</u>				
213.18	<u>of new health plan filings due to Minnesota</u>				
213.19	<u>Statutes, section 62Q.545. This is a onetime</u>				
213.20	<u>appropriation in fiscal year 2011; and</u>				
213.21	<u>(2) \$19,000 is for regulation of Minnesota</u>				
213.22	<u>Statutes, section 62A.3075. This is a onetime</u>				
213.23	<u>appropriation.</u>				
213.24	Sec. 11. <u>CASH FLOW BALANCE TO</u>				
213.25	<u>GENERAL FUND</u>				
213.26	<u>\$84,000,000 of the unobligated balance in</u>				
213.27	<u>the case flow account created by Minnesota</u>				
213.28	<u>Statutes, section 16A.152, subdivision 1,</u>				
213.29	<u>must be canceled by the commissioner of</u>				
213.30	<u>management and budget to the general fund</u>				
213.31	<u>by June 30, 2011.</u>				

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214.1 Sec. 12. Minnesota Statutes 2008, section 214.40, subdivision 7, is amended to read:

214.2 Subd. 7. **Medical professional liability insurance.** (a) Within the limit of funds  
214.3 appropriated for this program, the administrative services unit must purchase medical  
214.4 professional liability insurance, if available, for a health care provider who is registered in  
214.5 accordance with subdivision 4 and who is not otherwise covered by a medical professional  
214.6 liability insurance policy or self-insured plan either personally or through another facility  
214.7 or employer. The administrative services unit is authorized to prorate payments or  
214.8 otherwise limit the number of participants in the program if the costs of the insurance for  
214.9 eligible providers exceed the funds appropriated for the program.

214.10 (b) Coverage purchased under this subdivision must be limited to the provision of  
214.11 health care services performed by the provider for which the provider does not receive  
214.12 direct monetary compensation.

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

214.14 Sec. 13. Laws 2009, chapter 79, article 13, section 3, subdivision 1, as amended by  
214.15 Laws 2009, chapter 173, article 2, section 1, subdivision 1, is amended to read:

214.16 Subdivision 1. **Total Appropriation** \$ 5,225,451,000 \$ 6,002,864,000

	Appropriations by Fund	
	2010	2011
214.19 General	4,375,689,000	5,209,765,000
214.20 State Government		
214.21 Special Revenue	565,000	565,000
214.22 Health Care Access	450,662,000	527,411,000
214.23 Federal TANF	286,770,000	263,458,000
214.24 Lottery Prize	1,665,000	1,665,000
214.25 Federal Fund	110,000,000	0

214.26 **Receipts for Systems Projects.**

214.27 Appropriations and federal receipts for  
214.28 information systems projects for MAXIS,  
214.29 PRISM, MMIS, and SSIS must be deposited  
214.30 in the state system account authorized in  
214.31 Minnesota Statutes, section 256.014. Money  
214.32 appropriated for computer projects approved  
214.33 by the Minnesota Office of Enterprise  
214.34 Technology, funded by the legislature, and  
214.35 approved by the commissioner of finance,

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215.1 may be transferred from one project to  
215.2 another and from development to operations  
215.3 as the commissioner of human services  
215.4 considers necessary, except that any transfers  
215.5 to one project that exceed \$1,000,000 or  
215.6 multiple transfers to one project that exceed  
215.7 \$1,000,000 in total require the express  
215.8 approval of the legislature. The preceding  
215.9 requirement for legislative approval does not  
215.10 apply to transfers made to establish a project's  
215.11 initial operating budget each year; instead,  
215.12 the requirements of section 11, subdivision  
215.13 2, of this article apply to those transfers. Any  
215.14 unexpended balance in the appropriation  
215.15 for these projects does not cancel but is  
215.16 available for ongoing development and  
215.17 operations. Any computer project with a  
215.18 total cost exceeding \$1,000,000, including,  
215.19 but not limited to, a replacement for the  
215.20 proposed HealthMatch system, shall not be  
215.21 commenced without the express approval of  
215.22 the legislature.

215.23 **HealthMatch Systems Project.** In fiscal  
215.24 year 2010, \$3,054,000 shall be transferred  
215.25 from the HealthMatch account in the state  
215.26 systems account in the special revenue fund  
215.27 to the general fund.

215.28 **Nonfederal Share Transfers.** The  
215.29 nonfederal share of activities for which  
215.30 federal administrative reimbursement is  
215.31 appropriated to the commissioner may be  
215.32 transferred to the special revenue fund.

215.33 **TANF Maintenance of Effort.**

215.34 (a) In order to meet the basic maintenance  
215.35 of effort (MOE) requirements of the TANF

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216.1 block grant specified under Code of Federal  
216.2 Regulations, title 45, section 263.1, the  
216.3 commissioner may only report nonfederal  
216.4 money expended for allowable activities  
216.5 listed in the following clauses as TANF/MOE  
216.6 expenditures:

216.7 (1) MFIP cash, diversionary work program,  
216.8 and food assistance benefits under Minnesota  
216.9 Statutes, chapter 256J;

216.10 (2) the child care assistance programs  
216.11 under Minnesota Statutes, sections 119B.03  
216.12 and 119B.05, and county child care  
216.13 administrative costs under Minnesota  
216.14 Statutes, section 119B.15;

216.15 (3) state and county MFIP administrative  
216.16 costs under Minnesota Statutes, chapters  
216.17 256J and 256K;

216.18 (4) state, county, and tribal MFIP  
216.19 employment services under Minnesota  
216.20 Statutes, chapters 256J and 256K;

216.21 (5) expenditures made on behalf of  
216.22 noncitizen MFIP recipients who qualify  
216.23 for the medical assistance without federal  
216.24 financial participation program under  
216.25 Minnesota Statutes, section 256B.06,  
216.26 subdivision 4, paragraphs (d), (e), and (j);  
216.27 ~~and~~

216.28 (6) qualifying working family credit  
216.29 expenditures under Minnesota Statutes,  
216.30 section 290.0671-; and

216.31 (7) qualifying Minnesota education credit  
216.32 expenditures under Minnesota Statutes,  
216.33 section 290.0674.

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217.1 (b) The commissioner shall ensure that  
217.2 sufficient qualified nonfederal expenditures  
217.3 are made each year to meet the state's  
217.4 TANF/MOE requirements. For the activities  
217.5 listed in paragraph (a), clauses (2) to  
217.6 (6), the commissioner may only report  
217.7 expenditures that are excluded from the  
217.8 definition of assistance under Code of  
217.9 Federal Regulations, title 45, section 260.31.

217.10 (c) For fiscal years beginning with state  
217.11 fiscal year 2003, the commissioner shall  
217.12 ensure that the maintenance of effort used  
217.13 by the commissioner of finance for the  
217.14 February and November forecasts required  
217.15 under Minnesota Statutes, section 16A.103,  
217.16 contains expenditures under paragraph (a),  
217.17 clause (1), equal to at least 16 percent of  
217.18 the total required under Code of Federal  
217.19 Regulations, title 45, section 263.1.

