

# 2003 Disability-Related Changes In Health And Human Services<sup>1</sup>

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## A. Health And Long-Term Care Budget Changes.

1. Medical Assistance for Employed Persons with Disabilities (MA-EPD) Eligibility and Premium Changes.  
*Special Session, Chapter 14, Article 12, Section 22.*  
*Amends § 256B.057, subd. 9.*  
*Various effective dates.*

The MA-EPD program will be changed in a number of significant ways:

- a. *Beginning November 1, 2003*, persons **over 200 percent** of the Federal Poverty Guidelines (FPG), \$1,497/month, will have to **pay their Medicare Part B premium** if they have Medicare. The Medicare Part B premium is now about \$58 per month and will rise to \$65 per month *next January*.
- b. **One-half percent of unearned income must be paid** on a monthly basis for those who have Social Security or other unearned income, *beginning January 1, 2004*.
- c. **A minimum premium of \$35** will have to be paid for those who now pay less than \$35 per month, *beginning January 1, 2004*.
- d. *Effective January 1, 2004*, MA-EPD enrollees can remain on MA-EPD for four months after losing a job through no fault of their own.
- e. Everyone will have to **earn more than \$65 per month** in order to participate in MA-EPD, *beginning July 1, 2004*.
- f. MA-EPD enrollees must have **taxes withheld** from their earnings or pay quarterly self-employment taxes in order to remain eligible, *beginning July 1, 2004*.

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<sup>1</sup> Additional changes significantly affecting persons with disabilities are covered in other sections. See MFIP/SSI changes, Health Care section on eligibility and benefit changes for Medical Assistance, MinnesotaCare and General Assistance Medical Care, information about co-payments and dental coverage limits, health and Seniors section on prescription drug changes.

2. Minnesota Services for Children with Special Health Needs (MCSHN).  
*Special Session, Chapter 14, Article 13C, Section 3.*  
*Effective July 1, 2003.*

MCSHN treatment program funds were cut \$1.8 million for the next biennium. This program operated through the Department of Health **will not provide health treatment and assistance** with out-of-pocket health care costs for children with chronic conditions, such as diabetes, hearing loss, asthma and epilepsy in the next biennium. Assessments and information will continue to be provided.

3. New Medical Assistance Autism Benefit Delayed.  
*Special Session, Chapter 14, Article 12, Section 33.*  
*Amends § 256B.0625, subd. 5a.*  
*Effective July 1, 2003.*

The new autism benefit covering intensive early intervention behavioral therapy was adopted in 2001 with a January 2003 effective date. Now the **effective date is delayed until 2007**. Committee discussion indicated that having the service described in statute has been helpful in obtaining private coverage of the service. Also, with the changes to MA benefits in children's mental health, DHS has said it is now possible to cobble together different categories of services to obtain this type of treatment. This delay cuts \$13.8 million in state funds for the next four years.

4. Home and Community Waiver Services Reductions.  
*Special Session, Chapter 14, Article 13C, Section 2, Subdivision 9(f).*  
*Effective July 1, 2003.*

- a. The Legislature limited access to home and community waiver services for three of the waivers serving persons with disabilities:
  - i. The Legislature eliminated 600 new waiver-funded slots for persons with developmental disabilities in the waiver program for mental retardation/related conditions (**MR/RC**) for the next biennium.
  - ii. The waiver for persons with traumatic injury (**TBI**) had the funding limited to the amount needed to serve 150 new persons each year of the biennium. This funding limitation means there will likely be a waiting list for these community services for the first time.
  - iii. The community alternatives for disabled individuals (**CADI**) waiver which provides community services to persons who would otherwise be eligible for nursing home care, has been limited to no more than the cost of serving 95 new persons per month. However, additional slots over these limits will be available as part of the restructuring of adult mental health residential services. This is the

first time the CADI waiver program has been limited, which will also likely result in a waiting list for these services.

