

1 Department of Human Services

2

3 Adopted Permanent Rules Relating to Administration of the State

4 Facilities Cost of Care Programs

5

6 Rules as Adopted

7 REIMBURSEMENT FOR COST OF CARE OF PATIENTS  
8 AND RESIDENTS IN STATE FACILITIES

9

10 9515.1000 SCOPE AND STATUTORY AUTHORITY.

11 Parts 9515.1000 to 9515.2600 govern the administration of  
12 the state facilities cost of care program in the Department of  
13 Human Services. Parts 9515.1000 to 9515.2600 are to be read in  
14 conjunction with Minnesota Statutes, sections 246.50 to 246.55  
15 and other rules of the department. Parts 9515.1000 to 9515.2600  
16 do not apply to persons admitted to chemical dependency  
17 treatment programs who are eligible to have chemical dependency  
18 treatment paid for with funds from the consolidated chemical  
19 dependency treatment fund under Minnesota Statutes, chapter 254B  
20 and parts 9530.7000 to 9530.7030.

21 9515.1200 DEFINITIONS.

22 Subp. 1. to 3. [Unchanged.]

23 Subp. 4. Cost of care or per diem. "Cost of care" or "per  
24 diem" means the daily per capita cost of providing care to state  
25 facility patients or residents, or the cost of outpatient  
26 services calculated in accordance with Minnesota Statutes,  
27 section 246.50, subdivision 5.

28 Subp. 5. to 7. [Unchanged.]

29 Subp. 8. Homestead. "Homestead" means the house owned and  
30 occupied by the patient or resident as his or her dwelling  
31 place, together with the land upon which it is situated as  
32 limited by Minnesota Statutes, section 510.02.

33 Subp. 10. Inpatient, resident patient. "Inpatient" or  
34 "resident patient" means a person who occupies a bed in a state  
35 facility for the purpose of observation, care, diagnosis, or  
36 treatment.

1 Subp. 11. and 12. [Unchanged.]

2 Subp. 13. Outpatient, day care patient. "Outpatient" or  
3 "day care patient" means a person who makes use of diagnostic,  
4 therapeutic, counseling, or other services in a state facility  
5 or through state personnel but does not occupy a bed overnight.

6 Subp. 14. Patient. "Patient" means any individual  
7 receiving observation, diagnosis, care, or treatment in a state  
8 facility.

9 Subp. 15. Financial file. "Financial file" means  
10 financial data collected for the purpose of determining ability  
11 of the patient, resident, or the responsible relative to pay the  
12 patient's or resident's cost of care.

13 Subp. 16. Person. "Person" means a patient, resident, or  
14 responsible relative.

15 Subp. 17. to 19. [Unchanged.]

16 Subp. 19a. Resident. "Resident" means a person as defined  
17 in Minnesota Statutes, section 246.50, subdivision 4a.

18 Subp. 20. Resource. "Resource" means any property or  
19 benefit that is available to pay for the cost of care of the  
20 patient or resident.

21 Subp. 21. [Unchanged.]

22 Subp. 22. State facility. "State facility" means a  
23 regional treatment center or state nursing home, as defined by  
24 Minnesota Statutes, section 246.50, subdivisions 3 and 3a.

25 9515.1300 TIME OF DETERMINATION.

26 Ability to pay the cost of care shall be determined when  
27 the patient or resident is admitted, when there is a change in  
28 the person's financial status, when a patient, resident,  
29 responsible relative, guardian, conservator, or representative  
30 payee reports a change in the financial status used in  
31 determining ability to pay, when the patient or resident has  
32 been hospitalized for 120 days or more, when the patient or  
33 resident is being discharged, and when the responsible  
34 relative's financial status has not been reviewed for one year.

35 Within the six-year period after the date of a patient's or

1 resident's discharge from the facility, the department from time  
2 to time may, and upon request of the patient or resident shall,  
3 reevaluate the patient's or resident's ability to pay any  
4 balance of the charge for cost of care.

5 9515.1400 PERSONS INTERVIEWED TO DETERMINE ABILITY TO PAY.

6 In all instances the patient or resident shall be present  
7 at the interview to determine ability to pay unless the patient  
8 or resident is a minor or the treatment staff of the state  
9 facility attests the patient's or resident's presence is  
10 medically contraindicated. When the patient or resident cannot  
11 be present at the interview, the reason shall be noted in the  
12 financial file for that patient or resident.