217.20 (d) For the federal fiscal years beginning on  
217.21 or after October 1, 2007, the commissioner  
217.22 may not claim an amount of TANF/MOE in  
217.23 excess of the 75 percent standard in Code  
217.24 of Federal Regulations, title 45, section  
217.25 263.1(a)(2), except:

217.26 (1) to the extent necessary to meet the 80  
217.27 percent standard under Code of Federal  
217.28 Regulations, title 45, section 263.1(a)(1),  
217.29 if it is determined by the commissioner  
217.30 that the state will not meet the TANF work  
217.31 participation target rate for the current year;  
217.32 (2) to provide any additional amounts  
217.33 under Code of Federal Regulations, title 45,  
217.34 section 264.5, that relate to replacement of

218.1 TANF funds due to the operation of TANF  
218.2 penalties; and

218.3 (3) to provide any additional amounts that  
218.4 may contribute to avoiding or reducing  
218.5 TANF work participation penalties through  
218.6 the operation of the excess MOE provisions  
218.7 of Code of Federal Regulations, title 45,  
218.8 section 261.43 (a)(2).

218.9 For the purposes of clauses (1) to (3),  
218.10 the commissioner may supplement the  
218.11 MOE claim with working family credit  
218.12 expenditures to the extent such expenditures  
218.13 or other qualified expenditures are otherwise  
218.14 available after considering the expenditures  
218.15 allowed in this section.

218.16 (e) Minnesota Statutes, section 256.011,  
218.17 subdivision 3, which requires that federal  
218.18 grants or aids secured or obtained under that  
218.19 subdivision be used to reduce any direct  
218.20 appropriations provided by law, do not apply  
218.21 if the grants or aids are federal TANF funds.

218.22 (f) Notwithstanding any contrary provision  
218.23 in this article, this provision expires June 30,  
218.24 2013.

218.25 **Working Family Credit Expenditures as**  
218.26 **TANF/MOE.** The commissioner may claim  
218.27 as TANF/MOE up to \$6,707,000 per year of  
218.28 working family credit expenditures for fiscal  
218.29 year 2010 through fiscal year 2011.

218.30 **Working Family Credit Expenditures**  
218.31 **to be Claimed for TANF/MOE.** The  
218.32 commissioner may count the following  
218.33 amounts of working family credit expenditure  
218.34 as TANF/MOE:

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219.1 (1) fiscal year 2010, ~~\$50,973,000~~

219.2 \$50,897,000;

219.3 (2) fiscal year 2011, ~~\$53,793,000~~

219.4 \$54,243,000;

219.5 (3) fiscal year 2012, ~~\$23,516,000~~

219.6 \$23,345,000; and

219.7 (4) fiscal year 2013, ~~\$16,808,000~~

219.8 \$16,585,000.

219.9 Notwithstanding any contrary provision in  
219.10 this article, this rider expires June 30, 2013.

219.11 **Food Stamps Employment and Training.**

219.12 (a) The commissioner shall apply for and

219.13 claim the maximum allowable federal

219.14 matching funds under United States Code,

219.15 title 7, section 2025, paragraph (h), for

219.16 state expenditures made on behalf of family

219.17 stabilization services participants voluntarily

219.18 engaged in food stamp employment and

219.19 training activities, where appropriate.

219.20 (b) Notwithstanding Minnesota Statutes,

219.21 sections 256D.051, subdivisions 1a, 6b,

219.22 and 6c, and 256J.626, federal food stamps

219.23 employment and training funds received

219.24 as reimbursement of MFIP consolidated

219.25 fund grant expenditures for diversionary

219.26 work program participants and child

219.27 care assistance program expenditures for

219.28 two-parent families must be deposited in the

219.29 general fund. The amount of funds must be

219.30 limited to \$3,350,000 in fiscal year 2010

219.31 and \$4,440,000 in fiscal years 2011 through

219.32 2013, contingent on approval by the federal

219.33 Food and Nutrition Service.

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220.1 (c) Consistent with the receipt of these federal  
220.2 funds, the commissioner may adjust the  
220.3 level of working family credit expenditures  
220.4 claimed as TANF maintenance of effort.  
220.5 Notwithstanding any contrary provision in  
220.6 this article, this rider expires June 30, 2013.

220.7 **ARRA Food Support Administration.**

220.8 The funds available for food support  
220.9 administration under the American Recovery  
220.10 and Reinvestment Act (ARRA) of 2009  
220.11 are appropriated to the commissioner  
220.12 to pay actual costs of implementing the  
220.13 food support benefit increases, increased  
220.14 eligibility determinations, and outreach. Of  
220.15 these funds, 20 percent shall be allocated  
220.16 to the commissioner and 80 percent shall  
220.17 be allocated to counties. The commissioner  
220.18 shall allocate the county portion based on  
220.19 caseload. Reimbursement shall be based on  
220.20 actual costs reported by counties through  
220.21 existing processes. Tribal reimbursement  
220.22 must be made from the state portion based  
220.23 on a caseload factor equivalent to that of a  
220.24 county.

220.25 **ARRA Food Support Benefit Increases.**

220.26 The funds provided for food support benefit  
220.27 increases under the Supplemental Nutrition  
220.28 Assistance Program provisions of the  
220.29 American Recovery and Reinvestment Act  
220.30 (ARRA) of 2009 must be used for benefit  
220.31 increases beginning July 1, 2009.

220.32 **Emergency Fund for the TANF Program.**

220.33 TANF Emergency Contingency funds  
220.34 available under the American Recovery  
220.35 and Reinvestment Act of 2009 (Public Law

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221.1 111-5) are appropriated to the commissioner.  
221.2 The commissioner must request TANF  
221.3 Emergency Contingency funds from the  
221.4 Secretary of the Department of Health  
221.5 and Human Services to the extent the  
221.6 commissioner meets or expects to meet the  
221.7 requirements of section 403(c) of the Social  
221.8 Security Act. The commissioner must seek  
221.9 to maximize such grants. The funds received  
221.10 must be used as appropriated. Each county  
221.11 must maintain the county's current level of  
221.12 emergency assistance funding under the  
221.13 MFIP consolidated fund and use the funds  
221.14 under this paragraph to supplement existing  
221.15 emergency assistance funding levels.

221.16 Sec. 14. Laws 2009, chapter 79, article 13, section 3, subdivision 3, as amended by  
221.17 Laws 2009, chapter 173, article 2, section 1, subdivision 3, is amended to read:

221.18	<b>Subd. 3. Revenue and Pass-Through Revenue</b>		
221.19	<b>Expenditures</b>	68,337,000	70,505,000

221.20 This appropriation is from the federal TANF  
221.21 fund.

221.22 **TANF Transfer to Federal Child Care**  
221.23 **and Development Fund.** The following  
221.24 TANF fund amounts are appropriated to the  
221.25 commissioner for the purposes of MFIP and  
221.26 transition year child care under Minnesota  
221.27 Statutes, section 119B.05:

- 221.28 (1) fiscal year 2010, ~~\$6,531,000~~ \$862,000;
- 221.29 (2) fiscal year 2011, ~~\$10,241,000~~ \$978,000;
- 221.30 (3) fiscal year 2012, ~~\$10,826,000~~ \$0; and
- 221.31 (4) fiscal year 2013, ~~\$4,046,000~~ \$0.

