The appeal may be taken under the Rules of Appellate Procedure by any person aggrieved within 30 days after service by any party of written notice of the filing of the order, judgment, or decree appealed from, or if no written notice be is served, within six months after the filing of the order, judgment, or decree. Except as provided in this section, the appeal shall be perfected and determined upon the record as provided in the Rules of Appellate Procedure.

Sec. 5. EFFECTIVE DATE.

Section 2 is effective for wills signed on or after August 1, 2000.

Presented to the governor April 7, 2000

Signed by the governor April 11, 2000, 10:40 a.m.

CHAPTER 363—S.F.No. 3428

An act relating to professions; modifying supervisory and disciplinary requirements for psychologists; amending Minnesota Statutes 1998, sections 148.89, by adding subdivisions; and 148.925, subdivisions I, 2, 3, 5, and 6; Minnesota Statutes 1999 Supplement, section 148.941, subdivision 2.

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

- Section 1. Minnesota Statutes 1998, section 148.89, is amended by adding a subdivision to read:
- Subd. 2b. CREDENTIALED. "Credentialed" means having a license, certificate, charter, registration, or similar authority to practice in an occupation regulated by a governmental board or agency.
- Sec. 2. Minnesota Statutes 1998, section 148.89, is amended by adding a subdivision to read:
- Subd. 2c. DESIGNATED SUPERVISOR. "Designated supervisor" means a qualified individual who is designated by the primary supervisor to provide additional supervision and training to a licensed psychological practitioner or to an individual who is obtaining required predegree supervised professional experience or postdegree supervised employment.
- Sec. 3. Minnesota Statutes 1998, section 148.89, is amended by adding a subdivision to read:
- Subd. 4b. PRIMARY SUPERVISOR. "Primary supervisor" means a psychologist licensed in Minnesota or other qualified individual who provides the principal supervision to a licensed psychological practitioner or to an individual who is obtaining required predegree supervised professional experience or postdegree supervised employment.

Sec. 4. Minnesota Statutes 1998, section 148.925, subdivision 1, is amended to read:

Subdivision 1. **SUPERVISION.** For the purpose of meeting the requirements of this section, supervision means documented in-person consultation between either: (1) a supervising licensed psychologist primary supervisor and a licensed psychological practitioner; or (2) a supervising licensed psychologist or a mental health professional designated by the supervising licensed psychologist primary or designated supervisor and an applicant for licensure as a licensed psychologist. The supervision shall be adequate to assure the quality and competence of the activities supervised. Supervisory consultation shall include discussions on the nature and content of the practice of the supervisee, including, but not limited to, a review of a representative sample of psychological services in the supervisee's practice.

- Sec. 5. Minnesota Statutes 1998, section 148.925, subdivision 2, is amended to read:
- Subd. 2. SUPERVISED PSYCHOLOGICAL POSTDEGREE SUPERVISED EMPLOYMENT. Postdegree supervised psychological employment means required paid or volunteer work experience and postdegree training of a person an individual seeking to be licensed as a licensed psychologist that involves the professional oversight by a licensed psychologist primary supervisor and satisfies the supervision requirements in subdivision subdivisions 3 and 5.
- Sec. 6. Minnesota Statutes 1998, section 148.925, subdivision 3, is amended to read:
- Subd. 3. **PERSONS INDIVIDUALS QUALIFIED TO PROVIDE SUPERVISION.** (a) Supervision of a master's level applicant for licensure as a licensed psychologist shall be provided by a person an individual:
- (1) who is a licensed psychologist licensed in Minnesota with competencies competence both in supervision in the practice of psychology and in the activities being supervised;
- (2) who has a doctoral degree with a major in psychology, who is employed by a regionally accredited educational institution or employed by a federal, state, county, or local government institution, agency, or research facility, and who has competencies competence both in supervision in the practice of psychology and in the activities being supervised, provided the supervision is being provided and the activities being supervised occur within that regionally accredited educational institution or federal, state, county, or local government institution, agency, or research facility; or
- (3) who is eligible for licensure as a licensed psychologist by reciprocity with competencies licensed or certified as a psychologist in another jurisdiction and who has competence both in supervision in the practice of psychology and in the activities being supervised; or
- (4) who, in the case of a designated supervisor, is a master's or doctorally prepared mental health professional.

