

administered so as to ensure maximum use of available federal aid. The commissioner shall not expend more than \$250,000 for the first year and \$150,000 for the second year of federal aid funds for any activities relating to ridesharing, including but not limited to, promoting ridematching and professional services if federal funds are or may be available for highway improvement or maintenance purposes.

Sec. 14. **EFFECTIVE DATE.**

Sections 1 to 10 and sections 12 and 13 are effective the day following final enactment. Section 11 is effective for taxable years beginning after December 31, 1982.

Approved June 9, 1983

CHAPTER 312 — S.F.No. 1234

An act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines commission, corrections ombudsman, and health related boards; providing an entitlement to certain child care services; increasing marriage license and dissolution fees; providing for distribution of federal maternal and child health block grant money; requiring cost increase limits and other cost containment measures in medical care programs; amending eligibility standards; changing general assistance to allow employment through grant diversion and work registration requirements, and federal benefit application incentives; providing for job training for certain persons; allowing for certain changes in the services for the mentally retarded; amending Minnesota Statutes 1982, sections 13.46, subdivision 2; 15.61; 129A.03; 144.653, subdivision 2; 144A.04, subdivision 5; 144A.10, subdivision 2; 145.881; 145.882; 145.921, subdivision 1; 245.62; 245.66; 245.83; 245.84, subdivisions 1, 2, and 5; 245.85; 245.86; 245.87; 246.57, by adding a subdivision; 251.011, subdivision 6; 252.24, subdivision 1; 252.28; 256.01, subdivision 2; 256.045, subdivision 3; 256.82, by adding a subdivision; 256.966, subdivision 1; 256.967; 256.968; 256B.02, subdivision 8; 256B.04, subdivision 14, and by adding a subdivision; 256B.041, subdivisions 2 and 5; 256B.06, subdivision 1; 256B.061; 256B.064, subdivision 1a; 256B.07; 256B.14, subdivision 2; 256B.17, subdivision 4, and by adding subdivisions; 256B.19, by adding a subdivision; 256B.27, subdivisions 3 and 4; 256D.01, subdivision 1; 256D.02, subdivision 4, and by adding a subdivision; 256D.03, subdivisions 3, 4, and by adding subdivisions; 256D.05, subdivision 1a; 256D.06, subdivision 5; 256D.09, subdivision 2, and by adding a subdivision; 256E.06, subdivision 2, and by adding a subdivision; 260.191, subdivision 2; 260.242, subdivision 2; 261.23; 268.12, subdivision 12; 357.021, subdivisions 2 and 2a; 401.14, by adding a subdivision; 401.15, subdivision 1; 517.08, subdivisions 1b and 1c; Laws 1982, chapter 614, section 13;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

proposing new law coded in Minnesota Statutes, chapters 145; 252; 256; 256B; 256D; and 268; repealing Minnesota Statutes 1982, sections 256D.02, subdivision 14; 256D.05, subdivision 1a; 256D.06, subdivision 1a; Laws 1981, chapter 323, section 4; chapter 360, article II, section 54, as amended; and the section proposed to be coded as section 471.365 contained in a bill styled as H.F. No. 1290 during the 1983 regular legislative session.

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

ARTICLE 1

Section 1. WELFARE, CORRECTIONS, HEALTH; APPROPRIATIONS.

The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1984," and "1985," wherever used in this act, mean that the appropriation or appropriations listed thereunder shall be available for the year ending June 30, 1984, or June 30, 1985, respectively.

SUMMARY BY FUND

	1984	1985	TOTAL
General	\$958,190,700	\$939,228,200	\$1,897,418,900
Trunk Highway	\$ 386,000	\$ 389,700	\$ 775,700
Total	\$958,576,700	\$939,617,900	\$1,898,194,600

APPROPRIATIONS

Available for the Year
Ending June 30,

1984	1985
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Sec. 2. COMMISSIONER OF PUBLIC WELFARE

Subdivision 1. Total Department Appropriation

\$738,072,000	\$807,888,100
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The amounts that may be expended from this appropriation for each program and activity are more specifically described in the following subdivisions of this section.

Positions and administrative money may be transferred within the department of public welfare as deemed necessary by the commissioner, upon the advance approval of the commissioner of finance.

Subd. 2. Welfare Management

1,334,000	1,342,800
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Estimated federal money to be deposited in the general fund that is earned by the vari-

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ous accounts of the department of public welfare is detailed on the worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance. If federal money anticipated is less than shown on the official worksheets, the commissioner of finance shall reduce the amount available from the specific appropriation by a like amount. The reductions shall be noted in the budget document submitted to the 74th legislature in addition to an estimate of similar federal money anticipated for the 1985-1987 biennium.

Subd. 3. Support Services	9,537,500	9,749,700
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The provisions of section 256D.22 are suspended for the biennium ending June 30, 1985.

Subd. 4. Social Services	67,233,400	70,341,300
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The amounts that may be expended from this appropriation for each activity are as follows:

Community Social Services Subsidies

\$54,862,200	\$57,775,100
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Effective January 1, 1984, the commissioner of public welfare shall include in the community social service subsidies, the money authorized by this appropriation for purposes of providing semi-independent living services pursuant to 12 MCAR 2.023. In calendar years 1984 and 1985, the county board shall not reduce the funding provided in calendar year 1983 for community services for the mentally retarded as authorized in the official worksheets of the house and senate conference committee for Laws 1981, chapter 360, except the amount of money for mentally retarded persons eligible for medical assistance.

Notwithstanding the provisions of chapter 256E, a county board may delegate to a county welfare board established pursuant to Minnesota Statutes, chapter 393, authority to provide or approve contracts for the

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purchase of the kinds of community social services that were provided or contracted for by the county welfare boards prior to the enactment of Laws 1979, chapter 324. Designation of the method for providing citizen participation in the planning process, final approval of the community social services plan and the distribution of community social services money shall be the responsibility of the county board.

The payments for the community social services subsidy for each county shall be based upon the formula in effect for calendar year 1983. In addition the amount available for each county shall be increased by five percent on January 1, 1984 for calendar year 1984 and by five percent on January 1, 1985 for the first six months of 1985. No county shall receive less than the amount received in 1981; however, this appropriation shall be prorated if the amount is insufficient.

Aging, Blind, and Deaf Services

\$ 6,517,000	\$ 6,546,500
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Social Services Support

\$ 5,854,200	\$ 6,019,700
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This appropriation includes the sum of \$30,000 in fiscal year 1984 for the purpose of providing a grant-in-aid to The Bridge for Runaway Youth, Inc. for expenses related to a program which offered support for teenage women who wish to stop their involvement in prostitution and short-term residence and support for teenage runaways.

This is the final and nonrecurring appropriation for The Bridge for Runaway Youths, Inc.

Subd. 5. Income Maintenance	484,668,800	552,503,000
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The amounts that may be expended from this appropriation for each activity are as follows:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Aid to Families with Dependent Children,
General Assistance, Minnesota Supplemental Assistance

\$139,349,000 \$153,970,600

If the appropriation for aid to families with dependent children, general assistance, and Minnesota supplemental assistance is insufficient for either year, the appropriation for the other year shall be available by direction of the governor after consulting with the legislative advisory commission.

During the biennium ending June 30, 1985, the commissioner of public welfare shall provide supplementary grants, not to exceed \$150,000 per year, for aid to families with dependent children and shall include the following costs in determining the amount of the supplementary grants: major home repairs, repair of major home appliances, utility recaps, supplementary dietary needs not covered by medical assistance, and replacement of essential household furnishings and essential major appliances.

In determining the amount of the aid to families with dependent children grants, the commissioner of public welfare shall effect a five percent increase on July 1, 1983, and a five percent increase on July 1, 1984, unless federal statute or regulation requires otherwise.

Medical Assistance, General Assistance
Medical Care and Preadmission Screening

\$330,651,400 \$383,554,100

Notwithstanding any law requiring deposit of receipts in the general fund, all receipts from collection efforts for the state hospitals and state nursing homes shall be deposited in the medical assistance account and are appropriated for that purpose. The commissioner shall make changes in the departmental financial reporting systems and internal accounting procedures as necessary to ensure compliance with federal standards for reimbursement for program and admin-

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istrative expenditures and to fulfill the purpose of this paragraph.

The maximum monthly payment for attendant care shall be adjusted to \$1,080 per month effective July 1, 1983.

If the appropriation for medical assistance and general assistance medical care is insufficient for either year, the appropriation for the other year shall be available by direction of the governor after consulting with the legislative advisory commission.

The catastrophic health expense protection program is suspended for the fiscal year ending June 30, 1984.

To determine eligibility for medical assistance the commissioner shall disregard: (1) from July 1 to December 31, 1983, 23 percent; (2) from January 1 to December 31, 1984, 25 percent; and (3) from January 1 to June 30, 1985, 28 percent of the income from retired, survivor's, and disability insurance benefits, veterans' administration benefits, and railroad retirement benefits. If this disregard is disallowed by the federal government and the waiver application denied, the commissioner shall disregard the increase for social security and supplemental security income recipients as provided under Minnesota Statutes 1982, section 256B.06, subdivision 1, paragraph 10.

Income Maintenance Support

\$ 14,668,400

\$ 14,978,300

For the child support enforcement activity, during the biennium ending June 30, 1985, sums received from the counties for providing data processing services shall be deposited in that activity's account. Those sums are appropriated to the commissioner of public welfare for the purposes of the child support enforcement activity.

In determining the income contribution of parents of children in out-of-home placement, the state agency shall use the standard set forth in 12 MCAR 2.027 until the

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promulgation of the rules required by section 256B.14, subdivision 2.

Subd. 6. Mental Health

175,298,300 173,951,300

Any federal money received in excess of the estimates shown in the 1983 department of public welfare budget document shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

The amounts that may be expended from this appropriation for each activity are as follows:

State Hospitals

Approved Complement - 5447

Salaries

\$127,700,000 \$128,100,000

Of the 110 additional positions authorized under this appropriation, at least 55 shall be human services technician positions. Human services technician positions shall not be converted to other positions.

Current Expense

\$ 14,900,000 \$ 15,500,000

Repairs and Betterments

\$ 2,088,900

Special Equipment

\$ 639,800

Nursing Homes

Approved Complement

July 1, 1983	July 1, 1984
616.5	605.5

Salaries

\$13,900,000 \$13,664,900

This appropriation includes \$242,700 in fiscal year 1984 for the purpose of operating an experimental project for chronically chemically dependent people at Ah Gwah

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Ching state nursing home. The commissioner of public welfare shall augment the program with federal money and any additional money provided through shared service agreements pursuant to Minnesota Statutes 1982, section 246.57, after the amount of the state appropriation has been recovered and deposited in the medical assistance account.

The commissioner shall maintain records of the operations of this project, evaluate the efficiency and effectiveness of the treatment program, and report back to the legislature during the 1984 session on the amount deposited to the medical assistance account from the shared service agreements and the necessity and viability of operating this project in the future.

Current Expense

\$ 1,950,000	\$ 2,050,000
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Repairs and Betterments

\$ 224,100	
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Special Equipment

\$ 69,400	
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Mental Health Support

\$13,826,100	\$14,636,400
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Any unexpended balance remaining in the first year for special equipment and repairs and betterments does not cancel but is available for the second year of the biennium.

If earnings under the various shared services agreements authorized are less than appropriated, the appropriation shall be reduced by a like dollar amount. If any shared service agreement is reduced or terminated, the approved complement related to that shared service agreement shall be reduced accordingly.

Notwithstanding the provisions of sections 275.50 to 275.58 or any other law to the contrary, a county which transferred monies from its general revenue account to the

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public assistance administrative account prior to May 1, 1983, to cover 1983 expenditures, may transfer without penalty from the special levy accounts delineated in section 275.50, subdivision 5, clauses (c) and (d), to the account for public assistance administration, an amount not to exceed the total amount originally transferred from the general revenue account. The transfer of this sum may occur over a period of time to include calendar years 1983, 1984, and 1985.

Sec. 3. COMMISSIONER OF ECONOMIC SECURITY

Subdivision 1. Total Department Appropriation

113,835,400 25,205,200

The amounts that may be expended from this appropriation for each program are more specifically described in the following subdivisions of this section.

Subd. 2. Jobs Program

\$ 70,000,000

Any unexpended balance remaining in the first year for the Minnesota emergency employment development program does not cancel but is available for the second year of the biennium. To the extent permissible under federal and state law, the commissioner shall use money available from the federal government and the private sector to fund the program.

Subd. 3. Special Allowances

\$ 19,000,000

Any unexpended balance remaining in the first year for special allowances does not cancel but is available for the second year of the biennium.

Subd. 4. Job Service

\$ 4,634,900 \$ 3,134,900

The commissioner may expend up to one percent of the appropriation for each fiscal year for the department's administrative

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costs and for program operators' administrative costs.

Of the money appropriated for the summer youth program for fiscal year 1984, \$750,000 is immediately available. If that amount is insufficient for the costs incurred, an additional amount may be transferred upon the advance approval of the commissioner of finance. Any unexpended balance of the immediately available money shall be available for the year in which it is appropriated. Contracts for the calendar year 1983 program shall be written for the entire period of the calendar year 1983 program.

Subd. 5. Vocational Rehabilitation
Services

\$15,063,100

\$16,428,300

Money received from workers' compensation carriers for vocational rehabilitation services to injured workers shall be deposited in the general fund.

Long-term sheltered workshops that receive funding through the department of economic security for long-term sheltered work operations shall: (a) provide sheltered workers a grievance procedure having final and binding arbitration before a neutral third party mutually acceptable to the parties involved as the final step; (b) provide long-term sheltered workers with fundamental personnel benefits including, but not limited to, paid sick, vacation, and holiday leave; and (c) provide to workers wages certified pursuant to the sub-minimum wage provisions of the Fair Labor Standards Act, United States Code, title 29, sections 201 to 219, as amended through December 31, 1982, that are proportionately commensurate to prevailing wages in the vicinity for similar jobs. Beginning in January, 1984, the commissioner of economic security shall annually provide a report to the chairs of the house appropriations and senate finance committees on the operation of the long-term sheltered workshops including information on compliance with these requirements.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 6. Training and Community Services

\$4,587,400 \$5,642,000

If the appropriation for either year of the weatherization program is insufficient, the appropriation from the other year is available for the program.

Subd. 7. Program and Management Support

\$ 550,000

The appropriation for the displaced homemaker program includes money for the purpose of making grants to programs to provide employment, training, and support services to displaced homemakers.

This appropriation includes \$550,000 for article 6, for the biennium. Any unexpended balance remaining in the first year does not cancel, but is available for the second year.

Sec. 4. COMMISSIONER OF CORRECTIONS

Subdivision 1. Total Department Appropriation

78,253,200 79,205,900

The amounts that may be expended from the appropriation for each program and activity are more specifically described in the following subdivisions of this section.

Positions and administrative money may be transferred within the department of corrections as deemed necessary by the commissioner, upon the advance approval of the commissioner of finance.

Subd. 2. Management Services

1,865,500 1,888,000

No new positions eligible for county probation reimbursement under this activity shall be added by any county without the written approval of the commissioner of corrections.

When new positions are approved, the commissioner shall include the cost of those positions in calculating each county's share.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The commissioner of corrections, working with other appropriate state agencies and legislative staff, shall evaluate and study the feasibility of encouraging the private sector to construct a women's correctional facility at Shakopee to be leased by the state of Minnesota with an option to purchase after an agreed upon period of years. This report shall include a comparative study of the fiscal implications of a leased/purchased plan versus the traditional construction approach utilizing the bonding process. The commissioner may submit requests for proposals to develop the necessary information required to make the comparative study. The new proposed facility must be designed to meet the program needs of the commissioner of corrections.

The commissioner shall report his findings to the chairs of the appropriate legislative committees in January, 1984.

Subd. 3. Policy and Planning	1,368,700	1,505,100
Subd. 4. Community Services	21,076,100	20,239,300

The amounts that may be expended from this appropriation for each activity are as follows:

Support

\$ 8,506,300	\$ 8,717,000
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Community Corrections Act

\$12,569,800	\$11,522,300
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Notwithstanding the provisions of chapter 401, no county or group of counties participating in the community corrections act shall be charged any per diem cost of confinement for adults sentenced to the commissioner of corrections for crimes committed on or after January 1, 1981.

The commissioner of corrections may authorize the use of a percentage of a grant for the operation of an emergency shelter or make a separate grant for the rehabilitation of any facility owned by the grantee and used as a shelter to bring the facility into

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compliance with state and local laws pertaining to health, fire, and safety and to provide security.

Subd. 5. Correctional Institutions

53,942,900 . 55,573,500

Salaries

\$41,392,100 \$42,541,800

Current Expense

\$ 8,575,700 \$ 8,986,400

Repairs and Betterments

\$ 569,600 \$ 531,100

Special Equipment

\$ 171,200 \$ 180,100

Any unexpended balances in special equipment, and repairs and betterments, and industry remaining in the first year does not cancel but is available for the second year of the biennium.

Notwithstanding section 15.059, subdivisions 5 and 6 or any other law to the contrary, the advisory task force on battered women established under Minnesota Statutes 1982, section 241.64, and the advisory task force on the woman offender established under Minnesota Statutes 1982, section 241.71 are continued in effect for the biennium ending June 30, 1985.

The commissioner of corrections is authorized to enter into an agreement with the appropriate Wisconsin officials for housing Wisconsin prisoners in Minnesota correctional institutions. Money received from Wisconsin pursuant to the contract is appropriated to the commissioner of corrections for the purpose of operating MCF-Oak Park Heights and reimbursing MCF-Stillwater and MCF-St. Cloud for the cost of Wisconsin inmate care. Any unexpended balances within correctional institutions in current expense and salaries remaining in the first year does not cancel but is available for the second year of the biennium if receipt

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projections in the first year show a deficit for the biennium.

Institution Support

\$3,234,300 \$3,334,100

Sec. 5. SENTENCING GUIDE-
LINES COMMISSION

Salaries, Supplies, and Expense 154,000 145,000

Sec. 6. CORRECTIONS OM-
BUDSMAN

Salaries, Supplies, and Expense 270,000 272,100

Sec. 7. COMMISSIONER OF
HEALTH

Subdivision 1. Total Department Ap-
propriation 25,002,600 24,685,900

Of this appropriation \$386,000 for fiscal year 1984 and \$389,700 for fiscal year 1985 are appropriated from the trunk highway fund for emergency medical services activities.

The amounts that may be expended from this appropriation for each program and activity are more specifically described in the following subdivisions of this section.

Positions and administrative money may be transferred within the department of health as deemed necessary by the commissioner, upon the advance approval of the commissioner of finance.

Notwithstanding the provisions of section 144.145, the commissioner of health may enter into an agreement with the city of Brainerd to provide an alternate dental health plan. If the commissioner, in consultation with the governor, approves the plan and the city provides the plan in accordance with the agreement, the city of Brainerd is exempt from the provisions of section 144.145 for the duration of the agreement.

Subd. 2. Preventive and Personal
Health Services 8,827,200 9,205,100

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Notwithstanding any law to the contrary, the commissioner of health shall charge a fee of not less than \$5 for medical laboratory services.

The commissioner of health may charge a fee for voluntary certification of medical laboratories and environmental laboratories. The fee may be established without complying with chapter 14.

The commissioner of health may charge fees for environmental and medical laboratory services in amounts approximately equal to the costs of providing the services. The fees may be established without complying with chapter 14.

The commissioner of health shall conduct a study and evaluation of lead exposure and the health effects on children. The commissioner shall report the findings of the study to the legislature by February 1, 1984.

Subd. 3. Health Systems Quality Assurance

1,930,600 1,947,900

The commissioner of health shall require a fee of \$1,000 prior to undertaking a study of a human service occupation under section 214.13.

The fee shall be imposed on an applicant group at the time the application is filed with the commissioner. The fee shall be deposited to the general fund and if the application is accepted it is not refundable.

Subd. 4. Health Support Services

14,244,800 13,532,900

The amounts that may be expended from this appropriation for each activity are as follows:

General support

\$ 3,362,100 \$ 3,414,100

Community Health Services Subsidy

\$10,882,700 \$10,118,800

For the purposes of the community health services subsidy, the commissioner of finance may authorize the transfer of money

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

to the community health services activity from the other programs in this section.

The payments for the community health services subsidy for each county shall be based upon the formula in effect in fiscal year 1983 except that the amount available for each county shall be increased by five percent each year of the biennium ending June 30, 1985, and be based upon the data used in arriving at the appropriation.

No county, city, group of cities, or group of counties shall receive less than the amount received in 1981; however, this appropriation shall be prorated if the amount is insufficient.

If the appropriation for community health services or services to children with handicaps is insufficient for either year, the appropriation for the other year shall be available by direction of the governor after consulting with the legislative advisory commission.

For the purposes of the community health services subsidy, the commissioner shall include public school swimming pool sanitation and safety within the definition of environmental health services.

Sec. 8. HEALTH RELATED BOARDS

Subdivision 1. Board of Chiropractic Examiners	87,900	89,400
Subd. 2. Board of Dentistry	256,700	263,500
Subd. 3. Board of Medical Examiners	421,300	414,300
Subd. 4. Board of Nursing	766,400	783,100
Subd. 5. Board of Examiners for Nursing Home Administrators	105,500	107,400
Subd. 6. Board of Optometry	48,300	49,600
Subd. 7. Board of Pharmacy	327,900	327,400
Subd. 8. Board of Podiatry	5,800	6,000
Subd. 9. Board of Psychology	104,000	107,200
Subd. 10. Board of Veterinary Medicine	65,700	67,800

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The commissioner of finance shall not permit the allotment, encumbrance, or expenditure of any money appropriated in this section in excess of the anticipated biennial revenues from fees collected by the boards.

Neither this provision nor section 214.06 shall apply to transfers from the general contingent account, if the amount transferred does not exceed the amount of surplus revenue accumulated during the previous five years.

