

1 Department of Human Services

2

3 Adopted Permanent Rules Relating to Reimbursement for Cost of
4 Care of Clients in State Facilities

5

6 Rules as Adopted

7 9515.1200 DEFINITIONS.

8 [For text of subps 1 to 3, see M.R.]

9 Subp. 3a. Client. "Client" means a person receiving
10 services at a state facility, whether or not those services
11 require occupancy of a bed overnight. Client includes:

- 12 A. an inpatient;
- 13 B. a resident patient;
- 14 C. an outpatient;
- 15 D. a day patient;
- 16 E. a patient; and
- 17 F. a resident.

18 Subp. 4. Cost of care. "Cost of care" means the cost of
19 providing services to state facility clients, calculated in
20 accordance with Minnesota Statutes, section 246.50, subdivision
21 5.

22 [For text of subps 5 and 6, see M.R.]

23 Subp. 6a. Financial file. "Financial file" means
24 financial data collected for the purpose of determining ability
25 of the client or the responsible relative to pay the client's
26 cost of care.

27 [For text of subp 7, see M.R.]

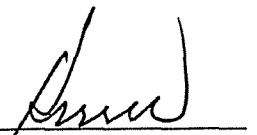
28 Subp. 8. Homestead. "Homestead" means the house owned and
29 occupied by the client as his or her dwelling place, together
30 with the land upon which it is situated as limited by Minnesota
31 Statutes, section 510.02.

32 Subp. 10. [See repealer.]

33 [For text of subps 11 and 12, see M.R.]

34 Subp. 13. to 15. [See repealer.]

35 Subp. 16. Person. "Person" means a client, responsible



1 relative, conservator, legal guardian, representative payee,
2 trustee, county financial or social worker, case manager, or
3 attorney.

4 [For text of subps 17 to 19, see M.R.]

5 Subp. 19a. [See repealer.]

6 Subp. 20. Resource. "Resource" means any property or
7 benefit that is available to pay for the cost of care of the
8 client.

9 [For text of subp 21, see M.R.]

10 Subp. 21a. Services. "Services" means all services in a
11 state facility. The following are services:

- 12 A. observation;
- 13 B. care;
- 14 C. treatment;
- 15 D. diagnostic services;
- 16 E. therapeutic services;
- 17 F. counseling services treatment; and
- 18 G. other related assistance.

19 Subp. 22. State facility. "State facility" means a
20 regional treatment center, state nursing home, or other
21 facility, as defined by Minnesota Statutes, section 246.50,
22 subdivision 3.

23 9515.1300 TIME OF DETERMINATION.

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

32 Within the six-year period after the date of a client's
33 discharge from the facility, the department from time to time
34 may, and upon request of the client shall, reevaluate the
35 client's ability to pay any balance of the charge for cost of

1 care.

2 9515.1400 PERSONS INTERVIEWED TO DETERMINE ABILITY TO PAY.

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

9 The client shall be the source of financial information to
10 determine ability to pay except when the management of the
11 client's financial affairs is in the hands of another person.
12 When the client is not the source of financial information the
13 reason shall be noted in the financial file for that client.

14 When the client is not able to act on his or her own
15 behalf, the person interviewed shall be the client's legal
16 guardian, the conservator, the parents of a minor child, a
17 spouse, a relative of the client, a trustee, a representative
18 payee, the client's legal representative, or a county social
19 worker.

20 If the client is unable to pay the full cost of the care,
21 the responsible relative shall be interviewed.

22 9515.1500 FINANCIAL INTERVIEW.

23 When a person is interviewed, the department shall:

24 [For text of item A, see M.R.]

25 B. provide the person with an informational pamphlet
26 on cost of care and review with the person how the department
27 determines the charges for the client's cost of care;

28 [For text of items C to G, see M.R.]

29 9515.1900 DETERMINATION ORDER AND NOTICE OF RATE.

30 A determination order and notice of rate showing the cost
31 of care, the amount the person is ordered to pay and the right
32 to a review and an appeal shall be sent by the department to the
33 person, and the person's guardian, conservator, or
34 representative payee.

1 9515.2200 SOURCES OF INCOME CONSIDERED.

