

CHAPTER 256M

COMMUNITY SERVICE ACT

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256M.01 CITATION.

Sections 256M.01 to 256M.80 may be cited as the "Children and Community Services Act." This act establishes a fund to address the needs of children, adolescents, and adults within each county in accordance with a service plan entered into by the board of county commissioners of each county and the commissioner. The service plan shall specify the outcomes to be achieved, the general strategies to be employed, and the respective state and county roles. The service plan shall be reviewed and updated every two years, or sooner if both the state and the county deem it necessary.

History: *1Sp2003 c 14 art 11 s 1*

256M.10 DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of sections 256M.01 to 256M.80, the terms defined in this section have the meanings given them.

Subd. 2. **Children and community services.** (a) "Children and community services" means services provided or arranged for by county boards for children, adolescents and other individuals in transition from childhood to adulthood, and adults who experience dependency, abuse, neglect, poverty, disability, chronic health conditions, or other factors, including ethnicity and race, that may result in poor outcomes or disparities, as well as services for family members to support those individuals. These services may be provided by professionals or nonprofessionals, including the person's natural supports in the community.

(b) Children and community services do not include services under the public assistance programs known as the Minnesota family investment program, Minnesota supplemental aid, medical assistance, general assistance, general assistance medical care, MinnesotaCare, or community health services.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of human services.

Subd. 4. **County board.** "County board" means the board of county commissioners in each county.

Subd. 5. **Former children's services and community service grants.** "Former children's services and community service grants" means allocations for the following grants:

- (1) community social service grants under section 252.24 and Minnesota Statutes 2002, sections 256E.06 and 256E.14;
- (2) family preservation grants under section 256F.05, subdivision 3;
- (3) concurrent permanency planning grants under section 260C.213, subdivision 5;
- (4) social service block grants (Title XX) under Minnesota Statutes 2002, section 256E.07; and
- (5) children's mental health grants under Minnesota Statutes 2002, section 245.4886 and section 260.152.

Subd. 6. **Human Services Board.** "Human Services Board" means a board established under section 402.02; Laws 1974, chapter 293; or Laws 1976, chapter 340.

History: *1Sp2003 c 14 art 11 s 2,11*

256M.20 DUTIES OF COMMISSIONER OF HUMAN SERVICES.

Subdivision 1. **General supervision.** Each year the commissioner shall allocate funds to each county with an approved service plan according to section 256M.40 and service plans under section 256M.30. The funds shall be used to address the needs of children, adolescents, and adults. The commissioner, in consultation with counties, shall provide technical assistance and evaluate county performance in achieving outcomes.

Subd. 2. **Additional duties.** The commissioner shall:

(1) provide necessary information and assistance to each county for establishing baselines and desired improvements on mental health, safety, permanency, and well-being for children and adolescents;

(2) provide training, technical assistance, and other supports to each county board to assist in needs assessment, planning, implementation, and monitoring of outcomes and service quality;

(3) use data collection, evaluation of service outcomes, and the review and approval of county service plans to supervise county performance in the delivery of children and community services;

(4) specify requirements for reports, including fiscal reports to account for funds distributed;

(5) request waivers from federal programs as necessary to implement this section; and

(6) have authority under sections 14.055 and 14.056 to grant a variance to existing state rules as needed to eliminate barriers to achieving desired outcomes.

Subd. 3. **Sanctions.** The commissioner shall establish and maintain a monitoring program designed to reduce the possibility of noncompliance with federal laws and federal regulations that may result in federal fiscal sanctions. If a county is not complying with federal law or federal regulation and the noncompliance may result in federal fiscal sanctions, the commissioner may withhold a portion of the county's share of state and federal funds for that program. The amount withheld must be equal to the percentage difference between the level of compliance maintained by the county and the level of compliance required by the federal regulations, multiplied by the county's share of state and federal funds for the program. The state and federal funds may be withheld until the county is found to be in compliance with all federal laws or federal regulations applicable to the program. If a county remains out of compliance for more than six consecutive months, the commissioner may reallocate the withheld funds to counties that are in compliance with the federal regulations.

Subd. 4. **Corrective action procedure.** The commissioner must comply with the following procedures when reducing county funds under subdivision 3.

(a) The commissioner shall notify the county, by certified mail, of the statute, rule, federal law, or federal regulation with which the county has not complied.

(b) The commissioner shall give the county 30 days to demonstrate to the commissioner that the county is in compliance with the statute, rule, federal law, or federal regulation cited in the notice or to develop a corrective action plan to address the problem. Upon request from the county, the commissioner shall provide technical assistance to the county in developing a corrective action plan. The county shall have 30 days from the date the technical assistance is provided to develop the corrective action plan.