- b. In a memo dated June 27, 2003 to counties, **DHS directed that CADI and TBI resources be distributed** to “balance the following priorities”:
  - i. persons moving from nursing facilities (NF) or neuro-behavioral hospital;
  - ii. persons moving from other facilities: regional treatment centers (RTC), institution for mental disease (IMD), Rule 36 facilities, or other institutions;
  - iii. persons at imminent risk of admission to the facilities listed above;
  - iv. eligible persons in need of and waiting for home and community-based services.
- c. In addition, **improvements** for home and community-based waiver services, including the development of a common service menu and the implementation of home care targeted case management have been ***delayed for two years until July 1, 2005.***
- d. The sum of the home and community waiver case load reductions and improvement delays add up to **a cut of \$54 million in services** when federal Medicaid matching funds are added.

5. Community Service Provider Rate Cuts.  
*Special Session, Chapter 14, Article 13C, Section 2, Subdivision 9.*  
*Effective July 1, 2003.*

Community service providers, including home and community waiver providers, intermediate care facilities for persons with mental retardation, deaf and hard of hearing grants, alternative care grants, day training and habilitation services, chemical dependency residential and nonresidential services, and consumer support grants all had their **rates reduced one percent.**

Adult mental health grants, personal care assistance, private duty nursing and home health care services **were not reduced.**

6. Consumer Support Exception Grants Eliminated.  
*Special Session, Chapter 14, Article 3, Sections 11-15.*  
*Amends § 256.476.*  
*Effective January 1, 2004.*

Consumer support exception grants for 200 families who care for their disabled family member at home will have their exception grants cut to a regular grant amount on *January 1, 2004*. Consumer support grants **allow a parent of a minor child or a spouse to be paid as a PCA**. The funds are limited to one-half the average PCA amount. *See chart attached.*

7. Parent Fee Increases for Children with Disabilities Receiving In-Home or Out-of-Home Services.  
*Special Session, Chapter 14, Article 6, Section 39.*  
*Amends § 252.27, subd. 2a.*  
*Effective July 1, 2003.*

Parents with incomes above the Medical Assistance (MA) income limit whose children use MA-TEFRA or home and community-based waiver services or are in out-of-home residential treatment will have their fees increased. In order to save money due to the state budget deficit, the Legislature will require about 7,000 families with children with disabilities to pay \$4.2 million more in fees over the next two years.

8. Children's Mental Health Services Improvement.  
*Special Session, Chapter 14, Article 4.*  
*Amends § 256B.0625, subd. 23, subd. 35a, subd. 45, § 256B.0943, § 256B.0944, § 256B.0945.*  
*Various effective dates.*

a. Funding was authorized for children's mental health screening, which will include follow-up assessments and services for children in the child protection and juvenile justice systems at \$2.7 million for 2005 and \$9.2 million for the following biennium. *Effective July 1, 2004.*

b. A new more flexible Medical Assistance benefit set for children's therapeutic services and supports was adopted, providing \$1.7 million for 2005 and \$3.8 million in the following biennium. *Effective July 1, 2004.*

c. Beginning July 1, 2004, day treatment for children will be reimbursed under the new children's therapeutic services and supports benefit, § 256B.0943.

d. An adolescent mental health crisis facility for sub-acute care was funded in the Medical Assistance program. *Effective July 1, 2003.*

- e. A suicide prevention grant administered by the Health Department was maintained as a separate block grant with about a 12% funding cut.

9. Adult Mental Health Changes.

*Special Session, Chapter 14, Article 3, Sections 19-25, Article 1, Section 4; Chapter 2, Article 1, Section 15, Article 5, Sections 6, 7, 10, 14-16.  
Various effective dates.*

- a. Regional treatment centers will be reduced to facilities for 15 or fewer persons in order to qualify for Medical Assistance, resulting in a savings of \$9.5 million. Rule 36 facilities will be reduced for the same reason, in order to qualify for federal Medicaid funding.
- b. Adult mental health day treatment will be restricted by new prior authorization requirements in order to save money. *Amends § 256B.0625, subd. 23. Effective July 1, 2003.*
- c. A new alternative treatment program for offenders with mental illness will be established. This new program will also be eligible for federal Medicaid match, *beginning July 1, 2004. Adds § 609.1055.*
- d. Establishes intensive rehabilitative services as a new MA benefit, under the category of Adult Mental Health Rehabilitative Services, which will include services such as assertive community treatment teams and intensive residential treatment. *Adds § 256B.0622. Effective upon federal approval, likely retroactive to July 1, 2003.*
- e. Increases the county share from 10% to 20% for Regional Treatment Centers (RTC's) and Institutions for Mental Disease (IMD's). *Adds § 256I.08. Effective July 1, 2004.*
- f. RTC restructuring through a local planning process to create a broader range of community mental health services.