13 The patient or resident shall be the source of financial  
14 information to determine ability to pay except when the  
15 management of the patient's or resident's financial affairs is  
16 in the hands of another person. When the patient or resident is  
17 not the source of financial information the reason shall be  
18 noted in the financial file for that patient or resident.

19 When the patient or resident is not able to act on his or  
20 her own behalf, the person interviewed shall be the patient's or  
21 resident's legal guardian, the conservator, the parents of a  
22 minor child, a spouse, a relative of the patient or resident, a  
23 trustee, a representative payee, the patient's or resident's  
24 legal representative, or a county social worker.

25 If the patient or resident is unable to pay the full cost  
26 of the per diem, the responsible relative shall be interviewed.

27 9515.1500 FINANCIAL INTERVIEW.

28 When a person is interviewed, the department shall:

29 A. [Unchanged.]

30 B. provide the person with an informational pamphlet  
31 on cost of care and review with the person how the department  
32 determines the charges for the patient's or resident's cost of  
33 care;

34 C. to G. [Unchanged.]

## 1 9515.2200 SOURCES OF INCOME CONSIDERED.

2 Subpart 1. In general. The patient's or resident's  
3 ability to pay shall be determined from insurance benefits, net  
4 income, and value of property owned.

5 Subp. 2. Insurance benefits. When the investigation of  
6 the patient's or resident's ability to pay discloses eligibility  
7 for insurance benefits, the patient or resident shall be  
8 determined to be able to pay the cost of care provided to the  
9 full extent of insurance benefits available. The dollar amount  
10 of this coverage need not be specified in the determination  
11 order.

12 When the insurance benefits pay less than the per diem, the  
13 ability of the patient or resident to pay the remaining part of  
14 the per diem shall be determined from the patient's or  
15 resident's net income and nonexcluded property.

16 Subp. 3. Net income. The patient's or resident's entire  
17 net income remaining after the deductions from gross income have  
18 been made in accordance with part 9515.2300, subpart 4, except  
19 Supplemental Security Income paid under section 1611(e)(1)(E) of  
20 the Social Security Act, United States Code, title 42, section  
21 1382(e)(1)(E), as amended through November 10, 1986, shall be  
22 available to pay the cost of care.

23 Subp. 4. Property. As long as the patient or resident  
24 owns property not excluded under part 9515.2500, the patient or  
25 resident shall be determined able to pay the full cost of care.

## 26 9515.2300 NET INCOME OF PATIENT OR RESIDENT.

27 Subp. 2. and 3. [Unchanged.]

28 Subp. 4. Deductions from gross income to arrive at net  
29 income. The following items shall be deducted from the  
30 patient's or resident's monthly gross income:

31 A. and B. [Unchanged.]

32 C. Child care costs paid by the patient or resident  
33 and not reimbursed from any source.

34 D. Support payments ordered by a court and actually  
35 paid. If this deduction is taken, the individual for whom

1 support is paid shall not be included as a member of the  
2 patient's or resident's household in determining the monthly  
3 household living allowance in part 9515.2400.

4 E. to I. [Unchanged.]

5 J. An allowance of \$86 per month per boarder, \$71 per  
6 month per roomer, and \$157 per month for each person who is both  
7 a roomer and boarder. This amount shall be updated periodically  
8 by the percentage the legislature authorizes for public  
9 assistance grants.

10 K. A personal needs and clothing allowance of the  
11 inpatient in the amount determined under Minnesota Statutes,  
12 section 256B.35 for persons receiving public assistance grants.  
13 In addition, a special personal allowance drawn solely from  
14 earnings from any productive employment under an individual plan  
15 of rehabilitation or work therapy shall be given to all patients  
16 or residents in state facilities. The special personal  
17 allowance shall not exceed 50 percent of net monthly income.

18 L. Sixty percent of the income earned from child care  
19 in one's own home or, if the patient or resident chooses, the  
20 actual itemized business expenses incurred in providing child  
21 care subject to the limitations provided in parts 9515.1200,  
22 subparts 2 and 3; and 9515.2300, subpart 4, item I.

