

# The Minnesota Department of **Human Services**

## *Memories of our past*





*This booklet is dedicated to all the employees of the Department of Human Services, past and present, whose many years of service to the Department have helped improve the lives of Minnesotans.*

*April 15, 1998*



## *Preface*

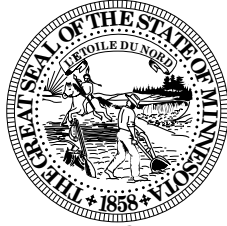
The work of the Department of Human Services has a long history in Minnesota, dating back almost to the inception of statehood. From the opening of the State Institute at Faribault in 1863 and St. Peter State Hospital in 1866, to the development and implementation of such programs as MinnesotaCare and the Minnesota Family Investment Program (MFIP), the Department has helped millions of Minnesotans and their families in need.

The origins of the Departments programs almost exclusively began with the history of institutions in this State. Over the years, programs have evolved, taking form under the auspices of each successor; the State Board of Correction and Charities in 1883, the State Board of Control in 1901, the Department of Social Security in 1939, the Department of Public Welfare in 1953, and finally under the name of the Department of Human Services, in 1983. Regardless of the title, the charge has remained steadfast, to serve the citizens of this State.

This booklet provides a glimpse of our Department and its activities over those many years. Much of the content pre-dates the current employees of the Department, and it is therefore, by nature, limited to what human recollection and documentation still exists.

Let this booklet serve as a reminder to us that as we move through the everyday motions of our tasks, we often make history, though at the moment we may not recognize this fact.

This booklet is a timeless project, rather than a timely one, as history continually evolves and takes shape. All employees of the Department, as well as the Department as an entity unto itself, have some “ownership” of this document. Over the years, as this work is expanded, it will hopefully grow in scope and be our legacy to the many future generations of employees of the Department of Human Services.



## *Governors of Minnesota* *1901 — Present*

*1/7/01 Samuel Rinnah Van Sant*

*1/4/05 John Albert Johnson*

*9/21/09 Adolph Olson Eberhart*

*1/5/15 Winfield Scott Hammond*

*12/30/15 Joseph Alfred Arner Burnquist*

*1/5/21 Jacob Aall Ottesen Preus*

*1/6/25 Theodore Christianson*

*1/6/31 Floyd Bjornsterne Olson*

*8/24/36 Hjalmar Petersen*

*1/4/37 Elmer Austin Benson*

*1/2/39 Harold Edward Stassen*

*4/27/43 Edward John Thye*

*1/8/47 Luther Wallace Youngdahl*

*9/27/51 Clyde Elmer Anderson*

*1/5/55 Orville Lothrop Freeman*

*1/2/61 Elmer Lee Andersen*

*3/25/63 Karl Fritjof Rolvaag*

*1/2/67 Harold LeVander*

*1/4/71 Wendell Richard Anderson*

*12/29/76 Rudolph G. Perpich*

*1/4/79 Albert H. Quie*

*1/3/83 Rudolph G. Perpich*

*1/7/91 Arne H. Carlson*

*1849* Except for private agency activity, all care for children is the responsibility of local units of government. Dependent minors may be bound-out (an indenture program).

*1851* Territorial prison, first Minnesota state institution, established at Stillwater.

*1858* Minnesota Statehood.

*1860* “Town System” of relief in effect statewide (until 1868).

*1861* Institute for the Education of the Deaf and Dumb established.

*1862* Legislature authorizes contracts with other states for care of the “insane.” Many patients are sent to Iowa for care.

*1863* Minnesota State Institute for the Education of the Deaf and Dumb opens in Faribault.

*1864* School program established as Institute for Deaf, Dumb and Blind (changed name in 1902 to Minnesota School for the Blind and in 1940 to Braille and Sight Saving School).

*1866* First Minnesota protective law for children.

St. Peter State Hospital for the Insane opens in December for 50 patients (19 transfer from Iowa State Hospital, where insane patients from Minnesota had been placed since 1863).

State training school named the House of Refuge, established in St. Paul, for both boys and girls.

*1868* “County System” of poor relief administration established statewide, except for Ramsey County (until 1875).

*1876* First general adoption law passed, with child adoptions processed through district court.

**1879** Institute for the Deaf, Dumb and Blind established at Faribault; 1881 Legislature directs that the School for Idiots and Imbeciles be connected with the Institute for the Deaf, Dumb and Blind. In 1887, the school is made a department of the Minnesota Institute for Defectives. Present name, Faribault Regional Center.

Rochester State Hospital opens (68 patients transfer from St. Peter).

**1880** St. Peter Hospital for the Insane burns (27 patients die).

**1883** First central state agency, the Board of Corrections and Charities established "to prevent irregularities in State Institutions" (in 1893 given powers of "visitation" of societies for children, but not licensing ).

**1885** State School for Dependent Children established at Owatonna. Later called Owatonna State School, closes in 1970. Institute for the Deaf, Dumb

and Blind at Faribault changes name to the Minnesota School for the Feeble-Minded.

**1889** First state reformatory for adults opens at St. Cloud.

**1890** Fergus Falls State Hospital opens (80 patients transfer from St. Peter).

**1895** First child labor law established.

**1897** Hospitals may place illegitimate children left in their care, and consent to their adoption.

Minnesota State Hospital for Crippled and Deformed Children established in St. Paul as a unit within Ancker Hospital. In 1926, name changed to Gillette State Hospital for Crippled Children. Transferred to Gillette Hospital Authority in 1973.

**1899** State training school moves from St. Paul to Red Wing.

Importation of children laws enacted.

Minnesota Department of **Public Welfare**



Minnesota Department of **Human Services**

### *Commissioners*

*1953 - 1955 Jarle Leirfallom*

*1955 - 1972 Morris Hursh*

*1972 - 1974 Ove Wangensteen*

*1974 - 1977 Vera Likins*

*1977 - 1978 Edward Dirkswager, Jr.*

*1979 - 1982 Arthur E. Noot*

*1983 - 1986 Leonard Levine*

*1987 - 1989 Sandra S. Gardebring*

*1989 Charles C. Schultz (Interim 5/89-9/89)*

*1989 - 1990 Ann Wynia*

*1991 Charles C. Schultz (Interim 1/91)*

*1991 - 1993 Natalie Haas Steffen*

*1993 - 1996 Maria R. Gomez*

*1996 John Petraborg (Acting 7/96-10/96)*

*1996 - Present David S. Doth*



### Did You Know...?

*The 1860 United States census for Minnesota showed that 14% of deaths were due to "consumption" (tuberculosis). The Minnesota State Board of Health reported 20,000 deaths in Minnesota from Tuberculosis from 1887 through 1899. The high death rate was due, in part, to immigration of Tuberculosis patients to Minnesota. In 1903, the Minnesota State Tuberculosis Commission declared..."it is in other words a curable disease. In the State of Minnesota its ravages are on the increase...the most successful means of dealing with this disease will be through the establishment of sanatoria."*



*State School for Girls, Sauk Center — Circa 1915*

**1900** Anoka State Hospital opens (115 patients transfer from St. Peter).

Hastings State Hospital opens (115 patients transfer from St. Peter).

**1901** Second central state agency, the State Board of Control, succeeds the Board of Corrections and Charities.

**1905** Juvenile Courts established in Ramsey, Hennepin, and St. Louis Counties.

**1906** Minnesota School for Feeble-Minded at Faribault becomes the Minnesota School for the Feeble-Minded and Colony for Epileptics.

**1907** State tuberculosis sanatorium opens at Walker.

A private program of alcohol treatment operating in Willmar for Great Northern Railroad employees, expands. This railroading family, which itself has an alcoholic son, agrees to donate land to the State, on the condition that it establish a Hospital there for the treatment of inebriates. The Legislature authorizes a 2% tax on liquor licenses to finance the building and maintenance of this facility, the Willmar State Hospital.

**1909** Juvenile courts established in all counties.

**1911** Home School for Girls opens at Sauk Center (first separation of boys and girls to separate institutions).

Gillette State Hospital opens in East St. Paul.

**1912** Willmar State Hospital opens, the first state hospital to serve as a treatment center for alcohol and drug addiction. First named the Hospital Farm for Inebriates.

New state prison completed at Bayport.

First county tuberculosis sanatorium opens (St. Louis County).

**1913** County Allowance to mothers law enacted (forerunner to Aid to Families with Dependent Children (AFDC)).

Workmen's Compensation Law enacted.

**1917** Children's code of laws adopted by Legislature.

Mental Retardation Guardianship Act established.

**1920** State Reformatory for Women established at Shakopee (formerly women were confined at State Prison for Men).



**1923** State services for the blind established.

**1933** State Emergency Relief Administration established (state counterpart to Federal Emergency Relief Administration).

**1935** Congress enacts the Social Security Act. Includes provisions for two social insurance programs (Old Age, Survivors and Disability Insurance and Unemployment Compensation) and three categorical (means-tested) public assistance programs (Old Age Assistance, Aid to Dependent Children, and Aid to the Blind). Grants to recipients include payment for maintenance and medical needs.

**1937** Legislature creates county welfare boards, which are under the supervision of the State Board of Control.

**1938** Moose Lake State Hospital opens.

**1939** Third central state agency, the Department of Social Security, established as successor to State Board of Control. Composed of three divisions: Social Welfare, Public Institutions, and Employment and Security.

