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Board of Social Work
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Board Mission: To ensure to the residents of Minnesota quality social work services by establishing and enforcing professional standards.

REGULAR BOARD MEETING
University Park Plaza
Conference Room A – 4TH Floor
2829 University Avenue S. E.
Minneapolis, Minnesota 55414

Minutes

July 16, 2010

Members Present: Christine Black-Hughes, LICSW, Vice Chair
Jacqueline Johnson, LICSW
Janna Kovach, LSW
Mary Casey Ladd, LICSW
Carol Payne, LSW
Ruth Richardson, Public Member
Nicole Roiger, LSW
Tamerlee Ruebke, LSW
Beverly Ryan, LISW
David Sandry, Public Member, Secretary-Treasurer
Angie Stratig, LICSW
Antonia Wilcoxon, Public Member

Members Absent: David Hallman, LSW
Rosemary Kassekert, Public Member
Kenneth Middlebrooks, Public Member, Chair

Staff Present: Michelle Kramer-Prevost, LGSW, Staff Social Worker
Brenda Mammenga, Recording Secretary
Sheryl McNair, LICSW, Assistant Director
Connie Oberle, Office Manager
Kate Zacher-Pate, LSW, Executive Director

Staff Absent: Louis Hoffman, Director of Compliance

1. **PROPOSED AGENDA** [Attached]

In Chair Middlebrooks' absence, Vice Chair Black-Hughes called the meeting to order at 9:03 a.m.; a quorum was present. The Board unanimously approved the agenda.

[Stratig arrived at 9:05 and Wilcoxon arrived at 9:14 a.m.]

2. **INTRODUCE NEW BOARD MEMBER & ASSIGN MENTOR:** Nicole Roiger, LSW
Congratulations on Reappointment: Jackie Johnson, LICSW &
Tammie Ruebke, LSW [Attached]

Black-Hughes welcomed new Board member Nicole Roiger, LSW, and volunteered to be her mentor. Zacher-Pate noted that Roiger completed a four hour "New Board Member Orientation" on June 30 which was provided by Board staff and Nathan Hart, Assistant Attorney General. Black-Hughes also thanked Johnson and Ruebke for their service to the Board and congratulated them on their reappointments.

3. **MINUTES FOR MAY 21, 2010 BOARD MEETING** [Attached]

The Board unanimously approved the May 21, 2010 minutes.

4. **EXECUTIVE DIRECTOR'S REPORT:** Zacher-Pate [Attached]

Zacher-Pate referred to the information included in the Executive Director's (ED's) Report in the Board packet and commented on the following:

- The building lease negotiations are going well.
- Upon the Legislature's request during the 2009 Legislative session, a study was completed and submitted to the Legislature on July 1, 2010 about the consolidation of IT services and staff. Excipio Consulting, LLC, a private company, conducted the study and offered the following options for consolidating/layoff of IT staff: (1) transfer IT staff to OET which will have a state agency help desk; (2) layoff IT staff and outsource IT services to the public sector; or (3) combine partial OET services with some outsourcing. Each proposed model appears to demonstrate cost savings and the largest savings would come from layoffs. It will take four years to implement a plan and a cost savings will be realized in about seven years.
- Zacher-Pate commended staff for successfully implementing the assessment of the Office of Enterprise Technology (OET) licensing surcharge. Modifications were made to online services, application forms, information sheets, notices to licensees and applicants, accounting methods and reports, and licensing and renewal procedures. Information was also posted to the website, and information was provided to members of the Board's Advisory Committee to be used as a press release in association publications.
- Charlie Petersen, Facilitator, Management Analysis & Development, Minnesota Management & Budget, submitted his report from the Board Strategic Planning Realignment Workshop conducted on May 21, 2010. This report will be presented at a future Board meeting when Board Chair Ken Middlebrooks is present.