10. Medical Assistance Special Transportation

*Special Session, Chapter 14, Article 12, Sections 36 and 93.  
Effective July 1, 2003.*

Changes Special Transportation service requirements by allowing a doctor's order that special transportation is required, adding provider documentation requirements and setting maximum rates. The Commissioners of Human Services and Transportation are required to provide recommendations for changes in eligibility and methods for cost savings to the Legislature by January 1, 2004.

11. Modification of DHS Program Licensing Standards for Persons with Developmental Disabilities.  
*Special Session, Chapter 14, Article 6, Sections 13-19.*  
*Amends § 245B.03, .04, .06, .07.*  
*Effective July 1, 2003.*

DHS licensing standards have been modified to remove redundant requirements, allow a risk management plan and other plans to follow the client to a new location operated by the same provider, adds risk management plan requirements from the Vulnerable Adults Act into the Licensing Act and makes changes to staff training requirements.

12. Adult Foster Care, Variance for Overnight Supervision.  
*Special Session, Chapter 14, Article 6, Section 12.*  
*Adds § 245A.11, subd. 7.*  
*Effective July 1, 2003.*

The Commissioner has been given authority to allow alternative methods of overnight supervision based upon county approval of a plan to protect residents' health, safety and rights. Informed consent in writing from the resident or legal representative is required.

13. Adults Foster Care, Increase License Capacity.  
*Special Session, Chapter 14, Article 6, Section 10 and 51.*  
*Amends § 245A.11, subd. 2a and adds § 256B.092, subd. 5a.*  
*Effective July 1, 2003.*

DHS may allow an increase from four to five persons in adult foster care, provided the physical environment is adequate; each person's plan specifies a five-bed home; written, informed consent is obtained. Another provision requires a reduction in payment per person when a fifth person is added for services funded through the waiver for persons with mental retardation or a related condition.

## **B. SOCIAL SERVICES**

*Special Session, Chapter 14, Article 11.*  
*Adds § 256M.*  
*Effective July 1, 2003.*

## **OVERVIEW**

During the 2003 legislative session, the Department of Human Services (DHS) proposed a **massive overhaul of Minnesota's Community Social Services Act (CSSA)**, Chapter 256E and accompanying rules. The Department's original proposal combined the current CSSA block grant

with over \$20 million in specific children's mental health grants, as well as federal Title XX social services block grant funds and permanency planning funds. The Department proposed a shift in state social services payments to counties *from February and May to July 10 for the first fiscal year*, saving the state \$12.5 million and a cut in the total new block grant by 18 percent for the second year of the biennium, 2005. The cut of \$25 million will affect the county budgets for calendar year 2004.

In addition to social services funding cuts, counties were cut \$64 million in property tax aids (local government aid, LGA) *effective July 1, 2003*, and another \$107 million for calendar year 2004. The Association of Minnesota Counties estimates that roughly one-half of LGA funds were used by counties' human services agencies. Because the LGA cuts affect counties' calendar year 2003 budgets, many counties are now in the process of reducing human services spending for this year.

The Legislature amended the DHS proposed legislation by adding language to require that the needs of adults be included as a targeted group for planning and provision of services with the block grant. The state funds have been reduced \$12.5 million *beginning January 2004* and \$25 million for 2005. The funding cut enacted is consistent with the Governor's original proposal.

The new structure of the Community Services Act, also entitled the Children and Community Services Act (CCSA), has fewer specific requirements for counties in terms of planning and spending of the new block grant than previous law.