**1941** County welfare merit system established (currently called Minnesota Merit System).

**1945** Owatonna State Public School may be used for mentally retarded (temporary for two years, then made permanent).

Children's center for emotionally disturbed established in St. Paul. Guardianship program for dependent, neglected, and orphaned children transfers from Superintendent of State Public Schools to Commissioner of Social Welfare.

**1947** Youth Conservation Commission (YCC) established.



*Caretaker's cottage - Walker Sanatorium — Circa 1906*

**1948** Reception centers established by the Youth Conservation Commission at juvenile correctional schools.

Veteran's Hospital of St. Cloud uses foster homes (Homes Plus).

**1950** State takes jurisdiction over site of Sandstone Federal Correctional Institution (since 1939) and converts the site to Sandstone State Hospital (until 1959 when reclaimed as a Federal Prison, due to fluctuations in prison populations).

#### **Did You Know...?**

*Competition amongst Minnesota cities to be selected as the site for the first Hospital for the Insane was fierce. The city of St. Peter contended that a "more attractive or eligible site could not be found within the limits of Minnesota." St. Peter was selected and paid \$ 7,000 for the Dorrington farm (site of the State Hospital) for presentation to the State of Minnesota.*

### Did You Know...?

*The archives of Fergus Falls State Hospital reported amongst their first patients; 40 farmers, 25 laborers, a blacksmith, baker, bricklayer, carpenter, tailor, shoemaker, sailor and a tramp. The various causes of emotional disturbance listed in their records included; disappointment in love, death of a wife, overwork, solitude, fright, epilepsy, financial troubles, head injury, heredity, intemperance, and typhoid fever.*



*Band at Boy's Training School, Red Wing — Circa 1920*

**1951** First Youth Conservation Commission forestry camp established at Willow River.

County operated nursing homes for aged authorized.

**1953** Aid to the Disabled program established, effective January 1954. Grants to recipients include payment for maintenance and medical needs.

Fourth central state agency established. Newly named Department of Public Welfare (DPW) succeeds the State Department of Social Security and consolidates the duties of the former Social

Welfare and Public Institution Divisions. Employment-Security is established as a separate department. Aim of consolidation is to achieve "functional alignment of institutions with operating divisions in the central office organization, plus greater coordination of institutional activities with the county welfare boards and their important direct services to people entering or leaving state institutions."

**1955** Lake Owasso Annex (to Cambridge State Hospital) established for mentally retarded children. Transferred to Ramsey County in 1976.

**1956** Family Rehabilitation Method launched (first known as Reorientation Project).

**1957** Community mental health centers authorized (with state subsidy).

Deaf Service Division established in the Department of Public Welfare.

**1958** Brainerd State School and Hospital for Mentally Retarded opens. The first 88 patients were transfers from Faribault State Hospital.

**1959** Chemical Dependency Program established at Moose Lake State Hospital.

New Juvenile court code adopted. Child adoptions through Juvenile Court when judge is a lawyer, otherwise through District Court.

Department of Corrections established, combining responsibilities of Youth Conservation Commission, State Board of Probation and Parole, and responsibilities of Department of Public Welfare for adult prisons, jails and lockups.

Juvenile probation services required in every county (by counties or through Division of Youth Conservation of the new Department of Corrections).

Legal responsibilities of county welfare boards in behalf of children restated and strengthened.

**1961** Former Tuberculosis sanatoria, Ah-Gwah-Ching and Oak Terrace, convert to State Geriatrics Facilities (nursing homes) effective January 1, 1962. Tuberculosis patients transfer to Glen Lake.

Minnesota Children's Treatment Center at Glen Lake opens. Closes in 1963.

Day care centers for the mentally retarded are opened as a pilot project.

**1963** State Residential Treatment Center for Emotionally Disturbed Children opens at Lino Lakes.

Owatonna State School amended to allow admission without guardianship proceedings.

**1964** Medical Assistance for the Aged (MAA) program established (Federal Kerr-Mills Act).

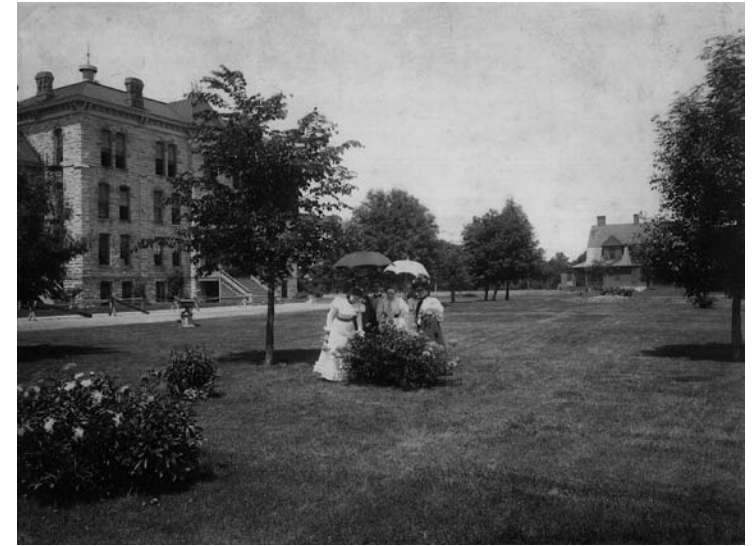
President Lyndon B. Johnson launches his "war on poverty" with the passage of the Economic Opportunity Act of 1964, which among other programs, creates community action agencies and legal services for the poor, and creates work experience and training programs. Also established is the Food Stamp Act of 1964.

**1965** Federal Title XIX and XVIII, Social Security Act passes. Establishes Medical Assistance and Medicare.

Ramsey county begins first pilot Food Stamp program.

Adolescent Treatment Unit established at Willmar.

**1966** Minnesota is the third state to get its Medicaid state plan approved. Plans from other states were much more restrictive. Medical payments removed from the Old Age, Dependent Children, Aid to Disabled and Blind programs and persons eligible for these programs are granted automatic eligibility for Medical Assistance, in addition to certain "categorically related" individuals.



*Staff at Faribault — Circa 1890*

Hennepin county begins Food Stamp program. Due to convoluted legal issues surrounding federal and state jurisdiction to certify recipients and distribute stamps, local banks are contracted to perform this service. The first Food Stamp coupons are sold in Hennepin county at the main office of the First National Bank of Minneapolis on August 1, 1966. Both public assistance and non-public assistance households participate in the program, with public assistance households receiving "bonus" coupons (100% federally funded).

#### **Did You Know...?**

*In the late 1800's and early 1900's Minnesota was actively promoted as a "health resort" with healthful air and climate, and immigration was encouraged. A state sponsored commissioner of emigration was in New York, as early as 1855, to promote Minnesota. The 1867 Legislature appropriated \$ 10,000 to use in promoting Minnesota as a health resort, and created a Board of Immigration.*



### Did You Know...?

*A published account in the Anoka Herald of the first patients to be admitted to Anoka State Hospital indicated that... "100 patients were brought to Anoka from St. Peter on Wednesday morning. They are a very likely looking lot of individuals and will probably give little trouble. They left St. Peter at 4:00 a.m. and came through special cars. They are incurables, all men, and were accompanied by nine nurses and one doctor. The patients conducted themselves with decorum in the dining room at their first meal."*



*General Hospital at Faribault — Circa 1900*

**1967** Institutions for Mentally Retarded at Faribault, Cambridge and Brainerd designated as state hospitals.

State participation in cost-of-care for mentally retarded children outside their own homes and state institutions established.

**1968** Hastings State Hospital establishes an alcohol and drug abuse program.

Work Incentive Program begins (WIN).

**1969** Mental retardation programs established at St. Peter, Willmar, Moose Lake, Hastings, Rochester and

Fergus Falls State Hospitals over a two-year period.

State and local Aid to Families with Dependent Children-CW Care Advisory Committees established to meet requirements of the Title IV provision of the 1967 Amendments to the Social Security Act.

Initial adult foster care rule drafted on county certification of homes (Rule 51).

**1970** Aid to the Disabled program extended to eligible residents of State Facilities for the Mentally Retarded.

Owatonna State School closes. Students not returning to the community transfer to the Minnesota Learning Center at Brainerd State Hospital.

Minnesota Residential Treatment Center transferred to the Anoka State Hospital. Lino Lakes Facilities transferred to Minnesota Department of Corrections.

Fergus Falls State Hospital designated as a facility for treatment of alcohol and drug abuse.

**1971** Alcohol and drug abuse programs established at Anoka, Brainerd and St. Peter State Hospitals.

State participation in cost-of-care for emotionally handicapped children outside their own homes and state institutions established.

Emergency Assistance to Families with Children program established.

Rule 51 on adult foster care county certification adopted. Division of Retardation Services established in the Department of Public Welfare, pursuant to state law.

Public drunkenness decriminalized in Minnesota.

**1972** Minnesota Residential Treatment Center at Anoka State Hospital closes.

United States Department of Agriculture (USDA) Food Stamps established nationwide.

Aids and services separated at the federal level, mandated in Minnesota effective January 1973.

In response to federal government changes in the Social Security Act and the development of Medicaid payments for nursing homes, a centralized cost-based reimbursement rate-setting system (Rule 49 and Rule 52) is developed. Rule involves projected cost increases plus historical costs.

Welsch lawsuit filed claiming constitutional right to treatment for mentally retarded persons.