5. **COMPLIANCE COMMITTEE:** Hallman, Johnson, Kovach, Ladd, Middlebrooks, Payne, Ryan, Stratig [Attached]

- In Hoffman's absence, Ladd reported that Compliance Panel A did not review files, but Assistant Attorney General Nathan Hart (AG) pulled ten social work records and Ladd provided a peer review which will be discussed at the next compliance meeting in September. Ladd explained that there are two Compliance Panels due to the number of cases. Panel A includes Board members from greater Minnesota and Panel B includes local members. Each Panel has a Licensed Independent Clinical Social Worker (LICSW), a public member, and representatives from the other social work sectors. Stratig reported Compliance Panel B did not meet in June, but it will have a lengthy meeting in August.
- Zacher-Pate reported there are 43 pending cases through July 7 with an additional six cases that are unopened because additional investigatory information has been requested. The number of complaints submitted to the Board remains high and steady. There is one Stipulation and Order, which may be signed in the future, and there are no cases for review today. The status for compliance reports is consistent as one-half of the cases are in the 0-3 month category and three-quarters of the cases are in the 0-6 month category. A majority of the cases older than three months are under AG investigation or in various stages of review after an investigation. The four cases in the "Other" category include several that have been reviewed and are on "hold" due to a decision by DHS or the need for additional investigatory documentation. There was a suggestion to better define the "Other" category as perhaps "Post-Committee Investigation".

6. LICENSING UNIT REPORT: McNair, Kramer-Prevost [Attached]

McNair reported the following:

- Paper and online renewal and license fees submitted on or after July 1, 2010, through June 30, 2015, are now being assessed the OET surcharge. OET surcharge fee implementation on July 1 resulted in an increased work-load for the licensing unit staff at the end of June as many social workers renewing their licenses and applicants for initial licensure chose to pay their license fees prior to June 30 to avoid paying the OET surcharge. Implementation went quite smoothly, and very few deficiency letters have been sent to individuals who forgot to include the OET surcharge when submitting a paper renewal or license fee.
- There are almost 11,000 social workers who are licensed in Minnesota. The percentage of licensees renewing online from January-June 2010 is approximately 73%, and licensees who applied for a license online during this period is 84%. The Licensure Unit is looking at gathering statistics that would provide details regarding the average time it takes to process both on-line and paper renewal and license applications.
- The Board had previously asked the Licensure Unit to provide a quarterly report regarding the number of clinical practice extension requests received from LGSWs and LISWs who had reached their 8,000 hour clinical practice limitation, without holding an LICSW license. To date, 5 personal hardship extensions have been granted, allowing these licensees to engage in clinical practice for up to an additional 2,000 hours under the supervision of an LICSW.
- The Board was asked to offer a presentation and staff a vendor booth at the Minnesota Supervisors' Association Fall Conference to be held on September 14 at

Breezy Point Resort. Kate Zacher-Pate and Sheryl McNair will be presenting on the topic of "Social Work License Requirements: What Supervisors Should Know".

7. DRAFT 2011 LEGISLATIVE PROPOSAL: Ladd, Zacher-Pate [Attached]

Ladd reported the Legislation and Rules Committee (L&R) is requesting the Board to review and take action on the 2011 Legislative Proposal which includes the following:

- Section 1-MS 148E.065-Exemptions, Subd. 3. Geographic waiver, which the AG recommended either repealing or further defining the geographic waiver. The L&R recommends repealing the waiver.
- Section 1-MS 148E.065-Exemptions, Subd. 4. City, county and state agency social workers. The L&R recommends modifying exemptions.
- Section 1-MS 148E.065-Exemptions, Subd. 5. Tribes and private nonprofit agencies; voluntary licensure. The Board has no jurisdiction over these entities and the L&R recommends a voluntary licensure option.
- Section 2-MS 148E.055-License Requirements, Subds. 1-8. Grandparenting Period. The L&R recommends a grandparenting period between January 1, 2013 through December 31, 2013 with the provision expiring June 30, 2014. Applications may be submitted to the Board between January 1, 2012 through December 31, 2012. Employment and academic requirements will be in place, but there will be no examination requirement during the grandparenting period.
- Section 3-MS 148E.055-License Requirements, Subd. 1. License required. The L&R recommends an individual must have a social work license under this section or 148E.060, except when the individual is exempt from licensure according to section 148E.065. The new licensing requirements take effect on July 1, 2014.

The Legislation and Rules Committee recommends that the Board approve revisions to Section 1-MS 148E.065-Exemptions, Subd. 3. Geographic waiver, Section 1-MS 148E.065-Exemptions, Subd. 4. City, county and state agency social workers, Section 1-MS 148E.065-Exemptions, Subd. 5. Tribes and private nonprofit agencies; voluntary licensure, Section 2-MS 148E.055-License Requirements, Subds. 1-8. Grandparenting Period, and Section 3-MS 148E.055-License Requirements, Subd. 1. License required. The Board approved the recommendation with one abstention.