- (b) Supervision of a doctoral level applicant for licensure as a licensed psychologist shall be provided by a person an individual:
- (1) who is a licensed psychologist licensed in Minnesota with a doctoral degree and with competencies competence both in supervision in the practice of psychology and in the activities being supervised;
- (2) who has a doctoral degree with a major in psychology, who is employed by a regionally accredited educational institution or is employed by a federal, state, county, or local government institution, agency, or research facility, and who has eompetencies competence both in supervision in the practice of psychology and in the activities being supervised, provided the supervision is being provided and the activities being supervised occur within that regionally accredited educational institution or federal, state, county, or local government institution, agency, or research facility;
- (3) who is eligible for licensure by reciprocity with competencies <u>licensed</u> or <u>certified as a psychologist in another jurisdiction and who has competence both in supervision in the practice of psychology and in the activities being supervised; or</u>
- (4) who is a licensed psychologist licensed in Minnesota who was licensed before August 1, 1991, with competencies competence both in supervision in the practice of psychology and in the activities being supervised; or
- Sec. 7. Minnesota Statutes 1998, section 148.925, subdivision 5, is amended to read:
- Subd. 5. SUPERVISORY CONSULTATION FOR AN APPLICANT FOR LICENSURE AS A LICENSED PSYCHOLOGIST. Supervision of an applicant for licensure as a licensed psychologist shall include at least two hours of regularly scheduled in-person consultations per week for full-time employment, one hour of which shall be with the supervisor on an individual basis. The remaining hour may be with other master's or doctoral prepared mental health professionals designated by the a designated supervisor. The board may approve an exception to the weekly supervision requirement for a week when the supervisor was ill or otherwise unable to provide supervision. The board may prorate the two hours per week of supervision for persons individuals preparing for licensure on a part-time basis. Supervised psychological employment does not qualify for licensure when the supervisory consultation is not adequate as described in subdivision 1, or in the board rules.
- Sec. 8. Minnesota Statutes 1998, section 148.925, subdivision 6, is amended to read:
- Subd. 6. **SUPERVISEE DUTIES.** Persons Individuals preparing for licensure as a licensed psychologist during their postdegree supervised employment may perform as part of their training any functions specified in section 148.89, but only under qualified supervision.

- Sec. 9. Minnesota Statutes 1999 Supplement, section 148.941, subdivision 2, is amended to read:
- Subd. 2. GROUNDS FOR DISCIPLINARY ACTION; FORMS OF DISCIPLINARY ACTION. (a) The board may impose disciplinary action as described in paragraph (b) against an applicant or licensee whom the board, by a preponderance of the evidence, determines:
- (1) has violated a statute, rule, or order that the board issued or is empowered to enforce:
- (2) has engaged in fraudulent, deceptive, or dishonest conduct, whether or not the conduct relates to the practice of psychology, that adversely affects the person's ability or fitness to practice psychology;
- (3) has engaged in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice without actual injury having to be established;
- (4) has been convicted of or has pled guilty or nolo contendere to a felony or other crime, an element of which is dishonesty or fraud, or has been shown to have engaged in acts or practices tending to show that the applicant or licensee is incompetent or has engaged in conduct reflecting adversely on the applicant's or licensee's ability or fitness to engage in the practice of psychology;
- (5) has employed fraud or deception in obtaining or renewing a license, in requesting approval of continuing education activities, or in passing an examination;
- (6) has had a psychology license, certificate, charter, registration, privilege to take an examination, or other similar authority denied, revoked, suspended, canceled, limited, reprimanded, or otherwise disciplined, or not renewed for cause in any jurisdiction; or has surrendered or voluntarily terminated a license or certificate during a board investigation of a complaint, as part of a disciplinary order, or while under a disciplinary order;
- (7) has been subject to a corrective action or similar action in another jurisdiction or by another regulatory authority;
- (8) has failed to meet any requirement for the issuance or renewal of the person's license. The burden of proof is on the applicant or licensee to demonstrate the qualifications or satisfy the requirements for a license under the Psychology Practice Act;
- (8) (9) has failed to cooperate with an investigation of the board as required under subdivision 4;
- (9) (10) has demonstrated an inability to practice psychology with reasonable skill and safety to clients due to any mental or physical illness or condition; or
- (10) (11) has engaged in fee splitting. This clause does not apply to the distribution of revenues from a partnership, group practice, nonprofit corporation, or