Changes made in nursing home reimbursement systems, after nursing home scandals receive national exposure.

**1973** State participation in costs of county welfare administrative costs established.

Responsibility for Gillette Children's Hospital removed from State Department of Public Welfare and transferred to Gillette Hospital Authority.

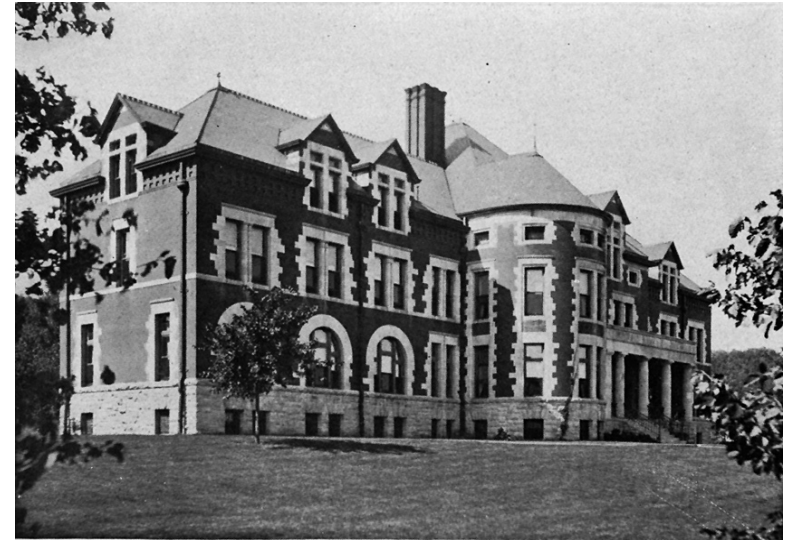
Right to treatment in state hospitals established by law.

General Assistance (GA), with state participation, established. Includes provision of work relief program and abolition of township system of relief.

System of family allowances (flat grant) established in Aid to Families with Dependent Children program.

Conversion of adult categories (OAA, APTD, AB) to federal programs of Supplementary Security Income (SSI).

Rule 52 centralizes the rate-setting and reimbursement processes for community-based Intermediate Care Facilities for the Mentally Retarded programs. Rule is cost-based, and involves projected cost increases plus historical costs.



*Boys dormitory and school at Red Wing — Circa 1910*

Funding of community-based residential Intermediate Care Facilities for the Mentally Retarded authorized under Title XIX, Medical Assistance.

Community Services Act passed.

Human Services Act passed.

### **Did You Know...?**

*The establishment of the State Board of Control in 1901 created quite a stir amongst State Hospital staff, who underwent a major reorganization, and subsequent wage and staff cuts. The St. Peter Herald implored the Governor to "come down and look the situation over, in justice to the employees at least, and determine whether or not there are not departments in the public service where better economy can be practiced," adding that "if the Governor believes that a trained cook is only worth 70 cents a day...he has placed a very low estimate upon good and efficient services."*

### Did You Know...?

*The essentials of the chemical dependency treatment program at Willmar State Hospital in 1912 consisted of; plenty of outdoor work, regularity of habit, discipline, proper food, and recreation. The Willmar program states that... "once alcohol gets the better of a man, there is no halfway measure he can take....he must abstain entirely or he will drink heavily...Many fail in treatment because they do not gain a true insight into their condition and are unwilling to admit, even to themselves, that they cannot drink temperately as some others can."*



*Tubercular Building at St. Peter — Circa 1920*

1973 *cont.*

Legislation permits development of Human Services Boards.

Crippled Children's Services transferred to the State Department of Health.

State authority on alcohol and drug abuse created in the Department of Public Welfare.

Long-term care first established under Medical Assistance Central Disbursement.

Comprehensive Employment and Training act of 1973 (CETA). Medical Assistance Central Disbursement System established.

Adult Psychiatric Rehabilitation unit opens at Willmar.

1974 United States Department of Agriculture Food Commodity Program abolished.

Minnesota Supplemental Aid (MSA) Program passed by Legislature. Financial assistance for aged, blind and disabled.

Early Periodic Screening Diagnosis & Treatment (EPSDT) established.

Welch vs. Likins. Mentally retarded persons have a constitutional right to treatment. Community facilities for the Mentally Retarded.

American Indian Chemical Dependency Section created.

Minnesota's first Medicaid Management Information System (MMIS) certified by the federal government.

Medical ID cards issued to recipients for the first time.

Medical Assistance program staff and Systems Division moves from the Centennial

building to 690 Robert St., in St. Paul.

1975 Rochester State Hospital establishes a chemical dependency program.

Title IX Social Security Act enacted.

Child Support Enforcement. Social Security Act Title IV-D.

General Assistance Medical Care (GAMC) program enacted.

Minnesota Governmental Data Practices Act (Data Privacy) becomes law.

1976 The legislature enacts the Nursing Home Rate Equalization Law, requiring that private pay resident rates not exceed the daily rates of Medical Assistance residents, for comparable services. Charges for private pay residents in private rooms are exempt. This, as well as a resident bill of rights, are adopted to prevent discrimination in nursing homes.

Refugee Assistance program established



**1977** Minnesota School for the Deaf and Braille and Sight Saving School transferred to Minnesota Department of Education.

Personal Care Attendant (PCA) Program established at DHS.

**1978** Hastings State Hospital closes. Facilities transferred to Veterans Affairs.

**1979** Community Social Services Act passed. Consolidated categorical state grants for community mental health centers, alcohol, drug abuse, mental retardation and child care services, plus federal Title XX Social Services funds combined into block grants to county boards.

**1980** Ah-Gwah-Ching and Oak Terrace designated nursing homes rather than TB sanitoriums.

Refugee Act authorizes admission of refugees under same definition used by the United Nations and provides for cash and social services assistance.

Regional Service Centers for hearing Impaired People established.

Income Maintenance Bureau, Systems and Data Reimbursement move from 690 N. Robert St. to 444 Lafayette Road, in St. Paul.

Automated benefit recovery system established for income maintenance..

Hearing Impaired Services Act passed.

Welsch consent decree approved by U.S. District Court.

Federal Adoption Assistance and Child Welfare Act passed.

**1981** Pre-admission screening of long-term care facility admissions begins on pilot basis.

Federal Alcohol and Mental Health Block Grant created, replacing previous categorical grant programs.

State employees (AFSCME) strike lasting 21 days.

Federal Omnibus Budget and Reconciliation Act (OBRA) of 1981 enacts significant changes to Aid to Families with Dependent Children program. Grant budgets now include a gross income test, limitations on work expenses, limitations on earned income disregards, and retrospective budgeting, amongst other changes.

**1982** New facility for Minnesota Security Hospital opens at St. Peter.

Rochester State Hospital closes.



*117 University Ave. Department of Public Welfare Offices*

### **Did You Know...?**

*An influenza outbreak which affects the entire U.S. in the early 1900's kills 32 patients and one staff member of St. Peter State Hospital in 1918, and 176 patients at Anoka State Hospital in 1920.*

*In 1943, due to war-time conditions, Faribault was asked by the Naval Air Station in Minneapolis to serve as a weather observation post, sending warning of approaching storms.*



### Did You Know...?

*Programs and facilities offering chemical dependency treatment began adapting to programs for the mentally ill, due to the fact that by 1919 more than 30 states had adopted Prohibition laws of some sort and were “dry” states. Shortly before the enactment of national prohibition, it was assumed that treatment for “inebriates” would no longer be necessary.*



Centennial Building — 1959

1982 *cont.*

Medical Assistance waiver approved to provide home and community services to persons over 65 who would otherwise be in nursing homes.

Title XX Social Security Act becomes block grants.

**1983** Nursing home reimbursement (Rule 49) is repealed, and a temporary rule (Rule 50) adopted. Work begins on a new system which will contain costs, make rates prospective, improve access to facilities, establish a fair rental rate for property costs., and utilize a case-mix methodology.

Pre-admission screening program implemented statewide to assess individual need for nursing home placement.

Minnesota Emergency Employment Development (MEED) program provides three months of benefits to employable persons.

Drug and Alcohol Abuse Normative Evaluation System (DAANES) initiated.

Medicaid Fraud Control Unit established under the Office of Attorney General.

Interagency Board for Quality Assurance established.

As part of long-term care cost containment efforts, the Nursing Home Moratorium Law is passed, which places a moratorium on Medical Assistance certification of new nursing home beds.

**1984** Medical Assistance eligibility for pregnant women (MA-PW) established.

Property component of Permanent Rule 50 establishes prospective payment system reimbursing nursing homes based on rental formula.

Medical Assistance waiver approved to provide home and community services to persons with mental retardation or related conditions who would otherwise be in an Intermediate Care Facility for the Mentally Retarded.

Minnesota Department of Public Welfare (DPW) changes name to Minnesota Department of Human Services (DHS).

Department establishes a centralized rulemaking function.

U.S. Court of Appeals for the Eighth Circuit upholds the Nursing Home Rates Equalization Law.

General Assistance/Work Readiness program begins.

Child Support Enforcement amendments move IV-D objectives from revenue producing, to service-ori-

ented program with services provided to children. Requires child support payments through mandatory withholding and tax refund interceptions, and expedites process.

Public Welfare Licensing Act amended to require state licensure of adult foster care.

