



**REGULAR BOARD MEETING
University Park Plaza
University Room
2829 University Avenue S. E.
Minneapolis, Minnesota 55414**

Minutes

September 21, 2012

Members Present: Christine Black-Hughes, LICSW, Chair
David Hallman, LSW
Jacqueline Johnson, LICSW
Rosemary Kassekert, Public Member
Janna Kovach, LSW
Kenneth Middlebrooks, Public Member
Carol Payne, LSW, Secretary Treasurer
Nicole Roiger, LSW
Tamerlee Ruebke, LSW
Beverly Ryan, LISW
David Sandry, Public Member
Angie Stratig, LICSW
Antonia Wilcoxon, Public Member

Members Absent: James Gaylord, LICSW
Ruth Richardson, Public Member, Vice Chair

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

1. PROPOSED AGENDA [Attached]

Chair Black-Hughes called the meeting to order at 9:05 a.m. A quorum was present and the Board unanimously approved the agenda.

2. MINUTES FOR JULY 20, 2012 BOARD MEETING [Attached]

The Board of Social Work (BOSW) reviewed the July 20, 2012 minutes.

A motion was made by Johnson, and seconded by Kovach, to approve the July 20, 2012 minutes. The motion carried unanimously.

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

Zacher-Pate welcomed the guests to the meeting and commented on the following:

- The Bargaining Unit negotiations of the AFSCME and MAPE union membership contracts were not approved by the Legislative Subcommittee on Employee Relations in late August. The contracts expired July 1, 2011 and will likely be considered by the Legislature during the next session.
- A contract has been signed with an outside vendor to digitalize licensee records. The vendor has shown excellent protocols, security measures, and quality of scanning. Internal business processes are also being refined and are moving toward digitalization.
- The Attorney General's Office (AG) was contacted about interpretation of the new grandfathering provision related to the definition of a private nonprofit, nontribal agency whose primary service focus addresses ethnic minority populations. The first issue discussed was three possible ways that an agency could provide evidence of their private nonprofit status: 1) IRS tax exempt status as a 501(c) 3, 4, 5 or 6, 2) registered with the Minnesota Secretary of State, or 3) registered as a Charity Nonprofit with the Minnesota AGs Office. The AG recommended that an agency's CEO, director, or manager sign off and certify on a form provided by the Board that their agency is a private nonprofit and provide the source of their status to the Board. Board staff would verify the status with the Secretary of State's Office, and if the status could not be verified, then the agency must submit evidence of their private nonprofit status.
- Another issue discussed with the AG was about an applicant's eligibility and the interpretation of the phrase "...while employed by that agency for a minimum of six months".... The issue is whether "that" means the employee must be employed by one agency for the entire six months to qualify, or, if "that" meant the category of agency where an individual worked, and therefore, employment could be at more than one private nonprofit agency during the six month period. The interpretation of "that" will be based on the category of agency.
- An applicant from a private nonprofit nontribal agency must also be a member of an ethnic minority population. The AG supported using the US Census categories for race and ethnicity to determine eligibility. The applicant's self-declaration of race and ethnicity is required, and is not required to be notarized.

Zacher-Pate asked Board members to email her with ideas or suggestions regarding the issues discussed above. The Executive Director's Report (ED) will be concluded after the Executive Committee Report.

4. FY2014-FY2015 PROPOSED BIENNIAL BUDGET: Juli Vangsness, Administrative Services Unit (ASU) Director, Zacher-Pate, Payne [Attached] [Portion Closed to the Public]

Zacher-Pate welcomed Juli Vangsness and thanked her for reporting to the Board. Vangsness made the following comments:

- Vangsness said she has worked with the 18 Health Licensing Boards (HLBs) for 19 years, and ASU provides backend administrative functions for the HLBs. She will discuss the differences between direct and indirect expenses, where the Board is at with current budget expenditures and revenues, the Board's last audit, and specific information on the current biennial budget process.
- ASU provides the following services to the HLBs: Budgeting and Financial Monitoring, Audits, Cost Projections, Fiscal Notes, Cash Receipts, Accounts Payable, Human Resources, Payroll, Purchasing, Fixed Assets, Contract Services, IT Network Administration (MN.ITs Consolidation of IT Services), Project Developer, and IT and Help Desk Support.
- The Legislature gives the Board authority to spend money that the Board collects from fees which is known as a direct appropriation from the State Government Special Revenue Fund (SGSRF). The direct appropriation is the HLBs' operational budget used to cover all direct operation expenses. Indirect/other costs are not included or payable from the direct appropriation; however, the Board must ensure that it collects sufficient revenue to cover both direct and indirect expenditures. State indirect costs include payment for services received from other state agencies such as the AG's office, HPSP, and others.
- Direct expenditures include payroll for 10.58 staff, which is the Board's largest expenditure, at approximately 82.05% of total direct operating expenditures. Direct expenditures also include credit card processing fees, of approximately \$14,000 for online application services. The Board has paid the credit card fees since the inception of online services in 2005 rather than passing that expense onto licensees and applicants. In FY 2010 the Board transferred \$80,279.43 to the Office of Enterprise Technology (OET), from the SGSRF. In FY 2011-2016, the Board is collecting this surcharge directly from licensees and moving the funds to MN.IT.
- The biennial budget covers a two year period, comprised of two separate fiscal years. FY 2012-2013 is the second half of the biennial budget. Money that is not spent during the first fiscal year automatically rolls forward into the second fiscal year budget and may be expended. Any revenue not used at the end of FY 2013 cannot be carried forward to 2014 and will cancel back to the SGSRF balance. The new budget begins July 1, 2013 after it has been ratified by the Legislature and signed by the Governor.
- Minnesota statutes require the Board to collect sufficient revenue through licensure fees to cover all costs as the Board does not receive any general funds or other tax dollars. Fees are deposited into the SGSRF. During the 2005 Legislative session an approximate 20% fee reduction became effective January 1, 2006, with a sunset of June 30, 2009. During the 2009 Legislative session an additional fee reduction of approximately 10% was passed and went into effect July 1, 2009.
- The total revenues less total expenses equal the accumulated ending balance. The Board reviews this balance to determine if a fee increase/decrease is needed in order to cover expenses. Operational expenses may not be paid from the accumulated balance, but can be used for higher than budgeted indirect costs.

The funds are deposited into the SGSRF and in the past have been transferred to the General Fund.

- The Board's current base budget for FY 2012 & FY 2013 is \$1,053,000 and for FY 2014 & FY 2015 is \$1,054,000. FY 2013 has a \$209,196.69 balance forward from FY 2012 which may be used to cover expenses in FY 2013.
- The last time the Legislative Auditor audited the Board was in 2000, and the audit reviewed payroll, human services, grant and travel expenditures, and other administrative services. The auditor recommended that the Board reconcile the total licenses issued with the amount of receipts recorded in the account system.
- The HLBs are currently planning their biennial budgets for FY 2014 & FY 2015 which is due to Minnesota Management and Budget (MMB) on October 15, 2012. MMB will review all budget data and work with the Governor's Office to help develop items for the Governor's budget proposal. In order to increase or decrease the current base budget, an investment item must be submitted to MMB for consideration.

Vangness asked if there were any questions. Zacher-Pate thanked Vangness for her excellent presentation and distributed public information, "BOSW Budget Summary Highlights for 2012 Ending June 30, 2012".

All state agencies are being asked to propose a 5% cut in operational expenses which calculates to \$52,700 in the next biennium (FY 2014 & FY 2015) for the Board. This proposed budget reduction cannot be an "across the board" reduction, but must be targeted to specific functions, activities, or programs. Board business breaks down into three categories or "programs" which are mandated by the Legislature: licensure, compliance, and education and outreach. Proposals will be reviewed by MMB.