Sec. 9. CONTINGENT FOR
STATE INSTITUTIONS

500,000

This appropriation shall be used for emergency purposes and for the purchase of food, clothing, drugs, utilities, and fuel for any of the institutions for which an appropriation is made in this act. No expenditure shall be made from this appropriation without the direction of the governor after consultation with the legislative advisory commission.

Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

The allowance for food may be adjusted annually according to the United States department of labor, bureau of labor statistics publication wholesale price index, upon the approval of the governor. Adjustments shall be based on the June, 1983, wholesale food price index, but the adjustment shall be prorated if the wholesale food price index adjustment would require money in excess of this appropriation.

Sec. 10. SPECIAL CONTIN-
GENT

300,000

This appropriation is available for use by the commissioner of public welfare to match federal money from the home and community based waiver under United States Code, title 42, section 1396n(c), as amended through December 31, 1982, for costs to establish a client information system and for positions to administer the mental retarda-

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

tion program. This appropriation shall only be expended with the governor's approval after consultation with the legislative advisory commission under section 3.30. This money is not available to the commissioner if the home and community based waiver application is not approved by June 30, 1984.

Sec. 11. **FEDERAL RECEIPTS.**

For the ~~fiscal~~ biennium ending June 30, 1985 federal receipts as shown in the biennial budget document or in working papers of the two appropriations committees to be used for financing activities, programs, and projects under the supervision and jurisdiction of the commissioner of public welfare as approved indicated in Article 1, section 10 and Article 5, section sections 9 and 12 shall be accredited to and become a part of the appropriations provided for in section 2.

Sec. 12. **PROVISIONS.**

For the biennium ending June 30, 1985, money appropriated to the commissioner of corrections and the commissioner of public welfare under this act for the purchase of provisions within the item "current expense" shall be used solely for that purpose. Any money so provided and not used for purchase of provisions shall be canceled into the fund from which appropriated, except that money so provided and not used for the purchase of provisions because of population decreases may be transferred and used for the purchase of medical and hospital supplies with the approval of the governor after consulting with the legislative advisory commission.

Sec. 13. **TRANSFERS OF MONEY.**

Subdivision 1. GOVERNOR'S APPROVAL REQUIRED. For the biennium ending June 30, 1985, the commissioner of public welfare, the commissioner of corrections, the commissioner of economic security, and the commissioner of health shall not transfer any money to or from the object of expenditure personal services to or from the object of expenditure claims and grants, as shown on the official worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance, except as provided in article 8, section 16 and for services for the blind and for those transfers that have the written approval of the governor after consulting with the legislative advisory commission.

Subd. 2. TRANSFERS OF UNOBLIGATED APPROPRIATIONS. For the biennium ending June 30, 1985, the commissioners of public welfare, corrections, and health by direction of the governor after consulting with the legislative advisory commission may transfer unobligated appropriation balances and positions among all programs.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 14. APPROVED COMPLEMENT.

For the biennium ending June 30, 1985, the approved complements indicated in this act are full-time equivalent positions and apply only to positions paid for with money appropriated by this act.

Additional employees over the number of the approved complement may be employed on the basis of public necessity or emergency with the written approval of the governor, but the governor shall not approve the additional personnel until he has consulted with the legislative advisory commission. Any requests for increases in the approved complement shall be forwarded to the appropriate committees on finance of the legislature not less than 30 days prior to the legislative advisory commission meeting.

Sec. 15. Minnesota Statutes 1982, section 129A.03, is amended to read:

129A.03 POWERS AND DUTIES.

The commissioner shall:

(a) Develop and administer the long-term sheltered workshops and work activity programs and perform the duties as specified in section 129A.08;

(b) Provide vocational rehabilitation services such as, ~~but not limited to;~~ diagnostic and related services incidental to the determination of eligibility for services to be provided, which services may include including medical diagnosis and vocational diagnosis; vocational counseling, training and instruction, including personal adjustment training; physical restoration, including corrective surgery, therapeutic treatment, hospitalization and prosthetic devices, all of which shall be ~~secured~~ obtained from appropriate established agencies; transportation; occupational and business licenses or permits, customary tools and equipment, maintenance, books, supplies and training materials; initial stocks and supplies; placement; ~~the~~ acquisition of vending stands or other equipment, initial stocks and supplies for small business enterprises; supervision and management of small business enterprises, merchandising programs or services rendered by severely disabled persons; the establishment, improvement, maintenance or extension of public and other non-profit rehabilitation facilities, centers, workshops, demonstration projects and research. These services shall be provided for handicapped persons in the state whose capacity to earn a living has in any way been destroyed or impaired through industrial accident or otherwise, ~~provided that such;~~ these persons shall be are entitled to free choice of vendor for any medical or dental services ~~thus provided under this paragraph;~~

(c) Formulate plans of cooperation with the commissioner of labor and industry ~~with reference to~~ for providing services to workers covered under the workers' compensation act. Those plans ~~shall be~~ are effective only ~~when~~ if approved by the governor;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(d) Maintain a contractual relationship with the United States as authorized by the act of congress approved September 1, 1954, known as the "Social Security Amendments of 1954," ~~being~~ Public Law 761, Section 221, and the act approved October 30, 1972, known as the Social Security Amendments of 1972, ~~being~~ Public Law 92-603, and subsequent amendments thereto, ~~in which agreement.~~ Under the contract, the state will undertake to make determinations referred to in those public laws with respect to all individuals in Minnesota, or with respect to ~~such a~~ class or classes of individuals in this state ~~as may be that is~~ designated in the agreement at the state's request; ~~it being.~~ It is the purpose of this relationship to permit the citizens of this state to obtain all benefits available under federal law;

(e) Provide an in-service training program for department employees by paying for ~~the its~~ direct costs thereof with state and federal funds;

(f) Conduct research and demonstration projects; provide training and instruction, including ~~the~~ establishment and maintenance of research fellowships and traineeships, along with all necessary stipends and allowances; disseminate information to the handicapped and general public; and provide technical assistance relating to vocational rehabilitation;

(g) Receive and disburse pursuant to law ~~funds~~ money and gifts available from governmental and private sources for the purpose of vocational rehabilitation;

(h) Design all state plans of vocational rehabilitation services required as a condition to the receipt and disbursement of any ~~funds~~ money available from the federal government;

(i) Cooperate with other public or private agencies or organizations for the purpose of vocational rehabilitation. Money received from school districts, governmental subdivisions, mental health centers or boards, and private nonprofit organizations is appropriated to the commissioner for conducting joint or cooperative vocational rehabilitation programs;

(j) Enter into contractual arrangements with instrumentalities of federal, state, or local government and with private individuals, organizations, agencies or facilities with respect to providing vocational rehabilitation services;

(k) Take other actions required by state and federal legislation relating to vocational rehabilitation and disability determination programs;

(l) Hire ~~the~~ staff and arrange for the ~~provision~~ of services and facilities necessary to perform the duties and powers specified in this section; and

(m) Adopt, amend, suspend or repeal rules necessary to implement or make specific programs ~~which that~~ the commissioner by sections 129A.01 to 129A.09 is empowered to administer.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 16. Minnesota Statutes 1982, section 144.653, subdivision 2, is amended to read:

Subd. 2. **PERIODIC INSPECTION.** All facilities required to be licensed under the provisions of sections 144.50 to 144.58 shall be periodically inspected by the state commissioner of health to ~~insure~~ ensure compliance with its rules, ~~regulations~~ and standards. Inspections shall occur at different times throughout the calendar year. The ~~state~~ commissioner of health may enter into agreements with political subdivisions providing for the inspection of such facilities by locally employed inspectors.

The commissioner of health shall conduct inspections and reinspections of facilities licensed under the provisions of sections 144.50 to 144.56 with a frequency and in a manner calculated to produce the greatest benefit to residents within the limits of the resources available to the commissioner. In performing this function, the commissioner may devote proportionately more resources to the inspection of those facilities in which conditions present the most serious concerns with respect to resident health, treatment, comfort, safety, and well-being.

These conditions include but are not limited to: change in ownership; frequent change in administration in excess of normal turnover rates; complaints about care, safety, or rights; where previous inspections or reinspections have resulted in correction orders related to care, safety, or rights; and, where persons involved in ownership or administration of the facility have been indicted for alleged criminal activity. Any health care facility that has none of the above conditions or any other condition established by the commissioner that poses a risk to resident care, safety, or rights shall be inspected once every two years.

Sec. 17. Minnesota Statutes 1982, section 144A.04, subdivision 5, is amended to read:

Subd. 5. **ADMINISTRATORS.** Except as otherwise provided by this subdivision, a nursing home must have a full time licensed nursing home administrator serving the facility. In any nursing home of less than 25 beds, the director of nursing services may also serve as the licensed nursing home administrator. Two nursing homes having a total of 100 beds or less and located within 50 miles of each other may share the services of a licensed administrator if the administrator divides his full time work week between the two facilities in proportion to the number of beds in each facility. Every nursing home shall have a person-in-charge on the premises at all times in the absence of the licensed administrator. The name of the person in charge must be posted in a conspicuous place in the facility. The commissioner of health shall by rule promulgate minimum education and experience requirements for persons-in-charge, and may promulgate rules specifying the times of day during which a licensed administrator must be on the nursing home's premises. A nursing home may employ as its administrator the administrator of a hospital licensed pursuant to sections 144.50

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to 144.56 if the individual is licensed as a nursing home administrator pursuant to section 144A.20 and the nursing home and hospital have a combined total of 150 beds or less and are located within one mile of each other. A nonproprietary retirement home having fewer than 15 licensed nursing home beds may share the services of a licensed administrator with a nonproprietary nursing home, having fewer than 150 licensed nursing home beds, that is located within 25 miles of the retirement home. A nursing home which is located in a facility licensed as a hospital pursuant to sections 144.50 to 144.56, may employ as its administrator the administrator of the hospital if the individual meets minimum education and long term care experience criteria set by rule of the commissioner of health.

Sec. 18. Minnesota Statutes 1982, section 144A.10, subdivision 2, is amended to read:

Subd. 2. **INSPECTIONS.** The commissioner of health shall annually inspect each nursing home to assure ensure compliance with sections 144A.01 to 144A.17 and the rules promulgated ~~thereunder~~ to implement them. The annual inspection shall be a full inspection of the nursing home. If upon a reinspection provided for in subdivision 5 the representative of the commissioner of health finds one or more uncorrected violations, a second inspection of the facility shall be conducted. The second inspection need not be a full inspection. No prior notice shall be given of an inspection conducted pursuant to this subdivision. Any employee of the commissioner of health who willfully gives or causes to be given any advance notice of an inspection required or authorized by this subdivision shall be subject to suspension or dismissal in accordance with chapter 43A. An inspection required by a federal rule or statute may be conducted in conjunction with or subsequent to any other inspection. Any inspection required by this subdivision may be in addition to or in conjunction with the reinspections required by subdivision 5. Nothing in this subdivision shall be construed to prohibit the commissioner of health from making more than one unannounced inspection of any nursing home during its license year. The commissioner of health shall coordinate his inspections of nursing homes with inspections by other state and local agencies.

The commissioner shall conduct inspections and reinspections of health facilities with a frequency and in a manner calculated to produce the greatest benefit to residents within the limits of the resources available to the commissioner. In performing this function, the commissioner may devote proportionately more resources to the inspection of those facilities in which conditions present the most serious concerns with respect to resident health, treatment, comfort, safety, and well-being.

These conditions include but are not limited to: change in ownership; frequent change in administration in excess of normal turnover rates; complaints about care, safety, or rights; where previous inspections or reinspections have resulted in correction orders related to care, safety, or rights; and, where persons

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involved in ownership or administration of the facility have been indicted for alleged criminal activity. Any facility that has none of the above conditions or any other condition established by the commissioner that poses a risk to resident care, safety, or rights shall be inspected once every two years.

Sec. 19. Minnesota Statutes 1982, section 145.921, subdivision 1, is amended to read:

Subdivision 1. **PAYMENT.** When a city, county, or group of cities or counties meets the requirements prescribed in section 145.917, the state commissioner of health shall pay the amount of subsidy to the city or county in accordance with applicable rules and regulations from the funds appropriated for the purpose. The state commissioner of health may make an advancement of funds on a quarterly basis. The commissioner of health shall make payments for community health services to each county in 12 installments per year. The commissioner shall ensure that the pertinent payment of the allotment for each month is made to each county on the first working day after the end of each month of the calendar year, except for the last month of the calendar year. The commissioner shall ensure that each county receives its payment of the allotment for that month no later than the last working day of that month. The payment described in this subdivision for services rendered during June, 1985 shall be made on the first working day of July, 1985.

Sec. 20. Minnesota Statutes 1982, section 246.57, is amended by adding a subdivision to read:

Subd. 3. **LIMITED AGREEMENTS.** Notwithstanding the provisions of subdivision 1, the commissioner of public welfare may authorize a state hospital or state nursing home to enter into agreements with other governmental or nonprofit organizations for participation in limited shared service agreements that would be of mutual benefit to the state, the organization involved, and the public.

The duration of limited agreements may not exceed three calendar years and the total dollar amount attributable to a limited agreement may not exceed \$100,000. Consultation with the legislative advisory committee is not required for agreements made pursuant to this subdivision. The charges for services must be on an actual cost basis and receipts are dedicated for the operations of the state hospitals or state nursing homes that provide the service, and are appropriated for that purpose.

Sec. 21. Minnesota Statutes 1982, section 251.011, subdivision 6, is amended to read:

Subd. 6. **RULES AND REGULATIONS.** The commissioner of public welfare shall have the power to make may promulgate rules and regulations for the operation of, for admission of residents in, and to establish charges for care in the state nursing homes at Ah-Gwah-Ching and Oak Terrace and for the

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admission of patients thereto, and to fix the charges to be made for care therein. For the purposes of collecting from the federal government for the care of those residents in the state nursing homes eligible for medical care under the Social Security Act, "cost of care" shall be determined as set forth in the rules and regulations of the Department of Health and Human Services or its successor agency.

Sec. 22. [252.32] FAMILY SUBSIDY PROGRAM.

Within the limits of appropriations, the commissioner of public welfare may provide subsidies to families with mentally retarded children in order to enable those families to continue caring for the children in their own homes. The commissioner may establish criteria for determining eligibility for a subsidy and subsidy amounts and conditions for use of subsidies.

Sec. 23. Minnesota Statutes 1982, section 256E.06, subdivision 2, is amended to read:

Subd. 2. **MINIMUM FUNDING LEVEL; STATE AIDS MAXIMUM FUNDING; ALLOCATION.** No county shall receive less in state aids for community social services under subdivision 1 in calendar years 1982 and 1983 than 106 percent of the state money it received in the immediately preceding calendar year pursuant to section 256E.06. For purposes of 1983, the state money the county received in 1982 shall be the community social service grant plus the state money it received for state fiscal year 1982 as authorized by the health, welfare, and corrections appropriations act for the biennium ending June 30, 1983 for the following activities: cost of care for mentally retarded, epileptic or emotionally handicapped children pursuant to section 252.27, subdivision 1; community mental health pilot program pursuant to section 245.72 and community-based residential programs for mentally ill persons.

The term state funds does not include any federal money received by the state or counties for financing these services.

No county shall receive more than 130 percent of the amount received in the immediately preceding year as specified in this subdivision. If the amount allocated to any county pursuant to subdivision 1 is greater than this amount, the excess shall be reallocated to all counties in direct proportion to their initial allocations.

If the amount allocated to any county pursuant to subdivision 1 and the preceding paragraph is less than the minimum funding level of that county, its allocation shall be raised to its minimum share through an equal percentage reduction applied to all other county allocations.

Sec. 24. Minnesota Statutes 1982, section 401.14, is amended by adding a subdivision to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 3. INSTALLMENT PAYMENTS. The commissioner of corrections shall make payments for community corrections services to each county in 12 installments per year. The commissioner shall ensure that the pertinent payment of the allotment for each month is made to each county on the first working day after the end of each month of the calendar year, except for the last month of the calendar year. The commissioner shall ensure that each county receives its payment of the allotment for that month no later than the last working day of that month. The payment described in this subdivision for services rendered during June, 1985 shall be made on the first working day of July, 1985.

Sec. 25. Minnesota Statutes 1982, section 401.15, subdivision 1, is amended to read:

Subdivision 1. CERTIFIED STATEMENTS; DETERMINATIONS; ADJUSTMENTS. On or before the end of each calendar quarter, participating counties which have received the payments authorized by section 401.14 shall submit to the commissioner certified statements detailing the amounts expended and costs incurred in furnishing the correctional services provided in sections 401.01 to 401.16. Upon receipt of certified statements, the commissioner shall, in the manner provided in sections 401.10 and 401.12, determine the amount each participating county is entitled to receive, making any adjustments necessary to rectify any disparity between the amounts received pursuant to the estimate provided in section 401.14 and the amounts actually expended. If the amount received pursuant to the estimate is greater than the amount actually expended during the quarter, the commissioner may withhold the difference from any subsequent ~~quarterly~~ monthly payments made pursuant to section 401.14. Upon certification by the commissioner of the amount a participating county is entitled to receive under the provisions of section 401.14 or of this subdivision the commissioner of finance shall thereupon issue a state warrant to the chief fiscal officer of each participating county for the amount due together with a copy of the certificate prepared by the commissioner.

Sec. 26. Laws 1982, chapter 614, section 13, is amended to read:

Sec. 13. EFFECTIVE DATE.

Sections 1, 3 to 7 and 11 are effective the day following enactment. Section 2 shall become effective for a specified provider group on March 1, 1983 if the commissioner of health certifies to the health and welfare committees of the house and senate that the voluntary efforts by the provider group to promote price competition and to implement the reporting requirements of section 2 have not made satisfactory progress. This certification shall take the form of a written report delivered to the chairmen of the house and senate committees by January 2, 1983. Notice of the date of the delivery shall be published in the state register. Sections 8 to 10 and 12 are effective ~~March 15~~ June 30, 1984.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 27. REPEALER.

Laws 1981, chapter 323, section 4 and chapter 360, article II, section 54, as amended by Laws 1981, First Special Session chapter 4, article IV, section 22, are repealed. The section proposed to be coded as section 471.365 contained in a bill styled as H.F. No. 1290 during the 1983 regular legislative session is repealed.

Sec. 28. EFFECTIVE DATE.

Sections 19, 24, and 25 are effective July 1, 1984.

ARTICLE 2**CHILD CARE ENTITLEMENT**

Section 1. Minnesota Statutes 1982, section 245.83, is amended to read:

245.83 GRANTS FOR CHILD CARE SERVICES; DEFINITIONS.

Subdivision 1. As used in sections 245.83 to 245.87 the words defined in this section shall have the meanings given them.

Subd. 2. "Child care services" means family day care homes, group day care centers, nursery schools, day nurseries, child day care centers, play groups, head start and parent cooperatives, as defined by rules of the commissioner, and in-home child care as defined in the Minnesota plan for social services to families and children.

Subd. 3. "Child" means any person 14 years of age or younger.

Subd. 4. "Commissioner" means the commissioner of public welfare.

Subd. 5. "Interim financing" means funds to carry out such activities as are necessary for family day care homes, group family day care homes and cooperative child care centers to receive and maintain state licensing, and operating funds for a period of six consecutive months following receipt of state licensing by a family day care home, group family day care home, or cooperative child care center.

Sec. 2. Minnesota Statutes 1982, section 245.84, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY.** The county board is authorized to provide child care services, to make grants from the community social service fund or other sources to any municipality, corporation or combination thereof for the cost of providing technical assistance and child care services, or to contract for services with any licensed day care facility, as the board deems necessary or proper to carry out the purposes of sections 245.83 to 245.87.

Changes or additions are indicated by underlining, deletions by ~~strikeout~~.

The board is further authorized to make grants to or contract with any municipality, incorporated licensed child care facility, or corporation or combination thereof for any of the following purposes:

(a) For creating new licensed day care facilities and expanding existing facilities including, but not limited to, supplies, equipment, and facility renovation and remodeling;

(b) For improving licensed day care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling;

(c) For supportive child development services including, but not limited to, inservice training, curriculum development, consulting specialist, resource centers, and program and resource materials;

(d) For carrying out programs including, but not limited to, staff, supplies, equipment, facility renovation, and training; and,

(e) For interim financing.

Sec. 3. Minnesota Statutes 1982, section 245.84, subdivision 2, is amended to read:

Subd. 2. **ALLOCATION, ELIGIBILITY, SLIDING FEE.** (a) Within the limit of appropriations available and subject to the allocation requirements of section 245.87 the commissioner shall establish a program to make grants allocate available appropriations to counties for the purpose of reducing according to a sliding fee schedule the costs of child care for eligible families. The commissioner shall promulgate rules to govern the program in accordance with this subdivision. No later than April 1 of each odd-numbered year, the commissioner shall notify all county boards of the allocation procedures for applying for the sliding fee program grants. No later than June 1 of each odd-numbered year, each county wishing to participate in the sliding fee program shall apply to inform the commissioner for a grant of the number of persons estimated to be entitled to child care services, the number of persons estimated to use the program, and the expected cost for the following two state fiscal years. No later than July 1 of that year, the commissioner shall allocate to all counties that apply and agree to comply with the provisions of sections 245.84 to 245.87 grants in the amounts determined by rule each county its proportionate share of the appropriation for that and the next fiscal year, determined according to the county's report. If the appropriation is insufficient to meet the needs in all counties, the amount shall be prorated among the counties. The commissioner shall require collection of data and periodic reports as the commissioner deems necessary to demonstrate the effectiveness of the program in preventing and reducing dependence of participants on public assistance and in providing other benefits. The commissioner shall report to the legislature no later than January 15 of each odd-numbered year of the effectiveness of the program.

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(b) In addition to payments from parents, contributions to the cost of the program shall be made by grantees counties as follows: 5 percent in the first grant year, and 15 percent in the second and subsequent grant years, that the county provides services under this subdivision.