The Legislation and Rules Committee recommends that the Board delegate authority to Zacher-Pate to make any minor technical revisions that are identified between now and the September 17 Board meeting to Section 1-MS 148E.065-Exemptions, Subd. 3. Geographic waiver, Section 1-MS 148E.065-Exemptions, Subd. 4. City, county and state agency social workers, Section 1-MS 148E.065-Exemptions, Subd. 5. Tribes and private nonprofit agencies; voluntary licensure, Section 2-MS 148E.055-License Requirements, Subds. 1-8. Grandparenting Period, and Section 3-MS 148E.055-License Requirements, Subd. 1. License required. Substantive revisions will be brought before the Board at the September 17 Board meeting. The Board unanimously approved the recommendation.

Ladd thanked Board staff for providing guidance to the L&R with the 2011 Legislative proposal. Black-Hughes also thanked the community stakeholders and Board members who have been active participants at the L&R meetings.

8. SF 3147: CRIMINAL SEXUAL CONDUCT CONVICTION AND LICENSE REVOCATION & REPORT REQUIRED BY LEGISLATURE: Zacher-Pate [Attached]

Zacher-Pate reported the following:

- During the last Legislative Session, a bill was passed regarding license revocation of chiropractors convicted of a felony-level criminal sexual offense (SF 3147). The legislation was only enacted for licensed Chiropractors, amending the Chiropractic statute. As part of this bill, the Council of Health Boards (CHB) is required to review the statute and make recommendations to the House and Senate by January 15, 2011, regarding the impact of similar legislation on the Health Licensing Boards (HLBs). To begin and facilitate the CHB review process, the Executive Directors recently completed a survey to identify the impact of similar legislation. Zacher-Pate will serve on the CHB sub-committee and asked the Board to consider the legislation and issues, and make recommendations for the CHB study process.

9. LUNCH (11:45 a.m. – 12:15 p.m.)

10. COMMITTEE & LIAISON REPORTS

A. Advisory Committee: Wilcoxon [Attached]

Wilcoxon explained that the committee includes professionals who represent social workers and serve in an advisory capacity to the Board. Kovach reported that she, Zacher-Pate, and Kramer-Prevost attended the last meeting on June 18 and made the following comments:

- Zacher-Pate discussed the draft Legislative Proposal for licensing exemptions, and she said the Board has approved the concept and intent of the proposal. The L&R is working on finalizing the proposal, and public forums are being held with stakeholders affected by the proposal. The Board has met with the Minnesota Association of County Social Service Administrators (MACSSA), the Minnesota Social Service Association (MSSA), and the National Association of Social Work-Minnesota Chapter (NASW-MN). A presentation is planned at the St. Louis County Health and Human Services Conference in October. It is important that the Board receive the Advisory Committee's endorsement of the proposal, which the Advisory Committee did through a motion at this meeting. Zacher-Pate distributed a Summary of the 2010 Legislation and a notice about the OET surcharge.
- Pam Luinenburg, Coordinator of the Coalition of Licensed Social Workers, began a discussion on the 2011 proof of supervisory training. In order to be eligible to provide licensing supervision, beginning August 1, 2011, supervisors will be required to attest to the completion of 30 hours of training in supervision when they submit a new Supervision Plan form to the Board. Supervisors may use 10 hours of independent study to fulfill the 30 hour requirement and will be subject to audit.

B. ASWB-Report from Spring Educational Meeting & New Board Member Training, August 27-29, Minneapolis

Zacher-Pate attended the ASWB Spring Educational Meeting in Charleston, South Carolina May 13-16 and reported the following:

- There was an update on the Association's finances and it was noted that at the end of 2009 their revenues and expenditures were approximately \$252,000, which is an increase of \$8,000 over 2008. The reserve fund structure has been changed from 20% in general reserves and 80% in examination security to a 50%-50% structure. There were 35,000 individuals registered to take the exam and over 32,000 exams were administered. The 2009 Minnesota ASWB exam Pass/Fail Rates compared to the North American Pass/Fail Rates are as follows: Bachelors-Minnesota 87% and North American 79%; Masters-Minnesota 88% and North American 75%; Advanced Generalist-Minnesota 82% and North American 57%; and Clinical-Minnesota 91% and North American 75%.
- There have been contract negotiations with a new testing company and the practice analysis has been completed. On January 2, 2011 the exam content will change and the categories will be broader and more condensed. For the first time Knowledge, Skills, and Abilities (KSA) statements that describe specific competencies that will be the focus of individual test questions will be public information. The advanced generalist exam will have much less clinical content. Fail rates may increase for a short time after the new exams are administered.