(c) The commissioner shall take no further action if the county demonstrates compliance with the statute, rule, federal law, or federal regulation cited in the notice.

(d) The commissioner shall review and approve or disapprove the corrective action plan within 30 days after the commissioner receives the corrective action plan.

(e) If the commissioner approves the corrective action plan submitted by the county, the county has 90 days after the date of approval to implement the corrective action plan.

(f) If the county fails to demonstrate compliance or fails to implement the corrective action plan approved by the commissioner, the commissioner may reduce the county's share of state or federal funds according to subdivision 3.

History: *1Sp2003 c 14 art 11 s 3*

256M.30 SERVICE PLAN.

Subdivision 1. **Service plan submitted to commissioner.** Effective January 1, 2004, and each two-year period thereafter, each county must have a biennial service plan approved by the commissioner in order to receive funds. Counties may submit multicounty or regional service plans.

Subd. 2. **Contents.** The service plan shall be completed in a form prescribed by the commissioner. The plan must include:

(1) a statement of the needs of the children, adolescents, and adults who experience the conditions defined in section 256M.10, subdivision 2, paragraph (a), and strengths and resources available in the community to address those needs;

(2) strategies the county will pursue to achieve the performance targets. Strategies must include specification of how funds under this section and other community resources will be used to achieve desired performance targets;

(3) a description of the county's process to solicit public input and a summary of that input;

(4) beginning with the service plans submitted for the period from January 1, 2006, through December 21, 2007, performance targets on statewide indicators for each county to measure outcomes of children's mental health, and child safety, permanency, and well-being. The commissioner shall consult with counties and other stakeholders to develop these indicators and collect baseline data to inform the establishment of individual county performance targets for the 2006-2007 biennium and subsequent plans; and

(5) a budget for services to be provided with funds under this section. The county must budget at least 40 percent of funds appropriated under sections 256M.01 to 256M.80 for services to ensure the mental health, safety, permanency, and well-being of children from low-income families. The commissioner may reduce the portion of child and community services funds that must be budgeted by a county for services to children in low-income families if:

(i) the incidence of children in low-income families within the county's population is significantly below the statewide median; or

(ii) the county has successfully achieved past performance targets for children's mental health, and child safety, permanency, and well-being and its proposed service plan is judged by the commissioner to provide an adequate level of service to the population with less funding.

Subd. 3. **Continuity of services.** In developing the plan required under this section, a county shall endeavor, within the limits of funds available, to consider the continuing need for services and programs for children and persons with disabilities that were funded by the former children's services and community service grants.

Subd. 4. **Information.** The commissioner shall provide each county with information and technical assistance needed to complete the service plan, including: information on children's mental health, and child safety, permanency, and well-being in the county; comparisons with other counties; baseline performance on outcome measures; and promising program practices.

Subd. 5. **Timelines.** The preliminary service plan must be submitted to the commissioner by October 15, 2003, and October 15 of every two years thereafter.

Subd. 6. **Public comment.** The county board must determine how citizens in the county will participate in the development of the service plan and provide opportunities for such participation. The county must allow a period of no less than 30 days prior to the submission of the plan to the commissioner to solicit comments from the public on the contents of the plan.

Subd. 7. **Commissioner's responsibilities.** The commissioner must, within 60 days of receiving each county service plan, inform the county if the service plan has been approved. If the service plan is not approved, the commissioner must inform the county of any revisions needed for approval.

History: *1Sp2003 c 14 art 11 s 4*

256M.40 STATE CHILDREN AND COMMUNITY SERVICES GRANT ALLOCATION.

Subdivision 1. **Formula.** The commissioner shall allocate state funds appropriated for children and community services grants to each county board on a calendar year basis in an amount determined according to the formula in paragraphs (a) to (c).

(a) For July 1, 2003, through December 31, 2003, the commissioner shall allocate funds to each county equal to that county's allocation for the grants under section 256M.10, subdivision 5, for calendar year 2003 less payments made on or before June 30, 2003.

(b) For calendar year 2004 and 2005, the commissioner shall allocate available funds to each county in proportion to that county's share of the calendar year 2003 allocations for the grants under section 256M.10, subdivision 5.

(c) For calendar year 2006 and each calendar year thereafter, the commissioner shall allocate available funds to each county in proportion to that county's share in the preceding calendar year.

Subd. 2. **Project of regional significance; study.** The commissioner shall study whether and how to dedicate a portion of the allocated funds for projects of regional significance. The study shall include an analysis of the amount of annual funding to be dedicated for projects of regional significance and what efforts these projects must support. The commissioner shall submit a report to the chairs of the house and senate committees with jurisdiction over children and community services grants by January 15, 2005. The commissioner of finance, in preparing the proposed biennial budget for fiscal years 2006 and 2007, is instructed to include \$25 million each year in funding for projects of regional significance under this chapter.

