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MEDICAL ASSISTANCE FOR AGED PERSONS 256A.02

## CHAPTER 256A

### MEDICAL ASSISTANCE FOR AGED PERSONS

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**256A.01 POLICY.** Medical care for aged persons whose resources are not adequate to meet the cost of such care is hereby declared to be a matter of state concern. To provide such care a state wide system of medical assistance for the aged with free choice of vendor is hereby established.

[1963 c 595 s 1]

NOTE: Laws 1965, Chapter 755, reads as follows:

"Section 1. Medical care for persons whose resources are not adequate to meet the cost of such care is hereby declared to be a matter of state concern. To provide such care, a state wide system of medical assistance with free choice of vendor is hereby established. The purpose of this act is to furnish medical care and services to families with dependent children, and to individuals who are aged, blind, or permanently and totally disabled, whose income and resources are insufficient to meet the costs of necessary medical care and services and further to provide rehabilitation and other services to help such families and individuals to attain or retain capability for independence or self care.

Sec. 2. Medical Assistance may be paid for any person who:

(a) is eligible for or is receiving public assistance under Minnesota Statutes, section 256.11 to 256.43, section 256.72 to 256.87, section 245.21 to 245.43, section 256.49 to 256.71, and those persons defined as eligible for benefits under Chapter 595, Laws of 1963, or

(b) except for length of residence, responsibility of relatives, or a requirement that assistance be a lien on real property, would be eligible therefor under section 2, paragraph (a) above, or

(c) has income and resources insufficient to meet the cost of necessary medical care and services.

Sec. 3. **Division of cost.** The cost of medical assistance paid by each county of financial responsibility shall be borne as follows:

(a) Payments shall be made by the state to the county for that portion of medical assistance paid by the federal government and the state on or before the 20th day of each month for the succeeding month upon requisition from the county as to the amount required for the succeeding month. The expense of medical assistance not paid by federal funds available for that purpose, shall be shared equally by state and county. Minnesota Statutes, section 256.11 to 256.43, section 256.72 to 256.87, section 245.21 to 245.43, and section 256.49 to 256.71 to the contrary notwithstanding.

(b) Federal funds available for administrative purposes shall be distributed between the state and the county in the same proportion that expenditures were made.

Sec. 4. The commissioner of public welfare is authorized to promulgate such rules and regulations as are necessary to qualify for any federal funds available under this act.

Sec. 5. The effective date of this act shall be the date on which federal funds become available for the purposes and program outlined herein.

Sec. 6. This act shall expire on July 1, 1967."

**256A.02 DEFINITIONS.** Subdivision 1. All definitions contained in sections 256A.01 to 256A.29 are intended to comply with the requirements of Public Law 86—778 of the United States of America. For the purposes of sections 256A.01 to 256A.29, the terms defined in this section have the meanings given them.

Subd. 2. "Reside" means to have an established place of abode in one state or county and not to have an established place of abode in another state or county.

Subd. 3. "County of financial responsibility" means:

(1) For an applicant who resides in this state, the county in which he last resided for one year without receiving public assistance. If he does not have one year of unexcluded time, the county in which he resided for the longest period of unexcluded time.

(2) For an applicant who has not resided in this state for a full year, the county in which he has resided the longest time without receiving public assistance.

(3) For an applicant who has not resided in this state for any period of time without receiving public assistance, the county in which he resides at the time of making application.

(4) For the purposes of paragraphs (1) and (2) of this subdivision 3, any period of time an applicant spends in a hospital, sanatorium, rest home, nursing

home, boarding home, or similar institution, as defined in Minnesota Statutes 1961, Section 144.50, shall be excluded in determining the county of financial responsibility.

(5) Any person who does not meet the requirements of (1), (2), (3), or (4) above shall be the financial responsibility of the county in which he has resided for the longest period of time during the year preceding the filing of his application, whether that year is excluded or non-excluded time.

Subd. 4. [Repealed, 1965 c 799 s 6]

Subd. 5. "State agency" means the commissioner of public welfare.

Subd. 6. "County agency" means a county welfare board operating under and pursuant to the provisions of Minnesota Statutes, Chapter 393.

Subd. 7. "Vendor of medical care" means any person or persons furnishing, within the scope of his respective license, any or all of the following goods or services: Medical, surgical, hospital, optical, visual, dental, nursing services; drugs and medical supplies; appliances; laboratory, diagnostic, and therapeutic services; nursing home and convalescent care; and such other medical services or supplies provided or prescribed by persons authorized by state law to give such services and supplies.