The county board shall establish the income range for eligibility of families for the sliding fee program, which shall be not less than the minimum nor more than the maximum income range, as follows: (a) the minimum income range includes families having income above 60 percent but less than 70 percent of the state median income for a family of four adjusted for family size; (b) the maximum income range includes families having income above 60 percent but less than 90 percent of the state median income for a family of four adjusted for family size. Families having parents determined by the commissioner, according to criteria which the commissioner shall establish, to be unable to care for the child because of employment, school attendance or other circumstances are eligible for the sliding fee program.

(c) Families receiving child care services under this subdivision on July 1, 1983 are entitled to child care services under this paragraph (c). As money that is allowed or required to be used for providing child care becomes available to the county from federal, state, or local sources, the county board shall to the extent practical make child care services available to single parent families in which the parent needs child care services under this section to secure or retain employment, or to obtain the training or education necessary to secure employment, or for other circumstances, established by the commissioner, related to education, training, or employment, and, in the following order of priority:

(1) who are receiving aid to families with dependent children under sections 256.72 to 256.87. Child care services to these families shall be made available as in-kind services, to cover the difference between the actual cost and \$160 per month per child or the amount disregarded under rules for persons not employed full-time; then

(2) whose household income is within the income range established by the county board. Child care services to these families shall be made available on a sliding fee. The minimum income range a county board may establish is between the aid to families with dependent children eligibility limit and household income of less than 70 percent of the state median income for a family of four adjusted for family size, and the maximum income range is between the aid to families with dependent children eligibility limit and household income of less than 90 percent of the state median income for a family of four adjusted for family size.

(d) In setting the sliding fee schedule, the commissioner shall exclude from the amount of income used to determine eligibility under the income range established by the county board an amount for federal and state income and social security taxes attributable to that income level according to federal and state standardized tax tables. The total fee charged for child care to any family

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shall not exceed 75 percent of the income so determined to be above the maximum allowable for fully subsidized child care.

(c) In each case where the grantee county charges a fee that is less than the fee set by the commissioner for the same service, the state's payment shall be limited to the difference between the fee set by the commissioner and the charge for care.

In cases where the provider of the child care service charges in excess of 125 percent of the median charge for like care arrangements in the geographic area defined by the commissioner for the purposes of ascertaining such the median charge, the state's payment shall be limited to the difference between 125 percent of the median charge for like care arrangements in the geographic area and the parents' fee.

(f) The county board shall ensure that child care services are available to county residents entitled to them under paragraph (c), that the availability of services is well-advertised, and that all recipients of and applicants for aid to families with dependent children are informed of any availability of child care services under paragraph (c). The county board may accept any gifts, grants, bequests, devises, or offers of inclusion of services as employees' fringe benefits for use in providing services under sections 1 to 8.

(g) The commissioner shall promulgate temporary and permanent rules in accordance with sections 14.05 to 14.36 to implement this section. No more than seven percent of any grant allocation shall be used for the grantee's county's administration expenses.

Sec. 4. Minnesota Statutes 1982, section 245.84, subdivision 5, is amended to read:

Subd. 5. **BIENNIAL PLAN.** The county board shall biennially develop a plan for the distribution of funds money for child care services as part of the community social services plan prescribed in section 256E.09. All licensed child care programs shall be given written notice concerning the availability of funds money and the application process.

Sec. 5. Minnesota Statutes 1982, section 245.85, is amended to read:

245.85 TERMINATION SUPERVISION OF ALL OR PART OF A GRANT SERVICES.

The county board shall supervise and coordinate all child care services and programs for which a grant money has been made available pursuant to sections 245.83 to 245.87, and shall endeavor insofar as possible to establish a set of program standards and uniform regulations to coordinate child care services and programs at the local level. The board shall, from time to time, review the budgets, expenditures and development of each child care service and program to

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which a grant money has been made available pursuant to sections 245.83 to 245.87.

Sec. 6. Minnesota Statutes 1982, section 245.86, is amended to read:

**245.86 AUTHORIZATION TO COUNTIES AND MUNICIPALITIES
TO CONTRACT OR MAKE GRANTS.**

Any county or municipality may contract for services or make grants from special tax revenues or from its general fund to any organization, governmental or corporate, for the same purposes for which the commissioner is authorized to make grants allocations by sections 245.83 to 245.87.

Sec. 7. Minnesota Statutes 1982, section 245.87, is amended to read:
245.87 ALLOCATIONS.

For the purposes of section 245.84, subdivision 2 ~~grants shall be distributed~~, the commissioner shall allocate money appropriated between the metropolitan area, comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, and the area outside the metropolitan area so that no more than 55 percent of the total fund goes to either area after excluding allocations for migrant day care services, administrative costs and statewide projects. At least ten percent of the total program allocation under section 245.84, subdivision 1 shall be designated for interim financing. The commissioner is further instructed that the allocation in each area be based on a need and population basis.

Sec. 8. **DEADLINES.**

For state fiscal year 1984, counties shall inform the commissioner as required under section 3 no later than July 15, 1983, and the commissioner shall allocate money as required under section 3 no later than September 1, 1983.

Sec. 9. **SCHEDULE FOR PARTICIPATION.**

The commissioner of public welfare shall report to the legislature by January 1, 1984, with a schedule for requiring additional counties to provide child care services under section 3.

Sec. 10. **EFFECTIVE DATE.**

Sections 1 to 9 are effective July 1, 1983.

**ARTICLE 3
FEE INCREASES**

Section 1. Minnesota Statutes 1982, section 357.021, subdivision 2, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. **FEE AMOUNTS.** The fees to be charged and collected by the clerk of district court shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper on his part is filed in said action, a fee of \$20, except that in an action for marriage dissolution, a fee of \$35 is \$55.

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper on his or their part is filed in said action, a fee of \$15.

The party requesting a trial by jury shall pay \$15.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 106, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding \$5 and \$3.50 for an uncertified copy.

(3) Issuing a subpoena \$1 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$5.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$5.

(6) Filing and entering a satisfaction of judgment, partial satisfaction or assignment of judgment, \$5.

(7) Certificate as to existence or non-existence of judgments docketed, \$1 for each name certified to and \$1 for each judgment certified to.

(8) Filing and indexing trade name; or recording notary commission; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) All other services required by law for which no fee is provided such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 2. Minnesota Statutes 1982, section 357.021, subdivision 2a, is amended to read:

Subd. 2a. **CERTAIN FEE PURPOSES.** Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay ~~\$15~~ \$35 to the state treasurer to be deposited in the general fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40; and \$20 is appropriated to the commissioner of corrections for the purpose of funding emergency shelter services and support services to battered women, on a matching basis with local money for 20 percent of the costs and state money for 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 3. Minnesota Statutes 1982, section 517.08, subdivision 1b, is amended to read:

Subd. 1b. **TERM OF LICENSE; FEE.** The clerk shall examine upon oath the party applying for a license relative to the legality of the contemplated marriage. If at the expiration of a five-day period, he is satisfied that there is no legal impediment to it, he shall issue the license, containing the full names of the parties before and after marriage, and county and state of residence, with the district court seal attached, and make a record of the date of issuance. The license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, a judge of the county court or a judge of the district court of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The clerk shall collect from the applicant a fee of ~~\$30~~ \$40 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the clerk for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A clerk who knowingly issues or signs a marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

Sec. 4. Minnesota Statutes 1982, section 517.08, subdivision 1c, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 1c. **DISPOSITION OF LICENSE FEE.** Of the marriage license fee collected pursuant to subdivision 1b, the clerk shall pay ~~\$15~~ \$25 to the state treasurer to be deposited in the general fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40; and \$10 is appropriated to the commissioner of economic security for the purpose of funding displaced homemaker programs established after July 1, 1983, under section 4.40 in areas of the state where those programs previously did not exist or adjunct programs that extend access to current programs in northeastern Minnesota, on a matching basis with local funds providing 20 percent of the costs and state funds providing 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security.

The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund and appropriated under this section.

Sec. 5. **EFFECTIVE DATE.**

This article is effective July 1, 1983, and applies to all licenses issued and dissolution petitions filed on or after that date.

ARTICLE 4 MATERNAL AND CHILD HEALTH

Section 1. Minnesota Statutes 1982, section 145.881, is amended to read:

145.881 MATERNAL AND CHILD HEALTH ADVISORY TASK FORCE.

Subdivision 1. **COMPOSITION OF TASK FORCE.** The commissioner shall establish and appoint a maternal and child health advisory task force consisting of 15 members who will provide equal representation from:

- (1) professionals with expertise in maternal and child health services;
 - (2) representatives of local health boards as defined in section 145.913;
- and
- (3) consumer representatives interested in the health of mothers and children.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

No members shall be employees of the state department of health. Task force members shall be appointed and removed and ~~terms shall expire~~ as provided in section 15.059, subdivision 6. Notwithstanding section 15.059, subdivisions 5 and 6, the maternal and child health advisory task force shall terminate on June 30, 1987.

Subd. 2. **DUTIES.** The advisory task force shall meet on a regular basis to perform the following duties:

(a) Review and report on the health care needs of mothers and children throughout the state of Minnesota;

(b) Review and report on the type, frequency and impact of maternal and child health care services provided to mothers and children under existing maternal and child health care programs, including programs administered by the commissioner of health;

(c) Establish, review, and report to the commissioner a list of program guidelines and criteria which the advisory task force considers essential to providing an effective maternal and child health care program to low income, populations and high risk patients persons and fulfilling the purposes defined in section 145.88;

(d) Review staff recommendations of the department of health regarding maternal and child health grant awards before the awards are made;

(e) Make recommendations to the commissioner for the use of other federal and state funds available to meet maternal and child health needs;

(f) Make recommendations to the commissioner of health on priorities for funding the following maternal and child health services: (1) prenatal, delivery and postpartum care, (2) comprehensive health care for children, especially from birth through five years of age, (3) adolescent health services, (4) family planning services, (5) preventive dental care, (6) special services for chronically ill and handicapped children and (7) any other services which promote the health of mothers and children; and

(g) Make recommendations to the commissioner of health on ~~a the~~ process to distribute, award and administer the maternal and child health block grant funds after July 1, 1983 that will fulfill the purposes of section 145.88.

Sec. 2. Minnesota Statutes 1982, section 145.882, is amended to read:

145.882 MATERNAL AND CHILD HEALTH BLOCK GRANT DISTRIBUTION.

The maternal and child health care block grant shall be distributed to the same recipients that received funds during the previous year until July 1, 1983. A reduction in federal funding shall be distributed to reflect a proportional reduction for each recipient.

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Recipients of maternal and child health grants for special projects in state fiscal year 1983 shall continue to be funded at the same level as in state fiscal year 1983 until September 30, 1985, if they comply with the provisions of sections 145.881, and 2 to 7. These recipients are also eligible to apply for state grants under sections 3 to 7. Any decrease in the amount of federal funding to the state for the maternal and child health block grant shall be apportioned to reflect a proportional decrease for each recipient until September 30, 1985. Any increase in the amount of federal funding to the state shall be distributed for services to children with handicaps and to special projects as provided in sections 3 to 7, except that an amount not to exceed ten percent may be retained by the commissioner of health to address cost of living increases and increases in supplies and services.

After September 30, 1985, the advisory task force shall review and recommend the proportion of maternal and child health block grant funds to be expended for indirect costs, direct services and special projects. The proportion of funds expended in direct services through special projects shall be maintained at not less than the level expended in state fiscal year 1984.

The commissioner shall prepare, with the advice of the advisory task force, an annual report to the legislature which details the distribution of maternal and child health block grant funds, including the amounts to be expended for indirect costs, direct services, and special projects. The report shall also identify the statewide needs of low income and high risk populations and the department of health's plans for meeting their needs. The legislature must receive the report no later than January of each year.

Sec. 3. [145.883] DEFINITIONS.

Subdivision 1. SCOPE. For purposes of sections 145.881, 145.882, and 3 to 7, the terms defined in this section shall have the meanings given them.

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of health.

Subd. 3. QUALIFIED PROGRAM. "Qualified program" means a program with professional maternal and child health care staff which is established for the purpose of providing one or more essential services in maternal and child health care to target populations of low income and high risk persons. Nothing in this subdivision shall imply that every person served must take a means test.

Subd. 4. ESSENTIAL SERVICES. "Essential services" means (a) prenatal, delivery, and post partum care; (b) comprehensive health care for children from birth through five years of age; (c) adolescent health services; (d) family planning services, as defined in section 145.912, subdivision 9; (e) preventive dental care; or (f) special services for chronically ill children and for handicapped children.

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Subd. 5. LOW INCOME. "Low income" means an individual or family with an income determined to be at or below 175 percent of the income official poverty line defined by the office of management and budget and revised annually in accordance with United States Code, title 42, section 9902, as amended through December 31, 1982. With respect to an individual who is a high risk person, "low income" means that the income of the high risk person or the person's family is determined to be at or below 200 percent of the income official poverty line defined by the office of management and budget and revised annually in accordance with United States Code, title 42, section 9902, as amended through December 31, 1982. The commissioner shall establish the low income level for eligibility for services to children with handicaps.

Subd. 6. HIGH RISK PERSON. "High risk person" means a mother or child with a condition which significantly increases the probability of disease, injury, death, or other adverse health-related problem. Determination that a condition results in high risk shall be based on well validated, scientific studies.

Subd. 7. SPECIAL PROJECT. "Special project" means a qualified program that receives maternal and child health block grant money and is administered by a public or private nonprofit agency other than the Minnesota department of health. A special project may not impose residency requirements, other than state residence, as a condition of receiving essential services. A special project that can demonstrate a need to reduce services as a result of high demand for these services from outside the project's proposed service area may apply for additional funds. Any special project providing statewide essential services may serve a population that is low income or high risk.

Subd. 8. MATERNAL AND CHILD HEALTH BLOCK GRANT MONEY. "Maternal and child health block grant money" means the money received by the state from the federal maternal and child health block grant. The commissioner shall carry forward from state fiscal year 1985, and succeeding years, only sufficient funds for qualified programs approved through the federal fiscal year.

Sec. 4. [145.884] GRANTS TO QUALIFIED PROGRAMS.

Subdivision 1. RULES. The commissioner shall, in the name of the state and within the limit of the federal maternal and child health block grant appropriation, make grants to public and private nonprofit agencies administering qualified programs of maternal and child health care services. The commissioner shall promulgate rules for the administration of grants authorized by this subdivision. The rules shall establish and contain as a minimum:

- (a) procedures for grant applications;
- (b) conditions and procedures for the administration of grants;
- (c) criteria of eligibility for grants; and

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(d) other matters the commissioner finds necessary for the proper administration of the grant program.

Subd. 2. PRIORITY CRITERIA FOR GRANTS. Any public or private nonprofit agency providing or planning to provide services in maternal and child health care to an identified low income and high risk population may apply to the commissioner for a maternal and child health care grant. The commissioner shall, when making grants, give priority to qualified programs that provide essential services in maternal and child health care to a target population of low income and high risk persons. In distributing any increase in federal funding to special projects, the commissioner shall give priority to grant applications for special projects located outside the metropolitan area for at least 50 percent of the increased funding.

Sec. 5. [145.885] APPLICATION FOR A GRANT.

An application for a grant shall be submitted to the commissioner at a time and in a form and manner as the commissioner prescribes. Department of health technical staff shall be available to provide technical assistance in development of grant applications. The application must contain:

(a) A complete description of the program and the manner in which the applicant intends to conduct the program;

(b) A budget and justification for the amount of grant funds requested;

(c) A description of the target population served by the qualified program and estimates of the number of low income or high risk patients the program is expected to serve;

(d) The name or names of the person or persons who shall have primary responsibility for the administration and delivery of services of the qualified program; and

(e) The reporting and accounting procedures to be followed by the qualified agency to enable the commissioner to evaluate the activities of the qualified program.

Sec. 6. [145.886] GRANT REVIEW PROCESS.

Primary review of all grant applications shall be conducted by the department of health technical staff. All technically completed applications will be forwarded for secondary review to a grants review panel established by the commissioner. A majority of the grants review panel must be professionals with expertise in maternal and child health care. No member of the panel may be an employee of a public or private nonprofit agency receiving or applying for maternal and child health block grant money. The advisory task force shall review the recommendations of the grants review panel for comment to the commissioner. The commissioner shall award grants under sections 5 and 6 only

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after receiving the comments and recommendation of the grants review panel and the advisory task force on completed grant applications.

Sec. 7. **[145.888] LIMITATIONS.**

Grants awarded to qualified programs under sections 5 to 7 shall not exceed 75 percent of the estimated annual cost of the qualified program for the fiscal year for which the grant is awarded.

Sec. 8. **[145.889] RULES.**

The commissioner may adopt temporary and permanent rules for the efficient administration of sections 1 to 8. The temporary rules need not be adopted in compliance with chapter 14 and shall be effective for 360 days or until the permanent rules are adopted, whichever occurs first. The temporary rules shall be effective upon adoption by the commissioner and shall be published in the State Register as soon thereafter as possible.

Sec. 9. **EFFECTIVE DATE.**

Sections 1 to 8 are effective the day following final enactment.

ARTICLE 5

**MEDICAL ASSISTANCE AND GENERAL ASSISTANCE
MEDICAL CARE**

Section 1. Minnesota Statutes 1982, section 245.62, is amended to read:

245.62 COMMUNITY MENTAL HEALTH PROGRAM; TAX LEVY CENTER.

Subdivision 1. ESTABLISHMENT. Any city, county, town, or any combination thereof, or private nonprofit corporation may establish a community mental health services program and may establish clinics and staff same with persons specially trained in psychiatry and related fields center.

Subd. 2. DEFINITION. A community mental health center is a private nonprofit corporation or public agency approved under the temporary and permanent rules promulgated by the commissioner pursuant to subdivision 4.

Subd. 3. CLINICAL DIRECTOR. All community mental health center services shall be provided under the clinical direction of a licensed consulting psychologist licensed under sections 148.88 to 148.98, or a physician who is board certified or eligible for board certification in psychiatry, and who is licensed under section 147.02.

Subd. 4. RULES. The commissioner shall promulgate temporary and permanent rules to establish standards for the designation of an agency as a

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community mental health center. These standards shall include, but are not limited to:

(a) provision of mental health services in the prevention, identification, treatment and aftercare of emotional disorders, chronic and acute mental illness, mental retardation and developmental disabilities, and alcohol and drug abuse and dependency, including the services listed in section 245.61 except detoxification services;

(b) establishment of a community mental health center board pursuant to section 245.66; and

(c) approval pursuant to section 245.69, subdivision 2.

Sec. 2. Minnesota Statutes 1982, section 245.66, is amended to read:

245.66 COMMUNITY MENTAL HEALTH CENTER BOARDS.

Every city, county, town, combination thereof or nonprofit corporation establishing a community mental health center ~~under contract with a county board or human service board~~ shall, before it may come within the provisions of sections 245.61 to 245.69 and receive funds from the county board or human service board, shall establish a community mental health center board. The community mental health center ~~boards~~ board may include county commissioner representatives from each participating county and shall be representative of ~~local health departments, medical societies, hospital boards, lay associations concerned with mental health, mental retardation and chemical dependency, labor, agriculture, business, civic and professional groups and the general public.~~ Memberships may include a representative from any county which purchases substantial services from the community mental health board, the local population, including at least health and human service professions and advocate associations, other fields of employment, and the general public. Each community mental health center board shall be responsible for the governing governance and performance of its center and shall be responsible for the performance of the center under any contracts entered into with a county board of commissioners or human services board. This governing shall include determination of the services to be provided by the community mental health center, establishment of the annual budget, appointment of the center director, and establishment of personnel standards and compensation for employees of the center.

Sec. 3. Minnesota Statutes 1982, section 256.01, subdivision 2, is amended to read:

Subd. 2. **SPECIFIC POWERS.** Subject to the provisions of section 241.021, subdivision 2, the commissioner of public welfare shall:

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as may from time to time be vested in the commissioner.

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(2) Administer and supervise all child welfare activities; promote the enforcement of laws protecting defective, illegitimate, dependent, neglected and delinquent children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(3) Administer and supervise all non-institutional service to handicapped persons, including the blind, the deaf, the tuberculous, the crippled, and otherwise handicapped persons. The authority and power conferred by this subdivision shall include the authority and power to provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(4) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, Chapter 431.

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, Chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, Chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(6) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(7) Administer and supervise any additional welfare activities and services as may, from time to time, hereafter be vested by law in the state department.

(8) The commissioner is hereby specifically constituted as guardian of both the estate and the person of all the wards of the state of Minnesota and other persons the guardianship of whom has been heretofore vested in the state board of control, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded or epileptic. All of said guardianships, and the funds and property of the same, are hereby transferred to and vested in said commissioner, and said commissioner is hereby constituted a legal entity and is hereby empowered to act as guardian under any laws of this state heretofore conferring such powers upon the state board of control.

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(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or state-wide schedules of maximum fees and charges which may be paid by local agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of public welfare is authorized to waive the enforcement of existing specific statutory program requirements, regulations, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed two years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed with the secretary of the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to state-wide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) In accordance with federal requirements establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) ~~Promulgate, by rule, standards of administration to be applied by local welfare boards administering state and county financed programs of medical assistance pursuant to chapter 256B, general relief medical care pursuant to section 256D.02, subdivision 4 and medical, hospital, and surgical care for persons eligible for general assistance pursuant to chapter 256D, or for indigent~~

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persons whose costs of hospitalization are paid pursuant to sections 261.21 to 261.232. The rules shall specify a uniform standard of performance and a tolerated error rate, but shall not specify the minimum number of personnel to be employed by a local agency if the agency operates at the specified standard of performance or at or below the tolerated error rate. The commissioner may deduct from the earned administrative reimbursements of a county a penalty for the county's failure to comply with the standards of administration. The penalty shall be fixed by the commissioner as a percentage of the overexpenditure caused by improper administration, beyond an initial tolerated amount of overexpenditure. In the event that fiscal sanctions are imposed by the federal government because of improper administration of the programs, one half of the amount of the sanctions attributable to local agency performance shall be deducted from administrative reimbursement otherwise due the county. Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs and shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for that program. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to paragraph (a).