Subd. 3. **Payments.** Calendar year allocations under subdivision 1 shall be paid to counties on or before July 10 of each year.

History: *1Sp2003 c 14 art 11 s 5*

256M.50 FEDERAL CHILDREN AND COMMUNITY SERVICES GRANT ALLOCATION.

In federal fiscal year 2004 and subsequent years, money for social services received from the federal government to reimburse counties for social service expenditures according to Title XX of the Social Security Act shall be allocated to each county according to section 256M.40, except for funds allocated for administrative purposes and migrant day care.

History: *1Sp2003 c 14 art 11 s 6*

256M.60 DUTIES OF COUNTY BOARDS.

Subdivision 1. **Responsibilities.** The county board of each county shall be responsible for administration and funding of children and community services as defined in section 256M.10, subdivision 1. Each county board shall singly or in combination with other county boards use funds available to the county under Laws 2003, First Special Session chapter 14, to carry out these responsibilities. The county board shall coordinate and facilitate the effective use of formal and informal helping systems to best support and nurture children, adolescents, and adults within the county who experience dependency, abuse, neglect, poverty, disability, chronic health conditions, or other factors, including ethnicity and race, that may result in poor outcomes or disparities, as well as services for family members to support such individuals. This includes assisting

individuals to function at the highest level of ability while maintaining family and community relationships to the greatest extent possible.

Subd. 2. **Day training and habilitation services; alternative habilitation services.** To the extent provided in the county service plan under section 256M.30, the county board of each county shall be responsible for providing day training and habilitation services or alternative habilitation services during the day for persons with developmental disabilities to the extent this is required by the person's individualized service plan.

Subd. 3. **Reports.** The county board shall provide necessary reports and data as required by the commissioner.

Subd. 4. **Contracts for services.** The county board may contract with a human services board, a multicounty board established by a joint powers agreement, other political subdivisions, a children's mental health collaborative, a family services collaborative, or private organizations in discharging its duties.

Subd. 5. **Exemption from liability.** The state of Minnesota, the county boards, or the agencies acting on behalf of the county boards in the implementation and administration of children and community services shall not be liable for damages, injuries, or liabilities sustained through the purchase of services by the individual, the individual's family, or the authorized representative under this section.

Subd. 6. **Fees for services.** The county board may establish a schedule of fees based upon clients' ability to pay to be charged to recipients of children and community services. Payment, in whole or in part, for services may be accepted from any person except that no fee may be charged to persons or families whose adjusted gross household income is below the federal poverty level. When services are provided to any person, including a recipient of aids administered by the federal, state, or county government, payment of any charges due may be billed to and accepted from a public assistance agency or from any public or private corporation.

History: *1Sp2003 c 14 art 11 s 7*

256M.70 FISCAL LIMITATIONS.

Subdivision 1. **Demonstration of reasonable effort.** The county shall make reasonable efforts to comply with all children and community services requirements. For the purposes of this section, a county is making reasonable efforts if the county has made efforts to comply with requirements within the limits of available funding, including efforts to identify and apply for commonly available state and federal funding for services.

Subd. 2. **Identification of services to be provided.** If a county has made reasonable efforts to provide services according to the service plan under section 256M.30, but funds appropriated for purposes of sections 256M.01 to 256M.80 are insufficient, then the county may limit services that do not meet the following criteria while giving the highest funding priority to clauses (1), (2), and (3):

- (1) services needed to protect individuals from maltreatment, abuse, and neglect;
- (2) emergency and crisis services needed to protect clients from physical, emotional, or psychological harm;
- (3) services that maintain a person in the person's home or least restrictive setting;
- (4) assessment of persons applying for services and referral to appropriate services when necessary;
- (5) public guardianship services;
- (6) case management for persons with developmental disabilities, children with serious emotional disturbances, and adults with serious and persistent mental illness; and
- (7) fulfilling licensing responsibilities delegated to the county by the commissioner under section 245A.16.

Subd. 3. **Denial, reduction, or termination of services due to fiscal limitations.** Before a county denies, reduces, or terminates services to an individual due to fiscal limitations, the county must meet the requirements in this section. The county must

notify the individual and the individual's guardian in writing of the reason for the denial, reduction, or termination of services and must inform the individual and the individual's guardian in writing that the county will, upon request, meet to discuss alternatives before services are terminated or reduced.

History: *1Sp2003 c 14 art 11 s 8*

256M.80 PROGRAM EVALUATION.

Subdivision 1. **County evaluation.** Each county shall submit to the commissioner data from the past calendar year on the outcomes and performance indicators in the service plan. The commissioner shall prescribe standard methods to be used by the counties in providing the data. The data shall be submitted no later than March 1 of each year, beginning with March 1, 2005.