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for individuals 65 years of age or older who are not recipients of old age assistance but whose income and resources are insufficient to meet all of such cost:

- (1) In patient hospital services;
  - (2) Skilled nursing home services;
  - (3) Physicians' services;
  - (4) Out patient hospital or clinic services;
  - (5) Home health care services;
  - (6) Private duty nursing services;
  - (7) Physical therapy and related services;
  - (8) Dental services;
  - (9) Laboratory and x-ray services;
  - (10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices;
  - (11) Diagnostic, screening, and preventive services; and
  - (12) Any other medical care or remedial care recognized under state law.
- [1963 c 595 s 2; 1965 c 740 s 1-2; 1965 c 799 s 5]

**256A.03 DUTIES OF STATE AGENCY.** The state agency shall:

(a) Supervise the administration of medical assistance for the aged by the county agencies hereunder;

(b) Make uniform rules and regulations, not inconsistent with law, for carrying out and enforcing the provisions hereof in an efficient, economical, and impartial manner, and to the end that the medical assistance for the aged system may be administered uniformly throughout the state, having regard for varying costs of medical care in different parts of the state and the conditions in each case, and in all things to carry out the spirit and purpose of sections 256A.01 to 256A.29, which rules and regulations shall be made with the approval of the attorney general as to form and legality, shall be furnished immediately to all county agencies, and shall be binding on such county agencies;

(c) Prescribe the form of, print, and supply to the county agencies, blanks for applicants, reports, affidavits, and such other forms as it may deem necessary or advisable, include in all application blanks a requirement that the applicant, and the applicant's spouse if living with such applicant, disclose any real or personal property transfers during the three years immediately preceding the filing of the application, and establish a uniform system of accounting;

(d) Cooperate with the federal department of health, education, and welfare in any reasonable manner as may be necessary to qualify for federal aid in connection with medical assistance for the aged, including the making of such reports in such form and containing such information as the department of health, education, and welfare may, from time to time, require, and comply with such provisions as such department may, from time to time, find necessary to assure the correctness and verifications of such reports;

(e) Within 60 days after the close of each fiscal year, prepare and print for the fiscal year a report which shall include a full account of the operations and the

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expenditure of all funds hereunder, adequate and complete statistics divided by counties concerning all medical assistance hereunder within the state, and such other information as it may deem advisable;

(f) Prepare and release a summary statement monthly showing by counties the amount paid hereunder, the total number of persons assisted, and the total administrative cost of the state agency;

(g) Furnish information to acquaint aged persons and the public generally with the plan for medical assistance for the aged of this state; and

(h) Cooperate with agencies in other states in establishing reciprocal agreements to provide for payment of medical assistance to recipients who have moved to another state, consistent with the provisions hereof and of Public Law 86—778 of the United States of America.

[1963 c 595 s 3]

**256A.04 DUTIES OF COUNTY AGENCIES.** The county agencies shall administer medical assistance for the aged in their respective counties under the supervision of the state agency, and shall make such reports, prepare such statistics, and keep such records and accounts in relation to medical assistance for the aged as the state agency may require.

[1963 c 595 s 4]

**256A.05 ELIGIBILITY.** Medical assistance to the aged may be paid to any person who:

(a) is 65 years of age or over;

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

(c) has alone or, if married, together with his spouse an equity in real property not in excess of \$15,000; provided, however, that if any person has an equity in real property which is not occupied by such person or, if married, by his spouse and which does not produce a reasonable return, such person's anticipated annual income under clause (e) of this section shall be considered to be increased by such amount as the county agency shall determine, pursuant to regulations of the state agency, to be a reasonable annual return for such equity in real property;

(d) if single, does not have more than \$750 in cash or other liquid assets or, if married, he and his spouse together do not have more than \$1,000 in cash or other liquid assets;

(e) if single, has anticipated annual income not exceeding \$1,800 or, if married, he and his spouse together have combined anticipated annual income not exceeding \$2,400, in either case as defined by regulation of the state agency;

(f) has, or his spouse has, or he and his spouse together have, or others in their behalf have, in the period of 12 months preceding his application, and in each period of 12 months following his application, spent or become obligated to spend not less than \$200 for medical care for himself, or for himself and his spouse, for premiums on health care insurance covering himself, or himself and his spouse, or for any combination thereof; provided, however, that a county agency shall waive the requirements of this paragraph, when authorized so to do by regulations of the state agency, if the applicant and his spouse do not have sufficient resources or income to enable them reasonably so to do; and

(g) has spent all proceeds received, and has agreed to expend all proceeds receivable, by him or his spouse from health and accident insurance policies on medical care for himself and his spouse, if any.