**The entire Community Social Services Act, Chapter 256E as well as rules promulgated for the CSSA, 9505.0010-9550.0093 are repealed, effective July 1, 2003.** The new Children and Community Services Act is *effective July 1, 2003*, however, county plans under the new act *are not effective until January 1, 2004*.

The specific provisions of the new CCSA include:

**1. Section 1 [256M.01] Citation.**

This section states that the new act, Chapter 256M, may be cited as the "Children and Community Services Act," although the act is entitled "Community Services Act." The new act establishes a fund to be used by counties to address the needs of children, adolescents and adults under a service plan established by the county commissioners and the Commissioner of DHS. The new service plan is required to specify outcomes to be achieved, general strategies to be employed and respective state and county goals and will be reviewed and updated every two years or sooner if agreed upon by the state and county.

**2. Section 2 [256M.10] Definitions.**

This section contains six definitions. "Children and Community Services" means services provided or arranged for by county boards for:

1. children,
2. adolescents and other individuals in transition from childhood to adulthood, and

3. 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.

Services may be provided by professionals or non-professionals, including the persons' natural supports in the community. Community services are specifically defined to **exclude** services under public assistance programs such as MFIP, MSA, MA, GA, GAMC, MinnesotaCare or Community Health Services.

Also, "former Children's Services and Community Service grants" are defined to include CSSA grants, family preservation grants under § 256F.05, concurrent permanency planning grants under § 260C.231, social service block grants under § 256E.07 and children's mental health grants under § 245.4886 and § 260.152.

**3. Section 3 [256M.20] Duties of the Commissioner of Human Services.**

The Commissioner's duties include:

- Approve county plans and allocate funds;
- Consultation, technical assistance and evaluation of county performance;
- Provide necessary information, training, supervision, specification of requirements for reports;
- Request federal waivers; and,
- Grant variances to existing state rules as needed.

The Commissioner is also required to establish and maintain a monitoring program in order to comply with federal law as well as sanction counties for noncompliance which may result in federal fiscal sanctions. Corrective action procedures are specified for the Commissioner to implement with counties which violate a statute, rule, federal law or regulation.

**4. Section 4 [256M.30] Service Plan.**

Service plans under the new law are effective January 1, 2004, for a two-year period. In order to receive funds, the county must have an approved service plan which is required to be submitted in preliminary form by *October 15, 2003*.

The plan is required to include the needs of children, adolescents and adults who experience conditions defined above, as well as strategies and performance targets.

*Beginning January 1, 2006*, for the next biennial plan, counties are required to achieve performance targets for outcomes in children's mental health, child safety, permanency and well being.

Counties are required to budget at least 40 percent of CCSA funds to ensure mental health, safety, permanency and well being of children from low-income families. The 40 percent may be reduced if a county's incidence of these problems is significantly below the statewide median or the county has successfully passed performance targets in these areas.

Counties are required to "endeavor" within the limits of available funds to consider the continuing need for services and programs for children and persons with disabilities that were previously funded under CSSA.

Counties are required to solicit public comment at least 30 days *prior to October 15, 2003 and every other October 15 thereafter*. The preliminary county service plan must be submitted to DHS every other year, *beginning October 15, 2003*.

#### **5. Section 5 [256M.40] Grant Allocation.**

The Commissioner is required to provide the new CCSA block grants to counties under a formula. For the next six months, July 1, 2003 – December 31, 2003, counties will get the second half of the expected amount for 2003. The only cut for the next six months in social service funds is due to a small cut in federal Title XX funds. (Other county funds, such as local government aid, are reduced, *beginning July 1, 2003*, by varying amounts depending upon the county.)

For calendar year 2004, the Commissioner shall provide counties an amount of CCSA funds proportional to the amounts they received in 2003.

In practice, the county social services funds for the first six months of 2004 are not cut, but the state payment is shifted until after the beginning of the state fiscal year, July 10, 2004. The shift will save \$12.5 million in state dollars, but not result in less money going to the counties for that period. However, for state fiscal year 2005, *beginning July 1, 2004*, counties are cut \$25 million, approximately an 18 percent cut in the amount counties received in 2003 for social services (state and federal funds). The Legislature restored the social services cuts back to the 2003 level for 2006 and 2007.

