

12 MCAR 2

1 Department of Public Welfare

2

3 Support Services Division

4

5 Adopted Rule Governing Reimbursement for Cost of Care of

6 Patients of a State Hospital

7

8 Rule as Adopted

9 12 MCAR S 2.027 Reimbursement for cost of care of patients in a
10 state hospital.

11 A. [Unchanged.]

12 B. Definitions. For purposes of 12 MCAR S 2.027, the
13 following terms have the meanings given them.

14 1.-8. [Unchanged.]

15 9. Inpatient. "Inpatient" or "resident patient" means a
16 person who occupies a bed in a state hospital for the purpose of
17 observation, care, diagnosis, or treatment.

18 10.-11. [Unchanged.]

19 12. Outpatient. "Outpatient" or "day care patient" means
20 a person who makes use of diagnostic, therapeutic, counseling,
21 or other services in a state hospital facility or through state
22 hospital personnel but does not occupy a hospital bed overnight.

23 13.-19. [Unchanged.]

24 20. Responsible relative. "Responsible relative" means
25 the spouse, the parents of minor children, and in the case of
26 the mentally ill or chemically dependent, the adult children of
27 a patient, in that order of liability for cost of care.

28 21. [Unchanged.]

29 C. Determination procedure.

30 1.-2. [Unchanged.]

31 3. Financial interview. When a person is interviewed,
32 the department shall:

33 a. Inform the person that he or she may choose an
34 individual to assist in the determination process and any other
35 contact with the department by authorizing such assistance in
36 writing;

7-18-83

1 b. Provide the person with an informational pamphlet
2 on cost of care and review with the person how the department
3 determines the charges for the patient's cost of care;

4 c. Inform the person that financial information
5 obtained from the person will not be released without the
6 person's written consent except pursuant to Minnesota Statutes,
7 ~~sections 15.1611 to 15.1699~~ chapter 13;

8 d. Inform the person of county, state, and federal
9 financial programs which may assist in paying the cost of care
10 and meeting personal and family needs;

11 e. Inform the person of the legal obligation to
12 provide sufficient information, required documents, and proof
13 necessary to determine ability to pay and of the consequences of
14 the failure to do so;

15 f. Provide the person the following forms which the
16 department uses to investigate the person's financial
17 resources: the financial information form, the insurance claim
18 and assignment of insurance benefits form, and the form or forms
19 consenting to the release of information necessary to obtain or
20 verify information about the person's resources; and

21 g. Request the person to complete and sign the forms
22 provided by the department and to provide verification of
23 financial information.

24 4.-9. [Unchanged.]

25 D. [Unchanged.]

26 E. Net income; patient.

27 1.-3. [Unchanged.]

28 4. Deductions from gross income to arrive at net income.

29 The following items shall be deducted from the patient's monthly
30 gross income:

31 a.-j. [Unchanged.]

32 k. A personal needs and clothing allowance of the
33 inpatient in the amount determined in accordance with Minnesota
34 Statutes, section 256B.35 for persons receiving public
35 assistance grants. In addition, a special personal allowance
36 drawn solely from earnings from any productive employment under

1 an individual plan of rehabilitation or work therapy shall be
 2 given to all patients in state hospitals. The special personal
 3 allowance shall not exceed \$50 per month. This amount shall be
 4 adjusted in accordance with the limit established by the
 5 department pursuant to Minnesota Statutes, section 256B.36 for
 6 persons receiving public assistance grants;

7 1.-n. [Unchanged.]

8 F. Property; patient. Property shall be available to pay
 9 for the cost of the patient's care to the extent owned by the
 10 patient, subject to the exclusions in 1.-6.

11 1. [Unchanged.]

12 2. Personal property. The value of the following
 13 personal property shall be excluded from consideration as a
 14 resource:

15 a. [Unchanged.]

16 b. ~~Up to \$2,000 in~~ The cash or liquid assets for a
 17 single patient and ~~up to \$4,000 in~~ the cash or liquid assets for
 18 a married couple. ~~These amounts shall be adjusted in accordance~~
 19 ~~with the limits established by the legislature under the~~
 20 standard for medical assistance recipients as provided in
 21 Minnesota Statutes, section 256B.06, as from time to time
 22 amended;

23 d.-1. [Reletter as c.-k.]