221.32 The commissioner shall authorize the  
221.33 transfer of sufficient TANF funds to the  
221.34 federal child care and development fund to

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222.1 meet this appropriation and shall ensure that  
222.2 all transferred funds are expended according  
222.3 to federal child care and development fund  
222.4 regulations.

222.5 Sec. 15. Laws 2009, chapter 79, article 13, section 3, subdivision 4, as amended by  
222.6 Laws 2009, chapter 173, article 2, section 1, subdivision 4, is amended to read:

222.7 **Subd. 4. Children and Economic Assistance**  
222.8 **Grants**

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

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

222.12 Appropriations by Fund			
222.13	General	63,205,000	89,033,000
222.14	Federal TANF	100,818,000	84,538,000

222.15 **(b) Support Services Grants**

222.16 Appropriations by Fund			
222.17	General	8,715,000	12,498,000
222.18	Federal TANF	116,557,000	107,457,000

222.19 **MFIP Consolidated Fund.** The MFIP  
222.20 consolidated fund TANF appropriation is  
222.21 reduced by \$1,854,000 in fiscal year 2010  
222.22 and fiscal year 2011.

222.23 Notwithstanding Minnesota Statutes, section  
222.24 256J.626, subdivision 8, paragraph (b), the  
222.25 commissioner shall reduce proportionately  
222.26 the reimbursement to counties for  
222.27 administrative expenses.

222.28 **Subsidized Employment Funding Through**  
222.29 **ARRA.** The commissioner is authorized to  
222.30 apply for TANF emergency fund grants for  
222.31 subsidized employment activities. Growth  
222.32 in expenditures for subsidized employment  
222.33 within the supported work program and the  
222.34 MFIP consolidated fund over the amount

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223.1 expended in the calendar quarters in the  
223.2 TANF emergency fund base year shall be  
223.3 used to leverage the TANF emergency fund  
223.4 grants for subsidized employment and to  
223.5 fund supported work. The commissioner  
223.6 shall develop procedures to maximize  
223.7 reimbursement of these expenditures over the  
223.8 TANF emergency fund base year quarters,  
223.9 and may contract directly with employers  
223.10 and providers to maximize these TANF  
223.11 emergency fund grants, including provisions  
223.12 of TANF summer youth program wage  
223.13 subsidies for MFIP youth and caregivers.  
223.14 MFIP youth are individuals up to age 25 who  
223.15 are part of an eligible household as defined  
223.16 under rules governing TANF maintenance  
223.17 of effort with incomes less than 200 percent  
223.18 of federal poverty guidelines. Expenditures  
223.19 may only be used for subsidized wages and  
223.20 benefits and eligible training and supervision  
223.21 expenditures. The commissioner shall  
223.22 contract with the Minnesota Department of  
223.23 Employment and Economic Development  
223.24 for the summer youth program. The  
223.25 commissioner shall develop procedures  
223.26 to maximize reimbursement of these  
223.27 expenditures over the TANF emergency fund  
223.28 year quarters. No more than \$6,000,000 shall  
223.29 be reimbursed. This provision is effective  
223.30 upon enactment.

223.31 **Supported Work.** Of the TANF  
223.32 appropriation, \$4,700,000 in fiscal year 2010  
223.33 and \$4,700,000 in fiscal year 2011 are to the  
223.34 commissioner for supported work for MFIP  
223.35 recipients and is available until expended.  
223.36 Supported work includes paid transitional

224.1 work experience and a continuum of  
224.2 employment assistance, including outreach  
224.3 and recruitment, program orientation  
224.4 and intake, testing and assessment, job  
224.5 development and marketing, preworksite  
224.6 training, supported worksite experience,  
224.7 job coaching, and postplacement follow-up,  
224.8 in addition to extensive case management  
224.9 and referral services. This is a onetime  
224.10 appropriation.

224.11 **Base Adjustment.** The general fund base  
224.12 is reduced by \$3,783,000 in each of fiscal  
224.13 years 2012 and 2013. ~~The TANF fund base~~  
224.14 ~~is increased by \$5,004,000 in each of fiscal~~  
224.15 ~~years 2012 and 2013.~~

224.16 **Integrated Services Program Funding.**  
224.17 The TANF appropriation for integrated  
224.18 services program funding is \$1,250,000 in  
224.19 fiscal year 2010 and \$0 in fiscal year 2011  
224.20 and the base for fiscal years 2012 and 2013  
224.21 is \$0.

224.22 **TANF Emergency Fund; Nonrecurrent**  
224.23 **Short-Term Benefits.** (a) TANF emergency  
224.24 contingency fund grants received due to  
224.25 increases in expenditures for nonrecurrent  
224.26 short-term benefits must be used to offset the  
224.27 increase in these expenditures for counties  
224.28 under the MFIP consolidated fund, under  
224.29 Minnesota Statutes, section 256J.626,  
224.30 and the diversionary work program. The  
224.31 commissioner shall develop procedures  
224.32 to maximize reimbursement of these  
224.33 expenditures over the TANF emergency fund  
224.34 base year quarters. Growth in expenditures  
224.35 for the diversionary work program over the

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225.1 amount expended in the calendar quarters in  
225.2 the TANF emergency fund base year shall be  
225.3 used to leverage these funds.

225.4 (b) To the extent that the commissioner  
225.5 can claim eligible tax credit growth as  
225.6 nonrecurrent short-term benefits, the  
225.7 commissioner shall use those funds to  
225.8 leverage the increased expenditures in  
225.9 paragraph (a).

225.10 (c) TANF emergency funds for nonrecurrent  
225.11 short-term benefits received in excess of the  
225.12 amounts necessary for paragraphs (a) and (b)  
225.13 shall be used to reimburse the general fund  
225.14 for the costs of eligible tax credits in fiscal  
225.15 year 2011. The amount of such funds shall  
225.16 not exceed \$15,500,000 in fiscal year 2010.

225.17 (d) This rider is effective the day following  
225.18 final enactment.

225.19 **TANF Summer Food Programs -**  
225.20 **TANF Emergency Fund Non-Recurrent**  
225.21 **Short-Term Benefits.** In addition to the  
225.22 TANF emergency fund (TEF) non-recurrent  
225.23 short-term benefits provided in this  
225.24 subdivision, the commissioner may  
225.25 supplement funds available under Minnesota  
225.26 Statutes, section 256E.34 to provide for  
225.27 summer food programs to the extent such  
225.28 funds are available and eligible to leverage  
225.29 TANF emergency funds non-recurrent  
225.30 benefits. The commissioner may contract  
225.31 directly with providers or third-party funders  
225.32 to maximize these TANF emergency fund  
225.33 grants. Up to \$800,000 of TEF non-recurrent  
225.34 short-term benefit earnings may be used in

226.1 this program. This paragraph is effective the  
226.2 day following final enactment.