The Commissioner is to study whether to have projects of regional significance and report to the chairs of the committees in the Legislature by January 15, 2005. Twenty-five million dollars for state fiscal years 2006 and 2007 is to be set aside for projects of regional significance.

#### **6. Section 6 [256M.50] Federal Funds.**

*Beginning in federal fiscal year 2004*, federal Title XX money is to be allocated under the CCSA except for funds for administrative purposes and migrant day care.

**7. Section 7 [256M.60] Duties Of County Board.**

County boards are required to administer and fund children and community services for purposes defined in the act. The purposes include “assisting individuals to function at the highest level of ability while maintaining family and community relationships to the greatest extent possible.” (Language from CSSA carried over to the new CCSA).

Subdivision 2 of 256M.60 specifically requires counties to provide DT&H services for persons with developmental disabilities to the extent required by the Individual Service Plan (ISP) and to the extent provided in the county service plan under this new CCSA.

Counties are required to provide necessary reports and data to DHS and are allowed to contract with other entities to purchase services.

County boards and the state are not liable for damages sustained through the purchases of services by individuals, their families and authorized representatives.

Counties may establish a fee schedule based on the client’s ability to pay, but may not charge anyone whose adjusted gross household income is below 100 percent of the federal poverty level.

**8. Section 8 [256M.70] Fiscal Limitations.**

Counties are required to demonstrate reasonable effort to comply with the requirements of CCSA, which include applying for commonly available federal funds.

If a county has made reasonable efforts to provide services, but still has insufficient funds, the county may limit services that do not meet the following criteria while giving 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 for 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 § 245A.16.

Before a county denies, reduces or terminates services to an individual due to fiscal limitations, the county must notify the individual and guardian in writing of the reason for denial, reduction or termination and inform the individual that the county will meet to discuss alternatives before services are reduced or terminated.

**9. Section 9 [256M.80] Program Evaluation.**

Counties must submit data to the Commissioner *beginning March 1, 2005, and every March 1 thereafter* for the previous calendar year. The Commissioner in turn is to prepare an annual report on county progress in improving the outcomes of children, adolescents and adults related to mental health, safety, permanency and well being.

**10. Section 10 [265M.90] Grants And Purchase Of Service Contracts.**

Local agencies are allowed to purchase CCSA services by grant or purchase of service contracts from agencies or individuals approved as vendors.

Local agencies must use a written grant or purchase of service contract which is completed, signed and approved by all parties including the county board unless the county board has designated the local agency to sign on behalf of itself. No service shall be provided before the effective date of a completed grant or purchase of service contract.

Counties must determine client's eligibility for services or delegate that responsibility to an approved vendor. Counties must ensure the development of an individual social services plan based upon client needs and monitor services purchased and evaluate the grant or contract in terms of client outcome. Counties must purchase from approved vendors only.

If a local agency chooses not to purchase CCSA 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. Case records and data reporting requirements for grants and purchased services are the same as case record and data requirements for direct services, and the local agency must keep an administrative file for each grant and contract.

Subdivision 6 details the conditions under which one county can contract across county lines with an approved vendor in another county or a vendor in another county which was not approved by the host county.

There are specific provisions regarding community mental health boards and residential placement agreements in subdivisions 7 and 8.

**11. Section 11 Revisor's Instruction.**

The revisor is instructed to delete internal cross references when appropriate and make necessary changes.

## 12. Section 12 Repealer.

Chapter 256E, Community Social Services Act is repealed along with:

- Adult component of CSSA plan, § 245.478;
- Children's community-based mental health fund, § 245.4886;
- Children's component of Community Social Services plan, § 245.4888;
- Provisions for local children's mental health collaboratives, § 245.496;
- Prevention and treatment initiatives for children of substance abusing mothers, § 254A.17;
- Minority placement grants, § 257.075;
- Training for interviewers of maltreated children, DHS duties, § 257.81;
- Mental health screening of children, § 260.152; and
- Child abuse consultation 24-hour toll free telephone line, § 626.562.