ASWBs' new Board member training will be held August 27-29 at the Marquette Hotel in Minneapolis. The following Board members will attend the training: Black-Hughes, Johnson, Kovach, Payne, Richardson, Roiger, Ryan, and Stratig. Staff member Kramer-Prevost will also attend the training.

C. Compliance Education Outreach Committee: Wilcoxon

Wilcoxon reported the committee presented at the NASW-MN Chapter Spring Conference in June, and it will present at the St. Louis County Health and Human Services Conference in Duluth in October. The committee will present on social work licensing exemptions instead of compliance in Duluth.

D. Council of Health Boards: Kassekert

There was no meeting to report.

E. Executive Committee Session: Middlebrooks, Black-Hughes, Sandry

There was no meeting to report.

F. Finance Committee: Sandry [Attached]

Sandry referred to "BOSW Budget Summary Highlights July 15, 2010" which was prepared and distributed by Zacher-Pate:

- The Committee met last night. The revenues as of close of FY 2010 (June 30, 2010) is \$977,396 which is \$18,000 over the anticipated revenues of \$959,000. FY 2010 was the first complete year with the 10% licensing fee decrease and planned spend down of the accumulated surplus. The overage in revenues is believed to have occurred due to licensing/renewal fees being intentionally

submitted prior to July 1, 2010, which was the effective date of the new Office of Enterprise and Technology (OET) surcharge fee. Overage funds go directly to the accumulated funds in the State Government Special Revenue Fund (SGSRF); they are not carried forward.

- As of May 30, 2010, the actual direct operational expenses are at \$707,949 which is 77% of the appropriated \$921,000. There were \$166,462 encumbered for anticipated operational expenses. Until all goods and services and invoices are received and paid, and the books are closed on August 10 for FY 2010, encumbered dollars do not reflect actual expenses. At this time the available balance is \$46,588, with an undetermined amount of unspent revenue.
- The indirect expenses include the AG Office, Administrative Services Unit (ASU), Health Professionals Services Program (HPSP), and others which are not paid out of the appropriation amount for direct operational expenses, but come directly from the SGSRF accumulated balance. AG fees are paid one month in arrears and reflect fees paid through April. There was \$169,053 budgeted for indirect costs with \$138,131 expended as of May, which leaves a balance of \$30,922. Until all invoices are received and paid, and the books are closed for FY 2010, expended dollars do not reflect actual indirect expenses. Any remaining funds will remain in the SGSRF.
- A law was passed by the 2009 Minnesota Legislature, initiated by the Minnesota OET, requiring a 10% surcharge of no less than \$5 and no more than \$150 on each business, commercial, professional or occupational license, beginning July 1, 2009 through June 30, 2015. During FY 2010 (July 1, 2009-June 30, 2010), the Board absorbed the surcharge by transferring accumulated funds from the SGSRF rather than assessing the fee to licensees. \$85,000 was transferred from the SGSRF. For FY 2010 (July 1, 2010-June 30, 2011), the Board determined to assess the OET surcharge to licensees directly; therefore, the estimated \$85,000 per fiscal year will not be transferred from the SGSRF.
- On June 15, 2010, Minnesota Management & Budget (MMB) informed the HLBs of a new line item charge for "Electronic Licensing - \$7,330,264/10 years", which means the Board must add \$7,861 as a new indirect cost to the budget. Inquiries have been submitted to MM&B regarding this cost
- The estimated amount of allocation of funds for FY 2010 and FY 2011 from the Board's SGSRF accumulated funds to the State Government General Fund (SFGF) is undetermined at this time. Direction has been requested from the AG and MM&B. The estimated allocation for BOSW ranges from \$220,000 to \$360,000" for both transfers. A decision is expected soon as to how the allocation impacts the biennial budget planning process.
- At the end of FY 2010, the BOSW SGSRF amount is \$1.3 million. At this time the impact of the Legislative transfers to the BOSW accumulated surplus is unknown. Until a decision is made, the impact on the FY 2012 and FY 2013 budget years' accumulated balances cannot be projected.
- If the Board's 2011 Legislative Proposal to modify current exemptions is enacted, this change would produce additional revenues and likely necessitate the need for additional staff. It is difficult to project the number of new applicants, but data estimates from 2009 indicate there are approximately 2000 unlicensed social workers employed by the counties. Additional staff may be needed to process applications; however, it has not yet been determined whether this need would be temporary or permanent, and what position classification may

be needed. It is anticipated the additional revenues would offset the salary expense. Because legislative action will occur at the same time on both the budget and the BOSW 2011 Legislative Proposal, it is uncertain if a change item request for additional spending authority for salary can be requested on a contingent basis.