[1963 c 595 s 5; 1965 c 740 s 3]

**256A.06 EXCEPTIONS TO ELIGIBILITY REQUIREMENTS.** A county agency shall, when authorized by regulations of the state agency, permit eligibility of an applicant having liquid assets in excess of the amount set out above when liquidation of such assets would cause undue hardship. Household goods and furniture in use in the home, wearing apparel, insurance policies the cash surrender value of which does not exceed \$1,000 per person, and a lot in a burial ground shall not be considered in determining whether or not an applicant has met the requirement of section 256A.05.

[1963 c 595 s 6; 1965 c 740 s 4]

**256A.07 APPLICATION, FILING AND FORM.** An applicant for medical assistance hereunder, or a person acting in his behalf, shall file his application with a county agency in such manner and form as shall be prescribed by the state agency.

[1963 c 595 s 7; 1965 c 740 s 5]

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**256A.08 VERIFICATION.** All statements in the application shall be sworn to or affirmed by the applicant, the recipient, or the person acting in his behalf, certifying that all facts set forth therein are true in every material respect. Any applicant, any recipient, or any person acting on behalf of either shall produce, and swear to or affirm the truth of, whatever evidence is determined by a county agency, in conformity with regulations of the state agency, to be available and necessary to establish either initial or continuing eligibility hereunder. Any applicant, any recipient, or any person acting on behalf of either, shall have the right to produce any evidence that he desires and be represented by a friend or counsel.

[1963 c 595 s 8; 1965 c 740 s 6]

**256A.09 INVESTIGATION; DETERMINATION.** When an application for medical assistance hereunder is filed with a county agency such county agency shall promptly make or cause to be made such investigation as it may deem necessary. The object of such investigation shall be to ascertain the facts supporting the application made hereunder and such other information as may be required by the rules of the state agency. Upon the completion of such investigation the county agency shall promptly determine eligibility.

[1963 c 595 s 9]

**256A.10 REVIEW BY STATE AGENCY.** Any applicant or recipient aggrieved by any order or determination by any county agency may appeal from such order or determination to the state agency. An appeal may also be taken by any applicant if his application is not acted upon within 60 days by the county agency with which his application has been filed. The state agency shall upon receipt of such an appeal notify the county agency and review the case, giving the applicant or recipient an opportunity for a fair hearing before the state agency. The state agency may upon its own motion review any decision made by any county agency. The state agency may make such additional investigation as it may deem necessary and shall make such decision as to the granting of medical assistance and the amount and nature of medical assistance to be granted the applicant or recipient as in its opinion is justified and in conformity with the provisions hereof. All decisions of the state agency shall be binding upon the county involved and upon the applicant or recipient and shall be complied with by the county agency unless modified or reversed on appeal as hereinafter provided.

[1963 c 595 s 10]

**256A.11 REVIEW BY DISTRICT COURT.** If a decision or determination by the state agency is not, in the opinion of the county agency or the applicant or recipient, in conformity herewith, either may within 30 days after such decision appeal from the decision or determination of the state agency to the district court of the county in which the application was filed by serving a copy of a written notice of such appeal upon the state agency and the adverse party and filing the original of such written notice, together with proof of service, with the clerk of the district court of such county. Such appeal may be brought on for hearing by either party by mailing ten days written notice to the other parties stating the time and place of such hearing. Upon serving of such notice the state agency shall, if demanded, furnish the county agency and the applicant or recipient a summary of the issues involved, a copy of all supporting papers, a transcript of any testimony, and a copy of its decision. The court shall summarily, upon ten days written notice, try and determine the appeal upon the record of the state agency as certified to it, and its determination shall be limited to the issue as to whether the order of the state agency was based upon an erroneous theory of law or was arbitrary, oppressive, or unreasonable so as to represent its will and not its judgment. No new or additional evidence shall be taken on such appeal or introduced by any party to such hearing on appeal in the district court, unless such new or additional evidence, in the opinion of the court, is necessary to a more equitable disposition of the appeal. If new or additional evidence is taken on such appeal, the case shall be remanded to the state agency for reconsideration in the light of such new or additional evidence and thereafter for proceedings in accordance with the provisions of this section. If the court shall find the order of the state agency was based upon an erroneous theory of law or was arbitrary, oppressive, or unreasonable so as to represent its will and not its judgment, the court shall make an order declaring the order of the state agency null and void, giving its

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reasons therefor, and shall order the state agency to take further action in the matter not inconsistent with the determination of the court.

[1963 c 595 s 11]

**256A.12 RULES AND REGULATIONS, REVIEW.** Any county agency may question the validity of any rule or regulation of the state agency, and the district court where the county agency is located shall have power to determine the validity of any such rule or regulation by original proceedings in the court. Either the state agency or the county agency may appeal from such decision to the supreme court in the same manner as provided for other appeals in civil actions.