Rule 52 repealed and a temporary rule (Rule 53) passed, which establishes a prospective, facility-based payment system to reimburse Intermediate Care Facilities for the Mentally Retarded for Medical Assistance services.

Federal Deficit Reduction Act (DEFRA) of 1984 passed, provides employment incentives by increasing budget disregards for employment income of Aid to Families with Dependent Children recipients (still less liberal than pre-OBRA 81').

**1985** State Hospitals renamed Regional Treatment Centers (RTCs).

Case mix and fair rental components of permanent Rule 50 established; eliminates incentives to sell facilities, sets cost limits, improves access and establishes prospective rates.

Regional Service Centers for hearing impaired people are consolidated under the Department of Human Services Deaf Services Division.

Medical Assistance waiver approved to provide home and community services to persons who would otherwise live in a hospital.

Prepaid Medical Assistance Project (PMAP), a managed care demonstration, established in Hennepin, Itasca, and Dakota counties.

Minnesota Council for the Hearing Impaired established.

Nursing home moratorium law expanded to include moratorium on licensing of new nursing home beds.



*Foster grandparents at Faribault — 1967*

The Social Service Time Study (SSTS) first implemented in county social service agencies to claim federal administrative reimbursement for Medical Assistance, Title IV-E, and Aid to Families with Dependent Children.

Work Readiness authorized. Employable persons receive 2 months benefits per year, but could get an additional 4 months if employment not secured in the first 2 months.

### ***Did You Know...?***

*In 1921, the Legislature added two new members to the Board of Control (the early predecessor of the Department of Human Services), both women. This was in recognition of political rights won by women, and was the first instance in Minnesota's history where women were so honored.*

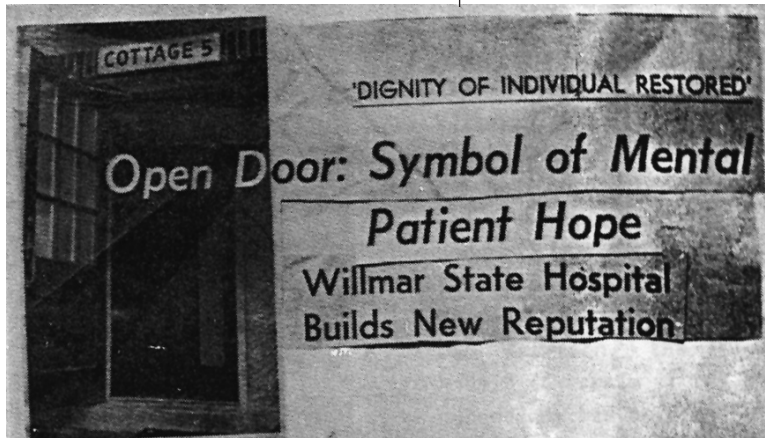
### Did You Know...?

*A "study" conducted in the 1920's of the first 4,000 children who were "trained" at state schools "showing what progress has been made by those who reached the age of self-support and what degree of success they have attained," indicated the following: of 2,407 boys... "doing well, 1,506; doing fairly well, 502; doing poorly, 252; died, 147." Of the 1,594 girls studied... "doing well, 1,047; doing fairly well, 272; doing poorly, 182; died, 92."*

1985 *cont.*

Legislature authorizes Department to establish seven community residential group home facilities for Developmentally Disabled persons on a pilot basis, each of which will serve persons receiving Home and Community-based waived services.

**1986** Consolidated Chemical Dependency Treatment Fund established combining Medical Assistance, General Assistance Medical Care, state hospital, and federal and state grants for Chemical Dependency treatment into one fund administered by counties and Indian reservations.



*Willmar State Hospital — 1959*

First Department of Human Services licensing rule specifically developed for day training and habilitation programs emphasizing community work placement for persons with mental retardation.

Telephone Assistance Plan (TAP) established to assist elderly and disabled people, whose incomes are at or below 150% of federal poverty guidelines, with their telephone bills.

Permanent Rule 53 promulgated, establishes the currently used prospective, facility-based Intermediate Care Facility for Mentally Retarded payment system.

State takes over county income maintenance costs.

First of seven pilot group homes for Developmentally Disabled persons opens in Byron, Minnesota. Subsequent homes open in Braham, Dodge Center, Faribault, Farmington, and Moundsview (2).

**1987** Cambridge and Faribault Regional Treatment Centers begin State Operated Community Services (SOCS) as a pilot project.

Legislature authorizes transfer of Faribault Regional Center grounds to Minnesota Correctional Facility, conversion begins.

Governor transfers temporary control of the Minnesota Veterans Home in Hastings and Minneapolis to the Department of Human Service.

Department of Human Services begins licensing of adult day care centers and adult foster homes.

The Telecommunications Access for Communicatively Impaired Persons (TACIP) Act becomes law.

Combined Permanent Rule 50 implemented, merging property and case mix payment systems for reimbursing nursing homes. Alternative Care Grant (ACG) services expanded to those at risk of boarding care home placement.



Medical Assistance waiver approved to provide home and community services to persons under 65, who would otherwise be in a nursing home.

Rule 25 (statewide chemical dependency assessment and placement criteria) promulgated.

Rule 203 on adult foster care promulgated and Rule 51 repealed. This means state licensure.

Negotiated settlement of Welsch v. Gardebring approved by U.S. District Court.

Mental Health Division established in law.

The Comprehensive Mental Health Act adopted.

Amerasian Homecoming Act.

The Division for the Mentally Retarded renamed to the Division for Persons with Developmental Disabilities.

Major portions of the Department move from Centennial Office Building to 444 Lafayette Rd.

Invoice processing is transferred from Systems Division to Health Care Operations.

Nursing home therapy law passed, establishes maximum rent, peer review program, treble damages penalties, and prior authorization authority.

**1988** Regional Treatment Center chemical dependency treatment programs begin operations under a competitive model with the implementation of the Consolidated Chemical Dependency Treatment Fund.

Legislation transfers control of the Veterans Home to a newly created Veterans Board.

Children's Health Plan (CHP) established for primary and preventive care services for children under 18 not eligible for Medical



*Adolescent Treatment Center - Willmar — Circa 1970*

Assistance without a spend-down - funded from Public Health Fund cigarette tax. Enrollment fee is \$25 per year.

Medical Assistance for pregnant women and children under age one established at 185% of poverty with no asset limit.

PATHS employment and training program for Aid to Families with Dependent Children recipients begins.

### **Did You Know...?**

*A typical menu in a residential unit during the "lean" Depression years included such items as;*

*Breakfast: cooked cereal, bread with Karo syrup, fruit sauce, coffee, sugar (1 tsp.).*

*Dinner: soup, gravy, bread, milk.*

*Supper: vegetables, pudding, bread, 1 tsp. Butter, coffee/tea.*

*(Often meat was reserved for only those who were working).*

### Did You Know...?

*In the 1930's one of the charges of the Children's Bureau were duties of a "general protective nature...designed to protect children from their own anti social conduct or the harmful acts of adults...." Such laws included those; "requiring juveniles under eighteen years of age to be tried for their delinquencies in juvenile court; laws requiring children to attend school and which prohibit their employment in industry at an early age; laws relating to sex offenses against young children and girls under the age of eighteen years; laws regulating dance halls, pool rooms and other places of commercialized recreation; the law providing for the establishment of the paternity of children born out of wedlock, and the county allowance (mothers' pension) law for dependent children."*



*Moose Lake State Hospital — Circa 1972*

*1988 cont.*

Minnesota Medical Assistance state plan changed to disregard parental income and assets, when determining eligibility for disabled children.

Legislation passed authorizing implementation of the Intermediate Care Facility for Mentally Retarded Medical Assistance payment system based on client resource use beginning 1990.

Family Support Act moves IV-D philosophy to that of neutral, non-adversarial guidelines, review, modifications, and performance standards.

Work Readiness eligibility changes to 6 months per year.

New Long-Term Care payment system installed.

Department of Human Services consolidates its metropolitan offices into the Human Services building at 444 Lafayette Rd., St. Paul.

The Department of Human Services building at 444 Lafayette Rd. becomes smoke-free.

Jarvis v. Levine case establishes that committed mentally ill patients have the right to due process in the court system when refusing treatment with antipsychotic medication. It also establishes the State obligation to ensure that persons consenting are competent to give consent, or to obtain a legally authorized representative or guardian to represent the individual.

**1989** Development begins on Developmentally Disabled (DD) Intermediate Care Facilities for Mentally Retarded State Operated Community Services, as legislatively authorized.

Compulsive Gambling Treatment program begins.

STRIDE employment and training program (Minnesota's federal JOBS program) implemented for Aid to Families with Dependent Children recipients.

Children Mental Health Act adopted.

Regional Treatment Center stakeholder negotiations culminate in the creation of a consensus document ("single text"), a passage of legislation intended to guide restructuring of the state operated services system through 1999 (10-year plan).

Combined Application Form (CAF) implemented statewide. Clients complete one form to have eligibility determined for all cash, food stamp, and medical programs.

Cross program training for all county financial workers to prepare for MAXIS and the Combined Application Form.

Congress authorizes Minnesota to test the Minnesota Family Investment Program (MFIP).

**1990** First Faribault Regional Center buildings transferred to the Department of Corrections, as required by legislature, directing the development of a “shared” campus.

Eligibility for Refugee Cash and Medical Assistance limited to the first eight months after arrival in the U.S.