Sec. 4. Minnesota Statutes 1982, section 256.045, subdivision 3, is amended to read:

Subd. 3. **STATE AGENCY HEARINGS.** In counties in which the commissioner of welfare has not appointed a local welfare referee, any person applying for or receiving any of the forms of public assistance described in subdivision 2 whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, or terminated by a local agency, or any patient or relative aggrieved by an order of the commissioner under section 252.27, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency

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within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant ~~or~~, recipient, patient or relative shows good cause why the request was not submitted within the 30 day time limit. A local agency ~~or~~, applicant ~~or~~, recipient, patient or relative aggrieved by a ruling of a local welfare referee may appeal the ruling to the state agency by filing a notice of appeal with the state agency within 30 days after receiving the ruling of the local welfare referee. A state welfare referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of public welfare. In appeals from rulings of local welfare referees, the hearing may be limited, upon stipulation of the parties, to a review of the record of the local welfare referee.

Sec. 5. Minnesota Statutes 1982, section 256.82, is amended by adding a subdivision to read:

Subd. 3. SETTING FOSTER CARE STANDARD RATES. The commissioner shall annually establish minimum standard maintenance payment rates for foster care maintenance for all children in foster care, and require county boards to establish difficulty of care payment rates for all children in foster care.

Sec. 6. Minnesota Statutes 1982, section 256.966, subdivision 1, is amended to read:

Subdivision 1. **IN GENERAL.** For the biennium ending June 30, 1983 1985, the annual increase in the cost per service unit paid to any vendor under medical assistance and general assistance medical care shall not exceed ~~eight~~ five percent. The period for measuring growth shall be the state fiscal year, except that the five percent annual increase limitation applied to vendors under this subdivision does not apply to nursing homes licensed under chapter 144A or boarding care homes licensed under sections 144.50 to 144.56. The estimated acquisition cost of prescription drug ingredients is not subject to the five percent increase limit, any general state payment reduction, or cost limitation described in this section, except as required under federal law or regulation. For vendors enrolled in the general assistance medical care program, the annual increase in cost per service unit allowable during state fiscal year 1984 shall not exceed five percent. The basis for measuring growth shall be the cost per service unit that would have been reimbursable in state fiscal year 1983 if payments had not been rateably reduced and if payments had been based on the 50th percentile of usual and customary billings for medical assistance in 1978. The increase in cost per service unit allowable for vendors in the general assistance medical care program during state fiscal year 1985 shall not exceed five percent. The basis for measuring growth shall be state fiscal year 1984.

Sec. 7. Minnesota Statutes 1982, section 256.967, is amended to read:

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256.967 MEDICAL CARE PAYMENTS; LIMITATIONS ON FEES.

For the biennium ending June 30, 1985, all payments for vendors of medical care under general assistance medical care shall be based upon this standard: the 50th percentile of usual and customary fees based upon medical assistance billings during calendar year 1978. All payments for vendors of medical care under medical assistance shall be limited to the 50th percentile of usual and customary fees based upon billings during calendar year 1979 for physician services, dental care, vision care, podiatric services, chiropractic care, physical therapy, occupational therapy, speech pathologists, audiologists, mental health centers, psychologists, public health clinics, and independent laboratory and x-ray services.

Sec. 8. Minnesota Statutes 1982, section 256.968, is amended to read:

256.968 LIMITATION ON INPATIENT CHEMICAL DEPENDENCY TREATMENT.

The commissioner of public welfare shall limit medical assistance and general assistance medical care reimbursement for treatment of alcoholism, chemical dependency or drug addiction which is rendered in a licensed hospital or certified nursing home to 40 30 days unless need for extended care is certified by the attending physician and has received prior approval from the commissioner.

Sec. 9. [256.969] INPATIENT HOSPITALS.

Subdivision 1. ANNUAL COST INDEX. The commissioner of public welfare shall develop a prospective payment system for inpatient hospital service under the medical assistance and general assistance medical care programs. Rates paid to licensed hospitals for rate years beginning during the fiscal biennium ending June 30, 1985, shall not exceed an annual hospital cost index for the final rate allowed to the hospital for the preceding year not to exceed five percent in any event. The annual hospital cost index shall be obtained from an independent source representing a statewide average of inflation estimates determined for expense categories to include salaries, employee benefits, medical fees, raw food, medical supplies, pharmaceuticals, utilities, repairs and maintenance, insurance other than malpractice insurance, and other applicable expenses as determined by the commissioner. The index shall reflect the regional differences within the state and include a one percent increase to reflect changes in technology. The annual hospital cost index shall be published 30 days before the start of each calendar quarter and shall be applicable to all hospitals whose fiscal years start on or during the calendar quarter.

Subd. 2. RATES FOR INPATIENT HOSPITALS. Rates paid to inpatient hospitals shall be based on a rate per admission.

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Subd. 3. SPECIAL CONSIDERATIONS. In determining the rate, the commissioner of public welfare will take into consideration whether the following circumstances exist:

(a) minimal medical assistance and general assistance medical care utilization;

(b) unusual length of stay experience; and

(c) disproportionate numbers of low income patients served.

Subd. 4. APPEALS BOARD. An appeals board shall be established for purposes of hearing reports for changes in the rate per admission. The appeals board shall consist of two public representatives, two representatives of the hospital industry, and one representative of the business or consumer community. The appeals board shall advise the commissioner on adjustments to hospital rates under this section.

Subd. 5. APPEAL RIGHTS. Nothing in this section supersedes the contested case provisions of chapter 14, the Administrative Procedure Act.

Subd. 6. RULES. The commissioner of public welfare shall promulgate temporary and permanent rules to implement a system of prospective payment for inpatient hospital services pursuant to chapter 14, the Administrative Procedure Act.

Sec. 10. Minnesota Statutes 1982, section 256B.02, subdivision 8, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

(1) Inpatient hospital services. A second medical opinion is required prior to reimbursement for elective surgeries. The commissioner shall publish in the State Register a proposed list of elective surgeries that require a second medical opinion prior to reimbursement. The list is not subject to the requirements of sections 14.01 to 14.70. The commissioner's decision whether a second medical opinion is required, made in accordance with rules governing that decision, is not subject to administrative appeal.

(2) Skilled nursing home services and services of intermediate care facilities.

(3) Physicians' services.

(4) Outpatient hospital or nonprofit community health clinic services or physician-directed clinic services. The physician-directed clinic staff shall include at least two physicians, one of whom is on the premises whenever the clinic is open, and all services shall be provided under the direct supervision of the

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physician who is on the premises. Hospital outpatient departments are subject to the same limitations and reimbursements as other enrolled vendors for all services, except initial triage, emergency services, and services not provided or immediately available in clinics, physicians' offices, or by other enrolled providers. "Emergency services" means those medical services required for the immediate diagnosis and treatment of medical conditions that, if not immediately diagnosed and treated, could lead to serious physical or mental disability or death or are necessary to alleviate severe pain. Neither the hospital, its employees, nor any physician or dentist, shall be liable in any action arising out of a determination not to render emergency services or care if reasonable care is exercised in determining the condition of the person, or in determining the appropriateness of the facilities, or the qualifications and availability of personnel to render these services consistent with this section.

(5) Community mental health center services, as defined in rules adopted by the commissioner pursuant to section 256B.04, subdivision 2, and provided by a community mental health center as defined in section 245.62, subdivision 2.

(5) (6) Home health care services.

(6) (7) Private duty nursing services.

(7) (8) Physical therapy and related services.

(8) (9) Dental services, excluding cast metal restorations.

(9) (10) Laboratory and x-ray services.

(10) (11) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. Prior authorization may be required by the commissioner, with the consent of the drug formulary committee, before certain

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formulary drugs are eligible for payment. The formulary shall not include: drugs or products for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; or any other over the counter drug identified by the commissioner, in consultation with the appropriate professional consultants under contract with or employed by the state agency, as necessary, appropriate and cost effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14, the Administrative Procedure Act; nutritional products, except for those products needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow milk, and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product; anorectics; and drugs for which medical value has not been established. Separate payment shall not be made for nutritional products for residents of long-term care facilities; payment for dietary requirements is a component of the per diem rate paid to these facilities. Payment to drug vendors shall not be modified before the formulary is established except that the commissioner shall not permit payment for any drugs which may not by law be included in the formulary, and his determination shall not be subject to chapter 14, the Administrative Procedure Act. The commissioner ~~may promulgate~~ shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act.

(11) (12) Diagnostic, screening, and preventive services.

(12) (13) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

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(13) (14) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion.

(14) (15) Transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory.

(15) (16) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care.

(16) (17) Personal care attendant services provided by an individual, not a relative, who is qualified to provide the services, where the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse. Payments to personal care attendants shall be adjusted annually to reflect changes in the cost of living or of providing services by the average annual adjustment granted to vendors such as nursing homes and home health agencies.

(16) (18) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

Sec. 11. Minnesota Statutes 1982, section 256B.04, subdivision 14, is amended to read:

Subd. 14. **COMPETITIVE BIDDING.** The commissioner shall utilize volume purchase through competitive bidding under the provisions of chapter 16, to provide the following items:

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(1) Eyeglasses;

(2) Oxygen. The commissioner shall provide for oxygen needed in an emergency situation on a short-term basis, until the vendor can obtain the necessary supply from the contract dealer;

~~(2)~~ (3) Hearing aids and supplies; and

~~(3)~~ (4) Durable medical equipment, including but not limited to:

(a) hospital beds;

(b) commodes;

(c) glide-about chairs;

(d) patient lift apparatus;

(e) wheelchairs and accessories;

(f) oxygen administration equipment;

(g) respiratory therapy equipment; and

(h) electronic diagnostic, therapeutic and life support systems.

Sec. 12. Minnesota Statutes 1982, section 256B.04, is amended by adding a subdivision to read:

Subd. 15. UTILIZATION REVIEW. Establish on a statewide basis a new program to safeguard against unnecessary or inappropriate use of medical assistance services, against excess payments, against unnecessary or inappropriate hospital admissions or lengths of stay, and against underutilization of services in pre-paid health plans, long-term care facilities or any health care delivery system subject to fixed rate reimbursement. In implementing the program, the state agency shall utilize both pre-payment and post-payment review systems to determine if utilization is reasonable and necessary. The determination of whether services are reasonable and necessary shall be made by the commissioner in consultation with a professional services advisory group appointed by the commissioner. An aggrieved party may appeal the commissioner's determination pursuant to the contested case procedures of chapter 14.

Sec. 13. Minnesota Statutes 1982, section 256B.041, subdivision 2, is amended to read:

Subd. 2. **ACCOUNT.** An account is established in the state treasury from which medical assistance payments to vendors shall be made. Into such ~~this~~ account there shall be deposited federal funds, state funds, county funds, and other moneys which are available and which may be paid to the state agency for medical assistance payments and reimbursements from counties or others for their share of such payments.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 14. Minnesota Statutes 1982, section 256B.041, subdivision 5, is amended to read:

Subd. 5. **PAYMENT BY COUNTY TO STATE TREASURER.** If required by federal law or rules promulgated thereunder, or by authorized regulation of the state agency, each county shall pay to the state treasurer the portion of medical assistance paid by the state for which it is responsible. The county's share of cost shall be ten percent of that portion not met by federal funds.

The county shall advance its portion of medical assistance costs, based upon estimates submitted by the state agency to the county agency, stating the estimated expenditures for the succeeding month. Upon the direction of the county agency, payment shall be made monthly by the county to the state for the estimated expenditures for each month. Adjustment of any overestimate or underestimate based on actual expenditures shall be made by the state agency by adjusting the estimate for any succeeding month.

Sec. 15. Minnesota Statutes 1982, section 256B.06, subdivision 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) Who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, 42 U.S.C. Sections 670 to 676; or

(2) Who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, 42 U.S.C. Sections 670 to 676; or

(1) Who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, ~~42 U.S.C. Sections 670 to 676~~ United States Code, title 42, sections 670 to 676; or

(2) Who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, ~~42 U.S.C. Sections 670 to 676~~ United States Code, title 42, sections 670 to 676; or

(3) Who is eligible for or receiving public assistance, or a woman who is pregnant, as medically verified, and who would be eligible for assistance under the aid to families with dependent children program if the child had been born and living with the woman; or

(4) Who is ~~eligible for or receiving~~ meets the categorical eligibility requirements of the supplemental security income for the aged, blind and disabled program and the other eligibility requirements of this section; or

(5) Who except for the amount of income or resources would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children and is in need of medical assistance; or

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(6) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(7) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(8) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

(9) Who alone, or together with his spouse, does not own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or 80 contiguous acres in unplatted land. Occupancy or exemption shall be determined as provided in chapter 510 and applicable law, including continuing exemption by filing notice under section 510.07. Real estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless sale of the real estate would net an insignificant amount of income applicable to the family's needs, or unless the commissioner determines that sale of the real estate would cause undue hardship; and

(10) Who individually does not own more than ~~\$2,000~~ \$3,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than ~~\$4,000~~ \$6,000 in cash or liquid assets, plus \$200 for each additional legal dependent. Cash and liquid assets may include a prepaid funeral contract and insurance policies with cash surrender value. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

(11) Who has or anticipates receiving an annual income not in excess of \$2,600 for a single person, or \$3,250 for two family members (husband and wife, parent and child, or two siblings), plus \$625 for each additional legal dependent, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In computing income to determine eligibility of persons who are not residents of long term care facilities, the commissioner shall disregard increases in income of social security or

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supplementary security income recipients due solely to increases required by sections 215(i) and 1617 of the social security act, and shall disregard income of disabled persons that is also disregarded in determining eligibility for supplemental aid under section 256D.37, subdivision 1, due solely to increases in federal retiree, survivor's, and disability insurance benefits, veterans administration benefits, and railroad retirement benefits in the percentage amount established in the biennial appropriations law unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and

(12) Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care. The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care and shall seek a waiver from federal regulations which establish the amount required to be contributed by either spouse when one spouse is a nursing home resident; and

(13) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 16. Minnesota Statutes 1982, section 256B.061, is amended to read:
256B.061 **ELIGIBILITY.**

If any individual has been determined to be eligible for medical assistance, it will be made available to him for care and services included under the plan and furnished in or after the third month before the month in which he made application for such assistance, if such individual was, or upon application would have been, eligible for medical assistance at the time the care and services were furnished. The commissioner may limit, restrict, or suspend the eligibility of an individual for up to one year upon that individual's conviction of a criminal offense related to his application for or receipt of medical assistance benefits.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 17. Minnesota Statutes 1982, section 256B.064, subdivision 1a, is amended to read:

Subd. 1a. **GROUND FOR MONETARY RECOVERY AND SANCTIONS AGAINST VENDORS.** The commissioner may seek monetary recovery and impose sanctions against vendors of medical care for any of the following: fraud, theft, or abuse in connection with the provision of medical care to recipients of public assistance; a pattern of presentment of false or duplicate claims or claims for services not medically necessary; a pattern of making false statements of material facts for the purpose of obtaining greater compensation than that to which the vendor is legally entitled; suspension or termination as a Medicare vendor; and refusal to grant the state agency access during regular business hours to examine all records necessary to disclose the extent of services provided to program recipients. No sanction may be imposed or monetary recovery obtained against any vendor of nursing home or convalescent care for providing services not medically necessary when the services provided were ordered by a licensed health professional not an employee of the vendor. The determination of abuse or services not medically necessary shall be made by the commissioner in consultation with a review organization as defined in section 145.64 or other provider advisory committees as committee appointed by the commissioner on the recommendation of appropriate professional organizations.

Sec. 18. Minnesota Statutes 1982, section 256B.07, is amended to read:

256B.07 EXCEPTIONS IN DETERMINING RESOURCES.

A local agency may, within the scope of regulations set by the commissioner of public welfare, waive the requirement of liquidation of excess assets when the liquidation would cause undue hardship. Household goods and furniture in use in the home, wearing apparel, insurance policies with cash surrender value not in excess of \$1,500 per insured person, and personal property used as a regular abode by the applicant or recipient, a prepaid funeral contract not in excess of \$750 per person plus accrued interest of not more than \$200, and a lot in a burial plot shall not be considered as resources available to meet medical needs.

Sec. 19. Minnesota Statutes 1982, section 256B.14, subdivision 2, is amended to read:

Subd. 2. **ACTIONS TO OBTAIN PAYMENT.** The state agency shall promulgate rules to determine the ability of responsible relatives to contribute partial or complete repayment of medical assistance furnished to recipients for whom they are responsible. In determining the resource contribution of a spouse at the time of the first medical assistance application, all medical assistance exclusions shall be allowed, and a resource limit of \$10,000 for nonexcluded resources shall be implemented. Above these limits, a contribution of one-third of the excess resources shall be required. These rules shall not require repayment

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when payment would cause undue hardship to the responsible relative or his or her immediate family. The county agency shall give the responsible relative notice of the amount of the repayment. If the state agency or county agency finds that notice of the payment obligation was given to the responsible relative, but that the relative failed or refused to pay, a cause of action exists against the responsible relative for that portion of medical assistance granted after notice was given to the responsible relative, which the relative was determined to be able to pay.

The action may be brought by the state agency or the county agency in the county where assistance was granted, for the assistance, together with the costs of disbursements incurred due to the action.

In addition to granting the county or state agency a money judgment, the court may, upon a motion or order to show cause, order continuing contributions by a responsible relative found able to repay the county or state agency. The order shall be effective only for the period of time during which the recipient receives medical assistance from the county or state agency.

Sec. 20. Minnesota Statutes 1982, section 256B.17, subdivision 4, is amended to read:

Subd. 4. **PERIOD OF INELIGIBILITY.** ~~In any case where the uncompensated value of transferred resources exceeds \$12,000, the commissioner shall require a period of ineligibility which exceeds 24 months, provided that the period of ineligibility bears a reasonable relationship to the excess uncompensated value of the transferred asset~~ For any uncompensated transfer, the period of ineligibility shall be calculated by dividing the transferred amount by the statewide average monthly skilled nursing facility per diem for the previous calendar year to determine the number of months of ineligibility. The individual shall remain ineligible until this fixed ineligibility period has expired, subject to the exclusions contained in section 15.

Sec. 21. Minnesota Statutes 1982, section 256B.17, is amended by adding a subdivision to read:

Subd. 5. **EXCLUSIONS FOR HOMESTEAD TRANSFERS.** Notwithstanding subdivision 4, an individual shall not be ineligible if the transferred property is a homestead as defined by section 256B.06, subdivision 1, and one of the following conditions applies:

(1) a satisfactory showing is made that the individual can reasonably be expected to return to the homestead as a permanent residence;

(2) title to the home was transferred to the individual's spouse, child who is under age 21, or blind or permanently and totally disabled child as defined in the supplemental security income program;

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(3) a satisfactory showing is made that the individual intended to dispose of the home at fair market value or for other valuable consideration; or

(4) the local agency determines that denial of eligibility would cause undue hardship for the individual, based on imminent threat to the individual's health and well-being.

Sec. 22. Minnesota Statutes 1982, section 256B.17, is amended by adding a subdivision to read:

Subd. 6. EXCEPTION FOR ASSET TRANSFERS. Notwithstanding the provisions of subdivisions 1 through 5, an institutionalized spouse who applies for medical assistance on or after July 1, 1983, may transfer liquid assets to his or her noninstitutionalized spouse without loss of eligibility if all of the following conditions apply:

(a) The noninstitutionalized spouse is not applying for or receiving assistance;

(b) The noninstitutionalized spouse has less than \$10,000 in liquid assets, including assets singly owned and 50 percent of assets owned jointly with the institutionalized spouse;

(c) The amount transferred, together with the noninstitutionalized spouse's own assets, totals no more than \$10,000 in liquid assets; and

(d) The transfer may be effected only once, at the time of initial medical assistance application.

Sec. 23. Minnesota Statutes 1982, section 256B.17, is amended by adding subdivision to read:

Subd. 7. CONFORMANCE WITH FEDERAL LAW. Notwithstanding the other provisions of this section, uncompensated property transfers shall be treated no more restrictively than allowed by federal law.

Sec. 24. Minnesota Statutes 1982, section 256B.17, is amended by adding a subdivision to read:

Subd. 8. EFFECTIVE DATE. Subdivisions 5, 6, and 7, and the changes in subdivision 4 made by section 20 apply to transfers made on or after the effective date of sections 20 to 23, regardless of the individual's status in relation to eligibility for medical assistance.

Sec. 25. Minnesota Statutes 1982, section 256B.27, subdivision 3, is amended to read:

Subd. 3. The commissioner of public welfare, with the written consent of the recipient, on file with the local welfare agency, shall be allowed access to all personal medical records of medical assistance recipients solely for the purposes of investigating whether or not: (a) a vendor of medical care has submitted a

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claim for reimbursement, a cost report or a rate application which the vendor knows to be false in whole or in part; or (b) the medical care was medically necessary. The vendor of medical care shall receive notification from the commissioner at least 24 hours before the commissioner gains access to such records. The determination of ~~abuse or~~ provision of services not medically necessary shall be made by the commissioner in consultation with a review organization as defined in section 145.61 or other an advisory committees committee of vendors as appointed by the commissioner on the recommendation of appropriate professional organizations. Notwithstanding any other law to the contrary, a vendor of medical care shall not be subject to any civil or criminal liability for providing access to medical records to the commissioner of public welfare pursuant to this section.

Sec. 26. Minnesota Statutes 1982, section 256B.27, subdivision 4, is amended to read:

Subd. 4. **AUTHORIZATION OF COMMISSIONER TO EXAMINE RECORDS.** ~~No A person shall determined to be eligible for medical assistance unless he has shall be deemed to have authorized the commissioner of public welfare in writing to examine all personal medical records developed while receiving medical assistance for the purpose of investigating whether or not a vendor has submitted a claim for reimbursement, a cost report or a rate application which the vendor knows to be false in whole or in part, or in order to determine whether or not the medical care provided was medically necessary. A vendor of medical care shall require presentation of this written authorization before the state agency can obtain access to the records unless the vendor already has received written authorization.~~

Sec. 27. **[256B.69] PREPAYMENT DEMONSTRATION PROJECT.**

Subdivision 1. PURPOSE. The commissioner of public welfare shall establish a medical assistance demonstration project to determine whether prepayment combined with better management of health care services is an effective mechanism to ensure that all eligible individuals receive necessary health care in a coordinated fashion while containing costs. For the purposes of this project, waiver of certain statutory provisions is necessary in accordance with this section.