The CSSA rules, Minnesota Rules 9550.0010-9550.0093, are repealed.

The CSSA, Chapter 256E, had a provision requiring the county to amend their plan when services were to be cut due to fiscal limitations. This provision was not carried over to the new CCSA. The CSSA also required that the plan must specify how the county intended to provide services required by federal and state law and other listed services. The list in CSSA is carried over to the new CCSA in part:

1. Maltreatment, abuse and neglect;
2. Emergency and crisis services;
3. Assessment;
4. Public guardianship services;
5. Case management; and
6. Licensing.

However, the CSSA, repealed July 1, 2003, contained specific mention of day training and habilitation services (DT&H) for persons with developmental disabilities and subacute detoxification services, neither of which are specifically carried over in the new fiscal limitations section. Nonetheless, both DT&H services and detoxification services could meet the requirements

of services which must be provided even when the county has limited funds. The new CCSA contains one item not mentioned in CSSA, "Services that maintain a person in the person's home or least restrictive setting."

Also, absent from the new CCSA is specific mention of the appeals statute and the right to appeal. However, during committee discussion of these provisions, it was made clear that the current appeal statute covers changes in social services, § 256.045, subd. 3.

### **13. CCSA-Related Rider.**

*Special Session. Chapter 14, Article 13C, Section 2, Subd. 4.  
Effective July 1, 2003.*

A provision in the appropriations section (Article 13C) of the omnibus bill prohibits counties from reducing CCSA grant expenditures for services to adults with disabilities by more than the "overall percentage reduction" in the county's CCSA funds compared to CSSA funds in 2003. The overall reduction CCSA funds for calendar year 2004 is about 18 percent. This provision should prevent cuts for adults with disabilities from this funding source of greater than about 18 percent in 2004. In the context of this rider, it is important to remember that despite funding cuts, some services which meet the highest funding priorities must be continued (*see* Section 8).

### **c. Policy Changes.**

1. Personal Care Assistance (PCA), Responsible Party Change.  
*Special Session, Chapter 14, Article 3, Section 26.  
Amends § 256B.0627, subd. 1.  
Effective July 1, 2003.*

The responsible party for a person who receives PCA services no longer has to live with the person, but must be actively involved in planning and directing the PCA services and monitor the services at least weekly.

2. Case Management For Persons With Disabilities.
  - a. **Mental Retardation/Related Conditions (MR/RC) Case Management.**  
*Special Session, Chapter 14, Sections 31, 32 and 46.  
Amends § 256B.092, subd. 1a.  
Effective July 1, 2003.*

The functions of a case manager for persons with developmental disabilities were rearranged with several changed provisions.

b. **Mental Health Targeted Case Management (MH-TCM).**

*Special Session, Chapter 14, Article 12, Section 30.*

*Amends § 256B.0596.*

*Effective July 1, 2003.*

Counties are required to contract for MH-TCM for adults and children with providers who meet the MH-TCM requirements and will have at least one contact with each client per week. According to DHS, this new provision does not alter county authority to set rates for contracted vendors, determine client eligibility for MH-TCM and contract for less than one contact per week.

c. **Case Management Changes for Relocation Targeted Case Management and Disability Home and Community Waiver Programs, CADI (nursing facility level of care), TBI (nursing and neuro-behavioral hospital level of care) and CAC (hospital level of care).**

*Special Session, Chapter 14, Article 3, Section 53.*

*Amends § 256B.0621, subd. 7.*

*Effective July 1, 2003.*

i. When a person requests services under a home and community-based waiver (MR/RC, CADI, TBI, CAC) or to get out of a nursing home (Relocation Targeted Case Management), a county must determine eligibility and provide service within the required time lines or contract for case management services.

ii. Existing case management time lines include:

(1) For persons under 65 in a nursing facility, counties must visit the person within 20 working days of a request for relocation targeted case management, Minn. Stat. § 256B.0621, Subd. 7.

(2) For persons requesting CADI, TBI and CAC, a case manager must:

(a) assess needs within 20 working days of the request;

(b) develop the individual service plan with ten working days of completing the assessment, Minn. Stat. § 256B.49, Subd. 15.