Refugee Services moves to contracting for self-sufficiency outcomes.

Minnesota Supplemental Assistance (MSA) changed to a two-tiered standard (shelter and basic needs) instead of a standard based on county variances.

MAXIS pilot begins.

Department issues Combined Manual (CM) for all cash, food stamp and medical programs.

Prepaid Medical Assistance Program expands to remainder of Hennepin County populations.

Work Readiness eligibility expanded to year-round benefits for employable persons.

Unique medical ID cards first issued to restricted recipients by the department.

STRIDE coding integrated into the Case Information System (CI file).

MAXIS cross reference interface developed and implemented to record person master-index (PMIs) on the Case Information file.

Consultec awarded vendor contract and begins development of Minnesota Medicaid Information System (MMIS-II) system.



*Fergus Falls Centennial — 1990*

Indian Health Services (IHS) become providers for General Assistance Medical Care.

Automatic eligibility for newborns of Medicaid eligible mothers and waiver of medical support cooperation requirement for pregnant women enacted through OBRA.

### **Did You Know...?**

*The patient cost of care for the biennium ending 1932 at Walker Sanatorium was \$ 1.40 per day.*

*Dairy products were believed to add a healthy, healing dimension to the diet of all patients, regardless of affliction. The biennial report of the Minnesota School and Colony for the period ending June 1950 reported that “many changes had been made in the culinary department... Butter is served three times daily, thus insuring each patient one ounce plus amount used in cooking daily. Ice cream is a weekly food. Milk has been added to all bread.....Patients receive an average of approximately one quart of milk per day....”*



### **Did You Know...?**

*1935 - A news flash from the Duluth Herald informed local citizens that Governor Floyd B. Olson had announced that the legislature had selected Moose Lake as the site for the new State Hospital. Local citizens gathered in the downtown for a spontaneous celebration, while the city fire siren blew steadily for 15 minutes. Later, a lawsuit was filed by the City of Virginia. The city attorney for Virginia declared the choice was "unconstitutional because Moose Lake didn't meet requirements, and Virginia had so much more to offer." After several months of legal wrangling and court hearings, the Minnesota Legislature validated the original bill authorizing Moose Lake as the site of choice, and the lawsuit was dropped.*

*1990 cont.*

Medical Assistance eligibility changes: children ages 1-5 with incomes less than 133% of federal poverty guidelines (FPG) and children ages 6-7 born after 9/30/83 with incomes less than 100% of federal poverty guidelines are eligible, Medical Assistance uses Supplemental Security Income and Aid to Families with Dependent Children methodology for income and assets, homesteads excluded as assets for specific categories of siblings and children, Medical Assistance standards set for qualified working disabled and disabled adult children.



*DHS Staff at employee recognition lunch — 1990*

Medical Assistance and General Assistance Medical Care prenatal and infant care required to be included in the Children's Health Plan outreach materials, along with mental health services.

Centralized issuance of benefits piloted with MAXIS. Daily accounting activities move from counties to the central office.

**1991** The Oak Terrace Nursing Home closes operations, and the leased property is transferred back to Hennepin County and subsequently demolished.

Court order settled Berg et al. v. Wynia and Sullivan (class action lawsuit regarding administration of \$50 pass through).

Senior Linkage information and assistance toll-free line implemented statewide.

Minnesota Legislature approves Minnesota Family Investment Program model.

Medical Assistance begins coverage of case management for severely emotionally disabled children and payment of case management travel.

Department begins financing the county share of income maintenance and medical programs.

The Department adopts a diversity plan, which was developed by the Workgroup for Multi-Cultural Diversity, to focus on cultural competency and diversity in the workplace.

Medical Assistance eligibility changes: children ages 6-18 born after 9/30/83 with incomes less than 100% FPG eligible, children born after 1/1/91 remain eligible for Medical Assistance without redetermination until their first birthday if the mother was on Medical Assistance at time of birth, disregard RSDI benefits until Medicare Part A eligibility begins for disabled widows and widowers age 50+ who receive widow(er)'s



RSDI benefits and who had Supplemental Security Income or Minnesota Supplemental Aid immediately prior to RSDI, allow \$90 veterans pensions as personal needs allowance for veterans who do not have a spouse or dependent in the community, German reparation payments not applied to cost of care but allowed as a deduction from income when computing long-term care spenddowns, formula for Medical Assistance parental fees amended resulting in a reduction in fees for higher income parents.

Special transportation services eliminated for non-IMD General Assistance Medical Care recipients.

Elderly Waiver (EW) asset and income splitting policies implemented, designed to prevent impoverishment of an elderly waiver recipient's spouse living in the community.

Work Readiness eligibility restricted to 5 months per year (7 months for functionally illiterate).

General Assistance Medical Care eligibility minimum age set at 18 years.

Medicaid Drug Rebate program implemented as a result of OBRA 90' legislation.

A classification structure for social services, BRASS, is implemented. BRASS links planning, budgeting, reporting, and accounting.

Child Support Enforcement System (CSES) fully implemented in all 87 counties.

Clients required to reimburse the cost of Medical Assistance services provided during a pending appeal decision if county action is affirmed.

New application implemented for pregnant women and children when applying for Medicaid only.

Counties with Federally Qualified Health Centers (FQHC's) and DPA hospitals must accept and process Medical Assistance-only applications for pregnant women and children at those



DHS "Cheer Team" at International Special Olympics — 1991

locations.

Implementation of penalties for counties and Health Maintenance Organizations who fail to investigate and respond to Medicaid eligibility for General Assistance Medical Care and Children's Health Plan recipients, and infants of women on Prepaid Medical Assistance.

MAXIS fully implemented in all 87 counties. Eligibility determinations and benefit issuance centralized state-wide.

Level of care determination for TEFRA children made by the State Medical Review Team.

### **Did You Know...?**

*A sensational "breakout" took place at the Asylum for the Dangerously Insane ward of St. Peter in June of 1936, when 16 inmates using arms and legs from chairs and tables pried open windows and overpowered guards. The National Guard was called out by the Governor to aid in the search for the escapees. "Gang Busters," a favorite crime series of that era, dramatized the story of the breakout, which aired on WCCO radio the evening of August 10, 1936.*

### Did You Know...?

*On Halloween eve in 1941, in a ceremony witnessed by over a 1,000 persons, then Governor Youngdahl lit a bonfire consisting of 359 straight jackets, 196 cuffs, 91 straps and 25 canvas mittens from the wards at Anoka State Hospital, and declared that... "these restraints were removed from the patient, not by administrative coercion but by the enlightened superintendent, staff, employees and volunteer workers of Anoka State..." Over the next several years, Governor Youngdahl launched a campaign to improve conditions and practices related to the mentally ill. His efforts were highlighted in articles appearing in the Ladies Home Journal of May 1951, and Life Magazine of November 12th, 1951.*



*Ah-gwah Ching employee assists resident with gardening — 1992*

**1992** Fraud Prevention Investigation (FPI) program pilot in 7 counties. Program focuses on early fraud detection and timely case actions, for grant programs.

Legislature sets April 1994 Minnesota Family Investment Program field trial date.

Department of Human Services awarded planning grant from Robert Wood Johnson (RWJ) Foundation to design and develop the Minnesota Senior Health Options (MSHO) project.

MinnesotaCare Program established by Legislature, an expansion of the Children's Health Plan (CHP), begins enrollment of parents and dependent siblings if children in Children's Health Plan and family income at or below 185% of federal poverty guidelines.

Nursing home property reimbursement system modified to include; a floor rate of \$4, capital repair and allowance, equity incentive, refinancing incentive,

and special rate provisions for moratorium exception projects.

Legislation passed allowing Medical Assistance recipients eligible for one-month automated spenddowns to prepay the spenddown amounts directly to the local county agency.

Commissioner's Child Support Advisory Board formed.

Implementation of Group Residential Housing (GRH) Program (from Minnesota Supplemental Assistance and General Assistance).

Departmental Task Force for Diversity appointed.

A \$ 100,000 appropriation is made to Greater Minnesota vendors for decentralizing sign language interpreter referrals.

Applicants/recipients no longer required to reimburse Medical Assistance under the terms of the Medical Assistance repayment agreement. Prior to this, real property not used as a home was ex-

cluded for up to 9 months if a prepayment agreement was signed. Property now considered unavailable if an effort to sell is verified. All existing prepayment agreements prior to 9/92 nullified.

Legislation requires counties to evaluate transfer of assets to irrevocable trusts, annuities or other irrevocable instruments to determine periods of ineligibility when transfers were done for purposes of achieving Medical Assistance eligibility. Trust clauses making assets or income unavailable are considered unenforceable; assets and income of the trust are counted as available to the applicant/recipient of Medical Assistance.

**1993** Legislature approves closure/conversion of Moose Lake Regional Treatment Center to a prison and authorizes construction of the Minnesota Sexual Psychopathic Personality Treatment Center to open in July 1995.

MinnesotaCare begins converting children covered

under the old Children's Health Plan. Building on the former Children's Health Plan Plus, MinnesotaCare begins enrolling uninsured families with children, with the costs subsidized with revenues from a 2 % provider surcharge, cigarette taxes (later phased out) and enrollee premiums. MinnesotaCare also expands coverage to include inpatient hospital benefits and increases income standard to include families at or below 275% of federal poverty guidelines.