Subd. 2. **Statewide evaluation.** Six months after the end of the first full calendar year and annually thereafter, the commissioner shall prepare a report on the counties' progress in improving the outcomes of children, adolescents, and adults related to mental health, safety, permanency, and well-being. This report shall be disseminated throughout the state.

History: *1Sp2003 c 14 art 11 s 9*

256M.90 GRANTS AND PURCHASE OF SERVICE CONTRACTS.

Subdivision 1. **Authority.** The local agency may purchase community social services by grant or purchase of service contract from agencies or individuals approved as vendors.

Subd. 2. **Duties of local agency.** The local agency must:

(1) use a written grant or purchase of service contract when purchasing community social services. Every grant and purchase of service contract must be completed, signed, and approved by all parties to the agreement, including the county board, unless the county board has designated the local agency to sign on its behalf. No service shall be provided before the effective date of the grant or purchase of service contract;

(2) determine a client's eligibility for purchased services; or delegate the responsibility for making the preliminary determination to the approved vendor under the terms of the grant or purchase of service contract;

(3) ensure the development of an individual social service plan based on the client's needs;

(4) monitor purchased services and evaluate grants and contracts on the basis of client outcomes; and

(5) purchase only from approved vendors.

Subd. 3. **Local agency criteria.** When the local agency chooses to purchase community social services from a vendor that is not subject to state licensing laws or department rules, the local agency must establish written criteria for vendor approval to ensure the health, safety, and well being of clients.

Subd. 4. **Case records and reporting requirements.** Case records and data reporting requirements for grants and purchased services are the same as case record and data reporting requirements for direct services.

Subd. 5. **Files.** The local agency must keep an administrative file for each grant and contract.

Subd. 6. **Contracting within and across county lines; lead county contracts.** Paragraphs (a) to (e) govern contracting within and across county lines and lead county contracts.

(a) Once a local agency and an approved vendor execute a contract that meets the requirements of this subdivision, the contract governs all other purchases of service from the vendor by all other local agencies for the term of the contract. The local agency that negotiated and entered into the contract becomes the lead county for the contract.

(b) When the local agency in the county where a vendor is located wants to purchase services from that vendor and the vendor has no contract with the local agency or any other county, the local agency must negotiate and execute a contract with the vendor.

(c) When a local agency in one county wants to purchase services from a vendor located in another county, it must notify the local agency in the county where the vendor is located. Within 30 days of being notified, the local agency in the vendor's county must:

(1) if it has a contract with the vendor, send a copy to the inquiring agency;

(2) if there is a contract with the vendor for which another local agency is the lead county, identify the lead county to the inquiring agency; or

(3) if no local agency has a contract with the vendor, inform the inquiring agency whether it will negotiate a contract and become the lead county. If the agency where the vendor is located will not negotiate a contract with the vendor because of concerns related to clients' health and safety, the agency must share those concerns with the inquiring agency.

(d) If the local agency in the county where the vendor is located declines to negotiate a contract with the vendor or fails to respond within 30 days of receiving the notification under paragraph (c), the inquiring agency is authorized to negotiate a contract and must notify the local agency that declined or failed to respond.

(e) When the inquiring county under paragraph (d) becomes the lead county for a contract and the contract expires and needs to be renegotiated, that county must again follow the requirements under paragraph (c) and notify the local agency where the vendor is located. The local agency where the vendor is located has the option of becoming the lead county for the new contract. If the local agency does not exercise the option, paragraph (d) applies.

(f) This subdivision does not affect the requirement to seek county concurrence under section 256B.092, subdivision 8a, when the services are to be purchased for a person with mental retardation or a related condition or under section 245.4711, subdivision 3, when the services to be purchased are for an adult with serious and persistent mental illness.

Subd. 7. Contracts with community mental health boards. A local agency within the geographic area served by a community mental health board authorized by sections 245.61 to 245.69, may contract directly with the community mental health board. However, if a local agency outside of the geographic area served by a community mental health board wishes to purchase services from the board, the local agency must follow the requirements under subdivision 6.

Subd. 8. Placement agreements. A placement agreement must be used for residential services. Placement agreements are valid when signed by authorized representatives of the facility and the county of financial responsibility. If the county of financial responsibility and the county where the approved vendor is located are not the same, the county of financial responsibility must, if requested, mail a copy of the placement agreement to the county where the approved vendor is providing the service and to the lead county within ten calendar days after the date on which the placement agreement is signed. The placement agreement must specify that the service will be provided in accordance with the individual service plan as required and must specify the unit cost, the date of placement, and the date for the review of the placement. A placement agreement may also be used for nonresidential services.

History: *1Sp2003 c 14 art 11 s 10*