24 1. Life insurance owned by the patient ~~up to a cash~~
 25 ~~surrender value of \$1,500.~~ ~~This amount shall be adjusted in~~
 26 ~~accordance with the limit established by the legislature under~~
 27 the standard for medical assistance recipients as provided in
 28 Minnesota Statutes, section 256B.07 256B.06, as from time to
 29 time amended;

30 n. [Reletter as m.]

31 n. Burial expenses, including a burial lot and a
 32 prepaid burial account ~~up to \$750 plus \$200 accrued interest.~~
 33 ~~These amounts,~~ shall be adjusted in accordance with the limits
 34 ~~established by the legislature under~~ the standard for medical
 35 assistance recipients as provided in Minnesota Statutes, section
 36 sections 256B.06 to 256B.07, as from time to time amended.

1 3.-6. [Unchanged.]

2 G. Ability to pay; responsible relative.

3 1.-3. [Unchanged.]

4 4. Liability of responsible relatives. When the sum of
5 the benefits described in 3. and the patient's other resources
6 pay less than the full cost of care, the ability of each
7 responsible relative to pay shall be determined in the statutory
8 order of liability for cost of care. When two or more
9 responsible relatives have the same order of liability for cost
10 of care, a determination shall be made for each one except that
11 a joint determination shall be made for parents who reside in
12 the same household. This provision applies to parents of a
13 minor child and to the adult children of a mentally ill or
14 chemically dependent patient.

15 5. Limitations on relative's ability to pay. The ability
16 of a responsible relative to pay shall be determined from the
17 annual gross earnings of the responsible relative subject to the
18 limitations in a.-e.

19 a. A responsible relative who verifies annual gross
20 earnings of less than \$11,000 shall be determined not able to
21 pay the cost of care.

22 b. No responsible relative who is a resident of
23 Minnesota shall be ordered to pay more than ten percent of the
24 cost of care for each patient except that the responsible
25 relative who has failed to provide the information, documents,
26 and proofs which are necessary to determine ability to pay as
27 required by C.3.f. and g. may be ordered to pay the full per
28 capita cost of care until such time as they are provided.

29 c. The department may require full payment of the full
30 per capita cost of care for a patient whose parents or parent,
31 spouse, guardian, or conservator do not reside in Minnesota and
32 are financially able to pay as determined by the department.

33 d. Only the annual gross earnings of the spouse of a
34 patient shall be used to determine the spouse's ability to pay.

35 e. When a responsible relative is married to a person
36 who is not a responsible relative, only the annual gross

1 earnings of the responsible relative shall be used to determine
2 the responsible relative's ability to pay.

3 f. The department may accept from the responsible
4 relatives voluntary payments in excess of ten percent.

5 6. Determination of relative's ability to pay.

6 a. A responsible relative who provides the department
7 the information, documents, and proofs necessary to determine
8 ability to pay as provided in C.3.f. and g. shall have his or
9 her ability to pay determined from the table in Exhibit 12 MCAR
10 S 2.027 G.7. For purposes of this table, household size
11 consists of the responsible relative and the responsible
12 relative's dependents living in the responsible relative's
13 household, other than the patient.

14 b. A responsible relative who chooses not to provide
15 the department the information, documents, and proofs necessary
16 to determine ability to pay as provided in C.3.f. and g. may be
17 determined liable for the full per capita cost of care.

18 7. Exhibit 12 MCAR S 2.027 G.7. shall be used to
19 determine a relative's ability to pay, as described in 6. when
20 there is a change in the per capita cost of care, the department
21 shall revise Exhibit 12 MCAR S 2.027 G.7. Adjustments shall be
22 made according to the following formula: at each level of
23 annual gross earnings, daily payments equal to ten percent of
24 the per diem for the previous year shall be adjusted to equal
25 either the daily payment at the next lower level of earnings
26 plus 25 percent, or ten percent of the per diem for the current
27 year, whichever is less; successive levels of earnings shall be
28 added to Exhibit 12 MCAR S 2.027 G.7. if needed to incorporate
29 daily payments up to ten percent of the per diem for the current
30 year; the daily payment of a responsible relative whose earnings
31 are above these levels shall be at ten percent of the current
32 per diem.

33 Exhibit 12 MCAR S 2.027 G.7. [Unchanged.]

34 8.-9. [Unchanged.]