Passage of major child support initiatives to improve collections and provide incentives to counties, based on performance objectives.

Consolidated Chemical Dependency Treatment Fund wins Ford Foundation Innovations in State and Local Government Award.

Department hires the first dedicated Coordinator for Diversity for Central Office, and half-time Coordinator for Regional Treatment Centers/State Operated Community Services.

The Commissioner's Office, following recommendations from the Workgroup and subsequent Task Force for Diversity, appoints members to the new, permanent Department of Human Services Diversity Council. A Core Group for Diversity is also formed for the Regional Treatment Centers/State Operated Community Services.

Prepaid Medical Assistance Program expands to Ramsey County.

MinnesotaCare conversion to Managed Care approved by legislature.

Fraud Prevention Investigation expands to 20 counties with the largest caseloads.

Work Readiness eligibility increased to 6 months (7 months for functionally illiterate).

Chemical Dependency Treatment Accountability Plan developed and implemented.

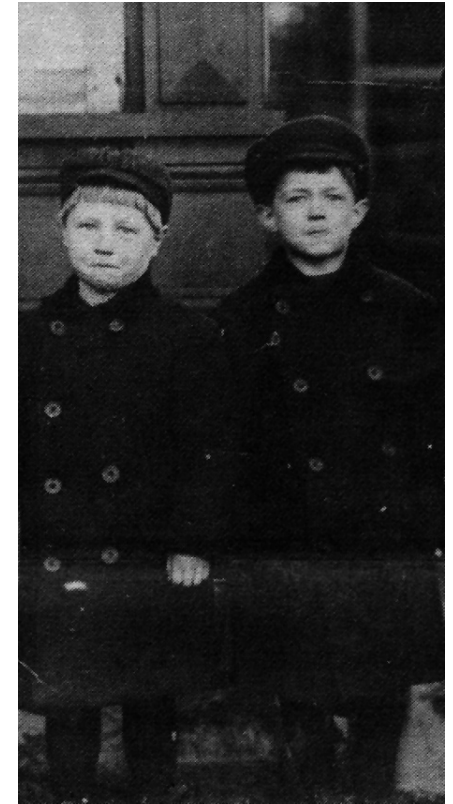
Legislation passes establishing Family Service Collaboratives and planning for Children's Mental Health Collaboratives.

MinnesotaCare applicants potentially eligible for MA must apply within 60 days; process called "Bridge the Gap."

Clarification that persons on the elderly Waiver (EW) program are subject to estate claims after their death.

The Deaf Services Division and Regional Services Centers (RSC) for Hearing Impaired People change their names to the Deaf and Hard of Hearing Services Division and Regional Services Centers for Deaf and Hard of Hearing People.

Nursing homes cannot require a resident to use a provider of health care services chosen by the nursing home.



*State School Children — Circa 1900*

### **Did You Know...?**

*In the 1940's an Oath of Allegiance to uphold the Constitutions of the United States and Minnesota was routinely administered to civil service employees, and sent to the Minnesota Civil Service.*

*During World War II, employees of many State Hospitals were asked to give their food ration coupons to the Hospital, if they ate more than a specified number of meals at work.*



### **Did You Know...?**

*In 1953 in Hennepin county, the average grant for an Aid to Dependent Children (ADC) household was \$122.17, and the average Old Age Assistance (OAA) grant was \$ 74.76. Both grant amounts included money for maintenance and medical needs. The food stamp program was not in existence yet.*

*Under the newly formed Department of Public Welfare (DPW), during the first fiscal year, the Commissioner's and Deputy Commissioner's salaries were \$ 11,300 and \$ 10,900 respectively.*



*Staff at Brainerd RTC — 1992*

*1993 cont.*

Interstate Residency Agreement signed between Minnesota and North Dakota for individuals institutionalized in nursing facilities.

Rates paid for long-term care services provided to Minnesota Medical Assistance recipients residing in out-of-state facilities will be the rate determined by the state where the facility is located.

Federal law requires that the “lookback” period for improper homestead transfer increase from 30 to 36 months. The “lookback” period for transfers to/from

trusts increases from 30 to 60 months.

General Assistance Medical Care ineligibility for undocumented & non-immigrant persons; certain persons will be eligible for emergency General Assistance Medical Care only, however.

Federal law states Consolidated Chemical Dependency Treatment fund placements must be in enrolled provider facilities or Medical Assistance is not available for other medical while in placement. Some recipients may be eligible for General Assistance Medical Care in nonenrolled providers.

Medical Assistance changes: income standard for pregnant women and children increases to 275% of federal poverty guidelines, no asset test for parents of children under 21 living in same household, court ordered child support paid for children outside home deductible from income, automatic Medical Assistance extended

to any child eligible for or receiving Title IV-E, homesteads excluded asset for first 6 calendar months of nursing home stay and continue to be excluded if resident expected to return home, liens may be filed on homes of Medical Assistance clients in institutional care not returning home (some exclusions made for relatives living in the home), Medical Assistance pays for pancreas, lung, heart-lung & allogeneic bone marrow transplants for stage III or IV Hodgkin's disease, extension of long-term care \$90 personal allowance to surviving spouses of veterans, period of ineligibility for Medical Assistance for improper asset transfer begins with the month in which the assets were transferred (total period not to exceed 30 months).

Department receives federal authority to implement child welfare targeted case management Medicaid reimbursement throughout the state.

Department receives federal approval to extend Title

IV-E administrative reimbursement to tribal child welfare activities funded by state Indian child welfare grants.

MMIS II statewide provider training begins.

**1994** Prepaid Medical Assistance Program implemented in Anoka, Carver, Scott and Washington counties.

Health Insurance Counseling and Information for Seniors & Disabled implemented statewide through 53 local sites.

The Children's Initiative is created for the purpose of "pulling together resources across administrations to improve outcomes for children and better meet the needs of children in vulnerable situations."

Implementation of federal Mickey Leland Childhood Hunger Act changes to the Food Stamp program.

Ramsey joins Anoka and Dakota counties in the Minnesota Parents Fair Share (PFS) Program.

Minnesota Family Investment Program field trials begin in 7 counties.

MinnesotaCare allows enrollment of single adults and couples in households without children with incomes at or below 125% of federal poverty guidelines.

Definition of remedial care and ability to apply to medical spenddowns given to counties effective on all budgets retroactive to 1/1/94.

New Medical Assistance policy on partial month penalties for the uncompensated transfer of assets and income affecting Medical Assistance payment for Long-Term Care services.

Department of Human Services assumes responsibility for Electronic Benefit Transfer (EBT) project for cash and food stamp benefits operating in Ramsey county and begins expansion to Hennepin County.

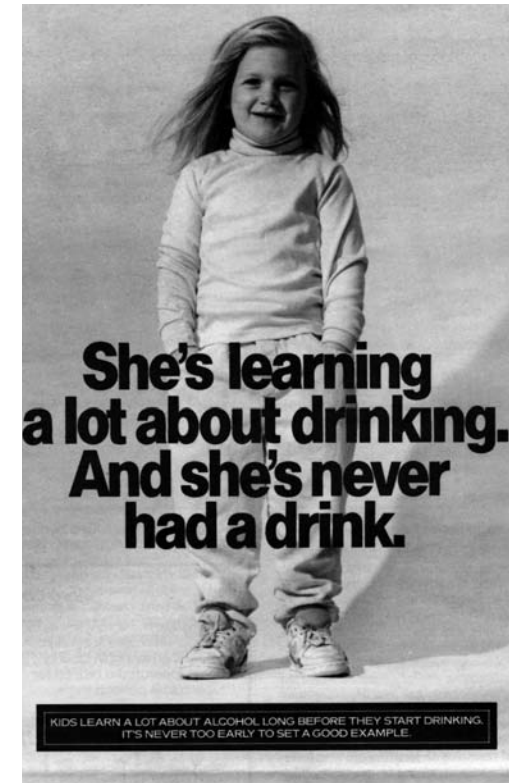
The Robert Wood Johnson Foundation finances an interim grant for further development and design modification of the Minnesota Senior Health Options project.

The new MMIS II system is implemented May 31st, and is certified by Health Care Finance Administration (HCFA) 11/28/94.

Child Support Enforcement Division and Deaf and Hard of Hearing Services Division move to Metro Square building, in downtown St. Paul.

Federal waiver granted by the Health Care Finance Administration to Quality Control (QC) to redesign the review process towards targeted reviews and questionnaires, producing information useful for program management.

MMIS II system takes over collection of client option spenddown from county agencies.



*Poster from DHS statewide Alcohol Awareness Campaign — 1991*

### **Did You Know...?**

*In 1954, the following were typical annual salaries for these positions at the Department;*

<i>Clerk-Typist I</i>	<i>- \$ 2,155.00</i>
<i>Social Worker I</i>	<i>- \$ 3,408.00</i>
<i>Psychologist</i>	<i>- \$ 4,800.00</i>
<i>Child Welfare Worker II</i>	<i>- \$ 4,104.00</i>
<i>Accountant I</i>	<i>- \$ 3,984.00</i>
<i>Division Director</i>	<i>- \$ 6,942.00</i>
<i>Medical Director</i>	<i>- \$ 10,000.00</i>

### **Did You Know...?**

*In 1959, Willmar State Hospital became the first Minnesota State Hospital and the fifth nationwide to embrace an "open door" policy with regards to treatment for mental illness. Gone were the days of locked cells and restraints.*

*By the early 1960's, at any point in time, the state hospital system cared for approximately 16,000 patients/residents per day.*



*Anoka-Metro RTC Employees — 1991*

*1994 cont.*

Designated provider option offered to recipients receiving Personal Care Attendant (PCA) or waived services.