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

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

11 When the insurance benefits pay less than the cost of care,
12 the ability of the client to pay the remaining part of the cost
13 of care shall be determined from the client's net income and
14 nonexcluded property.

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

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

25 9515.2300 NET INCOME OF CLIENT.

26 Subp. 2. Lump sums. Lump sums, other than excluded
27 property, shall be treated as income in the month received and
28 thereafter shall be treated as property, except that retroactive
29 awards of ~~social-security-or-veterans~~¹-benefits retirement,
30 survivors, and disability insurance shall be treated excluded as
31 income-during-the-months-to-which-such-benefits-are-attributable
32 property for six months if retained after the month of receipt.

33 The client shall report the lump sum to the department within
34 ten working days.

35 [For text of subp 3, see M.R.]

1 Subp. 4. Deductions from gross income to arrive at net
2 income. The following items shall be deducted from the client's
3 monthly gross income:

4 [For text of items A and B, see M.R.]

5 C. Child care costs paid by the client and not
6 reimbursed from any source.

7 D. Support payments ordered by a court and actually
8 paid. If this deduction is taken, the individual for whom
9 support is paid shall not be included as a member of the
10 client's household in determining the monthly household living
11 allowance in part 9515.2400.

12 [For text of items E to J, see M.R.]

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

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

26 M. A client receiving inpatient services without
27 dependents living in his or her home shall be allowed the actual
28 cost of his or her housing and utilities in the community for
29 the month of admission and a period of three months of
30 continuous hospitalization subsequent to that admission. A
31 client receiving inpatient services with dependents living in
32 his or her home shall be allowed a pro rata share of his or her
33 household's total actual housing costs during the month of
34 admission and for a period of three months of continuous
35 hospitalization subsequent to that admission. This housing
36 allowance shall be available to the client receiving inpatient

1 services only twice in any one calendar year regardless of the
2 number of times the client is admitted to a state facility in
3 that calendar year. A client receiving outpatient services or
4 former client shall be allowed the actual cost of his or her
5 housing and utilities.

6 [For text of item N, see M.R.]

7 9515.2400 MONTHLY HOUSEHOLD LIVING ALLOWANCE SCHEDULE.

8 9	Number in Household	Monthly Household Living Allowance
10		
11	1	\$ 539
12	2	\$ 809
13	3	\$1,073
14	4	\$1,349
15	5	\$1,618
16	6	\$1,888
17	over 6	\$1,888 plus \$ 280 for each additional person
18		
19		
20		
21		

22 The number of persons in the household of a client
23 receiving inpatient services is the number of dependents the
24 client claims. The number in the household of a client
25 receiving outpatient services or former client shall be the
26 client plus the number of dependents claimed. The gross monthly
27 income of a client's spouse, if any, shall be deducted from the
28 housing allowances shown above.

29 By July 1 of each year, the department shall adjust the
30 monthly household living allowance to reflect the annual
31 percentage change reported in the most recent Consumer Price
32 Index, for all urban consumers in the Minneapolis-Saint Paul
33 area. The Consumer Price Index shall be as published by the
34 Bureau of Labor Statistics, United States Department of Labor.
35 The year 1967 is the standard reference base period.

36 By July 1 of each year, the department shall publish the
37 adjusted monthly household living allowance in a department
38 bulletin.

39 9515.2500 PROPERTY OF CLIENT.

40 Subpart 1. In general. Property shall be available to pay
41 for the cost of the client's care to the extent owned by the
42 client, subject to the exclusions in subparts 2 to 7.

1 Subp. 2. Real property. The value of the client's
2 homestead is excluded from consideration as a resource.

3 The value of real property owned by the client which
4 produces a net income is excluded from consideration as a
5 resource. Real property which the client is selling on a
6 contract for deed and for which the client receives payments is
7 considered income producing property.

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

10 A. the value of personal property other than stocks,
11 bonds, and other investment instruments which is owned by the
12 client and which yields or contributes to the production of a
13 net income, such as tools, farm implements, livestock, and
14 business inventory and fixtures acquired prior to
15 hospitalization;

16 B. the cash or liquid assets for a single client and
17 the cash or liquid assets for a married couple shall be the
18 standard for medical assistance recipients as provided in
19 Minnesota Statutes, section 256B.056, subdivision 3, as from
20 time to time amended;

21 [For text of items C to G, see M.R.]