226.3 **(c) MFIP Child Care Assistance Grants** 61,171,000 65,214,000

226.4 **Acceleration of ARRA Child Care and**  
226.5 **Development Fund Expenditure.** The  
226.6 commissioner must liquidate all child care  
226.7 and development money available under  
226.8 the American Recovery and Reinvestment  
226.9 Act (ARRA) of 2009, Public Law 111-5,  
226.10 by September 30, 2010. In order to expend  
226.11 those funds by September 30, 2010, the  
226.12 commissioner may redesignate and expend  
226.13 the ARRA child care and development funds  
226.14 appropriated in fiscal year 2011 for purposes  
226.15 under this section for related purposes that  
226.16 will allow liquidation by September 30,  
226.17 2010. Child care and development funds  
226.18 otherwise available to the commissioner  
226.19 for those related purposes shall be used to  
226.20 fund the purposes from which the ARRA  
226.21 child care and development funds had been  
226.22 redesignated.

226.23 **School Readiness Service Agreements.**  
226.24 \$400,000 in fiscal year 2010 and \$400,000  
226.25 in fiscal year 2011 are from the federal  
226.26 TANF fund to the commissioner of human  
226.27 services consistent with federal regulations  
226.28 for the purpose of school readiness service  
226.29 agreements under Minnesota Statutes,  
226.30 section 119B.231. This is a onetime  
226.31 appropriation. Any unexpended balance the  
226.32 first year is available in the second year.

226.33 **(d) Basic Sliding Fee Child Care Assistance**  
226.34 **Grants** 40,100,000 45,092,000

227.1 **School Readiness Service Agreements.**

227.2 \$257,000 in fiscal year 2010 and \$257,000  
227.3 in fiscal year 2011 are from the general  
227.4 fund for the purpose of school readiness  
227.5 service agreements under Minnesota  
227.6 Statutes, section 119B.231. This is a onetime  
227.7 appropriation. Any unexpended balance the  
227.8 first year is available in the second year.

227.9 **Child Care Development Fund**

227.10 **Unexpended Balance.** In addition to  
227.11 the amount provided in this section, the  
227.12 commissioner shall expend \$5,244,000 in  
227.13 fiscal year 2010 from the federal child care  
227.14 development fund unexpended balance  
227.15 for basic sliding fee child care under  
227.16 Minnesota Statutes, section 119B.03. The  
227.17 commissioner shall ensure that all child  
227.18 care and development funds are expended  
227.19 according to the federal child care and  
227.20 development fund regulations.

227.21 **Basic Sliding Fee.** \$4,000,000 in fiscal year  
227.22 2010 and \$4,000,000 in fiscal year 2011 are  
227.23 from the federal child care development  
227.24 funds received from the American Recovery  
227.25 and Reinvestment Act of 2009, Public  
227.26 Law 111-5, to the commissioner of human  
227.27 services consistent with federal regulations  
227.28 for the purpose of basic sliding fee child care  
227.29 assistance under Minnesota Statutes, section  
227.30 119B.03. This is a onetime appropriation.  
227.31 Any unexpended balance the first year is  
227.32 available in the second year.

227.33 **Basic Sliding Fee Allocation for Calendar**

227.34 **Year 2010.** Notwithstanding Minnesota  
227.35 Statutes, section 119B.03, subdivision 6,

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228.1 in calendar year 2010, basic sliding fee  
228.2 funds shall be distributed according to  
228.3 this provision. Funds shall be allocated  
228.4 first in amounts equal to each county's  
228.5 guaranteed floor, according to Minnesota  
228.6 Statutes, section 119B.03, subdivision 8,  
228.7 with any remaining available funds allocated  
228.8 according to the following formula:

228.9 (a) Up to one-fourth of the funds shall be  
228.10 allocated in proportion to the number of  
228.11 families participating in the transition year  
228.12 child care program as reported during and  
228.13 averaged over the most recent six months  
228.14 completed at the time of the notice of  
228.15 allocation. Funds in excess of the amount  
228.16 necessary to serve all families in this category  
228.17 shall be allocated according to paragraph (d).

228.18 (b) Up to three-fourths of the funds shall  
228.19 be allocated in proportion to the average  
228.20 of each county's most recent six months of  
228.21 reported waiting list as defined in Minnesota  
228.22 Statutes, section 119B.03, subdivision 2, and  
228.23 the reinstatement list of those families whose  
228.24 assistance was terminated with the approval  
228.25 of the commissioner under Minnesota Rules,  
228.26 part 3400.0183, subpart 1. Funds in excess  
228.27 of the amount necessary to serve all families  
228.28 in this category shall be allocated according  
228.29 to paragraph (d).

228.30 (c) The amount necessary to serve all families  
228.31 in paragraphs (a) and (b) shall be calculated  
228.32 based on the basic sliding fee average cost of  
228.33 care per family in the county with the highest  
228.34 cost in the most recently completed calendar  
228.35 year.

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229.1 (d) Funds in excess of the amount necessary  
229.2 to serve all families in paragraphs (a) and  
229.3 (b) shall be allocated in proportion to each  
229.4 county's total expenditures for the basic  
229.5 sliding fee child care program reported  
229.6 during the most recent fiscal year completed  
229.7 at the time of the notice of allocation. To  
229.8 the extent that funds are available, and  
229.9 notwithstanding Minnesota Statutes, section  
229.10 119B.03, subdivision 8, for the period  
229.11 January 1, 2011, to December 31, 2011, each  
229.12 county's guaranteed floor must be equal to its  
229.13 original calendar year 2010 allocation.

229.14 **Base Adjustment.** The general fund base is  
229.15 decreased by \$257,000 in each of fiscal years  
229.16 2012 and 2013.

229.17 **(e) Child Care Development Grants** 1,487,000 1,487,000

229.18 **Family, friends, and neighbor grants.**  
229.19 \$375,000 in fiscal year 2010 and \$375,000  
229.20 in fiscal year 2011 are from the child  
229.21 care development fund required targeted  
229.22 quality funds for quality expansion and  
229.23 infant/toddler from the American Recovery  
229.24 and Reinvestment Act of 2009, Public  
229.25 Law 111-5, to the commissioner of human  
229.26 services for family, friends, and neighbor  
229.27 grants under Minnesota Statutes, section  
229.28 119B.232. This appropriation may be used  
229.29 on programs receiving family, friends, and  
229.30 neighbor grant funds as of June 30, 2009,  
229.31 or on new programs or projects. This is a  
229.32 onetime appropriation. Any unexpended  
229.33 balance the first year is available in the  
229.34 second year.

230.1 **Voluntary quality rating system training,**  
230.2 **coaching, consultation, and supports.**  
230.3 \$633,000 in fiscal year 2010 and \$633,000  
230.4 in fiscal year 2011 are from the federal child  
230.5 care development fund required targeted  
230.6 quality funds for quality expansion and  
230.7 infant/toddler from the American Recovery  
230.8 and Reinvestment Act of 2009, Public  
230.9 Law 111-5, to the commissioner of human  
230.10 services consistent with federal regulations  
230.11 for the purpose of providing grants to provide  
230.12 statewide child-care provider training,  
230.13 coaching, consultation, and supports to  
230.14 prepare for the voluntary Minnesota quality  
230.15 rating system rating tool. This is a onetime  
230.16 appropriation. Any unexpended balance the  
230.17 first year is available in the second year.