Payne made the following Finance Committee report:

- The books for FY 2012 closed on June 30. There is an unspent operational amount of \$209,197 which includes an overage of \$60,433. AG expenses were \$39,502 over budget, the MN.IT surcharge was \$86,707, and US Bank and credit card processing fees were \$14,562. The 2013 projected balance in the SGSRF is \$150,751.
- There was a recommendation from the Finance Committee regarding how to reduce services or programs to comply with the 5% budget reduction, while still providing core public safety services. This will be a significant challenge, will delay services, and reduce the Board's ability to be proactive. After careful analysis, the proposal includes 1) discontinuing payment of the credit card processing fees; 2) reducing the number of Board meetings from six to four per year; and 3) reducing education and outreach to students, professionals, agencies, and consumers, and reducing employee development and attendance at conferences.

Payne thanked Zacher-Pate and Oberle for their excellent work on the budget.

[Executive Session – Closed to the Public: 10:45 a.m. – 11:05 a.m.]

The Finance Committee made a motion for the Board to support and extend authority to the Executive Committee to strategize a 5% reduction in the operational budget, as required by MMB, including the discontinuance of the Board paying credit card processing fees,

reducing the number of Board meetings from six to four per year, and reducing educational outreach. The Board unanimously approved the motion.

The Finance Committee made a motion that the Board approves submitting an investment request as part of the FY 2014 and FY 2015 biennial budget for an increased appropriation for salaries specific to increasing staffing for complaint resolution and licensing services. The Board unanimously approved the recommendation.

5. MS 148E.035 VARIANCE PETITIONS: Petitioners [Attached for Board Members]

A recommendation was made by Compliance Panel A to approve the Variance request in the Matter of Nicole Sellin, LGSW #13984. The recommendation carried with seven voting to grant the variance and six voting to deny the variance.

A recommendation was made by Compliance Panel A to approve the Variance request in the Matter of Barbara Suurmeyer. The Board unanimously approved the recommendation.

6. COMPLIANCE COMMITTEE: Hallman, Hoffman [Attached]

Hoffman reported the following:

- Several unlicensed practice cases are requiring more investigation than was anticipated because of the need for position descriptions to determine academic requirements for positions. This has delayed readying cases for Compliance Panel C.
- The number of cases under AG investigation has decreased because many investigative reports have been received and fewer cases are being investigated. The statistics, as always, are a "snapshot" and do not reflect cases opened since the report was run earlier in September.

7. LICENSING UNIT REPORT & TRAINING TOPIC INACTIVE LICENSES/REACTIVATION:

McNair, Kramer-Prevost [Attached]

McNair reported the following:

- Staff has been busy with student presentations and staffing vendor booths at fall conferences. The Student Handbook and PowerPoint presentations have been updated using the new BOSW branding and logo.
- New online paper applications are being developed for use in the grandfathering process and will be available on January 1, 2013. New Fact Sheets and FAQs are available on the website and are titled "2013-2014 Grandfathering Licensure Requirements", "Changes to Social Work Licensing Exemptions", and "Alternate Supervisor Requirements". To date, only a handful of licensees have submitted Supervision Plan forms utilizing an alternate supervisor under the new provision that went into effect on August 1.
- Two new online services were rolled out on August 1 which can be accessed on the home page of the Board's website.
 - 1) Supervisees can now "Search for a Licensing Supervisor", who has attested to meeting the licensing supervisor requirements. They may search by an

individual licensee's name or license number for those who have attested to meeting the requirements; or they may search all licensees by license level, city, or county, who have attested to meeting the requirements. The county is a new feature that was added, allowing supervisees to see if they work in a county where there are 5 or fewer licensed social workers who meet the licensing supervisor requirements. If so, they may utilize an alternate supervisor to provide up to 100 percent of their required supervision.