(3) For persons eligible for case management as a person with mental retardation or a related condition, counties are required to:

- (a) Complete a comprehensive diagnostic evaluation within 35 working days of a request for case management services. Minn. R. 9525.0016, Subpart 3.
- (b) Convene the screening team to evaluate the level of care needed within 60 working days of a request for services. Minn. R. 9525.0016, Subpart 7.

d. **Case Management Redesign Study.**  
*Special Session, Chapter 14, Article 3, Section 54.*  
*Effective July 1, 2003.*

The Commissioner of DHS is required to report to the Legislature on broad redesign of case management by January 15, 2005.

In preparing draft legislation, DHS must consult with interested stakeholders to develop changes to improve access, streamline administration, address use of a comprehensive, universal assessment, establish performance measures, provide for choice of vendor, and develop cost effective payment methods.

The Legislature provided \$54,000 for the redesign report.

3. **Criminal Background Study Statute.**  
*Regular Session, Chapter 15.*  
*Adds § 245C.*  
*Effective April 18, 2003.*

The convoluted statute detailing which crimes prevent people from working in human services, child care, corrections, nursing homes and hospitals was reorganized. There were also a few substantive changes which are contained in Chapter 14, Article 6, Sections 5, 6 and 7.

4. **Private Guardianship Statute Changed.**  
*Regular Session, Chapter 12.*  
*Adds § 524.5-101 to 524.5-502.*  
*Various effective dates.*

Minnesota's private guardianship statute was completely rewritten in a multi-year effort by a committee from the State Bar Association and patterned on the Uniform Guardianship Act.

5. Prepaid Medical Assistance (PMAP) Exemption For Subsidized Adoption.  
*Regular Session, Chapter 101.*  
*Amends § 256B.69, subd. 4.*  
*Effective July 1, 2003.*

The longstanding exemption for children adopted through Minnesota's subsidized adoption program was restored in a separate bill after a repeal in 2002.

6. Legislative Authorization For DHS Work Incentive Medicaid Expansion Grant.  
*Special Session, Chapter 14, Article 6, Section 64.*  
*Effective July 1, 2003.*

DHS is authorized to apply for a federal grant to establish a demonstration project to provide Medicaid services and benefits to workers with physical or mental impairments likely to lead to permanent disability without access to Medicaid services under Social Security standards.

The target population include:

- a. serious mental illness defined by the federal Center for Mental Health Services,
- b. concurrent mental health and chemical dependency,
- c. young adults up to age 24 who have a physical disability or mental impairment which will potentially lead to a disability determination by Social Security.

The Commissioner is authorized to establish income and resource limits, coordination of government benefits, a premium schedule consistent with the MA-EPD and must report on the grant and on projected savings to the legislative health care chairs. The Commissioner must consider using any savings to restore the 5% GAMC hospital rate cut as part of a supplemental budget in 2004.

7. Hearing Aid Coverage For Children.  
*Special Session, Chapter 14, Article 7, Section 24.*  
*Adds § 62Q.675.*  
*Effective August 1, 2003.*

For health plan contracts issued or renewed after August 1, 2003, hearing aids for children 18 years of age or younger with hearing loss due to functional, congenital malformation of the ear that is not correctable by other covered procedures must be covered.

8. Health Benefit Mandate Review Process Established.  
*Special Session, Chapter 14, Article 7, Section 13.*  
*Adds § 62J.26.*  
*Effective July 1, 2003.*

The Legislature adopted a mandate review procedure for evaluation of proposed mandates for private state-regulated health coverage. This process has been proposed for several years by business representatives. The mandate review process is the responsibility of the Commissioner of Commerce.

9. Commitment Act.  
*Special Session, Chapter 14, Article 6, Section 45.*  
*Amends § 253B.04, subd. 1.*  
*Effective July 1, 2003.*

A person who is voluntarily participating in treatment is not subject to civil commitment if clinical evidence shows the individual is unlikely to continue treatment unless committed, a court may commit a person voluntarily participating in treatment.