230.18 **Voluntary quality rating system.** \$184,000  
230.19 in fiscal year 2010 and \$1,200,000 in fiscal  
230.20 year 2011 are from the federal child care  
230.21 development fund required targeted funds for  
230.22 quality expansion and infant/toddler from the  
230.23 American Recovery and Reinvestment Act of  
230.24 2009, Public Law 111-5, to the commissioner  
230.25 of human services consistent with federal  
230.26 regulations for the purpose of implementing  
230.27 the voluntary Parent Aware quality star  
230.28 rating system pilot in coordination with the  
230.29 Minnesota Early Learning Foundation. The  
230.30 appropriation for the first year is to complete  
230.31 and promote the voluntary Parent Aware  
230.32 quality rating system pilot program through  
230.33 June 30, 2010, and the appropriation for  
230.34 the second year is to continue the voluntary  
230.35 Minnesota quality rating system pilot  
230.36 through June 30, 2011. This is a onetime

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231.1 appropriation. Any unexpended balance the  
231.2 first year is available in the second year.

231.3 **(f) Child Support Enforcement Grants** 3,705,000 3,705,000

231.4 **(g) Children's Services Grants**

231.5 Appropriations by Fund

231.6 General 48,333,000 50,498,000

231.7 Federal TANF 340,000 240,000

231.8 **Base Adjustment.** The general fund base is  
231.9 decreased by \$5,371,000 in fiscal year 2012  
231.10 and decreased \$5,371,000 in fiscal year 2013.

231.11 **Privatized Adoption Grants.** Federal  
231.12 reimbursement for privatized adoption grant  
231.13 and foster care recruitment grant expenditures  
231.14 is appropriated to the commissioner for  
231.15 adoption grants and foster care and adoption  
231.16 administrative purposes.

231.17 **Adoption Assistance Incentive Grants.**

231.18 Federal funds available during fiscal year  
231.19 2010 and fiscal year 2011 for the adoption  
231.20 incentive grants are appropriated to the  
231.21 commissioner for postadoption services  
231.22 including parent support groups.

231.23 **Adoption Assistance and Relative Custody**

231.24 **Assistance.** The commissioner may transfer  
231.25 unencumbered appropriation balances for  
231.26 adoption assistance and relative custody  
231.27 assistance between fiscal years and between  
231.28 programs.

231.29 **(h) Children and Community Services Grants** 67,663,000 67,542,000

231.30 **Targeted Case Management Temporary**

231.31 **Funding Adjustment.** The commissioner  
231.32 shall recover from each county and tribe  
231.33 receiving a targeted case management  
231.34 temporary funding payment in fiscal year

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232.1 2008 an amount equal to that payment. The  
232.2 commissioner shall recover one-half of the  
232.3 funds by February 1, 2010, and the remainder  
232.4 by February 1, 2011. At the commissioner's  
232.5 discretion and at the request of a county  
232.6 or tribe, the commissioner may revise  
232.7 the payment schedule, but full payment  
232.8 must not be delayed beyond May 1, 2011.  
232.9 The commissioner may use the recovery  
232.10 procedure under Minnesota Statutes, section  
232.11 256.017, to recover the funds. Recovered  
232.12 funds must be deposited into the general  
232.13 fund.

232.14	<b>(i) General Assistance Grants</b>	48,215,000	48,608,000
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232.15 **General Assistance Standard.** The  
232.16 commissioner shall set the monthly standard  
232.17 of assistance for general assistance units  
232.18 consisting of an adult recipient who is  
232.19 childless and unmarried or living apart  
232.20 from parents or a legal guardian at \$203.  
232.21 The commissioner may reduce this amount  
232.22 according to Laws 1997, chapter 85, article  
232.23 3, section 54.

232.24 **Emergency General Assistance.** The  
232.25 amount appropriated for emergency general  
232.26 assistance funds is limited to no more  
232.27 than \$7,889,812 in fiscal year 2010 and  
232.28 \$7,889,812 in fiscal year 2011. Funds  
232.29 to counties must be allocated by the  
232.30 commissioner using the allocation method  
232.31 specified in Minnesota Statutes, section  
232.32 256D.06.

232.33	<b>(j) Minnesota Supplemental Aid Grants</b>	33,930,000	35,191,000
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232.34 **Emergency Minnesota Supplemental**  
232.35 **Aid Funds.** The amount appropriated for

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233.1 emergency Minnesota supplemental aid  
233.2 funds is limited to no more than \$1,100,000  
233.3 in fiscal year 2010 and \$1,100,000 in fiscal  
233.4 year 2011. Funds to counties must be  
233.5 allocated by the commissioner using the  
233.6 allocation method specified in Minnesota  
233.7 Statutes, section 256D.46.

233.8 **(k) Group Residential Housing Grants** 111,778,000 114,034,000

233.9 **Group Residential Housing Costs**

233.10 **Refinanced.** (a) Effective July 1, 2011, the  
233.11 commissioner shall increase the home and  
233.12 community-based service rates and county  
233.13 allocations provided to programs for persons  
233.14 with disabilities established under section  
233.15 1915(c) of the Social Security Act to the  
233.16 extent that these programs will be paying  
233.17 for the costs above the rate established  
233.18 in Minnesota Statutes, section 256I.05,  
233.19 subdivision 1.

233.20 (b) For persons receiving services under  
233.21 Minnesota Statutes, section 245A.02, who  
233.22 reside in licensed adult foster care beds  
233.23 for which a difficulty of care payment  
233.24 was being made under Minnesota Statutes,  
233.25 section 256I.05, subdivision 1c, paragraph  
233.26 (b), counties may request an exception to  
233.27 the individual's service authorization not to  
233.28 exceed the difference between the client's  
233.29 monthly service expenditures plus the  
233.30 amount of the difficulty of care payment.

233.31 **(l) Children's Mental Health Grants** 16,885,000 16,882,000

233.32 **Funding Usage.** Up to 75 percent of a fiscal  
233.33 year's appropriation for children's mental  
233.34 health grants may be used to fund allocations

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234.1 in that portion of the fiscal year ending  
234.2 December 31.

234.3	<b>(m) Other Children and Economic Assistance</b>		
234.4	<b>Grants</b>	16,047,000	15,339,000

234.5 **Fraud Prevention Grants.** Of this  
234.6 appropriation, \$228,000 in fiscal year 2010  
234.7 and ~~\$228,000~~ \$379,000 in fiscal year 2011  
234.8 is to the commissioner for fraud prevention  
234.9 grants to counties.

234.10 **Homeless and Runaway Youth.** \$218,000  
234.11 in fiscal year 2010 is for the Runaway  
234.12 and Homeless Youth Act under Minnesota  
234.13 Statutes, section 256K.45. Funds shall be  
234.14 spent in each area of the continuum of care  
234.15 to ensure that programs are meeting the  
234.16 greatest need. Any unexpended balance in  
234.17 the first year is available in the second year.  
234.18 Beginning July 1, 2011, the base is increased  
234.19 by \$119,000 each year.

234.20 **ARRA Homeless Youth Funds.** To the  
234.21 extent permitted under federal law, the  
234.22 commissioner shall designate \$2,500,000  
234.23 of the Homeless Prevention and Rapid  
234.24 Re-Housing Program funds provided under  
234.25 the American Recovery and Reinvestment  
234.26 Act of 2009, Public Law 111-5, for agencies  
234.27 providing homelessness prevention and rapid  
234.28 rehousing services to youth.