- o 2) Licensees can now "Attest as a Licensing Supervisor" through the Board's online services, using their password, to having met the licensing supervisor requirements. Supervisors may also attest to meeting these requirements when they submit a Supervision Plan or Supervision Verification form to the Board. 1,033 individuals have attested that they have met the licensing supervisor requirements, with 51 individuals using the new online attestation service. Of these 1,033 licensing supervisors, 598 are LICSWs.
- An interesting statistic to note is an increase in the number of temporary licenses that have been issued. In 2012 a total of 68 temporary licenses have been issued so far - 9 at the baccalaureate level and 56 at the graduate level; whereas, during the same time period in 2011, a total of 24 temporary licenses were issued - 2 at the baccalaureate level and 22 at the graduate level. The increase may be due, in part, to increased education related to the enforcement of "unlicensed practice".
- An "Alternative Status Requirement Chart" is included in the Board packet which explains the requirements and internal process used to review Applications for "Inactive Licenses" and "Reactivations".

8. LUNCH [12:10 p.m. – 12:45 p.m.]

**9. COUNCIL ON LICENSURE, ENFORCEMENT AND REGULATION (CLEAR)
2012 CONFERENCE REPORT: Kovach, Kremer-Prevost**

Kovach thanked the Board for sending her to the CLEAR conference September 6-8. She said the sessions were very informative and the following are a few she attended: "The Regulator: Friend or Foe", "Setting Precedents: Top Ten Cases You Need to Know About", "I Just Don't Want This to Happen to Anyone Else: Effective Management of Consumer Complaints", "Medical Marijuana: Challenges of the Investigative Process", and "Medical Marijuana: Policy Meets Regulation".

Kramer-Prevost also thanked the Board for the opportunity to attend the CLEAR Conference. She said the opening keynote session was very interesting, and Catherine Dower, Associate Director, Policy Center for the Health Professions, University of California, San Francisco, spoke on the hard work of implementing the provisions of the Patient Protection and Affordable Care Act. Other sessions she attended were "Applying Policy to Policy Development: Too Many Layers or Just Right?", "Electronic-Health Initiatives and Implications for Regulators", "The Public Perspective and Confidence in Regulators", "Setting Precedents: The Top Ten Cases You Need to Know About", "Managing Confidentiality and Technology-When 'Smart' is Not So Smart", "Tomorrow's Regulatory Workforce: Access, Agility, and Accountability", "Customer Surveys: Improving Agency Performance", and "Public Members and Their Influence in Regulation".

10. COMMITTEE & LIAISON REPORTS:

A. Advisory Committee (AC): Wilcoxon, Kovach

Wilcoxon reported the committee orientation was on the agenda but was postponed. Zacher-Pate reported on the Board budget and grandfathering preparation.

B. Application Review Committee (ARC): Black-Hughes, Stratig, McNair [Action]

Black-Hughes reported the committee was formed when the new 360 clinical clock hour requirement for eligibility for the LICSW license went into effect on August 1, 2011. During the past year decisions have been made and precedent set.

A motion was made by Stratig, and seconded by Kovach, to delegate authority to Board Staff to determine ARC decisions regarding the new 360 clinical clock hour requirement and to use the ARC Committee as a consultant. The Board unanimously approved the motion.

C. ASWB: Middlebrooks, Stratig, Zacher-Pate [Attached]

*Attendance at ASWB Annual Meeting, Nov. 1 -3, 2012; Bylaw Recommendations

Middlebrooks reported the following:

- Middlebrooks sits on two ASWB committees. One committee is the Executive Search Committee which met in August to review and consider ASWB ED candidate applicants. The other committee is the Bylaw Committee which considers bylaw amendment proposals that will be presented to the Delegate Assembly at the annual meeting. Middlebrooks would like to attend as Board delegate, and Stratig said she would not be able to attend as the alternate delegate.

Johnson commented that her expenses for the annual meeting will be paid for as the Chair of the Regulations and Standards Committee, and she has been asked to run again for the Nominating Committee.

Zacher-Pate said the Board will have one vote at the delegate assembly, and ASWB is recruiting examination item writers.