Subd. 2. DEFINITIONS. For the purposes of this section, the following terms have the meanings given.

(a) "Commissioner" means the commissioner of public welfare. For the remainder of this section, the commissioner's responsibilities for methods and policies for implementing the project will be proposed by the project advisory committees and approved by the commissioner.

(b) "Demonstration provider" means an individual, agency, organization, or group of these entities that participates in the demonstration project according

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to criteria, standards, methods, and other requirements established for the project and approved by the commissioner.

(c) "Eligible individuals" means those persons eligible for medical assistance benefits as defined in section 256B.06.

(d) "Limitation of choice" means suspending freedom of choice while allowing eligible individuals to choose among the demonstration providers.

Subd. 3. GEOGRAPHIC AREA. The commissioner shall designate the geographic areas in which eligible individuals may be included in the demonstration project. The geographic areas shall include one urban, one suburban, and at least one rural county. In order to encourage the participation of long-term care providers, the project area may be expanded beyond the designated counties for eligible individuals over age 65.

Subd. 4. LIMITATION OF CHOICE. The commissioner shall develop criteria to determine when limitation of choice may be implemented in the experimental counties. The criteria shall ensure that all eligible individuals in the county have continuing access to the full range of medical assistance services as specified in subdivision 6. Before limitation of choice is implemented, eligible individuals shall be notified and after notification, shall be allowed to choose only among demonstration providers. After initially choosing a provider, the recipient is allowed to change that choice only at specified times as allowed by the commissioner.

Subd. 5. PROSPECTIVE PER CAPITA PAYMENT. The project advisory committees with the commissioner shall establish the method and amount of payments for services. The commissioner shall annually contract with demonstration providers to provide services consistent with these established methods and amounts for payment. Notwithstanding section 62D.02, subdivision 1, payments for services rendered as part of the project may be made to providers that are not licensed health maintenance organizations on a risk-based, prepaid capitation basis.

If allowed by the commissioner, a demonstration provider may contract with an insurer, health care provider, nonprofit health service plan corporation, or the commissioner, to provide insurance or similar protection against the cost of care provided by the demonstration provider or to provide coverage against the risks incurred by demonstration providers under this section. The recipients enrolled with a demonstration provider are a permissible group under group insurance laws and chapter 62C, the Nonprofit Health Service Plan Corporations Act. Under this type of contract, the insurer or corporation may make benefit payments to a demonstration provider for services rendered or to be rendered to a recipient. Any insurer or nonprofit health service plan corporation licensed to do business in this state is authorized to provide this insurance or similar protection.

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Payments to providers participating in the project are exempt from the requirements of sections 256.966 and 256B.03, subdivision 2. The commissioner shall complete development of capitation rates for payments before delivery of services under this section is begun.

Subd. 6. SERVICE DELIVERY. Each demonstration provider shall be responsible for the health care coordination for eligible individuals. Demonstration providers:

(a) Shall authorize and arrange for the provision of all needed health services including but not limited to the full range of services listed in section 256B.02, subdivision 8, in order to ensure appropriate health care is delivered to enrollees;

(b) Shall accept the prospective, per capita payment from the commissioner in return for the provision of comprehensive and coordinated health care services for eligible individuals enrolled in the program;

(c) May contract with other health care and social service practitioners to provide services to enrollees; and

(d) Shall institute recipient grievance procedures according to the method established by the project, utilizing applicable requirements of chapter 62D. Disputes not resolved through this process shall be appealable to the commissioner as provided in subdivision 11.

Subd. 7. ENROLLEE BENEFITS. All eligible individuals enrolled by demonstration providers shall receive all needed health care services as defined in subdivision 6.

All enrolled individuals have the right to appeal if necessary services are not being authorized as defined in subdivision 11.

Subd. 8. PREADMISSION SCREENING WAIVER. Except as applicable to the project's operation, the provisions of section 256B.091 are waived for the purposes of this section for recipients enrolled with demonstration providers.

Subd. 9. REPORTING. Each demonstration provider shall submit information as required by the commissioner, including data required for assessing client satisfaction, quality of care, cost, and utilization of services for purposes of project evaluation. Required information shall be specified before the commissioner contracts with a demonstration provider.

Subd. 10. INFORMATION. Notwithstanding any law or rule to the contrary, the commissioner may allow disclosure of the recipient's identity solely for the purposes of (a) allowing demonstration providers to provide the information to the recipient regarding services, access to services, and other provider characteristics, and (b) facilitating monitoring of recipient satisfaction and quality

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of care. The commissioner shall develop and implement measures to protect recipients from invasions of privacy and from harassment.

Subd. 11. **APPEALS.** A recipient may appeal to the commissioner a demonstration provider's delay or refusal to provide services. The commissioner shall appoint a panel of health practitioners, including social service practitioners, as necessary to determine the necessity of services provided or refused to a recipient. The deliberations and decisions of the panel replace the administrative review process otherwise available under chapter 256B. The panel shall follow the time requirements and other provisions of the Code of Federal Regulations, title 42, sections 431.200 to 431.246. The time requirements shall be expedited based on request by the individual who is appealing for emergency services. If a service is determined to be necessary and is included among the benefits for which a recipient is enrolled, the service must be provided by the demonstration provider as specified in subdivision 5. The panel's decision is a final agency action that may be appealed under the contested case provisions of chapter 14.

Sec. 28. **[256B.70] DEMONSTRATION PROJECT WAIVER.**

Each hospital that participates as a provider in a demonstration project, established by the commissioner of public welfare to deliver medical assistance services on a prepaid, capitation basis, is exempt from the prospective payment system for inpatient hospital service during the period of its participation in that project.

Sec. 29. Minnesota Statutes 1982, section 256D.03, subdivision 3, is amended to read:

Subd. 3. **GENERAL ASSISTANCE MEDICAL CARE; ELIGIBILITY.** State aid shall be paid to local agencies or counties for 90 percent of the cost of general assistance medical care paid by the local agency or county pursuant to section 256D.02, subdivision 4a on behalf of persons eligible according to standards established by the commissioner of public welfare in accordance with the rates established by rule of the commissioner. Persons eligible for benefits under sections 256D.01 to 256D.21 and persons not eligible for federal health care benefits whose nonexempt property, as determined according to medical assistance standards, has an equity value no greater than \$1,000 and whose income is not in excess of the medical assistance standards shall be eligible for general assistance medical care and have free choice in the selection of a vendor of the medical care. Any local agency or county may, from its own resources, make payments for medical care for persons not otherwise eligible for the care pursuant to standards established by the commissioner. Persons with excess income and resources may qualify for benefits under this subdivision by spending down. Treatment of income and resources in calculation of the spenddown shall be the same as in the medical assistance program pursuant to chapter 256B.

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The commissioner of public welfare shall promulgate rules to establish administrative and fiscal procedures for payment of the state share of the medical costs incurred by the counties under section 256D.02, subdivision 4a. The rules may include:

(a) procedures by which state liability for the costs of medical care incurred pursuant to section 256D.02, subdivision 4a may be deducted from county liability to the state under any other public assistance program authorized by law;

(b) procedures for processing claims of counties for reimbursement by the state for expenditures for medical care made by the counties pursuant to section 256D.02, subdivision 4a;

(c) procedures by which the local agencies may contract with the commissioner of public welfare for state administration of general assistance medical care payments;

(d) standards of eligibility, utilization of services and payment levels which shall conform to those of medical assistance pursuant to chapter 256B; and

(e) general criteria and procedures for the identification and prompt investigation of suspected fraud, theft, abuse, presentment of false or duplicate claims, presentment of claims for services not medically necessary, or false statements or representations of material facts by a vendor of general assistance medical care, and for the imposition of sanctions against such vendor of medical care. The rules relating to sanctions shall be consistent with the provisions of section 256B.064, subdivisions 1a to 2.

Sec. 30. Minnesota Statutes 1982, section 256D.03, subdivision 4, is amended to read:

Subd. 4. **GENERAL ASSISTANCE MEDICAL CARE; SERVICES.**

(a) Notwithstanding the provisions of sections 256D.01 to 256D.21 and 261.23, or any other law to the contrary, for the biennium ending June 30, 1983, state aid shall be paid to local agencies or counties for 90 percent of general assistance medical care paid by the local agency or county on behalf of persons eligible for general assistance or persons meeting the income and resource criteria established in the program for aid to families with dependent children. Nothing in this provision shall be construed to modify the spenddown required in appropriate cases for general assistance medical care. Reimbursement for medical care provided under sections 256D.01 to 256D.21 or 261.23 under the general assistance medical care program shall be limited to the following categories of service only: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, eyeglasses and eye examinations provided by a physician or optometrist, physician's services, medical transportation, and dental care. In addition, payments of state aid shall be made for day treatment services provided by a mental health center established

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under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) At the option of In order to contain costs, the county board and shall, with the approval of the commissioner of public welfare, reimbursement for inpatient hospital care, outpatient hospital care, and prescription drugs may be limited to designated select vendors of medical care providers who can provide the most economical care consistent with high medical standards and may contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall encourage county boards to submit proposals for demonstration projects designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8, except that where counties enter into prepaid capitation agreements, payments shall be as provided in section 256.966, subdivision 2.

(c) The commissioner of public welfare may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions. For the period July 1, 1983 to June 30, 1984, reductions below the cost per service unit allowable under section 256.966, shall be are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this provision subdivision may be reduced no more than 25 percent. For the period July 1, 1984 to June 30, 1985, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent. There shall be no copayment required of any recipient of benefits for any services provided under this subdivision.

(d) If the commissioner or county refuses to pay all or part of the charge for a health service, they shall not be liable for the unpaid portion of the charge. Any county may, from its own resources, provide medical payments for which state payments are not made.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 31. Minnesota Statutes 1982, section 256D.03, is amended by adding a subdivision to read:

Subd. 5. CERTAIN LOCAL AGENCIES TO PAY STATE FOR COUNTY SHARE. The local agencies that contract with the commissioner of public welfare for state administration of general assistance medical care payments shall make payment to the state for the county share of those payments in the manner described for medical assistance advances in section 256B.041, subdivision 5.

Sec. 32. Minnesota Statutes 1982, section 256D.03, is amended by adding a subdivision to read:

Subd. 6. DIVISION OF COSTS. The state shall pay 90 percent of the cost of general assistance medical care paid by the local agency or county pursuant to this section. However, for counties who contract with health maintenance organizations or other providers to deliver services under a prepaid capitation agreement, the state shall pay 95 percent of the cost per person enrolled.

Sec. 33. Minnesota Statutes 1982, section 256D.03, is amended by adding a subdivision to read:

Subd. 7. DUTIES OF THE COMMISSIONER. The commissioner shall promulgate temporary and permanent rules as necessary to establish:

(a) standards of eligibility, utilization of services, and payment levels;

(b) standards for quality assurance, surveillance, and utilization review procedures that conform to those established for the medical assistance program pursuant to chapter 256B, including general criteria and procedures for the identification and prompt investigation of suspected fraud, theft, abuse, presentment of false or duplicate claims, presentment of claims for services not medically necessary, or false statements or representations of material facts by a vendor of general assistance medical care, and for the imposition of sanctions against such vendor of medical care. The rules relating to sanctions shall be consistent with the provisions of section 256B.064, subdivisions 1a and 2; and

(c) administrative and fiscal procedures for payment of the state share of the medical costs incurred by the counties under section 256D.02, subdivision 4a. Rules promulgated pursuant to this clause may include: (1) procedures by which state liability for the costs of medical care incurred pursuant to section 256D.02, subdivision 4a may be deducted from county liability to the state under any other public assistance program authorized by law; (2) procedures for processing claims of counties for reimbursement by the state for expenditures for medical care made by the counties pursuant to section 256D.02, subdivision 4a; and (3) procedures by which the local agencies may contract with the commissioner of

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public welfare for state administration of general assistance medical care payments.

Sec. 34. Minnesota Statutes 1982, section 260.191, subdivision 2, is amended to read:

Subd. 2. **ORDER DURATION.** All orders under this section shall be for a specified length of time set by the court not to exceed one year. However, before the order has expired and upon its own motion or that of any interested party, the court ~~has continuing jurisdiction to renew the order or shall, after notice to the parties and a hearing, renew the order for another year or make some other disposition of the case, until the individual is no longer a minor.~~ Any person to whom legal custody is transferred shall report to the court in writing at such periods as the court may direct.

Sec. 35. Minnesota Statutes 1982, section 260.242, subdivision 2, is amended to read:

Subd. 2. **GUARDIAN'S RESPONSIBILITIES.** (a) A guardian appointed under the provisions of subdivision 1 has legal custody of his ward unless the court which appoints him gives legal custody to some other person. If the court awards custody to a person other than the guardian, the guardian nonetheless has the right and responsibility of reasonable visitation, except as limited by court order.

(b) The guardian may make major decisions affecting the person of his ward, including but not limited to giving consent (when consent is legally required) to the marriage, enlistment in the armed forces, medical, surgical, or psychiatric treatment, or adoption of the ward. When, pursuant to subdivision 1, clause (a), the commissioner of public welfare is appointed guardian, he may delegate to the welfare board of the county in which, after the appointment, the ward resides, the authority to act for him in decisions affecting the person of his ward, including but not limited to giving consent to the marriage, enlistment in the armed forces, medical, surgical, or psychiatric treatment of the ward.

(c) A guardianship created under the provisions of subdivision 1 shall not of itself include the guardianship of the estate of the ward.

(d) If the ward is in foster care, the court shall, upon its own motion or that of the guardian, conduct a dispositional hearing within 18 months of the foster care placement and once every two years thereafter to determine the future status of the ward including, but not limited to, whether the child should be continued in foster care for a specified period, should be placed for adoption, or should, because of the child's special needs or circumstances, be continued in foster care on a permanent or long-term basis. When the court has determined

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that the special needs of the ward are met through a permanent or long-term foster care placement, no subsequent dispositional hearings are required.

Sec. 36. Minnesota Statutes 1982, section 261.23, is amended to read:

261.23 COSTS OF HOSPITALIZATION.

The costs of hospitalization of such indigent persons exclusive of medical and surgical care and treatment shall not exceed in amount the full rates fixed and charged by the Minnesota general hospital under the provisions of sections 158.01 to 158.11 for the hospitalization of such indigent patients. For indigent persons hospitalized pursuant to sections 261.21 to 261.232, the state shall pay ninety percent of the cost of the hospitalization of indigent persons under the provisions of sections 261.21 to 261.232 shall be paid by the state and ten percent allowable under the general assistance medical care program and ten percent of the allowable cost of hospitalization shall be paid by the county of the residence of such the indigent persons at such the times as may be provided for in such the contract; and in case of an injury or emergency requiring immediate surgical or medical treatment, for a period not to exceed 72 hours, 90 percent of the cost allowable under the general assistance medical care program shall be paid by the state and ten percent of the cost shall be paid by the county from which such the patient, if indigent, is certified. State payments for services rendered pursuant to this section shall be rateably reduced to the same extent and during the same time period as payments are reduced under section 256D.03, subdivision 4, paragraph (c). If the county of residence of the patient is not the county in which the patient has legal settlement for the purposes of poor relief, then the county of residence may seek reimbursement from the county in which the patient has settlement for the purposes of poor relief for all costs it has necessarily incurred and paid in connection with the hospitalization of said patient.

Sec. 37. LEGISLATIVE AUDIT COMMISSION STUDY.

The legislative audit commission shall consider an evaluation of the feasibility, costs, benefits, and related issues associated with the state assuming the powers, duties and responsibilities of the fiscal intermediary for the medicare program under United States Code, title 42, sections 1395 to 1395xx. The commission shall make any recommendations it deems appropriate to the legislature and the governor no later than January 15, 1984.

Sec. 38. [256B.503] RULES.

The commissioner of public welfare may promulgate temporary and permanent rules as necessary to implement sections 5, 6, 8, 29, 30, 32, 33, and 36. The commissioner shall promulgate temporary and permanent rules to establish standards and criteria for deciding which medical assistance services require prior authorization and for deciding whether a second medical opinion is required for an elective surgery. The commissioner shall promulgate permanent and tempo-

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rary rules as necessary to establish the methods and standards for determining inappropriate utilization of medical assistance services.

The commissioner of public welfare shall adopt temporary rules which meet the requirements of sections 14.29 to 14.36 for the medical assistance demonstration project. Notwithstanding the provisions of section 14.35, the temporary rules promulgated to implement section 27 shall be effective for 360 days and may be continued in effect for an additional 900 days if the commissioner gives notice by publishing a notice in the state register and mailing notice to all persons registered with the commissioner to receive notice of rulemaking proceedings in connection with the project. The temporary rules shall not be effective beyond December 31, 1986, without meeting the requirements of sections 14.13 to 14.20.

Sec. 39. APPLICATION; MAXIMUM RATE INCREASE.

The prospective payment system for inpatient hospital service shall be applied, beginning July 1, 1983, to hospitals with a fiscal year beginning on that date. Each remaining hospital shall continue to be paid on a cost per case basis, limited to a maximum increase of five percent per state fiscal year, until the first date of its first full fiscal year that begins after July 1, 1983; on and after that date it shall be paid through the prospective payment system.

Sec. 40. REPEALER.

Sections 27 and 28 are repealed effective July 1, 1985, if the project implementation phase has not begun by that date.

Sec. 41. EFFECTIVE DATE.

Sections 1 to 5, 8 to 12, 16, 17, 19 to 28, 34, 35, 37, and 38 are effective the day following final enactment. Sections 29, 32, 33, and 36 are effective October 1, 1983. Sections 13, 14, and 31 are effective July 1, 1984.

**ARTICLE 6
JOB TRAINING**

Section 1. [268.60] PURPOSE.

It is the purpose of sections 1 to 5 to provide financial assistance for comprehensive job training and related services for economically disadvantaged, unemployed, and underemployed individuals through opportunities industrialization centers.

Sec. 2. [268.61] DEFINITIONS.

Subdivision 1. SCOPE. When used in sections 1 to 5 the terms in this section have the meanings given them.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of economic security.

Subd. 3. COUNCIL. "Council" means the Minnesota state council of the opportunities industrialization centers of America.

Subd. 4. ECONOMICALLY DISADVANTAGED. "Economically disadvantaged" means an individual who meets the criteria for an economically disadvantaged person established by rule by the commissioner.

Subd. 5. UNDEREMPLOYED. "Underemployed" means an individual:

(a) Working part-time but seeking full-time work; or

(b) Working full-time but receiving wages below the greater of:

(1) the poverty level determined in accordance with criteria established by the department of economic security; or

(2) 70 percent of the lower living standard income level as determined by the United States bureau of labor statistics.

Subd. 6. UNEMPLOYED. "Unemployed" means an individual who is without a job, and who wants and is available for work.

Sec. 3. [268.62] DISTRIBUTION AND USE OF STATE MONEY.

The commissioner shall distribute the money appropriated for:

(a) comprehensive job training and related services or job opportunities programs for economically disadvantaged, unemployed, and underemployed individuals, including persons of limited English speaking ability, through opportunities industrialization centers; and

(b) the establishment and operation in Minnesota of these centers.

Comprehensive job training and related services include: recruitment, counseling, remediation, motivational pre-job training, vocational training, job development, job placement, and other appropriate services enabling individuals to secure and retain employment at their maximum capacity.

Sec. 4. [268.63] CRITERIA FOR DISTRIBUTION OF MONEY.

The commissioner, with the advice of the council, shall establish criteria for the distribution of state money for the purpose of section 3. The criteria shall include requirements that:

(a) the program receiving state assistance:

(1) involve residents in the area to be served by the program in the planning and operation of the program; and

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(2) involve the business community in the area to be served by the program in its development and operation;

(b) the distribution of assistance among areas within the state be equitable, with priority being given to areas with high unemployment or underemployment;

(c) financial assistance under sections 1 to 5 to any program may not exceed 25 percent of the cost of the program including costs of administration; and

(d) a program receiving financial assistance has adequate internal administrative controls, accounting procedures, personnel standards, evaluation procedures, availability of in-service training and technical assistance programs, and other policies necessary to promote the effective use of state money.

The commissioner may make a distribution in excess of the limit prescribed in clause (c) if the commissioner determines that the excess distribution is necessary to further the objectives of sections 1 and 3.

Sec. 5. **[268.64] MONEY DISTRIBUTION.**

The commissioner may make a distribution of money directly to a program, or make a distribution subject to conditions that ensure use consistent with the distribution and utilization of money under federal legislation regarding job training and related services.

ARTICLE 7 EMERGENCY JOBS PROGRAM

Section 1. **[268.671] CITATION.**

Sections 1 to 16 may be cited as the "Minnesota Emergency Employment Development (MEED) Act."

Sec. 2. **[268.672] DEFINITIONS.**

Subdivision 1. TERMS. For the purposes of sections 1 to 16, the following terms have the meanings given them.

Subd. 2. COORDINATOR. "Coordinator" means the Minnesota emergency employment development coordinator appointed under section 4.

Subd. 3. ELIGIBLE BUSINESS. "Eligible business" means a for-profit business.

Subd. 4. ELIGIBLE EMPLOYER. "Eligible employer" means an eligible government agency, an eligible nonprofit agency, or an eligible business.

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Subd. 5. ELIGIBLE GOVERNMENT AGENCY. "Eligible government agency" means a county, municipality, school district, or other local governmental subdivision, a state agency, or a federal agency office in Minnesota.

Subd. 6. ELIGIBLE JOB APPLICANT. "Eligible job applicant" means a person who: (1) has been a resident of this state for at least one month, (2) is unemployed, (3) is not receiving and is not qualified to receive unemployment compensation or workers' compensation, and (4) is determined by the employment administrator to be likely to be available for employment by an eligible employer for the duration of the job.