234.29 **Supportive Housing Services.** \$1,500,000  
234.30 each year is for supportive services under  
234.31 Minnesota Statutes, section 256K.26. This is  
234.32 a onetime appropriation.

234.33 **Community Action Grants.** Community  
234.34 action grants are reduced one time by  
234.35 \$1,794,000 each year. This reduction is due

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235.1 to the availability of federal funds under the  
235.2 American Recovery and Reinvestment Act.

235.3 **Base Adjustment.** The general fund base  
235.4 is increased by ~~\$773,000~~ \$903,000 in fiscal  
235.5 year 2012 and ~~\$773,000~~ \$413,000 in fiscal  
235.6 year 2013.

235.7 **Federal ARRA Funds for Existing**  
235.8 **Programs.** (a) Federal funds received by the  
235.9 commissioner for the emergency food and  
235.10 shelter program from the American Recovery  
235.11 and Reinvestment Act of 2009, Public  
235.12 Law 111-5, but not previously approved  
235.13 by the legislature are appropriated to the  
235.14 commissioner for the purposes of the grant  
235.15 program.

235.16 (b) Federal funds received by the  
235.17 commissioner for the emergency shelter  
235.18 grant program including the Homelessness  
235.19 Prevention and Rapid Re-Housing  
235.20 Program from the American Recovery and  
235.21 Reinvestment Act of 2009, Public Law  
235.22 111-5, are appropriated to the commissioner  
235.23 for the purposes of the grant programs.

235.24 (c) Federal funds received by the  
235.25 commissioner for the emergency food  
235.26 assistance program from the American  
235.27 Recovery and Reinvestment Act of 2009,  
235.28 Public Law 111-5, are appropriated to the  
235.29 commissioner for the purposes of the grant  
235.30 program.

235.31 (d) Federal funds received by the  
235.32 commissioner for senior congregate meals  
235.33 and senior home-delivered meals from the  
235.34 American Recovery and Reinvestment Act  
235.35 of 2009, Public Law 111-5, are appropriated

236.1 to the commissioner for the Minnesota Board  
236.2 on Aging, for purposes of the grant programs.

236.3 (e) Federal funds received by the  
236.4 commissioner for the community services  
236.5 block grant program from the American  
236.6 Recovery and Reinvestment Act of 2009,  
236.7 Public Law 111-5, are appropriated to the  
236.8 commissioner for the purposes of the grant  
236.9 program.

236.10 **Long-Term Homeless Supportive**

236.11 **Service Fund Appropriation.** To the  
236.12 extent permitted under federal law, the  
236.13 commissioner shall designate \$3,000,000  
236.14 of the Homelessness Prevention and Rapid  
236.15 Re-Housing Program funds provided under  
236.16 the American Recovery and Reinvestment  
236.17 Act of 2009, Public Law, 111-5, to the  
236.18 long-term homeless service fund under  
236.19 Minnesota Statutes, section 256K.26. This  
236.20 appropriation shall become available by July  
236.21 1, 2009. This paragraph is effective the day  
236.22 following final enactment.

236.23 Sec. 16. Laws 2009, chapter 79, article 13, section 3, subdivision 8, as amended by  
236.24 Laws 2009, chapter 173, article 2, section 1, subdivision 8, is amended to read:

236.25 **Subd. 8. Continuing Care Grants**

236.26 The amounts that may be spent from the  
236.27 appropriation for each purpose are as follows:

236.28 <b>(a) Aging and Adult Services Grants</b>	13,499,000	15,805,000
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236.29 **Base Adjustment.** The general fund base is  
236.30 increased by \$5,751,000 in fiscal year 2012  
236.31 and \$6,705,000 in fiscal year 2013.

236.32 **Information and Assistance**

236.33 **Reimbursement.** Federal administrative

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237.1 reimbursement obtained from information  
237.2 and assistance services provided by the  
237.3 Senior LinkAge or Disability Linkage lines  
237.4 to people who are identified as eligible for  
237.5 medical assistance shall be appropriated to  
237.6 the commissioner for this activity.

237.7 **Community Service Development Grant**

237.8 **Reduction.** Funding for community service  
237.9 development grants must be reduced by  
237.10 \$260,000 for fiscal year 2010; \$284,000 in  
237.11 fiscal year 2011; \$43,000 in fiscal year 2012;  
237.12 and \$43,000 in fiscal year 2013. Base level  
237.13 funding shall be restored in fiscal year 2014.

237.14 **Community Service Development Grant**

237.15 **Community Initiative.** Funding for  
237.16 community service development grants shall  
237.17 be used to offset the cost of aging support  
237.18 grants. Base level funding shall be restored  
237.19 in fiscal year 2014.

237.20 **Senior Nutrition Use of Federal Funds.**

237.21 For fiscal year 2010, general fund grants  
237.22 for home-delivered meals and congregate  
237.23 dining shall be reduced by \$500,000. The  
237.24 commissioner must replace these general  
237.25 fund reductions with equal amounts from  
237.26 federal funding for senior nutrition from the  
237.27 American Recovery and Reinvestment Act  
237.28 of 2009.

237.29 **(b) Alternative Care Grants**

50,234,000

48,576,000

237.30 **Base Adjustment.** The general fund base is  
237.31 decreased by \$3,598,000 in fiscal year 2012  
237.32 and \$3,470,000 in fiscal year 2013.

237.33 **Alternative Care Transfer.** Any money  
237.34 allocated to the alternative care program that  
237.35 is not spent for the purposes indicated does

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238.1 not cancel but must be transferred to the  
238.2 medical assistance account.

238.3	<b>(c) Medical Assistance Grants; Long-Term</b>		
238.4	<b>Care Facilities.</b>	367,444,000	419,749,000

238.5	<b>(d) Medical Assistance Long-Term Care</b>		
238.6	<b>Waivers and Home Care Grants</b>	853,567,000	1,039,517,000

238.7 **Manage Growth in TBI and CADI**

238.8 **Waivers.** During the fiscal years beginning  
238.9 on July 1, 2009, and July 1, 2010, the  
238.10 commissioner shall allocate money for home  
238.11 and community-based waiver programs  
238.12 under Minnesota Statutes, section 256B.49,  
238.13 to ensure a reduction in state spending that is  
238.14 equivalent to limiting the caseload growth of  
238.15 the TBI waiver to 12.5 allocations per month  
238.16 each year of the biennium and the CADI  
238.17 waiver to 95 allocations per month each year  
238.18 of the biennium. Limits do not apply: (1)  
238.19 when there is an approved plan for nursing  
238.20 facility bed closures for individuals under  
238.21 age 65 who require relocation due to the  
238.22 bed closure; (2) to fiscal year 2009 waiver  
238.23 allocations delayed due to unallotment; or (3)  
238.24 to transfers authorized by the commissioner  
238.25 from the personal care assistance program  
238.26 of individuals having a home care rating  
238.27 of "CS," "MT," or "HL." Priorities for the  
238.28 allocation of funds must be for individuals  
238.29 anticipated to be discharged from institutional  
238.30 settings or who are at imminent risk of a  
238.31 placement in an institutional setting.