22 H. manufactured home used as a home by the client or
23 the client's dependents;

24 [For text of items I to K, see M.R.]

25 L. life insurance owned by the client is the standard
26 for medical assistance recipients as provided in Minnesota
27 Statutes, section 256B.056, subdivision 3, as from time to time
28 amended;

29 [For text of item M, see M.R.]

30 N. burial expenses, including a burial lot and a
31 prepaid burial account, shall be the standard for medical
32 assistance recipients as provided in Minnesota Statutes, section
33 256B.056, subdivision 3, as from time to time amended.

34 Subp. 4. Waiver of property as a resource. The department
35 shall waive consideration of property in excess of the
36 exemptions when the client's equity cannot be liquidated, the

1 offered price is less than 80 percent of the market value given
2 by two appraisers agreeable to both parties, or the cost of
3 repairs necessary to meet the conditions of sale exceeds 35
4 percent of the offered price.

5 Each case shall be referred to the department's
6 reimbursement division central office and decided on the merits
7 of the facts recorded in the client's financial file to
8 substantiate the circumstances.

9 The decision to waive the consideration shall be examined
10 at least annually for changes in market value, opportunity for
11 sale or mortgage, and other pertinent factors.

12 [For text of subp 5, see M.R.]

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

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

24 9515.2600 RESPONSIBLE RELATIVE'S ABILITY TO PAY.

25 Subpart 1. In general. When the client is determined not
26 to be able to pay the full cost of care, the department shall
27 determine the ability of each responsible relative of the client
28 to pay the amount permitted by statute.

29 [For text of subp 2, see M.R.]

30 Subp. 3. Insurance benefits. The responsible relative
31 shall inform the department about dependent benefits from
32 hospital and medical insurance carried by the relative.

33 Dependent benefits to a client shall be considered the same
34 as the client's insurance.

35 Any difference between benefits to a client and others

1 covered by the responsible relative's policy shall be verified.

2 The responsible relative shall complete and sign the forms
3 necessary to verify eligibility for benefits and assign benefits
4 to pay the cost of care of the client.

5 The amount of the premium paid by the responsible relative
6 may be deducted from the responsible relative's total obligation
7 to pay.

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

17 Subp. 5. **Limitations on relative's ability to pay.** The
18 ability of a responsible relative to pay shall be determined
19 from the annual gross earnings of the responsible relative
20 subject to the following limitations:

21 [For text of item A, see M.R.]

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 client 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 part 9515.1500, items F and G may be ordered to pay
28 the full cost of care until such time as they are provided.

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

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

35 [For text of items E to G, see M.R.]

36 Subp. 6. **Determination of relative's ability to pay.** A

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

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

13 Subp. 7. Purpose of table. The table in subpart 8 shall
14 be used to determine a relative's ability to pay, as described
15 in subpart 6. When there is a change in the cost of care, the
16 department shall revise subpart 8. Adjustments shall be made
17 according to the following formula: at each level of annual
18 gross earnings, daily payments equal to ten percent of the cost
19 of care for the previous year shall be adjusted to equal either
20 the daily payment at the next lower level of earnings plus 25
21 percent, or ten percent of the cost of care for the current
22 year, whichever is less; successive levels of earnings shall be
23 added to subpart 8 if needed to incorporate daily payments up to
24 ten percent of the cost of care for the current year; the daily
25 payment of a responsible relative whose earnings are above these
26 levels shall be at ten percent of the current cost of care.

27 Subp. 8. Daily payment based on ability to pay according
28 to household size and annual gross earnings of responsible
29 relatives.