Subd. 7. ELIGIBLE NONPROFIT AGENCY. "Eligible nonprofit agency" means an organization exempt from taxation under the Internal Revenue Code of 1954, section 501(c)(3), as amended through December 31, 1982.

Subd. 8. EMPLOYMENT ADMINISTRATOR. "Employment administrator" means the administrative entity designated by the coordinator to administer the provisions of this act in each service delivery area. The coordinator may designate an administrative entity authorized under the Job Training Partnership Act or its predecessor administrative entity authorized under United States Code, title 29, section 801, et seq., or a job training or placement agency with proven effectiveness.

Subd. 9. HOUSEHOLD. "Household" means a group of persons living at the same residence consisting of, at a maximum, spouses and the minor children of each.

Subd. 10. JOB TRAINING PARTNERSHIP ACT. "Job Training Partnership Act" means the federal Job Training Partnership Act of 1982 (JTPA), Statutes at Large, volume 92, page 1322.

Subd. 11. PROGRAM. "Program" means the Minnesota emergency employment development program created by sections 1 to 16 consisting of temporary work relief projects in the government and nonprofit agencies and new job creation in the private sector.

Subd. 12. SERVICE DELIVERY AREA. "Service delivery area" means an area designated as a service delivery area by the coordinator.

Sec. 3. [268.673] MINNESOTA EMERGENCY EMPLOYMENT DEVELOPMENT COORDINATOR.

Subdivision 1. APPOINTMENT. The governor shall appoint a Minnesota emergency employment development coordinator to administer the provisions of sections 1 to 16. The coordinator shall be within the department of economic security, but shall be responsible directly to the governor. The coordinator shall have the powers necessary to carry out the purposes of the program.

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Subd. 2. RESPONSIBILITIES. The coordinator shall:

(a) Obtain an inventory of community needs from each local governmental subdivision and compile a statewide inventory of needs within 30 days after his appointment;

(b) Enter into a contract with one or more employment administrators in each service delivery area;

(c) Review the emergency employment development plan submitted by the employment administrator of each service delivery area and approve satisfactory plans. If an employment administrator submits an unsatisfactory plan, the coordinator shall assist the employment administrator in developing a satisfactory one;

(d) Coordinate the program with other state agencies;

(e) Coordinate administration of the program with the general assistance program;

(f) Set policy regarding disbursement of program funds; and

(g) Perform general program marketing and monitoring functions.

Subd. 3. DEPARTMENT OF ECONOMIC SECURITY. The coordinator shall administer the program within the department of economic security. The commissioner of economic security shall provide administrative support services to the coordinator for the purposes of the program.

Subd. 4. ENFORCEMENT. (a) The coordinator shall ensure that all eligible employers and employment administrators comply with sections 1 to 16 and all other applicable state and federal laws, including those relating to: (1) affirmative action; (2) occupational health and safety standards; (3) environmental standards; and (4) fair labor practices.

(b) The coordinator may:

(1) make public or private investigations within or without this state necessary to determine whether any person has violated or is about to violate sections 1 to 16, a contract entered into under them, or any rule or order adopted under them, or to aid in the enforcement of sections 1 to 16 or in rules and forms adopted under them;

(2) require or permit any person to file a written statement under oath or otherwise, as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) publish information contained in any order issued by the coordinator;

(4) hold hearings, upon reasonable notice, on any matter arising out of the administration of sections 1 to 16; and

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(5) conduct investigations and hold hearings for the purpose of compiling information with a view to recommending changes in sections 1 to 16 to the legislature.

(c) The attorney general shall assign from his staff one or more assistant attorneys general to the coordinator and shall conduct all proceedings involving the violation of sections 1 to 16 and all other enforcement proceedings.

(d) Whenever it appears to the coordinator that any person has violated a provision of sections 1 to 16, a contract entered into under them, or a rule or order adopted under them:

(1) He may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order must be calculated to give reasonable notice of the right of the person to request a hearing on it and must state the reasons for the entry of the order. A hearing must be held not later than seven days after a request for the hearing is received by the coordinator, after which and within 20 days of the date of the hearing the coordinator shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order becomes final and remains in effect until it is modified or vacated by the coordinator. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against him upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) He may bring an action in the district court of the appropriate county to enjoin the violation and to enforce compliance with the provisions of sections 1 to 16, a contract entered into under them, or any rule or order adopted under them, and he may refer the matter to the attorney general. Upon a proper showing, a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted. The court may not require the coordinator to post a bond.

Any injunction proceeding under the provisions of sections 1 to 16 may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case has precedence over other cases upon the court calendar and may not be continued without the consent of the state, except upon good cause shown to the court, and then only for a reasonable length of time necessary in the opinion of the court to protect the rights of the defendant.

Subd. 5. REPORT TO GOVERNOR AND LEGISLATURE. The coordinator shall report to the legislative advisory commission and the governor on a quarterly basis: (1) the number of persons employed; (2) the number and type of employers under the program; (3) the amount of money spent in each service

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delivery area for wages for each type of employment and each type of other expense; (4) the number of persons who have completed participation in the program and their current employment, educational, or training status; and (5) any other information requested by the commission or the governor or deemed pertinent by the coordinator.

Subd. 6. **RULES.** The commissioner of economic security may adopt rules necessary to implement this article. These rules are not subject to chapter 14, the Administrative Procedure Act.

Sec. 4. [268.674] MINNESOTA EMERGENCY EMPLOYMENT DEVELOPMENT TASK FORCE.

Subdivision 1. **CREATION.** There is created a Minnesota emergency employment development task force to advise the coordinator in the administration of sections 1 to 16.

Subd. 2. **MEMBERSHIP.** The task force shall consist of nine members as follows: the coordinator, the commissioner of economic security, the commissioner of energy and economic development, the commissioner of labor and industry, the commissioner of public welfare, a representative of labor, a representative of business, a representative of nonprofit employers, and an employment administrator. The coordinator shall be the chairman and shall appoint the noncommissioner members.

Subd. 3. **TERMS; COMPENSATION; REMOVAL.** The terms, compensation, and removal of the noncommissioner members are governed by section 15.059.

Subd. 4. **MEETINGS.** The task force shall meet at the call of the coordinator.

Sec. 5. [268.675] ALLOCATION OF FUNDS AMONG SERVICE DELIVERY AREAS.

(a) Ninety percent of the funds available for allocation to employment administrators for the program must be allocated among service delivery areas as follows: each service delivery area shall be eligible to receive that proportion of the funds available which equals the number of unemployed persons in the service delivery area divided by the total number of unemployed persons in the state for the 12-month period ending the most recent March 31.

(b) Ten percent of the funds available for allocation to employment administrators under the program must be allocated at the discretion of the coordinator to employment administrators:

(1) who will maximize the use of the funds through coordination with other programs and state, local, and federal agencies, through the use of matching funds or through the involvement of low-income constituent groups;

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(2) who have demonstrated need beyond the allocation available under clause (1); or

(3) who have demonstrated outstanding performance in job creation.

Sec. 6. [268.676] ALLOCATION WITHIN SERVICE DELIVERY AREAS; PRIORITIES.

Subdivision 1. AMONG JOB APPLICANTS. Allocation of funds among eligible job applicants within a service delivery area shall be determined by the employment administrator in each service delivery area. The employment administrator shall give priority to:

(1) applicants living in households with no other income source; and

(2) applicants who would otherwise be eligible to receive general assistance under Minnesota Statutes 1980, section 256D.05.

Subd. 2. AMONG EMPLOYERS. Allocation of funds among eligible employers within a service area shall be determined by the employment administrator within each service delivery area according to the priorities in sections 10 and 11. The employment administrator shall give priority to funding private sector jobs to the extent that eligible businesses apply for funds. If possible, no more than 60 percent of the funds may be allocated for jobs with eligible government and nonprofit agencies during the biennium.

Subd. 3. AMONG EMPLOYMENT ADMINISTRATORS. If the coordinator designates more than one employment administrator in a service delivery, the coordinator shall determine the allocation of funds to be distributed by each employment administrator in the service delivery area.

Sec. 7. [268.677] USE OF FUNDS.

Funds appropriated for the purposes of sections 1 to 16 may be used as follows:

(a) To provide a state contribution for wages and fringe benefits for eligible job applicants for a maximum of 1,040 hours over a maximum period of 26 weeks per job applicant. For eligible job applicants participating in a job training program, the state contribution for wages may be used for a maximum period of 52 weeks per job applicant. The state contribution for wages shall be up to \$4 per hour for each eligible job applicant employed. The state contribution for fringe benefits may be up to \$1 per hour for each eligible job applicant employed. However, the employer may use funds from other sources to provide increased wages to the applicants it employs. At least 75 percent of the funds appropriated for the program must be used to pay wages for eligible job applicants;

(b) To reimburse the commissioner of economic security in an amount not to exceed one percent of the funds appropriated for the actual cost of administer-

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ing sections 1 to 16, and to reimburse the employment administrators in an amount not to exceed 4-1/2 percent of the funds appropriated for their actual cost of administering sections 1 to 16. The commissioner of economic security and the employment administrators shall reallocate funds from other sources to cover the administrative costs of this program whenever possible;

(c) To provide child care services or subsidies to applicants employed under sections 1 to 16;

(d) To provide workers' compensation coverage to applicants employed by government or nonprofit agencies under sections 1 to 16;

(e) To provide job search assistance, labor market orientation, job seeking skills, and referral for other services;

(f) To purchase supplies and materials for projects creating permanent improvements to public property in an amount not to exceed one percent of the funds appropriated.

The employment administrator of each service delivery area shall submit to the coordinator a spending plan establishing that funds allocated to the service delivery area will be used by October 1, 1984, in the manner required by sections 1 to 16. Any funds allocated to the service delivery area for which there is no spending plan approved by the coordinator shall cancel back to the Minnesota emergency employment development account and may be reallocated by the coordinator to other employment administrators.

Sec. 8. [268.678] EMPLOYMENT ADMINISTRATORS; POWERS AND DUTIES.

Subdivision 1. IN GENERAL. The employment administrator for each service delivery area has the powers and duties given in this section and any additional duties given by the coordinator.

Subd. 2. EMPLOYMENT PLAN. Each employment administrator shall develop an emergency employment development plan for his service delivery area under guidelines developed by the coordinator and submit it to the coordinator within the period allowed by the coordinator. To the extent feasible, the employment administrator shall seek input from potential eligible employers and the public.

Subd. 3. OUTREACH. Each employment administrator shall publicize the program within his service delivery area to seek maximum participation by eligible job applicants and employers.

Subd. 4. CONTRACTS. Each employment administrator shall enter into contracts with eligible employers setting forth the terms of their participation in the program as required by sections 1 to 16.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 5. SCREENING AND COORDINATION. Each employment administrator shall screen job applicants and employers to achieve the best possible placement of eligible job applicants with eligible employers.

Subd. 6. ELIGIBLE JOB APPLICANT PRIORITY LISTS. Each employment administrator shall maintain a list of eligible job applicants unable to secure employment under the program at the time of application. The list shall prioritize eligible job applicants and shall be used to fill jobs with eligible employers as they become available.

Subd. 7. COORDINATION OF EDUCATION AND TRAINING PROGRAMS. Each employment administrator shall cooperate with local educational and training institutions to coordinate and publicize the availability of their resources to assure that applicants may receive training needed before or while employed in jobs which are available under the program.

Subd. 8. MATERIALS. Each employment administrator may disburse funds not to exceed one percent of the amount allocated to his service delivery area for the purchase of supplies and materials for projects creating permanent improvements to public property.

Sec. 9. [268.679] DUTIES OF OTHER AGENCIES.

Subdivision 1. ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY. The energy and economic development authority shall publicize the Minnesota emergency employment development program and shall provide staff assistance as requested by employment administrators in the screening of businesses and the collection of data to the extent feasible under its existing budget and staff complement.

Subd. 2. EDUCATION AGENCIES. The state board for vocational education shall review its policies for post-secondary vocational education to ensure that the programs serve the training needs of economically disadvantaged persons. Education programs shall attempt to provide training that will help individuals to obtain and retain employment. The training may include customized short-term training, basic skills training, programs to develop work habits, and other services designed for eligible job applicants and persons employed under sections 1 to 16. Examples of education programs include, but are not limited to adult vocational programs, adult basic or continuing education, area vocational-technical institutes, colleges, secondary education programs, and private and proprietary schools.

Subd. 3. DEPARTMENT OF PUBLIC WELFARE. The commissioner of public welfare shall provide to each employment administrator lists of currently licensed local day care facilities, updated quarterly, to be available to all persons employed under sections 1 to 16.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 10. [268.68] ELIGIBLE GOVERNMENT AND NONPROFIT AGENCY EMPLOYMENT.

A government or nonprofit agency is an eligible employer with respect to temporary work relief projects that are determined by the employment administrator to have long-term benefit to or are needed by the community including, but not limited to, jobs in permanent public improvement projects, residential or public building weatherization projects, reforestation projects, mineland reclamation projects, planting or tree trimming projects, soil conservation projects, natural resource development projects, and community social service programs such as child care and home health care.

Sec. 11. [268.681] BUSINESS EMPLOYMENT.

Subdivision 1. ELIGIBLE BUSINESSES. A business employer is an eligible employer if it enters into a written contract, signed and subscribed to under oath, with the employment administrator in its service delivery area, containing assurances that:

(a) funds received by a business shall be used only as permitted under sections 1 to 16;

(b) the business has submitted a plan to the employment administrator (1) describing the duties and proposed compensation of each employee proposed to be hired under the program; and (2) demonstrating that, with the funds provided under sections 1 to 16, the business is likely to succeed and continue to employ persons hired under the program;

(c) the business will use funds exclusively for compensation and fringe benefits of eligible job applicants and will provide employees hired with these funds with fringe benefits and other terms and conditions of employment comparable to those provided to other employees of the business who do comparable work;

(d) the funds are necessary to allow the business to begin, or to employ additional people, but not to fill positions which would be filled even in the absence of funds from this program;

(e) the business will cooperate with the coordinator and the employment administrator in collecting data to assess the result of the program; and

(f) the business is in compliance with all applicable affirmative action, fair labor, health, safety, and environmental standards.

Subd. 2. PRIORITIES. In allocating funds among eligible businesses, the employment administrator shall give priority to businesses which best satisfy the following criteria:

(a) have a high potential for growth and long-term job creation;

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- (b) are labor intensive;
- (c) meet the definition of a small business as defined in section 645.445;
- (d) make high use of local and Minnesota resources;
- (e) are under ownership of women and minorities;
- (f) make high use of new technology;
- (g) produce energy conserving materials or services or are involved in development of renewable sources of energy; and
- (h) have their primary place of business in Minnesota.

Subd. 3. PAYBACK. A business receiving funds under this program shall repay 70 percent of the amount initially received for each eligible job applicant employed, if the employee does not continue in the employment of the business beyond the six-month subsidized period. If the employee continues in the employment of the business for one year or longer after the six-month subsidized period, the business need not repay any of the funds received for that employee's wages. If the employee continues in the employment of the business for a period of less than one year after the expiration of the six-month subsidized period, the business shall receive a proportional reduction in the amount it must repay. If an employer dismisses an employee for good cause and works in good faith with the program administrator to employ and train another person referred by the employment administrator, the payback formula shall apply as if the original person had continued in employment.

A repayment schedule shall be negotiated and agreed to by the employment administrator and the business prior to the disbursement of the funds and is subject to renegotiation. The employment administrator shall forward payments received under this subdivision to the coordinator on a monthly basis. The coordinator shall deposit these payments in the Minnesota emergency employment development account created by subdivision 4.

Subd. 4. MINNESOTA EMERGENCY EMPLOYMENT DEVELOPMENT ACCOUNT. The Minnesota emergency employment development account is created in the state treasury. All payments from businesses pursuant to subdivision 3 shall be deposited in this account, and all funds in the account are appropriated to the commissioner of economic security for the purpose of making disbursements pursuant to section 5.

Sec. 12. [268.682] WORKER DISPLACEMENT PROHIBITED.

Subdivision 1. LAYOFFS; WORK REDUCTIONS. An eligible employer may not terminate, lay off, or reduce the working hours of an employee for the purpose of hiring an individual with funds available under sections 1 to 16.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. HIRING DURING LAYOFFS. An eligible employer may not hire an individual with funds available under sections 1 to 16 if any other person is on layoff from the same or a substantially equivalent job.

Subd. 3. EMPLOYER CERTIFICATION. In order to qualify as an eligible employer, a government or nonprofit agency or business must certify to the employment administrator that each job created and funded under sections 1 to 16:

(a) will result in an increase in employment opportunities over those which would otherwise be available;

(b) will not result in the displacement of currently employed workers, including partial displacement such as reduction in hours of nonovertime work, wages, or employment benefits; and

(c) will not impair existing contracts for service or result in the substitution of program funds for other funds in connection with work that would otherwise be performed;

Sec. 13. [268.683] WORK INCENTIVE DEMONSTRATION PROJECT.

Subdivision 1. AVAILABILITY OF PROGRAM. In order to maximize the opportunity for recipients of aid to families with dependent children to take full advantage of the jobs created by sections 1 to 16, the commissioner of public welfare shall inform each applicant or recipient of the availability of this program.

Subd. 2. CHANGES IN STATE PLAN AND RULES; WAIVERS. The commissioner shall make changes in the state plan and rules, or seek any waivers or demonstration authority necessary to minimize the barriers to participation in the programs or to employment. Changes shall be sought in the following areas, including but not limited to: allowances, child care, work expenses, the amount and duration of earning incentives, medical care coverage, limitations on the hours of employment, and the diversion of payments to wage subsidies. The commissioner shall implement each change as soon as possible.

Subd. 3. REFERRALS. Persons required to register for the work incentive program under section 256.736 or to register with job services shall be referred to the program for the required orientation, appraisal, and job search activities.

Subd. 4. MEDICAL ASSISTANCE. Participants shall receive medical assistance and other benefits provided under the aid to families with dependent children program according to the applicable standards and any authority granted by the department of health and human services.

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Subd. 5. RULES. The commissioner of public welfare may adopt rules, including temporary rules, for the implementation of this section.

Sec. 14. [268.684] WORK INCENTIVE FUNDS.

Funds made available to the commissioner of economic security for purposes of administration of the jobs program may be used in part, at the discretion of the commissioner, to ensure that persons eligible for or receiving income maintenance grants have access to work and training programs.

Sec. 15. [268.685] TERMINATION; NOTIFICATION.

The commissioner of economic security shall immediately terminate the Minnesota emergency employment development program if and when none of the money appropriated under article 1, section 3 remains. The commissioner of economic security shall immediately notify the commissioner of public welfare of the program's termination. The commissioner of public welfare shall immediately notify each local agency referring recipients under article 8, section 11 of the program's termination and require the local agency to cease transferring recipients.

On the date the program is terminated, any balance remaining in the Minnesota emergency employment development account established under section 11, subdivision 4 shall cancel to the general fund. Any payments received under section 11, subdivisions 3 and 4 on or after that date shall be deposited in the general fund.

Sec. 16. [268.686] SUNSET.

Sections 1 to 18 are repealed June 30, 1985.

Sec. 17. Minnesota Statutes 1982, section 15.61, is amended to read:

15.61 UNEMPLOYED AND UNDEREMPLOYED; EMPLOYMENT BY STATE AND OTHER GOVERNMENTAL UNITS.

Subdivision 1. The state of Minnesota, its departments, agencies and instrumentalities, and any county, city, town, school district or other body corporate and politic, may employ unemployed and underemployed persons as defined in the federal Emergency Employment Act of 1971, as amended, and Comprehensive Employment and Training Act of 1973, as amended, and eligible job applicants under sections 1 to 16 pursuant to the terms of those acts.

Subd. 2. The provisions of Minnesota Statutes 1969, Sections 197.455 to 197.48 and 43A.11 and any other law or ordinance relating to preference in employment and promotion of persons having served in the armed services, the provisions of any law, rule or regulation, the provisions of any city charter or any ordinance or resolution, or the provisions of any other law or statute in conflict with the provisions of the federal Emergency Employment Act of 1971, as amended, and Comprehensive Employment and Training Act of 1973, as amend-

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ed, and eligible job applicants under sections 1 to 16 shall not be applicable to the employment of the persons specified in subdivision 1.

Sec. 18. SEVERABILITY.

If the durational residency requirement authorized by section 2, subdivision 6 is found to be unconstitutional and void, the remaining provisions of the law shall remain valid.

Sec. 19. EFFECTIVE DATE.

Sections 1 to 18 are effective the day after final enactment.

ARTICLE 8

GENERAL ASSISTANCE: GRANTS AND ALLOWANCES

Section 1. Minnesota Statutes 1982, section 13.46, subdivision 2, is amended to read:

Subd. 2. **GENERAL.** Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (a) Pursuant to section 13.05;
- (b) Pursuant to a valid court order;
- (c) Pursuant to a statute specifically authorizing access to the private data;
- (d) To an agent of the welfare system, including appropriate law enforcement personnel, who are acting in the investigation, prosecution, criminal or civil proceeding relating to the administration of a program;
- (e) To personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (f) To administer federal funds or programs; ~~or~~
- (g) Between personnel of the welfare system working in the same program;

or

(h) To the Minnesota department of economic security for the purpose of monitoring the eligibility of the data subject for unemployment compensation or for any employment or training program administered by that agency, whether alone or in conjunction with the welfare system.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 2. Minnesota Statutes 1982, section 268.12, subdivision 12, is amended to read:

Subd. 12. **INFORMATION.** Except as hereinafter otherwise provided, data gathered from any employing unit, employer or individual pursuant to the administration of sections 268.03 to 268.24, and from any determination as to the benefit rights of any individual shall be private data on individuals or nonpublic data not on individuals as defined in section 13.02, subdivisions 9 and 12 and shall not be disclosed except pursuant to this subdivision or pursuant to a valid court order. This private data may be disseminated to and used by the following agencies without the consent of the subject of the data:

(a) State and federal agencies specifically authorized access to the data by state or federal law;

(b) Any agency of this or any other state; or any federal agency charged with the administration of an employment security law or the maintenance of a system of public employment offices;

(c) Local human rights groups within the state which have enforcement powers;

(d) The Minnesota department of revenue on an interchangeable basis with the department of economic security subject to the following restrictions and notwithstanding any law to the contrary:

(1) The department of revenue may have access to department of economic security data on individuals and employing units only to the extent necessary for proper enforcement of tax laws; and

(2) The department of economic security may have access to department of revenue data pertaining only to individuals who have claimed benefits under sections 268.03 to 268.24 and only if the individuals are the subject of investigations based on other information available to the department of economic security. The data provided by the department of revenue shall be limited to the amount of gross income earned by an individual, the total amount of earnings from each employer and the employers' names. Upon receipt of the data, the department of economic security may not disseminate the data to any individual or agency except in connection with a prosecution for violation of the provisions of sections 268.03 to 268.24. This clause shall not be construed to be a restriction on the exchange of information pertaining to corporations or other employing units to the extent necessary for the proper enforcement of this chapter;

(e) Public and private agencies responsible for administering publicly financed assistance programs for the purpose of monitoring the eligibility of the program's recipients;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(f) The department of labor and industry for the purpose of determining the eligibility of the data subject;

(g) Local and state welfare agencies for monitoring the eligibility of the data subject for assistance programs, or for any employment or training program administered by those agencies, whether alone, in combination with another welfare agency, or in conjunction with the department of economic security; and

(h) Local, state and federal law enforcement agencies for the sole purpose of ascertaining the last known address and employment location of the data subject, provided the data subject is the subject of a criminal investigation.