23 M. An inpatient without dependents living in his or  
24 her home shall be allowed the actual cost of his or her housing  
25 and utilities in the community for the month of admission and a  
26 period of three months of continuous hospitalization subsequent  
27 to that admission. An inpatient with dependents living in his  
28 or her home shall be allowed a pro rata share of his or her  
29 household's total actual housing costs during the month of  
30 admission and for a period of three months of continuous  
31 hospitalization subsequent to that admission. This housing  
32 allowance shall be available to the inpatient only twice in any  
33 one calendar year regardless of the number of times the patient  
34 is admitted to a state hospital in that calendar year. An  
35 outpatient or former patient or resident shall be allowed the  
36 actual cost of his or her housing and utilities.

1 N. [Unchanged.]

2 9515.2400 MONTHLY HOUSEHOLD LIVING ALLOWANCE SCHEDULE.

	Number in Household	Monthly Household Living Allowance
3		
4		
5		
6	1	\$ 458
7	2	\$ 688
8	3	\$ 912
9	4	\$1,146
10	5	\$1,375
11	6	\$1,604
12	over 6	\$1,604 plus
13		\$ 229 for each
14		additional person
15		

16 The number in household of an inpatient is the number of  
 17 dependents the patient or resident claims. The number in  
 18 household of an outpatient or former patient or resident shall  
 19 be the patient or resident plus the number of dependents  
 20 claimed. The gross monthly income of a patient's or resident's  
 21 spouse, if any, shall be deducted from the housing allowances  
 22 shown above.

23 By July 1 of each year, the department shall adjust the  
 24 monthly household living allowance to reflect the annual  
 25 percentage change reported in the most recent Consumer Price  
 26 Index, for all urban consumers in the Minneapolis-Saint Paul  
 27 area. The Consumer Price Index shall be as published by the  
 28 Bureau of Labor Statistics, U.S. Department of Labor. The year  
 29 1967 is the standard reference base period.

30 9515.2500 PROPERTY OF PATIENT OR RESIDENT.

31 Subpart 1. In general. Property shall be available to pay  
 32 for the cost of the patient's or resident's care to the extent  
 33 owned by the patient or resident, subject to the exclusions in  
 34 subparts 2 to 7.

35 Subp. 2. Real property. The value of the patient's or  
 36 resident's homestead is excluded from consideration as a  
 37 resource.

38 The value of real property owned by the patient or resident  
 39 which produces a net income is excluded from consideration as a  
 40 resource. Real property which the patient or resident is  
 41 selling on a contract for deed and for which the patient or

1 resident receives payments is considered income producing  
2 property.

3 Subp. 3. **Personal property.** The value of the following  
4 personal property is excluded from consideration as a resource:

5 A. the value of personal property other than stocks,  
6 bonds, and other investment instruments which is owned by the  
7 patient or resident and which yields or contributes to the  
8 production of a net income, such as tools, farm implements,  
9 livestock, and business inventory and fixtures acquired prior to  
10 hospitalization;

11 B. the cash or liquid assets for a single patient or  
12 resident and the cash or liquid assets for a married couple  
13 shall be the standard for medical assistance recipients as  
14 provided in Minnesota Statutes, section 256B.06, as from time to  
15 time amended;

16 C. to G. [Unchanged.]

17 H. manufactured home used as a home by the patient or  
18 resident or the patient's or resident's dependents;

19 I. to K. [Unchanged.]

20 L. life insurance owned by the patient or resident is  
21 the standard for medical assistance recipients as provided in  
22 Minnesota Statutes, section 256B.06, as from time to time  
23 amended;

24 M. and N. [Unchanged.]

25 Subp. 4. **Waiver of property as a resource.** The department  
26 shall waive consideration of property in excess of the  
27 exemptions when the patient's or resident's equity cannot be  
28 liquidated, the offered price is less than 80 percent of the  
29 market value given by two appraisers agreeable to both parties,  
30 or the cost of repairs necessary to meet the conditions of sale  
31 exceeds 35 percent of the offered price.

32 Each case shall be referred to the department's  
33 reimbursement division central office and decided on the merits  
34 of the facts recorded in the patient's or resident's financial  
35 file to substantiate the circumstances.

36 The decision to waive the consideration shall be examined

1 at least annually for changes in market value, opportunity for  
2 sale or mortgage, and other pertinent factors.