The provider/recipient help-desk establishes full-time operations.

**1995** Moose Lake Regional Treatment Center closes, and is transferred to the Department of Corrections. Mental health, developmental disabilities and chemical dependency services specified by the 1993 Legislature are moved to communities in the region previously served by the Regional Treatment Center.

Minnesota Sexual Psychopathic Personality Treatment Center construction completed and program opens at Moose Lake to treat persons committed as Psychopathic personalities.

The Mankato Regional Service Center for Deaf and Hard of Hearing People relocates to St. Peter Regional Treatment Center.

Eligibility for Refugee Social Services limited to the first five years after arrival in the U.S.

The legislature creates the Injury Protection Program, to cover medical costs of work related injuries to persons who are injured while performing work under the Community Work Experience Program and other community work programs authorized by the Department of Human Services.

Aging and Adult Services Division establishes an Indian Elder Desk to assist in coordinating publicly funded services and programs with tribes.

Minnesota Supplemental Assistance program redesigned and aligned more closely with the federal Supplemental Security Income program.

The Food Stamp Employment and Training (FSET) Program created to help adult food Stamp recipients become employed and self-sufficient.

Work Readiness program abolished.

Legislature enacts Vulnerable Adult Reforms including refined and expanded definitions of maltreatment; defining one central entry point for reports; designating one lead investigative agency per report; expands consequences to perpetrators; and establishes a fair hearing process.

The 1985 Mediated Settlement Agreement was amended to allow for reduction of St. Peter Regional Treatment center Deaf Services Division staff with the reduction of deaf and hard of hearing clients.

Legislature disbands the Telecommunications Access for Communicatively Impaired People Board and transfers administration of the telephone equipment Distribution Program to the Department of Human Services and responsibility for telephone relay service to the Department of Public Service.



Training Center moves to downtown St. Paul, Metro Square Bldg..

The Department of Education becomes the new Department of Children, Families and Learning on October 1. A number of Department of Human Services programs, including Child Care, the Children's Trust Fund and Family Services Collaboratives are transferred from Department of Human Services to the new agency.

Department of Human Services Central Office develops a set of "core values" and reorganizes its main business based upon these values.

Interim Assistance interface between the Social Security Administration and MAXIS completed.

Federal Department of Health and Human Services approves Phase One of the Minnesota Health Care Waiver. The waiver is designed to simplify the three major Minnesota health care programs, to expand

managed care service delivery, and to retain flexibility to adapt to marketplace changes and the needs of low-income Minnesotans. For MinnesotaCare, waiver also provides Federal Financial Participation, expands definition of child as under age 21, expands benefit set to include all benefits provided by Medical Assistance, verification of income and pregnancy now required for MinnesotaCare.

Nursing Home demonstration project adopted. Contract development for nursing home services of up to 40 facilities per RFP. Contracts intended to increase provider financial flexibility by eliminating cost reporting and auditing requirements and assigning flat (indexed by inflation) case mix rates.

Medical Assistance changes: restrictions on transfer of assets and income to prevent voluntary impoverishment, automatic newborn eligibility for infants up to age 2 yrs, asset test eliminated for non-parent caretakers living in same household with

children under 21 where no parent in the home, new TEFRA guidelines introduced resulting in loss of TEFRA eligibility for some children.

Department forms the Children of Color Outreach Initiative and hosts a Children of Color Symposium.

Combined Health Care Application implemented.

Passage of new child support initiatives including, centralized receipting and disbursing of payments, new hire reporting and driver's license suspension.

**1996** The Willmar Regional Service Center for Deaf and Hard of Hearing People relocates to St. Cloud site.

The first Adult Mental Health Initiative projects, authorized during the previous legislative session, are approved and implementation grants awarded. These projects involve multi-county groups, consumers, community providers, and Regional Treatment Centers



*Ojibiwe Dancers at Ah-Gwah-Ching*

### **Did You Know...?**

*The average per diem cost of care at Ah-gwah-ching nursing home in 1962 was \$ 8.33. The average per diem cost of patient care at Anoka Hospital in 1964 was \$ 8.03 (25 cents of this was spent for food).*

*In 1966 Fergus Falls Hospital instituted a program whereby local college students could receive free room and board in exchange for 14 hours of volunteer service each week. Sociology 101 students could also earn two college credits per quarter for their involvement in the program.*



### **Did you know.....?**

*There are currently 441 certified nursing facilities in Minnesota, with a total of 46,486 available beds. Approximately \$ 1.6 billion was spent on nursing home care in Minnesota in 1997, of which approximately 66.5 % was paid by the Medicaid (MA) program.*

*Refugee-specific social services focus on helping refugees obtain employment and become self-sufficient. Culturally appropriate and bilingual employment services are provided to refugees through contracts with community organizations.*



*Staff at MinnesotaCare celebration — 1993*

*1996 cont.*

from all areas of the state, in demonstrating alternatives to enhance coordination in the delivery of adult mental health services.

People Inc.'s Array Midway drop-in center for deaf and hard of hearing persons with mental illness who live in 7 county metro area is established.

Fraud Prevention Investigation expands to 50 counties in Minnesota. The cost benefit to the state is \$ 2.86 for every dollar spent.

Congress authorizes federal law change that makes many legal non-citizens ineligible for the federal food stamp program.

Congress passes the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) which repeals the Aid to Families with Dependent Children, Job Opportunities and Basic Skills training (JOBS) and Emergency Assistance (EA) programs and replaces them with the Temporary Assistance to Families (TANF) program and strengthens provisions governing child support enforcement.

Department holds its first Training Conference on Diversity.

The Departments of Human Services and Revenue produce a Tax Credit Calculator Disk for counties and employment providers to use in estimating the amount of tax credits and refunds working families can receive when they enter the labor force.

Deaf and Hard of Hearing Service Act amended to create a collaborative team with representatives from the Departments of Human Services, Children, Families and Learning, Economic Security, and Health to address needs of deaf, hard of hearing and deaf blind people.

The Federal Tax Revenue Offset Program (FTROP) begins operations to recapture Food Stamp debt.

The Minnesota Accounting and Procurement System (MAPS) replaces a twenty-five year old system which was not information technology "friendly." The new system, with occasional modifications, should be in use well into the next century.

Department converts to a new payroll system, SEMA4.

Department receives federal approval to extend administrative reimbursement for Title IV-E and Medicaid administrative activities to collaborations on the local level by approving reimbursement

for local family service and children's mental health collaboratives throughout the state.

Prepaid Medical Assistance implemented in Benton, Carlton, Cook, Koochiching, Lake, St. Louis, Sherburne, and Stearns counties.

MinnesotaCare begins conversion from a fee-for-service system to a prepaid Medical Assistance system. MinnesotaCare families and children begin enrollment in Managed Care plans during a four-phase conversion process.

Social Security Administration terminates benefits for persons whose primary disability is drug addiction or alcoholism. State Medical Review Team must use new criteria.

New level of TEFRA criteria implemented, providing for nursing facility level of care for mental illness.

MinnesotaCare: cooperation with medical support required, income standard for

singles and couples without children raised to 135% of federal poverty guidelines.

Unitary Residence Act amended by legislature expanding the definition of "excluded time" and eliminating durational residency requirements for recipients to establish residency in another county.

**1997** Minnesota Extended Treatment Options (METO) established on campus of Cambridge Regional Human Services Center, as authorized by legislature, to provide specialized services for persons with Developmental Disabilities who exhibit severe behaviors which present a risk to public safety, and to provide community support services for Developmentally Disabled citizens in community placements.

Prepaid Medical Assistance Program implemented in the following counties: Becker, Clay, Faribault, Isanti, Kandiyohi, Mahnommen, Martin, Norman, Swift and Wright.



*Groundbreaking at St. Peter for addition — 1994*

State funds appropriated, on a time-limited basis, for benefits to legal non-citizens who lost eligibility for the food stamp program.

Aging and Adult Services Division implements Consumer Support Grants.

Department transfers Parents Fair Share (PFS) program administration from the Adult Supports Division to the Child Support Enforcement Division.

Department of Human Services offers department-wide Diversity training for all staff.

### **Did you know....?**

*During fiscal year 1997, over 1500 persons enrolled in refugee employment programs, and approximately 922 were placed in jobs.*

*Currently, DHS contracts with eight health plans to provide services for Minnesota Health Care Program clients. As of 3/98, approximately 184,635 PMAP/PGAMC clients, and 102,540 MinnesotaCare clients were enrolled in managed care health plans. Managed Care Health Plans provide the full range of comprehensive services that are covered under Minnesota Health Care programs, but under certain circumstances may also choose to provide alternative and/or additional services. An open enrollment period is offered each year to give managed care enrollees an opportunity to change health plans.*

### **Did You Know...?**

*In 1986, the Fergus Falls Regional Treatment Center complex was placed on the National Register of Historic Places. It is the only example of 19th-century Kirkbride architecture found in Minnesota. The main building was designed by well-know Minneapolis architect Warren B. Dunnell. He also designed such original buildings as the Reform School at Red Wing, the State Soldier's Home at Minnehaha, Pillsbury Academy at Owatonna and the State School for Feeble Minded at Faribault.*



*Moose Lake campus*

*1997 cont.*

MAXIS receives Health Care Finance Agency certification.