- Zacher-Pate said that under budget instructions and guidelines provided by MM&B, she will work with ASU and the BOSW Finance Committee to develop the biennial budget and make budget projections for an additional four years. The Board will be asked to approve the preliminary biennial budget at the September 17 meeting. The budget will be submitted to MM&B in October 2010, and it will make recommendations to the Governor's budget. The Governor's budget will be presented to the Legislature for action.

G. HPSP: Kassekert

In Kassekert's absence, there was no report.

H. Legislation & Rules Committee: Ladd [See agenda item #7]

I. Legislative Task Force: Middlebrooks, Wilcoxon

Wilcoxon reported the following in Middlebrooks' absence:

- The committee makes recommendations to the L&R, and it reviewed the modifications to the city, county, and state agency social worker exemptions at its meeting on July 14. Meetings continue with stakeholders and are being planned with AFSCME, MAPE, and MACSSA representatives. Timelines are being developed to meet with the United Way, cultural community groups, and the Minnesota Council on Non-Profits. The Compliance Committee will present on the exemptions at the St. Louis County Health and Human Services Conference in October.

Kramer--Prevost distributed "License Status of County Social Workers", which is current data taken from the Board's licensee database. The original data was obtained by former Board member, Tony Bibus, in his work with the Minnesota Merit System and other counties and was included in his 2007 "Destination Deferred" final report. The current data was compared to his report.

J. Licensing Study Committee: Wilcoxon

Wilcoxon reported the committee has not met. The purpose of the committee is to determine how to increase the licensure of social workers in underserved communities.

K. Nominating Committee: Sandry

Sandry reported the committee has not met. A slate of officers will be developed to enable the Board to name the Executive Committee. Board members, whose terms will expire in January 2011, are Hallman, Middlebrooks, and Stratig.

11. PUBLIC COMMENT

Alan Ingram, Executive Director, NASW-Minnesota Chapter, commented that he was surprised that the AG is an indirect budget expense that is paid through the SGSRF. Also, he is concerned about the possibility of increasing licensing fees. Ingram stated that Barbara Kaufman, Advisory Committee Chair, could not be here today, but she appreciated the opportunity to review the Legislative Proposal.

12. OTHER BUSINESS

There was no other business.

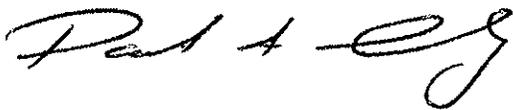
13. ROUNDTABLE

- Oberle asked that any travel expenses for the last fiscal year be submitted to her in the next week. As of July 1, 2010, the HLBs have an exclusive travel contract with Travel Leaders, including hotel rooms for Board meetings.
- Board members expressed their appreciation for a good meeting and welcomed Roiger. Roiger thanked Black-Hughes for being her mentor.
- Zacher-Pate responded to Ingram's concern about increasing licensure fees by noting that the continued transfers of funds from the HLB accumulated balance in the SGSRF is very substantial and will likely speed up the timing of a fee increase. She said the Board's budgeting process and estimates were quite accurate, as demonstrated in the Finance Committee report. Also, this past year has been the first full year of the 10% licensure fee reduction, which was the budgeting strategy to intentionally reduce or "spend down" the accumulated balance in the SGSRF to cause revenues to more closely match expenditures and the Board's appropriation for direct expenses. Even with the intentional reduction in revenues collected, according to projections, there would have been ample funds to avoid any fee increase for a number of years. However, unanticipated, continued transfers are reducing the SGSRF much sooner than expected. In addition, indirect expenditures are not paid out of the appropriated amount for direct operations, but are paid from the accumulated balance in the SGSRF. The amount in these funds is ultimately dependent on the funds collected from the Board's revenues.
- Zacher-Pate thanked the Board for a very productive meeting.

12. ADJOURN

The meeting adjourned at 1:30 p.m.

Respectfully submitted,



David Sandry
Secretary-Treasurer