3 Subp. 5. **Transfer of property.** The market value of any  
4 property transferred, less any value received, shall be treated  
5 as an available resource if the property is valued at more than  
6 \$1,000 and if the transfer is for less than the market value and  
7 if the transfer is made:

8 A. during or after hospitalization in a state  
9 facility; or

10 B. prior to hospitalization in a state facility, but  
11 with intent to avoid the use of the property to pay for facility  
12 care or in determining ability to pay for care; or

13 C. prior to hospitalization in a state facility but  
14 within 24 months of admission.

15 Subp. 6. **Documentation required.** When property described  
16 in subpart 5 is transferred during the period between two years  
17 prior to admission to a state facility and six years following  
18 discharge, the patient, resident, or the representative shall  
19 provide documentation of the circumstances of the transfer.

20 Subp. 7. **Exemption.** The provisions of subparts 5 and 6 do  
21 not apply when the patient or resident is not continuing to  
22 accrue charges and the full cost of care has been paid. The  
23 provisions of subparts 5 and 6 do not apply to property excluded  
24 from consideration under other provisions of parts 9515.1000 to  
25 9515.2600.

26 9515.2600 RESPONSIBLE RELATIVE'S ABILITY TO PAY.

27 Subpart 1. **In general.** When the patient or resident is  
28 determined not to be able to pay the full cost of care, the  
29 department shall determine the ability of each responsible  
30 relative of the patient or resident to pay the amount permitted  
31 by statute.

32 Subp. 2. [Unchanged.]

33 Subp. 3. **Insurance benefits.** The responsible relative  
34 shall inform the department about dependent benefits from  
35 hospital and medical insurance carried by the relative.



1       Dependent benefits to a patient or resident shall be  
2 considered the same as the patient's or resident's insurance.

3       Any difference between benefits to a patient or resident  
4 and others covered by the responsible relative's policy shall be  
5 verified.

6       The responsible relative shall complete and sign the forms  
7 necessary to verify eligibility for benefits and assign benefits  
8 to pay the cost of care of the patient or resident.

9       The amount of the premium paid by the responsible relative  
10 may be deducted from the responsible relative's total obligation  
11 to pay.

12       Subp. 4. **Liability of responsible relatives.** When the sum  
13 of the benefits described in subpart 3 and the patient's or  
14 resident's other resources pay less than the full cost of care,  
15 the ability of each responsible relative to pay shall be  
16 determined in the statutory order of liability for cost of  
17 care. When two responsible relatives have the same order of  
18 liability for cost of care, a determination shall be made for  
19 each one except that a joint determination shall be made for  
20 parents who reside in the same household.

21       Subp. 5. **Limitations on relative's ability to pay.** The  
22 ability of a responsible relative to pay shall be determined  
23 from the annual gross earnings of the responsible relative  
24 subject to the following limitations:

25           A. and B. [Unchanged.]

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

31           D. Only the annual gross earnings of the spouse of a  
32 patient or resident shall be used to determine the spouse's  
33 ability to pay.

34           E. to G. [Unchanged.]

35       Subp. 6. **Determination of relative's ability to pay.** A  
36 responsible relative who provides the department the

1 information, documents, and proofs necessary to determine  
 2 ability to pay as provided in part 9515.1500, items F and G  
 3 shall have his or her ability to pay determined from the table  
 4 in subpart 8. For purposes of this table, household size  
 5 consists of the responsible relative and the responsible  
 6 relative's dependents living in the responsible relative's  
 7 household, other than the patient or resident.

8 A responsible relative who chooses not to provide the  
 9 department the information, documents, and proofs necessary to  
 10 determine ability to pay as provided in part 9515.1500, items F  
 11 and G may be determined liable for the full per capita cost of  
 12 care.

13 Subp. 7. [Unchanged.]

14 Subp. 8. Daily payment based on ability to pay according  
 15 to household size and annual gross earnings of responsible  
 16 relatives.