[1963 c 595 s 12]

**256A.13 ATTORNEYS FOR STATE AND COUNTY AGENCIES.** The attorney general shall be the attorney for the state agency and the county attorney of each county shall be the attorney for the county agency of such county in all matters pertaining hereto.

[1963 c 595 s 13]

**256A.14 SUBPOENAS.** Each county agency and the state agency shall have the power to issue subpoenas for witnesses and compel their attendance and the production of papers and writing; and officers and employees designated by any county agency or the state agency may administer oaths and examine witnesses under oath in connection with any application or proceeding hereunder.

[1963 c 595 s 14]

**256A.15 CLAIM AGAINST ESTATE.** If a person receives any medical assistance hereunder, on his death if he is single or on the death of such person and his surviving spouse if he is married, the total amount paid for medical assistance rendered to such person, without interest, shall be allowed as a claim against the estate of such person by the court having jurisdiction to probate the estate. On the death of any person who received medical assistance hereunder, who was on the day of his death residing in the same dwelling with one or more of his brothers and sisters over 65 years of age and more than 50 percent of whose estate passes to one or more of such brothers and sisters, the total amount paid for medical assistance rendered to such person, without interest shall be allowed as a claim against his estate by the court having jurisdiction to probate the estate but only upon the death of such brother or sister or of the survivor of such brothers and sisters, as the case may be. Such claim shall be considered an expense of last illness for the purpose of section 525.44. Any statute of limitations which purports to limit any county agency or the state agency, or both, to recover for medical assistance granted hereunder shall not apply to any claim made hereunder for reimbursement for any medical assistance granted hereunder.

[1963 c 595 s 15]

**256A.16 PAYMENT TO VENDOR.** All payments for medical assistance hereunder must be made to the vendor.

[1963 c 595 s 16]

**256A.17 CLOTHING AND PERSONAL INCIDENTALS.** Clothing and personal incidentals necessary for recipients who are confined to a medical or nursing institution or facility for chronic care shall be provided when necessary under sections 256A.01 to 256A.29 and the cost thereof shall be shared equally by the state and county.

[1963 c 595 s 17]

**256A.18 FALSE STATEMENTS; TRANSFER OF PROPERTY.** Subdivision 1. Any person who obtains or attempts to obtain, by means of a willfully false statement or representation, by impersonation or by any other fraudulent device, medical assistance to which he is not entitled; or transfers any real or personal property for the purpose of, or with the intent of, obtaining or remaining eligible to obtain medical assistance hereunder shall be ineligible for medical assistance hereunder and shall be guilty of a gross misdemeanor. Any person, or such person's spouse if living with such person, who within three years immediately preceding the date of application for medical assistance hereunder has transferred or who while receiving medical assistance hereunder transfers any real or personal property without receiving a reasonable consideration therefor shall be presumed to have done so in order to become or remain eligible for medical assistance hereunder. Such

person or such person and his spouse shall have the burden of proving to the satisfaction of the county agency to which application is made that the transfer was not for the purpose of becoming or remaining eligible for medical assistance hereunder and did not deprive such person or such person and his spouse of a resource that might otherwise have been used to meet his or their current needs.

Subd. 2. Any person who aids or abets any other person to obtain medical assistance in violation of subdivision 1 shall be guilty of a gross misdemeanor.

[1963 c 595 s 18; 1965 c 740 s 7]

**256A.19 METHODS OF ADMINISTRATION.** The state agency shall prescribe such methods of administration as are necessary for compliance with requirements of the social security act, as amended, and for the proper and efficient operation of the program of assistance hereunder. Those methods of administration include methods relating to the establishment and maintenance of personnel standards on a merit basis as concerns all employees of county agencies except those employed in an institution, sanatorium, or hospital. The state agency shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods. The state agency shall establish and maintain a system of personnel standards on a merit basis for all such employees of the county agencies and the examination thereof, and the administration thereof shall be directed and controlled exclusively by the state agency, except in those counties in which such employees are covered by a merit system that meets the requirements of the state agency and the social security act, as amended.

[1963 c 595 s 19]

**256A.20 DIVISION OF COST.** The cost of medical assistance paid by each county of financial responsibility shall be borne as follows:

(a) Payments shall be made by the state to the county for that portion of medical assistance paid by the federal government and the state on or before the 20th day of each month for the succeeding month upon requisition from the county as to the amount required for the succeeding month. The expense of assistance not paid by federal funds available for that purpose, shall be shared equally by state and county;

(b) Federal funds available for administrative purposes shall be distributed between the state and the county in the same proportion that expenditures were made.