238.32 **Manage Growth in DD Waiver.** The  
238.33 commissioner shall manage the growth in  
238.34 the DD waiver by limiting the allocations  
238.35 included in the February 2009 forecast to 15  
238.36 additional diversion allocations each month

239.1 for the calendar years that begin on January  
239.2 1, 2010, and January 1, 2011. Additional  
239.3 allocations must be made available for  
239.4 transfers authorized by the commissioner  
239.5 from the personal care program of individuals  
239.6 having a home care rating of "CS," "MT,"  
239.7 or "HL."

239.8 **Adjustment to Lead Agency Waiver**

239.9 **Allocations.** Prior to the availability of the  
239.10 alternative license defined in Minnesota  
239.11 Statutes, section 245A.11, subdivision 8,  
239.12 the commissioner shall reduce lead agency  
239.13 waiver allocations for the purposes of  
239.14 implementing a moratorium on corporate  
239.15 foster care.

239.16 **Alternatives to Personal Care Assistance**

239.17 **Services.** Base level funding of \$3,237,000  
239.18 in fiscal year 2012 and \$4,856,000 in  
239.19 fiscal year 2013 is to implement alternative  
239.20 services to personal care assistance services  
239.21 for persons with mental health and other  
239.22 behavioral challenges who can benefit  
239.23 from other services that more appropriately  
239.24 meet their needs and assist them in living  
239.25 independently in the community. These  
239.26 services may include, but not be limited to, a  
239.27 1915(i) state plan option.

239.28 **(e) Mental Health Grants**

239.29 Appropriations by Fund			
239.30	General	77,739,000	77,739,000
239.31	Health Care Access	750,000	750,000
239.32	Lottery Prize	1,508,000	1,508,000

239.33 **Funding Usage.** Up to 75 percent of a fiscal  
239.34 year's appropriation for adult mental health  
239.35 grants may be used to fund allocations in that

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240.1 portion of the fiscal year ending December  
240.2 31.

240.3	<b>(f) Deaf and Hard-of-Hearing Grants</b>	1,930,000	1,917,000
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240.4	<b>(g) Chemical Dependency Entitlement Grants</b>	111,303,000	122,822,000
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240.5 **Payments for Substance Abuse Treatment.**

240.6 For ~~services provided~~ placements beginning  
240.7 during fiscal years 2010 and 2011,  
240.8 county-negotiated rates and provider claims  
240.9 to the consolidated chemical dependency  
240.10 fund must not exceed the lesser of:

240.11 (1) rates charged for these services on  
240.12 January 1, 2009; or

240.13 (2) 160 percent of the average rate on January  
240.14 1, 2009, for each group of vendors with  
240.15 similar attributes.

240.16 Effective July 1, 2010, rates that were above  
240.17 the average rate on January 1, 2009, are  
240.18 reduced by five percent from the rates in  
240.19 effect on June 1, 2010. Rates below the  
240.20 average rate on January 1, 2009, are reduced  
240.21 by 1.8 percent from the rates in effect on June  
240.22 1, 2010. Services provided under this section  
240.23 by state-operated services are exempt from  
240.24 the rate reduction. For services provided in  
240.25 fiscal years 2012 and 2013, ~~statewide average~~  
240.26 ~~rates~~ the statewide aggregate payment under  
240.27 the new rate methodology to be developed  
240.28 under Minnesota Statutes, section 254B.12,  
240.29 must not exceed the ~~average rates charged~~  
240.30 ~~for these services on January 1, 2009~~  
240.31 projected aggregate payment under the rates  
240.32 in effect for fiscal year 2011 excluding the  
240.33 rate reduction for rates that were below  
240.34 the average on January 1, 2009, plus a  
240.35 state share increase of \$3,787,000 for fiscal

241.1 year 2012 and \$5,023,000 for fiscal year  
 241.2 2013. Notwithstanding any provision to the  
 241.3 contrary in this article, this provision expires  
 241.4 on June 30, 2013.

241.5 **Chemical Dependency Special Revenue**  
 241.6 **Account.** For fiscal year 2010, \$750,000  
 241.7 must be transferred from the consolidated  
 241.8 chemical dependency treatment fund  
 241.9 administrative account and deposited into the  
 241.10 general fund.

241.11 **County CD Share of MA Costs for**  
 241.12 **ARRA Compliance.** Notwithstanding the  
 241.13 provisions of Minnesota Statutes, chapter  
 241.14 254B, for chemical dependency services  
 241.15 provided during the period October 1, 2008,  
 241.16 to December 31, 2010, and reimbursed by  
 241.17 medical assistance at the enhanced federal  
 241.18 matching rate provided under the American  
 241.19 Recovery and Reinvestment Act of 2009, the  
 241.20 county share is 30 percent of the nonfederal  
 241.21 share. This provision is effective the day  
 241.22 following final enactment.

241.23	<b>(h) Chemical Dependency Nonentitlement</b>		
241.24	<b>Grants</b>	1,729,000	1,729,000

241.25	<b>(i) Other Continuing Care Grants</b>	19,201,000	17,528,000
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241.26 **Base Adjustment.** The general fund base is  
 241.27 increased by \$2,639,000 in fiscal year 2012  
 241.28 and increased by \$3,854,000 in fiscal year  
 241.29 2013.

241.30 **Technology Grants.** \$650,000 in fiscal  
 241.31 year 2010 and \$1,000,000 in fiscal year  
 241.32 2011 are for technology grants, case  
 241.33 consultation, evaluation, and consumer  
 241.34 information grants related to developing and

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242.1 supporting alternatives to shift-staff foster  
242.2 care residential service models.

242.3 **Other Continuing Care Grants; HIV**

242.4 **Grants.** Money appropriated for the HIV  
242.5 drug and insurance grant program in fiscal  
242.6 year 2010 may be used in either year of the  
242.7 biennium.

242.8 **Quality Assurance Commission.** Effective

242.9 July 1, 2009, state funding for the quality  
242.10 assurance commission under Minnesota  
242.11 Statutes, section 256B.0951, is canceled.

242.12 Sec. 17. Laws 2009, chapter 79, article 13, section 5, subdivision 8, as amended by  
242.13 Laws 2009, chapter 173, article 2, section 3, subdivision 8, is amended to read:

242.14 Subd. 8. **Board of Nursing Home**  
242.15 **Administrators**

1,211,000	1,023,000
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242.16 **Administrative Services Unit - Operating**

242.17 **Costs.** Of this appropriation, \$524,000  
242.18 in fiscal year 2010 and \$526,000 in  
242.19 fiscal year 2011 are for operating costs  
242.20 of the administrative services unit. The  
242.21 administrative services unit may receive  
242.22 and expend reimbursements for services  
242.23 performed by other agencies.

242.24 **Administrative Services Unit - Retirement**

242.25 **Costs.** Of this appropriation in fiscal year  
242.26 2010, \$201,000 is for onetime retirement  
242.27 costs in the health-related boards. This  
242.28 funding may be transferred to the health  
242.29 boards incurring those costs for their  
242.30 payment. These funds are available either  
242.31 year of the biennium.