17 Annual Gross  
 18 Earnings of  
 19 Responsible  
 20 Relative

Household Size

	1	2	3	4	5	6	7	8	9	10
25										
26 11,000-										
27 11,999	.33	0								
28 12,000-										
29 12,999	.45	.33	0							
30 13,000-										
31 13,999	.57	.45	.33	0						
32 14,000-										
33 14,999	.72	.57	.45	.33	0					
34 15,000-										
35 15,999	.87	.72	.57	.45	.33	0				
36 16,000-										
37 16,999	1.05	.87	.72	.57	.45	.33	0			
38 17,000-										
39 17,999	1.23	1.05	.87	.72	.57	.45	.33	0		
40 18,000-										
41 18,999	1.45	1.23	1.05	.87	.72	.57	.45	.33	0	
42 19,000-										
43 19,999	1.81	1.45	1.23	1.05	.87	.72	.57	.45	.33	0
44 20,000-										
45 20,999	2.26	1.67	1.45	1.23	1.05	.87	.72	.57	.45	.33
46 21,000-										
47 21,999	2.82	1.92	1.67	1.45	1.23	1.05	.87	.72	.57	.45
48 22,000-										
49 22,999	3.52	2.17	1.92	1.67	1.45	1.23	1.05	.87	.72	.57
50 23,000-										
51 23,999	4.41	2.45	2.17	1.92	1.67	1.45	1.23	1.05	.87	.72
52 24,000-										
53 24,999	5.51	3.06	2.45	2.17	1.92	1.67	1.45	1.23	1.05	.87

1	25,000-											
2	25,999	6.89	3.82	2.75	2.45	2.17	1.92	1.67	1.45	1.23	1.05	
3	26,000-											
4	26,999	8.61	4.77	3.05	2.75	2.45	2.17	1.92	1.67	1.45	1.23	
5	27,000-											
6	27,999	10.76	5.96	3.37	3.05	2.75	2.45	2.17	1.92	1.67	1.45	
7	28,000-											
8	28,999	13.45	7.46	4.21	3.37	3.05	2.75	2.45	2.17	1.92	1.67	
9	29,000-											
10	29,999	16.81	9.32	5.26	3.72	3.37	3.05	2.75	2.45	2.17	1.92	
11	30,000-											
12	30,999	19.49	11.65	6.57	4.07	3.72	3.37	3.05	2.75	2.45	2.17	
13	31,000-											
14	31,999	19.49	14.56	8.21	4.45	4.07	3.72	3.37	3.05	2.75	2.45	
15	32,000-											
16	32,999	19.49	18.20	10.26	4.83	4.45	4.07	3.72	3.37	3.05	2.75	
17	33,000-											
18	33,999	19.49	19.49	12.83	6.03	4.83	4.45	4.07	3.72	3.37	3.05	
19	34,000-											
20	34,999	19.49	19.49	16.04	7.53	5.25	4.83	4.45	4.07	3.72	3.37	
21	35,000-											
22	35,999	19.49	19.49	19.49	9.41	5.67	5.25	4.83	4.45	4.07	3.72	
23	36,000-											
24	36,999	19.49	19.49	19.49	11.76	6.12	5.67	5.25	4.83	4.45	4.07	
25	37,000-											
26	37,999	19.49	19.49	19.49	14.70	7.56	6.12	5.67	5.25	4.83	4.45	
27	38,000-											
28	38,999	19.49	19.49	19.49	18.38	9.45	7.56	6.12	5.67	5.25	4.83	
29	39,000-											
30	39,999	19.49	19.49	19.49	19.49	11.81	9.45	7.56	6.12	5.67	5.25	
31	40,000-											
32	40,999	19.49	19.49	19.49	19.49	14.76	11.81	9.45	7.56	6.12	5.67	
33	41,000-											
34	41,999	19.49	19.49	19.49	19.49	18.45	18.45	11.81	9.45	7.56	6.12	
35	42,000-											
36	42,999	19.49	19.49	19.49	19.49	19.49	19.49	14.76	11.81	9.45	7.56	
37	43,000-											
38	43,999											
39		19.49	19.49	19.49	19.49	19.49	19.49	18.45	14.76	11.81	9.45	
40	44,000-											
41	44,999											
42		19.49	19.49	19.49	19.49	19.49	19.49	19.49	18.45	14.76	11.81	
43	45,000-											
44	45,999											
45		19.49	19.49	19.49	19.49	19.49	19.49	19.49	19.49	19.49	14.76	
46	46,000-											
47	46,999											
48		19.49	19.49	19.49	19.49	19.49	19.49	19.49	19.49	19.49	18.45	
49	47,000-											
50	47,999											
51		19.49	19.49	19.49	19.49	19.49	19.49	19.49	19.49	19.49	19.49	

52 Subp. 9. and 10. [Unchanged.]

53 Subp. 11. Clothing and personal needs allowance of a  
54 minor. The parents of a patient or resident who is an  
55 unmarried, dependent child are responsible for meeting the  
56 child's clothing and personal needs allowance in addition to the  
57 amount they are determined able to pay to meet the cost of care.

58

59 REPEALER. Minnesota Rules, part 9515.1100, is repealed.