Data on individuals, employers, and employing units which are collected, maintained, or used by the department in an investigation pursuant to section 268.18, subdivision 3 are confidential as to data on individuals and protected nonpublic data as defined in section 13.02, subdivisions 3 and 13 as to nonindividual employers and employing units, and shall not be disclosed except pursuant to statute or valid court order or to a party named in a criminal proceeding, administrative or judicial, for preparation of a defense.

Data on individuals, employers, and employing units which are collected, maintained, or used by the department in the adjudication of a separation or eligibility issue pursuant to the administration of section 268.10, subdivision 2 are confidential as to data on individuals and protected nonpublic data as to nonindividual employers and employing units as defined in section 13.02, subdivisions 3 and 13 and shall not be disclosed except pursuant to the administration of section 268.10, subdivisions 3 to 8 or pursuant to a valid court order.

Aggregate data about employers compiled from individual job orders placed with the department of economic security are nonpublic data as defined in section 13.02, subdivision 9 if the commissioner determines that divulging the data would result in disclosure of the identity of the employer. The general aptitude test battery and the nonverbal aptitude test battery as administered by the department are also classified as nonpublic data.

Data on individuals collected, maintained or created because an individual applies for benefits or services provided by the energy assistance and weatherization programs administered by the department of economic security is private data on individuals and shall not be disseminated except pursuant to section 13.05, subdivisions 3 and 4.

Data gathered by the department pursuant to the administration of sections 268.03 to 268.24 shall not be made the subject or the basis for any suit in any civil proceedings, administrative or judicial, unless the action is initiated by the department.

Sec. 3. Minnesota Statutes 1982, section 256D.01, subdivision 1, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. **POLICY; STANDARDS OF ASSISTANCE.** The objectives of sections 256D.01 to 256D.21 are to provide a sound administrative structure for public assistance programs; to maximize the use of federal funds money for public assistance purposes; and to provide an integrated public assistance program for those all persons in the state meeting the eligibility criteria contained in this chapter without adequate income or resources to maintain a subsistence reasonably compatible with decency and health.

It is hereby declared to be the policy of this state that persons unable to provide for themselves and not otherwise provided for by law and who meet the eligibility requirements of sections 256D.01 to 256D.21 ~~shall be~~ are entitled to receive such grants of general assistance, ~~within the time limits set forth in this chapter as may be necessary to maintain a subsistence reasonably compatible with decency and health.~~ The furnishing of such Providing this assistance and services is a matter of public concern and a necessity in promoting the public health and welfare.

A principal objective in providing general assistance ~~shall be~~ is to provide for persons ineligible for federal programs who are unable to provide for themselves. To achieve these aims, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard for ~~each~~ payments to recipients shall be: as to shelter and utilities, 100 percent of the actual need or state standards therefor, subject to the maximum established for shelter in the aid to the blind, aid to the disabled, and old age assistance programs in December, 1973; and as to other budgetary items, 50 percent, of those established for said items in the aid to the blind, aid to the disabled, and old age assistance programs in December, 1973 of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs and shall not be less than the combined total of the minimum standards of assistance for shelter and basic needs in effect on February 1, 1983. The standards of assistance shall not be lower for a recipient sharing a residence with another person unless that person is a responsible relative of the recipient who is also eligible for general assistance. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. In order to maximize the use of federal funds, the commissioner shall ~~promulgate regulations~~ adopt rules, to the extent permitted by federal law for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require ~~the~~ use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall provide by regulation ~~rule~~ for the eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 4. Minnesota Statutes 1982, section 256D.02, subdivision 4, is amended to read:

Subd. 4. **GENERAL ASSISTANCE.** "General assistance" means cash payments to persons unable to provide themselves with a reasonable subsistence compatible with decency and health and who are not otherwise provided for under the laws of this state or the United States. ~~It shall include cash payments for goods, shelter, fuel, food, clothing, light, necessary household supplies, and personal need items.~~ General assistance shall not include payments for foster care, child welfare services, or other social services. Vendor payments and vouchers may be made issued only as provided for in section 256D.09.

Sec. 5. Minnesota Statutes 1982, section 256D.02, is amended by adding a subdivision to read:

Subd. 8a. **JOBS PROGRAM ALLOWANCE.** An allowance received pursuant to section 13 is unearned income under subdivision 8.

Sec. 6. Minnesota Statutes 1982, section 256D.05, subdivision 1a, is amended to read:

Subd. 1a. **TEMPORARY STANDARDS.** Notwithstanding the provisions of subdivision 1, from March 24, 1982 until June 30 to September 30, 1983, each person or family whose income and resources are less than the standard of assistance established by the commissioner, and who is not eligible for the federally aided assistance programs of emergency assistance or aid to families with dependent children, or any successor to those programs, shall be eligible for and entitled to general assistance if the person or family is:

(a) A person who is suffering from a permanent or temporary illness, injury, or incapacity which is both medically certified and prevents the person from engaging in suitable employment, and who, if the medical certification establishes that the illness, injury, or incapacity is temporary and recommends a reasonable plan for rehabilitation, is following the plan;

(b) A person whose presence in the home on a substantially continuous basis is required because of the certified illness or incapacity of another member of the household;

(c) A person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, if the placement is based on illness or incapacity, and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) A person who resides in a shelter facility described in subdivision 3;

(e) A person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40. In determining eligibility of the

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person for general assistance, income received as a stipend shall be disregarded as provided in section 4.40;

(f) A person who is unable to secure suitable employment due to inability to communicate in the English language, and who, if assigned to a language skills program by the local agency, is participating in that program;

(g) A person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally ill or mentally retarded;

(h) A person who is unable to secure suitable employment due to a lack of marketable skills and who, if assigned to a vocational counseling, vocational rehabilitation, or work training program by the local agency, is participating in that program. Eligibility for general assistance under clause (h) is limited to five weeks per calendar year;

(i) A person who has an application pending for the program of supplemental security income for the aged, blind and disabled or has been terminated from that program and has an appeal from that termination pending, and who has executed an interim assistance authorization agreement pursuant to the provisions of section 256D.06, subdivision 5; or

(j) A person who is unable to secure suitable employment because his advanced age significantly affects his ability to engage in substantial work. This clause is effective January 1, 1983.

The commissioner is authorized to adopt temporary rules as necessary to implement this subdivision.

This subdivision is repealed July October 1, 1983.

Sec. 7. Minnesota Statutes 1982, section 256D.06, subdivision 5, is amended to read:

Subd. 5. Any applicant, otherwise eligible for general assistance and possibly eligible for maintenance benefits from any other source shall be obligated ~~to~~ (a) make application for those benefits within 30 days of the general assistance application; and (b) execute an interim assistance authorization agreement on a form as directed by the commissioner. If found eligible for benefits from other sources, and a payment received from another source relates to the period during which general assistance was also being received, the recipient shall be required to reimburse the local agency for the interim assistance paid. Reimbursement shall not exceed the amount of general assistance paid during the time period to which the other maintenance benefits apply and shall not exceed the state standard applicable to that time period. The commissioner shall adopt rules, and may adopt temporary rules, authorizing local agencies to retain from the amount recovered under an interim assistance agreement 25 percent plus actual reasonable fees, costs, and disbursements of appeals and litigation, of providing special

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assistance to the recipient in processing the recipient's claim for maintenance benefits from another source. The money retained under this section shall be from the state share of the recovery. The local agency may contract with qualified persons to provide the special assistance. The rules adopted by the commissioner shall include the methods by which local agencies shall identify, refer, and assist recipients who may be eligible for benefits under federal programs for the disabled. This provision subdivision shall does not require repayment of per diem payments made to shelters for battered women pursuant to section 256D.05, subdivision 3.

Sec. 8. Minnesota Statutes 1982, section 256D.09, subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of subdivision 1, the commissioner shall provide by rule and regulation, and may adopt temporary rules, for situations in which vouchers or vendor payments may be made issued by local agencies because of the inability of the recipient to manage his general assistance grant for his own or family's benefit.

Sec. 9. Minnesota Statutes 1982, section 256D.09, is amended by adding a subdivision to read:

Subd. 3. EMPLOYMENT PAYMENTS BY GRANT DIVERSION.
Notwithstanding the provisions of subdivision 1, the commissioner may establish by rule or temporary rule a grant diversion program for payment of all or a part of a recipient's grant to a private, non-profit, or public employer who agrees to employ the recipient. The commissioner shall design the program to provide, to the extent possible, employment or employment-related training that will enable recipients to become self-supporting. A recipient shall be eligible for general assistance medical care during the term of the grant diversion contract to the extent that medical care coverage is not provided by the employer. Any rule adopted by the commissioner:

(a) Shall require the local agencies to administer the grant diversion program directly or to delegate administration of the program to another unit of government;

(b) Shall require that grants paid to employers be paid pursuant to a written grant diversion contract;

(c) Shall determine the amount of the grant to be paid to the employer and the term of the grant diversion contract;

(d) Shall establish standards to ensure that recipients hired pursuant to grant diversion contracts do not displace other workers;

(e) Shall provide for the amount of the wage to be paid to the recipient, which shall not be less than the minimum wage for jobs with non-profit and

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public employers and the usual and customary wage for jobs with private employers;

(f) Shall provide for the minimum number of hours per month the recipient must work, which shall be sufficient to provide a net monthly wage equal to or exceeding the difference between the amount of the grant retained by the recipient and 150 percent of the recipient's monthly grant; and

(g) May establish other terms and conditions for the operation of the grant diversion program.

Sec. 10. [256D.111] REGISTRATION FOR WORK; DISQUALIFICATION.

Subdivision 1. REGISTRATION REQUIREMENT. Unless exempt in accordance with the provisions of subdivision 2, an adult who is a recipient of general assistance and who is not employed is required to register for employment services with the department of economic security, be available for work and comply with reasonable reporting and job search requirements as established by the commissioner of economic security in permanent or temporary rule, and accept any offer of suitable employment.

Subd. 2. EXEMPTIONS. A recipient is not required to register for employment services with the department of economic security and comply with the other requirements of subdivision 1 if he is:

(a) a person who is suffering from a permanent or temporary illness, injury, or incapacity which is medically certified and which prevents the person from obtaining or retaining employment;

(b) a person whose presence in the home on a substantially continuous basis is required because of the certified illness, injury, incapacity, or the age of another member of the household;

(c) a person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, or in an approved chemical dependency domiciliary facility, if the placement is based on illness or incapacity and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) a person who resides in a shelter facility described in section 256D.05, subdivision 3;

(e) a person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40, but only if that person is enrolled as a full-time student;

(f) a person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally retarded or

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mentally ill, and that condition prevents the person from obtaining or retaining employment;

(g) a person who has an application pending for the social security disability program or the program of supplemental security income for the aged, blind and disabled, or who has been terminated from either program and has an appeal from that termination pending;

(h) a person who is unable to obtain or retain employment because his advanced age significantly affects his ability to seek or engage in substantial work;

(i) a person who has been referred to, has applied for, or is in a work training, work experience, vocational rehabilitation, or other employment related educational program; but the period of time the person is exempted pursuant to this clause, while awaiting acceptance into the program, shall not exceed two months;

(j) an adult member of a household with children in which another adult is employed full time or has registered for employment services with the department of economic security or been accepted in a work training program; or

(k) a person who has been certified as unemployable by the commissioner of economic security.

Subd. 3. RIGHT TO HEARING. Any person required by the local agency to register in accordance with the provisions of subdivision 1 is entitled, prior to grant reduction, suspension, or termination, to a hearing pursuant to the provisions of section 256D.10 on the issue of whether the person comes within the exemptions contained in subdivision 2.

Subd. 4. NOTICE OF NONCOMPLIANCE. No notice of grant reduction, suspension, or termination on the ground that a recipient has failed to comply with the requirements of subdivision 1 shall be given by the local agency pursuant to section 256D.10 until the commissioner of economic security certifies in writing to the local agency that the recipient has been finally determined, in accordance with the notice, hearing, and appeal rights and procedures applicable to the work incentive program, as prescribed in section 256.736, subdivision 4, clause (4), to have failed to comply with the requirements of subdivision 1. A final determination, if made in accordance with these procedures, shall be binding upon the local agency and the recipient.

Subd. 5. RULEMAKING. The commissioner shall adopt rules and is authorized to adopt temporary rules:

(a) providing for a reasonable period of disqualification from the receipt of general assistance for a recipient who is not exempt pursuant to subdivision 2 and who has been finally determined pursuant to the procedure prescribed in subdivision 4 to have failed to comply with the requirements of subdivision 1,

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provided that the period of disqualification for the first failure to comply shall not exceed one month;

(b) providing for the use of vouchers or vendor payments with respect to the family of a recipient described in clause (a); and

(c) providing that at the time of the approval of an application for general assistance, the local agency gives to the recipient a written notice in plain and easily understood language describing the recipient's job registration, search, and acceptance obligations under this section, and the period of disqualification that will be imposed for a failure to comply with those obligations.

Sec. 11. [256D.112] TEMPORARY AUTHORITY TO REFER CERTAIN RECIPIENTS TO COMMISSIONER OF ECONOMIC SECURITY.

The local agency shall refer a recipient to the commissioner of economic security for services under the Minnesota Emergency Employment Development Act jobs program upon the payment to the recipient of a one-month grant. A referral shall be in writing; shall describe the jobs program for which the referral is being made; shall state the address of the office to which the recipient is being referred; and shall state that if the recipient is not accepted for participation in the jobs program, the recipient should return to the local agency. Notwithstanding the provisions of section 10, subdivision 3, and section 256D.10, assistance to a general assistance recipient referred to the commissioner of economic security pursuant to this section shall be suspended at the time of the referral for a period of 30 days following the period for which a grant has been issued. If the recipient does not return to the local agency within the 30-day period, assistance shall be terminated. This section does not apply:

(1) to persons that the commissioner of economic security has determined, pursuant to section 12, are not eligible for the Minnesota Emergency Employment Development jobs program; are not likely to secure a job through the jobs program; or are not able to successfully perform a job available through the jobs program;

(2) to persons who are recipients of general assistance on October 1, 1983; and

(3) to persons whom the local agency has substantial reason to believe are covered by section 10, subdivision 2.

Nothing in this section shall be construed as prohibiting any recipient who has not been referred by the local agency from applying to the commissioner of economic security for services under the Minnesota emergency employment development jobs program. The local agency shall provide to all recipients a written description of the Minnesota emergency employment development jobs program.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Upon receipt of notice from the commissioner of public welfare that the Minnesota emergency employment development jobs program is terminated, this section is ineffective and the local agency shall not refer any recipient to the commissioner of economic security under this section.

Sec. 12. [268.80] APPLICATION PROCESS; DETERMINATIONS.

Any person may apply to the commissioner for services under the Minnesota emergency employment development jobs program. Upon receiving an application, the commissioner shall promptly determine the person's eligibility for services under the program; the person's ability to successfully perform a job available through the program; and, within three business days, the person's eligibility for an allowance pursuant to section 13. In determining the eligibility of a person for the allowance, the commissioner shall apply the eligibility standards set forth in sections 256D.01 to 256D.21. A person referred by a local agency pursuant to the provisions of section 11 shall be deemed to be eligible for the allowance. If the commissioner finds at any time that a person is not eligible for services under the jobs program, or if the commissioner determines after a three-month period that the person is unlikely to secure a job through the jobs program, then the commissioner shall issue a written determination stating the findings and provide the person with a written referral to the appropriate local agency. If the commissioner finds at any time, pursuant to standards established by the commissioner by rule or temporary rule, that a person is not able to successfully perform a job available through the jobs program, the commissioner shall issue a written determination stating the findings and explaining the person's right to appeal pursuant to section 14, and shall provide the person with a written referral to the appropriate local agency. If the commissioner finds that a person is not eligible for an allowance pursuant to section 13, the commissioner shall advise the person in writing that the person may make an application for general assistance with the appropriate local agency.

Sec. 13. [268.81] PAYMENT OF ALLOWANCE.

A person accepted pursuant to section 12 for participation in the Minnesota emergency employment development jobs program and determined by the commissioner to satisfy the eligibility standards set forth in sections 256D.01 to 256D.21, shall be paid a cash allowance by the commissioner in an amount which is not less than the amount of the general assistance grant that the person would otherwise receive pursuant to sections 256D.01 to 256D.21. The commissioner shall adopt a permanent or temporary rule establishing the amounts of allowances to be paid pursuant to this section. The initial allowance shall be paid to the person as soon as administratively feasible. A person referred by a local agency pursuant to section 11 shall be paid the initial allowance upon the expiration of the period covered by the one-month grant received from the local agency. Thereafter, the allowance shall be paid at intervals as the commissioner shall prescribe by rule or temporary rule. Until June 30, 1985, a person receiving an

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allowance when the Minnesota emergency employment development jobs program is terminated under article 8, section 11, shall continue to be paid an allowance under this section if he continues to meet the eligibility standards set forth in sections 256D.01 to 256D.21.

Sec. 14. [268.82] APPEAL PROCEDURE.

A person aggrieved by a determination issued pursuant to section 12 that the person is not able to successfully perform a job available through the Minnesota emergency employment development jobs program may appeal that determination, in accordance with the time limits and procedures applicable to the work incentive program, as prescribed in section 256.736, subdivision 4, clause (4). If otherwise eligible under section 13, the person shall receive the allowance prescribed by section 13 until a final decision on the appeal is rendered.

Sec. 15. [268.83] SUITABLE EMPLOYMENT FOR PURPOSES OF GENERAL ASSISTANCE.

For purposes of eligibility for general assistance pursuant to sections 256D.01 to 256D.21, a job provided through the Minnesota emergency employment development jobs program is "suitable employment," as that term is defined in section 256D.02, subdivision 13.

Sec. 16. TRANSFER OF FUNDS.

If the utilization of the Minnesota emergency employment development jobs program, the allowances program, and the general assistance program is significantly different from the projected utilization, then the commissioners of economic security and public welfare may, upon approval by the legislative advisory commission and the governor according to section 3.30, transfer money from the Minnesota emergency employment development (MEED) account to either (1) the special account established for the purpose of funding allowances paid pursuant to section 13; or (2) the general assistance account. Money may also be transferred pursuant to this section between the department of economic security special allowances account and the general assistance account in the department of public welfare.

Sec. 17. REPEALER.

Minnesota Statutes 1982, sections 256D.02, subdivision 14; and 256D.06, subdivision 1a, are repealed. Minnesota Statutes 1982, section 256D.05, subdivision 1a is repealed effective October 1, 1983.

Sec. 18. [268.84] SUNSET PROVISION.

Sections 5 and 11 to 16 of this article are repealed June 30, 1985.

Sec. 19. EFFECTIVE DATE.

Changes or additions are indicated by underline, deletions by strikeout.

Sections 6 to 9, 17, and 18 of this article are effective the day following final enactment. Sections 1 to 5, and 10 to 16 of this article are effective October 1, 1983.

ARTICLE 9

SERVICES FOR THE MENTALLY RETARDED

Section 1. Minnesota Statutes 1982, section 252.24, subdivision 1, is amended to read:

Subdivision 1. **SELECTION OF DEVELOPMENTAL ACHIEVEMENT CENTERS.** The county board shall administer developmental achievement services, including training and habilitation services provided by licensed developmental achievement centers to residents of intermediate care facilities for the mentally retarded. The county board shall ensure that transportation is provided for persons who fulfill the eligibility requirements of section 252.23, clause (1), utilizing the most efficient and reasonable means available. The county board may contract for developmental achievement services and transportation from a center which is licensed under the provisions of sections 245.781 to 245.813, 252.28, and 257.175, and in the board's opinion, best provides daytime developmental achievement services for mentally retarded and cerebral palsied persons within the appropriation and medical assistance resources made available for this purpose. Daytime developmental achievement services administered by the county board shall comply with standards established by the commissioner pursuant to subdivision 2 and applicable federal regulations.

Sec. 2. Minnesota Statutes 1982, section 252.28, is amended to read:

252.28 COMMISSIONER OF PUBLIC WELFARE; DUTIES.

Subdivision 1. **DETERMINATIONS; BIENNIAL REDETERMINATIONS.** The commissioner of public welfare ~~may~~ shall determine, and shall redetermine biennially, the need, location, size, and program of public and private residential and day care facilities and services for mentally retarded children and adults.

Subd. 2. **RULES; PROGRAM STANDARDS; LICENSES.** The commissioner of public welfare shall:

(1) Establish uniform rules, regulations and program standards for each type of residential and day facility or service for ~~more than four~~ mentally retarded persons, including state institutions under control of the commissioner and serving mentally retarded persons, and excluding mentally retarded persons residing with their families.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(2) Grant licenses according to the provisions of Laws 1976, chapter 243, sections 2 to 13.