Due to Stratig's absence as Board alternate delegate at the ASWB Annual Meeting, November 1-3, 2012 in Springfield, IL, Hallman made a motion, and Sandry seconded the motion, that out of state travel be approved for one Board member to attend the Annual Meeting as Board alternate delegate. The Board unanimously approved the motion.

D. Communication Education Outreach Committee (CEOC): Wilcoxon

Wilcoxon thanked Jessica Schultz for her work on the new CEOC pamphlets which were distributed, "Do You Know When Social Workers Must Be Licensed?" and "Who Qualifies for the 2013-2014 Social Work Grandfathering?" The

Committee met after the last Board meeting and again on August 27 and discussed the following:

- Importance to develop and identify a consistent message and branding for educational materials regarding grandfathering and unlicensed practice
- Emphasis on the Board's core mission of public protection in marketing and for public awareness
- Importance of having a coordinated and consistent message in the public media
- Who would be effective partners in getting the word out about grandfathering and the following were mentioned: the Minnesota Council of Non-Profits' Annual Conference, the Association of Community Mental Health Centers, United Way, academic field placement supervisors, BOSW Advisory Committee members, Board members, other stakeholders, and querying the Board's database for employers
- Targeted marketing for new audiences to include communities of color, consumers, and employers
- Relationship-building opportunities by connecting with new groups including State Councils involved in the Sunset process, the Department of Health-Office of Multi-Cultural Minority Health, ethnic festivals, KFAI-South Minneapolis-Spanish station, KMOJ-African-American station, Latino station, press release for local ethnic newspapers, and statewide spiritual leaders
- The next meeting will be on October 30.

Zacher-Pate reported the following:

- She is delighted with the excellent graphics and layout that Schultz designed for the new grandfathering and licensure leaflets and also thanked McNair for preparing the text.
- In regards to the new branding, there are three information circles to identify the Board mission that are being incorporated in newly printed materials. These include: "Protecting the Public", "Licensing Social Workers", and "Resolving Complaints".
- The words "Qualified", "Professional", "Ethical", and "Accountable" are being used to communicate four critical values and standards expected of social workers, Board members, and staff.
- A consumer brochure will also be developed.

E. Council of Health Boards: Kassekert

Kassekert reported there was no meeting.

F. Executive Committee: Black-Hughes, Richardson, Payne [Attached]
*BOSW Strategic Plan Review [Portion Closed to the Public]

Black-Hughes reported the following progress on the BOSW Strategic Plan:

- Some of the remaining exemptions were eliminated through legislation passed during the last session; however, elimination of the county exemption may be pursued in the future.

- The need to develop Board member training on diversity and legal responsibility and statutory requirements was discussed.
- The need to explore ways to educate employers and the public was discussed.

3. **EXECUTIVE DIRECTOR'S REPORT:** Zacher-Pate [Attached] (Continued)

Zacher-Pate continued the ED Report:

- In regard to grandfathering:
 - US Census categories is being proposed to report ethnicity or race
 - Staff discussed how the term "a social or behavioral science degree" should be defined or interpreted in relation to academic degree and major requirements. The AG recommended reviewing the academic institution from which the degree was obtained to see if the particular major falls within the institution's social or behavioral science degree.
 - Applications may be sent to the ARC for review of academic degrees, and other requirements.
- There are global IT issues that will impact the Board including the migration to the MN.IT e-licensing system which is paid for by the licensing surcharge.
- During the Sunset Commission (SC) review, there was discussion on e-licensing and the HLBS' requirement to migrate to the new Versa system and the OET surcharge. The SC passed legislation requiring the MMB, the HLBs, and OET to study and determine the best solution for the HLBs' backend licensing system and the front-end gateway that will enable the HLBs to continue online services. A report must be submitted to the Legislature by January 15, 2013. MMB has interviewed the HLB EDs and has submitted a Request for Information (RFI) to the public IT vendors to develop reports and submit information on how they can meet the system needs. MMB is not forcing the HLBS to migrate to VERSA and are open to other systems that the HLBs could buy and build. There would be no charge in choosing the VERSA backend system. However, the HLBs would not be allowed to build the adaptors needed to connect the backend system to the new universal gateway if a system were used other than VERSA. A recommendation was made to include in the report that some of the OET surcharge funds collected from HLB licensees be returned to the HLBs to purchase the best system, should it be determined that Versa is not the best system for the HLBs.
- In regard to the Sunset Bill, there are now additional requirements for the HLBs' complaint process. The BOSW is already doing many of these things. Changes include notifying complainants and subjects of complaints every 120 days if their cases are pending. Also, the subjects of the complaints must be notified of the substance of the allegations within 60 days of the submission of a complaint, and a complaint must be resolved within one year unless it cannot be accomplished or is not in the public interest. The HLBs must pay for the transcription of complaints if a complainant is not able to write a complaint. EDs and staff cannot be voting members of the Compliance Panels in regard to Panel decisions and remedies. Complaints that have been closed may be reopened if new information is discovered or if there is a pattern of behavior.

- HLBs may "offer guidance" to licensees regarding licensure and compliance issues. However, the AG urges caution must be used in providing guidance as it may fall under un-promulgated rules and be construed as a policy or a position. Guidance is not binding and precedence has not been set in this area. This may present for example if "guidelines" are developed in regard to electronic practice.
- If a violation of recordkeeping is determined, the Board may take administrative action if no patient harm has occurred. The Board may still take disciplinary action or enter into agreements for corrective action with licensees in recordkeeping violations.
- The Sunset legislation required on August 1, 2012 the collection of applicant and licensee primary business addresses. The BOSW collects this data. The Sunset Legislation requires that by July 1, 2013, the HLBs post information regarding adverse action taken upon an applicant or licensee.

[Kovach left the meeting at 2:15 p.m.]

- F. Executive Committee: Black-Hughes, Richardson, Payne [Attached]
 *BOSW Strategic Plan Review [Portion Closed to the Public] (Continued)

[Executive Session – Closed to the Public: 2:20 p.m. – 2:30 p.m.]

- G. Finance Committee: Payne [See agenda item 4]
 H. HPSP: Kassekert, Zacher-Pate [Attached]

Kassekert reported that due to a technological glitch she was not notified of the meeting, but she received the "Program Committee Minutes August 21, 2012" and "Fiscal Year 2012 Report".

Zacher-Pate reported that HPSP's statutory language is included in the Board packet and does not require Board action. An issue has arisen regarding HPSP's program and the interpretation of its confidentiality provisions for participants, particularly self-reporting participants. Licensees who self-report to HPSP remain confidential, unless they do not comply with HPSP participation agreements. Concerns have been raised about participant confidentiality in the event of a serious practice violation, such as diversion of drugs. There is also the concern that self-reporting participation may decline if confidentiality is not continued for self-reporting participants.

- I. Legislation & Rules Committee: Hallman
 Hallman reported there was no meeting.
- J. Legislative Task Force: Middlebrooks, Wilcoxon
 Wilcoxon reported there was no meeting.

K. Nominating Committee: Sandry

Sandry reported the following:

- The terms of six Board members will expire in January including, Kassekert, Kovach, Payne, Richardson, Ryan, and Wilcoxon. Applications are available on the Secretary of State's website and the deadline to apply is November 27.

11. PUBLIC COMMENT

Pam Luinenburg, Coordinator for the Minnesota Coalition of Licensed Social Workers, said she liked the new leaflet design and summary which concisely captures information about the social work profession.

12. OTHER BUSINESS

There was no other business.

13. ROUNDTABLE

No comments were made.

14. ADJOURN

The meeting adjourned at 2:40 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Carol Payne", followed by a horizontal line extending to the right.

Carol Payne, LSW
Secretary-Treasurer