242.32 **Administrative Services Unit - Volunteer**

242.33 **Health Care Provider Program.** Of this  
242.34 appropriation, ~~\$79,000~~ \$130,000 in fiscal

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243.1 year 2010 and ~~\$89,000~~ \$150,000 in fiscal  
243.2 year 2011 are to pay for medical professional  
243.3 liability coverage required under Minnesota  
243.4 Statutes, section 214.40.

243.5 **Administrative Services Unit - Contested**  
243.6 **Cases and Other Legal Proceedings.** Of  
243.7 this appropriation, \$200,000 in fiscal year  
243.8 2010 and \$200,000 in fiscal year 2011 are  
243.9 for costs of contested case hearings and other  
243.10 unanticipated costs of legal proceedings  
243.11 involving health-related boards funded  
243.12 under this section and for unforeseen  
243.13 expenditures of an urgent nature. Upon  
243.14 certification of a health-related board to the  
243.15 administrative services unit that the costs  
243.16 will be incurred and that there is insufficient  
243.17 money available to pay for the costs out of  
243.18 money currently available to that board, the  
243.19 administrative services unit is authorized  
243.20 to transfer money from this appropriation  
243.21 to the board for payment of those costs  
243.22 with the approval of the commissioner of  
243.23 finance. This appropriation does not cancel.  
243.24 Any unencumbered and unspent balances  
243.25 remain available for these expenditures in  
243.26 subsequent fiscal years. The boards receiving  
243.27 funds under this section shall include these  
243.28 amounts when setting fees to cover their  
243.29 costs.

243.30 Sec. 18. Laws 2010, chapter 200, article 2, section 2, subdivision 1, is amended to read:

243.31			<del>(7,985,000)</del>	
243.32	Subdivision 1. <b>Total Appropriation</b>	\$	<u>2,015,000</u>	\$ (93,128,000)

243.33	Appropriations by Fund		
243.34	2010	2011	

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244.1 General 34,807,000 118,493,000  
 244.2 Health Care Access (42,792,000) (211,621,000)

244.3 The amounts that may be spent for each  
 244.4 purpose are specified in the following  
 244.5 subdivisions.

244.6 **Special Revenue Fund Transfers.**

244.7 (a) The commissioner shall transfer the  
 244.8 following amounts from special revenue  
 244.9 fund balances to the general fund by June  
 244.10 30 of each respective fiscal year: \$410,000  
 244.11 for fiscal year 2010, and \$412,000 for fiscal  
 244.12 year 2011.

244.13 (b) Actual transfers made under paragraph  
 244.14 (a) must be separately identified and reported  
 244.15 as part of the quarterly reporting of transfers  
 244.16 to the chairs of the relevant senate budget  
 244.17 division and house of representatives finance  
 244.18 division.

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

244.20 Sec. 19. Laws 2010, chapter 200, article 2, section 2, subdivision 4, is amended to read:

244.21 Subd. 4. **Basic Health Care Grants**

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

244.24 (a) **MinnesotaCare Grants** (42,792,000) (211,621,000)

244.25 This appropriation reduction is from the  
 244.26 health care access fund.

244.27 (b) **Medical Assistance Basic Health Care**  
 244.28 **Grants - Families and Children** -0- (49,000)

244.29 (c) **Medical Assistance Basic Health Care**  
 244.30 **Grants - Elderly and Disabled** -0- (1,275,000)

244.31 ~~39,413,000~~  
 244.32 (d) **General Assistance Medical Care** 49,413,000 135,837,000

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245.1 For general assistance medical care payments  
245.2 under Minnesota Statutes, section 256D.031.  
245.3 \$5,500,000 in fiscal year 2010 and  
245.4 \$65,500,000 in fiscal year 2011 is for  
245.5 payments to coordinated care delivery  
245.6 systems under Minnesota Statutes, section  
245.7 256D.031, subdivision 7.  
245.8 \$4,375,000 in fiscal year 2010 and  
245.9 \$51,875,000 in fiscal year 2011 is for  
245.10 payments for prescription drugs under  
245.11 Minnesota Statutes, section 256D.031,  
245.12 subdivision 9.  
245.13 \$28,000,000 in fiscal year 2010 is for  
245.14 provider and prescription drug payments  
245.15 under Minnesota Statutes, section 256D.031,  
245.16 subdivision 5.  
245.17 \$1,538,000 in fiscal year 2010 and  
245.18 ~~\$18,462,000~~ \$28,462,000 in fiscal year  
245.19 2011 is for payments from the temporary  
245.20 uncompensated care pool under Minnesota  
245.21 Statutes, section 256D.031, subdivision 8.  
245.22 Any amount under paragraph (d) that is not  
245.23 spent in the first year does not cancel and is  
245.24 available for payments in the second year.  
245.25 The commissioner may transfer any  
245.26 unexpended amount under Minnesota  
245.27 Statutes, section 256D.031, subdivision 9,  
245.28 after the final allocation in fiscal year 2011 to  
245.29 make payments under Minnesota Statutes,  
245.30 section 256D.031, subdivision 7.  
245.31 Any unexpended amount not used for  
245.32 general assistance medical care expenditures  
245.33 incurred before April 1, 2010, under  
245.34 Minnesota Statutes, section 256D.03, shall

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246.1 be used to make payments under paragraph  
246.2 (d).

246.3 Sec. 20. Laws 2010, chapter 200, article 2, section 2, subdivision 5, is amended to read:

246.4 Subd. 5. **Health Care Management**

246.5 The amounts that may be spent from the  
246.6 appropriation for each purpose are as follows:

246.7 **Health Care Administration.** (2,998,000) (5,270,000)

246.8 **Base Adjustment.** The general fund base  
246.9 for health care administration is reduced by  
246.10 ~~\$182,000~~ \$36,000 in fiscal year 2012 and  
246.11 ~~\$182,000~~ \$36,000 in fiscal year 2013.

246.12 Sec. 21. Laws 2010, chapter 200, article 2, section 2, subdivision 8, is amended to read:

246.13 Subd. 8. **Transfers**

246.14 The commissioner must transfer \$29,538,000  
246.15 in fiscal year 2010 and \$18,462,000 in fiscal  
246.16 year 2011 from the health care access fund to  
246.17 the general fund. This is a onetime transfer.

246.18 The commissioner must transfer \$4,800,000  
246.19 from the consolidated chemical dependency  
246.20 treatment fund to the general fund by June  
246.21 30, 2010.

246.22 **Compulsive Gambling ~~Special Revenue~~**  
246.23 **Administration.** The lottery prize fund  
246.24 appropriation for compulsive gambling  
246.25 administration is reduced by \$6,000 for fiscal  
246.26 year 2010 and \$4,000 for fiscal year 2011  
246.27 ~~must be transferred from the lottery prize~~  
246.28 ~~fund appropriation for compulsive gambling~~  
246.29 ~~administration to the general fund by June~~  
246.30 ~~30 of each respective fiscal year. These are~~  
246.31 onetime reductions.

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

247.2 Sec. 22. EXPIRATION OF UNCODIFIED LANGUAGE.

247.3 All uncodified language contained in this article expires on June 30, 2011, unless a  
247.4 different expiration date is explicit.

247.5 Sec. 23. EFFECTIVE DATE.

247.6 The provisions in this article are effective July 1, 2010, unless a different effective  
247.7 date is explicit.

APPENDIX  
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