Subd. 3. **LICENSING DETERMINATIONS.** (1) No new license shall be granted pursuant to this section when the issuance of the license would substantially contribute to an excessive concentration of community residential facilities within any town, municipality or county of the state.

(2) In determining whether a license shall be issued pursuant to this subdivision, the commissioner of public welfare shall specifically consider the population, size, land use plan, availability of community services and the number and size of existing public and private community residential facilities in the town, municipality or county in which a licensee seeks to operate a residence. Under no circumstances may the commissioner newly license any facility pursuant to this section except as provided in section 245.812. The commissioner of public welfare shall establish uniform rules and regulations to implement the provisions of this subdivision.

(3) Licenses for community facilities and services shall be issued pursuant to section 245.821.

Subd. 4. **RULES; DECERTIFICATION OF BEDS.** The commissioner shall promulgate in rule criteria for decertification of beds in intermediate care facilities for the mentally retarded, and shall encourage providers in voluntary decertification efforts. The commissioner shall not recommend to the commissioner of health the involuntary decertification of an intermediate care facility for beds for the mentally retarded prior to the availability of appropriate services for those residents affected by the decertification. The commissioner of health shall decertify those intermediate care beds determined to be not needed by the commissioner of welfare.

Sec. 3. [252.291] **LIMITATION ON DETERMINATION OF NEED.**

Subdivision 1. **MORATORIUM.** Notwithstanding section 252.28, subdivision 1, or any other law or rule to the contrary, the commissioner of public welfare shall deny any request for a determination of need and refuse to grant a license pursuant to section 245.782 for any new intermediate care facility for mentally retarded persons or for an increase in the licensed capacity of an existing facility except as provided in subdivision 2. In no event shall the total of certified intermediate care beds for mentally retarded persons in community facilities and state hospitals exceed 7,500 beds as of July 1, 1983, and 7,000 beds as of July 1, 1986. "Certified bed" means an intermediate care bed for the mentally retarded certified by the commissioner of health for the purposes of the medical assistance program under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. **EXCEPTIONS.** The commissioner of public welfare in coordination with the commissioner of health may approve a new intermediate care facility for mentally retarded persons only in the following circumstances:

(a) when the facility is developed in accordance with a request for proposal system established pursuant to subdivision 3, clause (b);

(b) when the facility is necessary to serve the needs of identifiable mentally retarded persons who are seriously behaviorally disordered or who are physically or sensorily impaired; or

(c) to license beds in new facilities where need was determined by the commissioner prior to the effective date of this section.

Subd. 3. **DUTIES OF COMMISSIONER OF PUBLIC WELFARE.**
The commissioner shall:

(a) establish standard admission criteria for state hospitals and county utilization targets to limit and reduce the number of intermediate care beds in state hospitals and community facilities in accordance with approved waivers under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, to assure that appropriate services are provided in the least restrictive setting;

(b) provide technical assistance so that county boards may establish a request for proposal system for meeting individual service plan objectives through home and community-based services; alternative community services; or, if no other alternative will meet the needs of identifiable individuals for whom the county is financially responsible, a new intermediate care facility for mentally retarded persons; and

(c) establish a client tracking and evaluation system as required under applicable federal waiver regulations, Code of Federal Regulations, title 42, sections 431, 435, 440, and 441, as amended through December 31, 1982.

(d) develop a state plan for the delivery and funding of residential day and support services to the mentally retarded in Minnesota and submit that plan to the clerk of each house of the Minnesota legislature on or before the 15th of January of each biennium beginning January 15, 1985. The biennial mental retardation plan shall include but not be limited to:

- (1) county by county maximum intermediate care bed utilization quotas;
- (2) plans for the development of the number and types of services alternative to intermediate care beds;
- (3) procedures for the administration and management of the plan;
- (4) procedures for the evaluation of the implementation of the plan; and

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(5) the number, type, and location of intermediate care beds targeted for decertification.

The commissioner shall modify the plan to ensure conformance with the medical assistance home and community-based services waiver.

Subd. 4. MONITORING. The commissioner of public welfare, in coordination with the commissioner of health, shall implement mechanisms to monitor and analyze the effect of the bed moratorium in the different geographic areas of the state. The commissioner of public welfare shall submit to the legislature annually beginning January 15, 1984, an assessment of the impact of the moratorium by geographic areas.

Subd. 5. RULEMAKING. The commissioner of public welfare shall promulgate temporary and permanent rules pursuant to chapter 14, the Administrative Procedure Act, to implement this section.

Sec. 4. Minnesota Statutes 1982, section 256B.02, subdivision 8, is amended to read:

Subd. 8. **MEDICAL ASSISTANCE; MEDICAL CARE.** "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of ~~such~~ this cost:

(1) inpatient hospital services;

(2) skilled nursing home services and services of intermediate care facilities, including training and habilitation services, as defined in section 256B.50, subdivision 1, for mentally retarded individuals residing in intermediate care facilities for the mentally retarded;

(3) physicians' services;

(4) outpatient hospital or clinic services;

(5) home health care services;

(6) private duty nursing services;

(7) physical therapy and related services;

(8) dental services, excluding cast metal restorations;

(9) laboratory and x-ray services;

(10) the following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods

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encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act;

(11) diagnostic, screening, and preventive services;

(12) health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act;

(13) abortion services, but only if one of the following conditions is met:

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(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion;

(14) transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory;

(15) to the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care; and

(16) any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

Sec. 5. [256B.092] CASE MANAGEMENT OF MENTALLY RETARDED PERSONS.

Subdivision 1. COUNTY OF FINANCIAL RESPONSIBILITY; DUTIES. Before any services shall be rendered to mentally retarded persons in need of social service and medical assistance, the county of financial responsibility shall conduct a diagnostic evaluation in order to determine whether the person is or may be mentally retarded. If a client is diagnosed mentally retarded, that county must conduct a needs assessment, develop an individual service plan, and authorize placement for services. If the county of financial responsibility places a client in another county for services, the placement shall be made in cooperation with the host county of service, and arrangements shall be made between the two counties for ongoing social service, including annual reviews of the client's individual service plan. The host county may not make changes in the service plan without approval by the county of financial responsibility.

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Subd. 2. MEDICAL ASSISTANCE. To assure quality case management to those county clients who are eligible for medical assistance, the commissioner shall: (a) provide consultation on the case management process; (b) assist county agencies in the screening and annual reviews of clients to assure that appropriate levels of service are provided; (c) provide consultation on service planning and development of services with appropriate options; (d) provide training and technical assistance to county case managers; and (e) authorize payment for medical assistance services.

Subd. 3. TERMINATION OF SERVICES. County agency case managers, under rules of the commissioner, shall authorize and terminate services of community and state hospital providers in accordance with individual service plans. Medical assistance services not needed shall not be authorized by county agencies nor funded by the commissioner.

Subd. 4. ALTERNATIVE HOME AND COMMUNITY BASED SERVICES. The commissioner shall make payments to county boards participating in the medical assistance program to pay costs of providing alternative home and community based services to medical assistance eligible mentally retarded persons screened under subdivision 7. Payment is available under this subdivision only for persons who, if not provided these services, would require the level of care provided in an intermediate care facility for mentally retarded persons.

Subd. 5. FEDERAL WAIVERS. The commissioner shall apply for any federal waivers necessary to secure, to the extent allowed by law, federal financial participation under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, for the provision of services to persons who, in the absence of the services, would need the level of care provided in a state hospital or a community intermediate care facility for mentally retarded persons. The commissioner may seek amendments to the waivers or apply for additional waivers under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, to contain costs. The commissioner shall ensure that payment for the cost of providing home and community based alternative services under the federal waiver plan shall not exceed the cost of intermediate care services that would have been provided without the waived services.

Subd. 6. RULES. The commissioner shall adopt temporary and permanent rules to establish required controls, documentation, and reporting of services provided in order to assure proper administration of the approved waiver plan.

Subd. 7. SCREENING TEAMS ESTABLISHED. Each county agency shall establish a screening team which, under the direction of the county case manager, shall make an evaluation of need for home and community based services of persons who are entitled to the level of care provided by an intermediate care facility for mentally retarded persons or for whom there is a

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reasonable indication that they might need the services in the near future. The screening team shall make an evaluation of need within 15 working days of the request for service and within five working days of an emergency admission of an individual to an intermediate care facility for mentally retarded persons. The screening team shall consist of the case manager, the client, a parent or guardian, a qualified mental retardation professional, as defined in the Code of Federal Regulations, title 42, section 442.401, as amended through December 31, 1982, assigned by the commissioner. The case manager shall consult with the client's physician or other persons as necessary to make this evaluation. Other persons may be invited to attend meetings of the screening team. No member of the screening team shall have any direct or indirect service provider interest in the case.

Subd. 8. SCREENING TEAM DUTIES. The screening team shall:

- (a) review diagnostic data;
- (b) review health, social, and developmental assessment data using a uniform screening tool specified by the commissioner;
- (c) identify the level of services needed to maintain the person in the most normal and least restrictive setting that is consistent with treatment needs;
- (d) identify other noninstitutional public assistance or social service that may prevent or delay long-term residential placement;
- (e) determine whether a client is in serious need of long-term residential care;
- (f) make recommendations to the county agency regarding placement and payment for: (1) social service or public assistance support to maintain a client in the client's own home or other place of residence; (2) training and habilitation service, vocational rehabilitation, and employment training activities; (3) community residential placement; (4) state hospital placement; or (5) a home and community based alternative to community residential placement or state hospital placement;
- (g) make recommendations to a court as may be needed to assist the court in making commitments of mentally retarded persons; and
- (h) inform clients that appeal may be made to the commissioner pursuant to section 256.045.

Subd. 9. REIMBURSEMENT. Payment shall not be provided to a service provider for any recipient placed in an intermediate care facility for the mentally retarded prior to the recipient being screened by the screening team. The commissioner shall not deny reimbursement for: (a) an individual admitted to an intermediate care facility for mentally retarded who is assessed to need long-term supportive services, if long-term supportive services other than interme-

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diate care are not available in that community; (b) any individual admitted to an intermediate care facility for the mentally retarded under emergency circumstances; (c) any eligible individual placed in the intermediate care facility for the mentally retarded pending an appeal of the screening team's decision; or (d) any medical assistance recipient when, after full discussion of all appropriate alternatives including those that are expected to be less costly than intermediate care for mentally retarded, the individual or the individual's legal representative insists on intermediate care placement. The screening team shall provide documentation that the most cost effective alternatives available were offered to this individual or the individual's legal representative.

Sec. 6. Minnesota Statutes 1982, section 256B.19, is amended by adding a subdivision to read:

Subd. 3. STUDY OF MEDICAL ASSISTANCE FINANCIAL PARTICIPATION. The commissioner shall study the feasibility and outcomes of implementing a variable medical assistance county financial participation rate for long-term care services to mentally retarded persons in order to encourage the utilization of alternative services to long-term intermediate care for the mentally retarded. The commissioner shall submit his findings and recommendations to the legislature by January 20, 1984.

Sec. 7. [256B.501] RATES FOR COMMUNITY-BASED SERVICES FOR THE MENTALLY RETARDED.

Subdivision 1. DEFINITIONS. For the purposes of this section, the following terms have the meaning given them.

(a) "Commissioner" means the commissioner of public welfare.

(b) "Facility" means a facility licensed as a mental retardation residential facility under section 252.28, licensed as a supervised living facility under chapter 144, and certified as an intermediate care facility for the mentally retarded.

(c) "Waivered service" means home or community-based service authorized under United States Code, title 42, section 1396n(c), as amended through December 31, 1982, and defined in the Minnesota state plan for the provision of medical assistance services. Waivered services include, at a minimum, case management, family training and support, developmental training homes, supervised living arrangements, semi-independent living services, respite care, and training and habilitation services.

(d) "Training and habilitation services" are those health and social services needed to ensure optimal functioning of persons who are mentally retarded or have related conditions. Training and habilitation services shall be provided to a client away from the residence unless medically contraindicated by an organization which does not have a direct or indirect financial interest in the organization which provides the person's residential services. This requirement

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shall not apply to any developmental achievement center which has applied for licensure prior to April 15, 1983.

Subd. 2. **AUTHORITY.** The commissioner shall establish procedures and rules for determining rates for care of residents of intermediate care facilities for the mentally retarded which qualify as vendors of medical assistance, waived services, and for provision of training and habilitation services. Approved rates shall be established on the basis of methods and standards that the commissioner finds adequate to provide for the costs that must be incurred for the quality care of residents in efficiently and economically operated facilities and services. The procedures shall specify the costs that are allowable for payment through medical assistance. The commissioner may use experts from outside the department in the establishment of the procedures.

Subd. 3. **RATES FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED.** The commissioner shall establish, by rule, procedures for determining rates for care of residents of intermediate care facilities for the mentally retarded. The procedures shall be based on methods and standards that the commissioner finds are adequate to provide for the costs that must be incurred for the care of residents in efficiently and economically operated facilities. In developing the procedures, the commissioner shall include:

(a) cost containment measures that assure efficient and prudent management of capital assets and operating cost increases which do not exceed increases in other sections of the economy;

(b) limits on the amounts of reimbursement for property, general and administration, and new facilities;

(c) requirements to ensure that the accounting practices of the facilities conform to generally accepted accounting principles; and

(d) incentives to reward accumulation of equity.

In establishing rules and procedures for setting rates for care of residents in intermediate care facilities for mentally retarded persons, the commissioner shall consider the recommendations contained in the February 11, 1983, Report of the Legislative Auditor on Community Residential Programs for the Mentally Retarded and the recommendations contained in the 1982 Report of the Department of Public Welfare Rule 52 Task Force. Rates paid to supervised living facilities for rate years beginning during the fiscal biennium ending June 30, 1985, shall not exceed the final rate allowed the facility for the previous rate year by more than five percent.

Subd. 4. **WAIVERED SERVICES.** In establishing rates for waived services the commissioner shall consider the need for flexibility in the provision of those services to meet individual needs identified by the screening team.

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Subd. 5. TRAINING AND HABILITATION SERVICES. (a) Except as provided in subdivision 6, rates for reimbursement under medical assistance for training and habilitation services provided by a developmental achievement center either as a waived service or to residents of an intermediate care facility for mentally retarded persons shall be established and paid in accordance with this subdivision effective January 1, 1984.

(b) Prior to August 1, 1983, the county board shall submit to the commissioner its contractual per diem rate and its maximum per client annual payment limitations, if any, for each developmental achievement center it administers pursuant to section 252.24, subdivision 1, for the period from July 1, 1983, through December 31, 1983, which shall be the medical assistance reimbursement rate established for that developmental achievement center for 1983. If the county rate is based on average daily attendance which is less than 93 percent of the developmental achievement center's average enrollment for the period from July 1, 1983, to December 31, 1983, the commissioner shall adjust that rate based on 93 percent average daily attendance.

(c) The base per diem reimbursement rate established for 1983 may be increased by the commissioner in 1984 in an amount up to the projected percentage change in the average value of the consumer price index (all urban) for 1984 over 1983. In subsequent years, the increase in the per diem rate shall not exceed the projected percentage change in the average annual value of the consumer price index (all urban) for the same time period.

(d) The county board in which an intermediate care facility for mentally retarded persons is located shall contract annually with that facility and with the appropriate developmental achievement center or training and habilitation service provider for provision of training and habilitation services for each resident of the facility for whom the services are required by the resident's individual service plan. This contract shall specify the county payment rate or the medical assistance reimbursement rate, as appropriate; the training and habilitation services to be provided; and the performance standards for program provision and evaluation. A similar contract shall be entered into between the county and the developmental achievement center for persons receiving training and habilitation services from that center as a waived service.

(e) The commissioner shall reimburse under medical assistance up to 210 days of training and habilitation services at developmental achievement centers for those centers which provided less than or equal to 210 days of training and habilitation services in calendar year 1982. For developmental achievement centers providing more than 210 days of services in 1982, the commissioner shall not reimburse under medical assistance in excess of the number of days provided by those programs in 1982.

(f) Medical assistance payments for training and habilitation services shall be made directly to the training and habilitation provider after submission of

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invoices to the medical assistance program following procedures established by the medical assistance program.

(g) Nothing in this subdivision shall prohibit county boards from contracting for rates for services not reimbursed under medical assistance.

Subd. 6. NEW DEVELOPMENTAL ACHIEVEMENT PROGRAMS; RATES. The commissioner, upon the recommendation of the local county board, shall determine the medical assistance reimbursement rate for new developmental achievement programs. The payment rate shall not exceed 125 percent of the average payment rate in the region.

Subd. 7. ALTERNATIVE RATES FOR TRAINING AND HABILITATION SERVICES. Alternative methods may be proposed by the counties or the commissioner for provision of training and habilitation services during daytime hours apart from a residential facility to persons for whom needs identified in their individual service plan are not met by the training and habilitation services provided at a developmental achievement center. The commissioner shall establish procedures for approval of the proposals and for medical assistance payment of rates which shall not exceed the average rate allowed in that county for training and habilitation services pursuant to subdivision 5. Nothing in this subdivision prohibits a county from contracting with a developmental achievement center for those purposes.

Subd. 8. PAYMENT FOR PERSONS WITH SPECIAL NEEDS. The commissioner shall establish by December 31, 1983, procedures to be followed by the counties to seek authorization from the commissioner for medical assistance reimbursement for waived services or training and habilitation services for very dependent persons with special needs in an amount in excess of the rates allowed pursuant to subdivisions 2, 4, 5, and 6, and procedures to be followed for rate limitation exemptions for intermediate care facilities for mentally retarded persons. No excess payment or limitation exemption shall be authorized unless the need for the service is documented in the individual service plan of the person or persons to be served, the type and duration of the services needed are stated, and there is a basis for estimated cost of the services.

The commissioner shall evaluate the services provided pursuant to this subdivision through program and fiscal audits.

Subd. 9. REPORTING REQUIREMENTS. The developmental achievement center shall submit to the county and the commissioner no later than March 1 of each year an annual report which includes the actual program revenues and expenditures, client information, and program information. The information shall be submitted on forms prescribed by the commissioner.

Subd. 10. RULES. To implement this section, the commissioner shall promulgate temporary and permanent rules in accordance with chapter 14. To implement subdivision 3, the commissioner shall promulgate temporary rules by

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October 1, 1983, and permanent rules in accordance with sections 14.01 to 14.38. Notwithstanding the provisions of section 14.35, the temporary rule promulgated to implement subdivision 3 shall be effective for up to 720 days.

Sec. 8. [256B.503] RULES.

To implement sections 1 to 7, the commissioner shall promulgate temporary and permanent rules in accordance with sections 14.01 to 14.38.

Sec. 9. Minnesota Statutes 1982, section 256E.06, is amended by adding a subdivision to read:

Subd. 2a. STATE TRANSFER OF FUNDS. Notwithstanding subdivisions 1 and 2, for the purpose of funding training and habilitation services provided to residents of intermediate care facilities for mentally retarded persons as required under federal regulation, the commissioner is authorized to transfer on a quarterly basis to the medical assistance state account from each county's Community Social Services Act allocation an amount equal to the state share of medical assistance reimbursement for such services provided to clients for whom the county is financially responsible. Upon federal approval and state implementation of the state medical assistance plan, county boards will not be responsible for the funding of training and habilitation services as a social service to residents of intermediate care facilities for the mentally retarded. County board responsibility for training and habilitation services shall be assumed under section 256B.20. County boards continue to be responsible for funding developmental achievement center services not covered under the medical assistance program established by United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1982, and shall develop contractual agreements for these services under the authority of chapter 256E.

Sec. 10. IMPLEMENTATION; USE OF APPROPRIATION.

(a) Up to 15 line item positions are authorized for the implementation of provisions of the case management plan, the home and community based services waiver program, assisting county agencies in screening clients for medical assistance services, technical assistance in developing community-based alternatives, and management of the mental retardation medical assistance program.

(b) The contingent appropriation for development and implementation of this project shall be expended with the approval of the governor after consulting with the legislative advisory commission as provided in section 3.30. Release of these funds shall also be contingent upon submission of a plan prepared by the commissioner. The plan shall describe the following:

- (1) the organization, development, and responsibilities of requested staff;
- (2) specification of all the administrative costs associated with the program;

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(3) how the information system will be integrated into the community services information system, the medicaid management information system, and any other data processing operations of the department;

(4) the methods for implementing the system; and

(5) the projected costs for the maintenance and operation of the system.

The plan shall be submitted to the chairmen of the house appropriations and senate finance committees.

Sec. 11. REPEALER.

The provisions of sections 2, 3, 5, 7, subdivisions 1, 4, and 10 are repealed effective June 30, 1984, if a home and community based waiver under United States Code, title 42, section 1396n(c), as amended through December 31, 1982, is not approved by June 30, 1984.

Sec. 12. EFFECTIVE DATE.

Sections 1 to 11 are effective the day following final enactment.

Approved June 9, 1983

CHAPTER 313 — H.F.No. 30

An act relating to veterans affairs; providing residents of the Minnesota veterans home with a right to complain about home accommodations and services; prohibiting retaliatory eviction of residents who exercise their right to complain; proposing new law coded in Minnesota Statutes, chapter 198.

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

Section 1. [198.32] **VETERANS HOME; COMPLAINTS; RESIDENT'S RIGHTS.**

Subdivision 1. RESIDENT'S RIGHTS. A resident of the Minnesota veterans home has the right to complain and otherwise exercise his freedom of expression and assembly which is guaranteed by amendment I of the United States Constitution. The administrator of the home shall inform each resident in writing at the time of admission of his right to complain to the administrator about home accommodations and services. A notice of the right to complain shall be posted in the home. The administrator shall also inform each resident of his right to complain to the commissioner of veterans affairs. Each resident of the home shall be encouraged and assisted, throughout his period of stay in the home, to understand and exercise his rights of freedom of expression and assembly as a resident and as a citizen, and, to this end, he may voice grievances

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