**Annual
Gross
Earnings of
Responsible
Relative**

Household Size

	1	2	3	4	5	6	7	8	9	10
11,000-11,999	.33	0								
12,000-12,999	.45	.33	0							
13,000-13,999	.57	.45	.33	0						
14,000-14,999	.72	.57	.45	.33	0					
15,000-15,999	.87	.72	.57	.45	.33	0				
16,000-16,999	1.05	.87	.72	.57	.45	.33	0			
17,000-17,999	1.23	1.05	.87	.72	.57	.45	.33	0		
18,000-18,999	1.45	1.23	1.05	.87	.72	.57	.45	.33	0	
19,000-19,999	1.81	1.45	1.23	1.05	.87	.72	.57	.45	.33	0
20,000-20,999	2.26	1.67	1.45	1.23	1.05	.87	.72	.57	.45	.33
21,000-21,999	2.82	1.92	1.67	1.45	1.23	1.05	.87	.72	.57	.45
22,000-22,999	3.52	2.17	1.92	1.67	1.45	1.23	1.05	.87	.72	.57
23,000-23,999	4.41	2.45	2.17	1.92	1.67	1.45	1.23	1.05	.87	.72
24,000-24,999	5.51	3.06	2.45	2.17	1.92	1.67	1.45	1.23	1.05	.87
25,000-25,999	6.89	3.82	2.75	2.45	2.17	1.92	1.67	1.45	1.23	1.05
26,000-26,999	8.61	4.77	3.05	2.75	2.45	2.17	1.92	1.67	1.45	1.23
27,000-27,999	10.76	5.96	3.37	3.05	2.75	2.45	2.17	1.92	1.67	1.45
28,000-28,999	13.45	7.46	4.21	3.37	3.05	2.75	2.45	2.17	1.92	1.67
29,000-29,999	16.81	9.32	5.26	3.72	3.37	3.05	2.75	2.45	2.17	1.92

30,000-30,999	21.01	11.65	6.57	4.07	3.72	3.37	3.05	2.75	2.45	2.17
31,000-31,999	26.29 23.30	14.56	8.21	4.45	4.07	3.72	3.37	3.05	2.75	2.45
32,000-32,999	26.29	18.20	10.26	4.83	4.45	4.07	3.72	3.37	3.05	2.75
33,000-33,999	26.29 27.15	22.75	12.83	6.03	4.83	4.45	4.07	3.72	3.37	3.05
34,000-34,999	26.29 27.15	26.29 27.15	16.04	7.53	5.25	4.83	4.45	4.07	3.72	3.37
35,000-35,999	26.29 27.15	26.29 27.15	20.05	9.41	5.67	5.25	4.83	4.45	4.07	3.72
36,000-36,999	26.29 27.15	26.29 27.15	26.29 25.06	11.76	6.12	5.67	5.25	4.83	4.45	4.07
37,000-37,999	26.29 27.15	26.29 27.15	26.29 27.15	14.70	7.56	6.12	5.67	5.25	4.83	4.45
38,000-38,999	26.29 27.15	26.29 27.15	26.29 27.15	18.38	9.45	7.56	6.12	5.67	5.25	4.83
39,000-39,999	26.29 27.15	26.29 27.15	26.29 27.15	22.96	11.81	9.45	7.56	6.12	5.67	5.25
40,000-40,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	14.76	11.81	9.45	7.56	6.12	5.67
41,000-41,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	18.45	14.76	11.81	9.45	7.56	6.12
42,000-42,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	23.06	18.45	14.76	11.81	9.45	7.56
43,000-43,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	23.06	18.45	14.76	11.81	9.45
44,000-44,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	23.06	18.45	14.76	11.81
45,000-45,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	23.06	18.45	14.76
46,000-46,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	23.06	18.45
47,000-47,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	23.06
48,000-48,999	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15	26.29 27.15

30 Subp. 9. Maximum rate. When the annual gross earnings
 31 exceed the amount shown in the table in subpart 8, the daily
 32 payment shall be at the statutory limitation of ten percent of
 33 the cost of care.

34 Subp. 10. Verification of financial information. The
 35 annual gross earnings of a relative and the number of dependents
 36 of a relative shall be verified from the relative's Minnesota

1 state income tax return or, in the case of a relative who is not
2 a resident of Minnesota and does not file a Minnesota state
3 income tax return, from the United States income tax return.

4 The amount of the premium paid by the relative to provide
5 dependent hospital and medical insurance coverage for the client
6 shall be verified.

7 Subp. 11. Clothing and personal needs allowance of a
8 minor. The parents of a client who is an unmarried, dependent
9 child are responsible for meeting the child's clothing and
10 personal needs allowance in addition to the amount they are
11 determined able to pay to meet the cost of care.

12

13 REPEALER. Minnesota Rules, part 9515.1200, subparts 10,
14 13, 14, 15, and 19a, are repealed.