professional corporation to its partners, shareholders, members, or employees if the revenues consist only of fees for services performed by the licensee or under a licensee's administrative authority. This clause also does not apply to the charging of a general membership fee by a licensee or applicant to health care providers, as defined in section 144.335, for participation in a referral service, provided that the licensee or applicant discloses in advance to each referred client the financial nature of the referral arrangement. Fee splitting includes, but is not limited to:

- (i) paying, offering to pay, receiving, or agreeing to receive a commission, rebate, or remuneration, directly or indirectly, primarily for the referral of clients;
- (ii) dividing client fees with another individual or entity, unless the division is in proportion to the services provided and the responsibility assumed by each party;
- (iii) referring an individual or entity to any health care provider, as defined in section 144.335, or for other professional or technical services in which the referring licensee or applicant has a significant financial interest unless the licensee has disclosed the financial interest in advance to the client; and
- (iv) dispensing for profit or recommending any instrument, test, procedure, or device that for commercial purposes the licensee or applicant has developed or distributed, unless the licensee or applicant has disclosed any profit interest in advance to the client.
- (b) If grounds for disciplinary action exist under paragraph (a), the board may take one or more of the following actions:
 - (1) refuse to grant or renew a license;
 - (2) revoke a license;
 - (3) suspend a license;
- (4) impose limitations or conditions on a licensee's practice of psychology, including, but not limited to, limiting the scope of practice to designated competencies, imposing retraining or rehabilitation requirements, requiring the licensee to practice under supervision, or conditioning continued practice on the demonstration of knowledge or skill by appropriate examination or other review of skill and competence;
 - (5) censure or reprimand the licensee;
- (6) refuse to permit an applicant to take the licensure examination or refuse to release an applicant's examination grade if the board finds that it is in the public interest; or
- (7) impose a civil penalty not exceeding \$5,000 for each separate violation. The amount of the penalty shall be fixed so as to deprive the applicant or licensee of any economic advantage gained by reason of the violation charged, or to discourage repeated violations.

- (c) In lieu of or in addition to paragraph (b), the board may require, as a condition of continued licensure, termination of suspension, reinstatement of license, examination, or release of examination grades, that the applicant or licensee:
- (1) submit to a quality review, as specified by the board, of the applicant's or licensee's ability, skills, or quality of work; and
- (2) complete to the satisfaction of the board educational courses specified by the board.
- (d) Service of the order is effective if the order is served on the applicant, licensee, or counsel of record personally or by mail to the most recent address provided to the board for the licensee, applicant, or counsel of record. The order shall state the reasons for the entry of the order.

Presented to the governor April 7, 2000

Signed by the governor April 11, 2000, 10:42 a.m.

CHAPTER 364-S.F.No. 3198

An act relating to human services; establishing a process to close nursing facilities and reallocate the savings to other facilities; requiring budget neutrality; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Section 1. [256B.436] CLOSURE PLANS.

Subdivision 1. **DEFINITIONS.** (a) "Closure" means the voluntary cessation of operations of a nursing facility and voluntary delicensure and decertification of all nursing facility beds of the nursing facility.

- (b) "Commencement of closure" means the date on which the commissioner of health is notified of a planned closure in accordance with section 144A.16, as part of an approved closure plan.
- (c) "Completion of closure" means the date on which the final resident of the nursing facility or nursing facilities designated for closure in an approved closure plan is discharged from the facility or facilities.
- (d) "Closure plan" means a plan to close one or more nursing facilities and reallocate the resulting savings to provide special rate adjustments at other facilities.
- (e) "Interim closure payments" means the medical assistance payments that may be made to a nursing facility designated for closure in an approved plan under this section.
- (f) "Phased plan" means a closure plan affecting more than one nursing facility undergoing closure that is commenced and completed in phases.