[1963 c 595 s 20; 1965 c 740 s 8]

**256A.21 ACQUISITION OF FUNDS BY COUNTY; ADMINISTRATION OF FUNDS.** The providing of funds necessary to carry out the provisions hereof on the part of the counties and the manner of administering the funds of the counties and the state shall be as follows:

(a) The board of county commissioners of each county shall annually set up in its budget an item designated as the county medical assistance to the aged fund and levy taxes and fix a rate therefor sufficient to produce the full amount of such item, in addition to all other tax levies and tax rate however fixed or determined, sufficient to carry out the provisions hereof, and sufficient to pay in full the county share of assistance and administrative expenses for the ensuing year; and annually on or before October 10 certify the same to the county auditor to be entered by him on the tax rolls. Such tax levy and tax rate shall make proper allowance and provision for shortage in tax collections;

(b) Any county may transfer surplus funds from any county fund, except the sinking or ditch fund, to the general fund or to the county medical assistance to the aged fund in order to provide moneys necessary to pay medical assistance awarded hereunder. The money so transferred shall be used for no other purpose, but any portion thereof no longer needed for such purpose, shall be transferred back to the fund from which taken;

(c) Upon the order of the county agency the county auditor shall draw his warrant on the proper fund in accordance with the order and the county treasurer shall pay out the amounts ordered to be paid out as medical assistance hereunder. When necessary by reason of failure to levy sufficient taxes for the payment of the medical assistance in the county, the county auditor shall carry any such payments as an overdraft on the medical assistance for the aged fund of the county until sufficient tax funds shall be provided for such assistance payments. The board of county commissioners shall include in the tax levy and tax rate in the year fol-

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lowing the year in which such overdraft occurred, an amount sufficient to liquidate such overdraft in full;

(d) Claims for reimbursement shall be presented to the state agency by the respective counties in such manner as the state agency shall prescribe not later than ten days after the close of the month in which the expenditures were made. The state agency shall audit such claims and certify to the state auditor the amounts due the respective counties without delay. The amounts so certified shall be paid within ten days after such certification, from the state treasury upon warrant of the state auditor from any moneys available therefor. The moneys available to the state agency to carry out the provisions hereof, including all federal funds available to the state, shall be kept and deposited by the state treasurer in the revenue fund and disbursed upon warrants in the same manner as other state funds.

[1963 c 595 s 21]

**256A.22 MANDAMUS AGAINST COUNTY AGENCY.** In the event that any county agency fails to comply with the provisions hereof mandamus proceedings may be instituted against such county agency by the state agency or any interested party to compel such county agency to comply therewith.

[1963 c 595 s 22]

**256A.23 CHANGE OF RESIDENCE.** When a recipient changes his place of residence he shall notify the county agency by which his medical assistance hereunder is paid. If he removes to another county he shall declare whether such absence is temporary or for the purpose of residing therein.

[1963 c 595 s 23]

**256A.24 LEGISLATIVE MODIFICATION.** Anything herein to the contrary notwithstanding, the legislature reserves the right to alter, amend, repeal, or suspend at any time the whole or any part or portion hereof.

[1963 c 595 s 24]

**256A.25 COMPLIANCE WITH FEDERAL PROGRAM; LACK OF FEDERAL FUNDS.** The various terms and provisions hereof, including the amount of medical assistance paid hereunder, are intended to comply with and give effect to the program set out in Public Law 86—778 of the United States. In the event federal funds shall not be available or shall be inadequate to pay in full the federal share of all medical assistance contemplated hereunder, then and in such case, and until federal funds are available in full, the county agency of each county may reduce its payments by an amount equal to such deficiency.

[1963 c 595 s 25]

**256A.26 APPROPRIATION OF FEDERAL FUNDS.** All federal funds made available for the purposes hereof are hereby appropriated to the state agency to be disbursed and paid out in accordance with the provisions hereof.

[1963 c 595 s 26]

**256A.27 ENROLLMENT FEES, PREMIUMS OR CHARGES.** No enrollment fee, premium, or similar charge shall be required as a condition of eligibility for medical assistance hereunder.

[1963 c 595 s 27]

**256A.28 UNLICENSED FACILITIES.** No payments may be made hereunder for care in any private or public institution, including but not limited to hospitals and nursing homes, not licensed by the state or operated by it.

[1963 c 595 s 28]

**256A.29 SEVERABILITY.** The various provisions of sections 256A.01 to 256A.29 shall be severable. The invalidity of any part hereof shall not affect the remainder.

[1963 c 595 s 29]