Aging Initiative - Project 2030 is created. The goal of the project is to identify the impact of the aging of Minnesota's population and help prepare the State's response to the babyboomer generation that will begin turning 85 in the year 2030.

Eastern Minnesota State Operated Community Services (EMSOCS) is established as a new organizational entity within the Department of Human Services to manage community-based homes, intermediate care facilities,

and day training and habilitation programs for Minnesotans with developmental disabilities, formerly operated by the Faribault Regional Center and Cambridge Human Services Center.

The Crookston Regional Service Center for Deaf and Hard of Hearing People moves to Bemidji.

Major program integrity legislation passed as part of state welfare reform bill.

Aging and Adult Services Division implements performance-based contracting for senior nutrition services.

MinnesotaCare begins enrolling recipients in prepaid managed care health plans in a statewide conversion process, which is completed by early 1997.

Minnesota's Temporary Assistance to Needy Families (TANF) program goes into effect.

Nursing home contract demonstration project expanded.

General Assistance Medical Care and Minnesota Care may no longer overlap, this results in modification of the satisfaction date in spend-down determination.

Minnesota Children with Special Health Needs Program (MCSHN) established for children with special needs who are not Medical Assistance eligible .

Blood products litigation settlement reached by State in a class action suit involving people injured by blood-clotting concentrates. Payments excluded from income & assets under certain circumstances.

Minnesota Comprehensive Health Association (MCHA) premiums no longer paid by Medical Assistance or General Assistance Medical Care.

Federal Balanced Budget Act of 1997 provides enhanced funding for states to implement a state childrens health insurance program (Kid-care). Minnesota limited in KidCare options due to prior existence of benefits under



MinnesotaCare and Medical Assistance program.

Tuberculosis Health Threat Act costs incurred by tuberculosis providers for Medical Assistance eligible persons who are carriers and have no other health coverage, are payable at the General Assistance Medical Care rate.

State funds appropriated to community-based vendor/s to provide: independent living skills services to persons with deafblindness; psychological, social, and family assessment services of children who are deaf, deafblind, or hard of hearing. One-time funding also appropriated for service dogs.

Medical Assistance changes: asset test reinstated for families and children, new criteria (emotional disorder) implemented for establishing level of care for TEFRA children, Veterans Administration Unusual Medical Expense Payments now counted as income for determining Medical Assistance eligibility, extended covered

services involving skilled nurse visits and shared personal care assistance services implemented.

Legislation passes requiring all Medical Assistance and General Assistance Medical Care recipients who are required or who may elect to participate in Prepaid Medical Assistance Program or Prepaid General Assistance Medical Care be enrolled in prepaid managed health care by 1/99. Counties given authority to elect which option of a managed care model is implemented in their respective county: 1) enhanced Prepaid Medical Assistance Program, which incorporates county interests and concerns into state-based health care purchasing, or 2) county-based purchasing (CBP), which allows counties to take responsibility for health care purchasing. Department begins reviewing preliminary proposals for counties interested in the county-based purchasing option.



*Legislative session — 1996*

Legislature requires sponsor deeming for sponsored noncitizens, once the U.S. Attorney General issues a legally enforceable “affidavit of support.”

MinnesotaCare changes: income standard for singles and couples without children raised to 175% of federal poverty guidelines, eligibility for MinnesotaCare and General Assistance Medical Care not allowed to overlap.

MAXIS implements direct deposit of cash benefits and vendor payments.

### **Did you know....?**

*Participation in the Medicaid Drug Rebate Program has resulted in a savings of approximately 20% for drug expenditures in Minnesota. Currently, rebates are approximately \$ 8 million per quarter.*

*The total budget of the Department increased from \$ 2.7 billion in State Fiscal Year 1990 to exceeding \$6 billion in State Fiscal Year 1998. Federal funding increased from \$ 1.2 billion in State Fiscal Year 1990 to approximately \$ 2.3 billion in state Fiscal Year 1998.*

### **Did you know.....?**

*The Minnesota Senior Health Options (MSHO) project is a federal demonstration to test delivery systems which integrate long-term care and acute care services under a combined Medicare and Medicaid capitation payment system for dually eligible seniors.*

*Minnesota has the lowest percentage of uninsured children in the nation - 22 percent - due to MinnesotaCare, according to a recent report by Families USA, a national consumer health organization.*



*DHS staff member at Senior competition — 1995*

*1997 cont.*

University Hospital Papers program ceases to exist upon merging with the Fairview Hospitals healthcare system. Applications now taken directly by Fairview.

Department implements the PRISM computer system for child support enforcement.

Centralized Child Support Payment Center (CSPC) pilot begins, using collections from two counties. In 10/97, expands statewide. Implementation of statewide collections expected in 1998.

The new Temporary Assistance to Families block grant implementation begins with the arrival, in financial management, of the first installment of federal monies. The new block grants fundamentally change Department funding and fiscal activities.

Department approves funding for the Relative Custody Assistance Program, the Privatized Adoption Grants and the Recruitment Grants, which expand services and expedite the processes for finding permanent homes for foster care children.

General Assistance Medical Care changes: no longer covers (for a period of 5 to 10 years) persons convicted of; drug offenses, parole or probation violations, fleeing the criminal system for felony charges or lying about what state they live in to receive General Assistance Medical Care, non-residents are not eligible for Emergency General Assistance Medical Care except for emergency hospital services resulting from an accident occurring in Minnesota, persons must live in

Minnesota 30 days before they can receive General Assistance Medical Care, no eligibility while in excluded-time facility (but time counts towards residency requirements), migrant workers exempt from 30 day residency requirements, retroactive coverage period for past medical expenses reduced to one month.

Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 changes: disability criteria used to determine eligibility for Supplemental Security Income and Medical Assistance under TEFRA changed (4,000 children lost benefits as result), de-links cash and Medical Assistance (but Minnesota continues to provide automatic Medical Assistance eligibility to TANF recipients), child support pass-through of \$50 still disregarded for Medical Assistance eligibility (although eliminated for Minnesota Family Investment Program), requires that eligibility be continued for those persons eligible for Medical Assistance under 7/96 state

plan, allows Medical Assistance only for “qualified” noncitizens (some legal citizens not eligible - Minnesota covers legal noncitizens not eligible for Medical Assistance under new state funded Medical Assistance program), some noncitizens will be eligible for General Assistance Medical Care (others only Emergency General Assistance Medical Care).

**1998** Transfer of the Faribault Regional Center campus to the Department of Corrections is completed after the remaining Regional Treatment Center-based services for persons with developmental disabilities are transitioned to communities in the region under the auspices of EMSOCS.

On 1/1/98, the new State-wide Minnesota Family Investment Program (MFIP-S) replaces Aid to Families with Dependent Children, Family General Assistance (FGA), Food Stamps for families and STRIDE programs.

Minnesota Family Investment Program field trials end 6/30/98.

Implementation of Diversionary Assistance program on 1/1/98.

Effective 7/1/98, Medicare enrollees with incomes under 175% of federal poverty guidelines are eligible for full or partial payment of Medicare premiums, under the Balanced Budget Act of 1997.

Electronic Benefits Transfer goes statewide.

Administrative process for setting and enforcing child support in effect in all counties.

The Tax Offset Program (TOP), formerly FTROP, collects \$ 1 million in debt owed to the Food Stamp Program.

The Minnesota Family Investment Plan Longitudinal Study begins.



*Department of Human Services — 1998 — 444 Lafayette Road North*

Conversion from the Child Support Enforcement System to the new PRISM system completed.

Legislature authorizes “sunset” of Rules 50 and 53, effective 7/1/00 and 10/1/00, respectively.

## **DHS Core Values**

*We focus on people, not programs.*

*We are responsible for the common good.*

*We recognize and act upon our mutual responsibility to each other.*

*We provide safety nets and ladders up for the people we serve.*

*We are partners with communities to mobilize supports that help people function and succeed.*

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*These core values help us make our decisions daily as we carry out our work in a trustworthy, responsible, respectful, fair, just and caring environment.*



## Did You Know...?

*The 1860 United States census for Minnesota showed that 14% of deaths were due to “consumption” (tuberculosis). The Minnesota State Board of Health reported 20,000 deaths in Minnesota from Tuberculosis from 1887 through 1899. The high death rate was due, in part, to immigration of Tuberculosis patients to Minnesota. In 1903, the Minnesota State Tuberculosis Commission declared... “it is in other words a curable disease. In the State of Minnesota its ravages are on the increase...the most successful means of dealing with this disease will be through the establishment of sanatoria.”*

*In 1928, a group of patients at Cambridge were placed on a special ketogenic diet, sponsored by Mayo Clinic and the University of Minnesota, in an attempt to test whether certain diets were of value in the treatment of epilepsy.*

*The resident population at Minnesota State Hospitals increased 25 fold between the years 1870—1975.*

*In the early days of their existence, many facilities generated their own utilities and had farms which made them virtually self-sustaining. Believing that hard work was a form of therapy, institutions regularly recruited patients as a major part of their workforce. In 1959, Faribault reported a small drop in their crop production to a level of; “393 bushels of green and wax beans, 1662 bushels beets, 667 bushels cucumbers, 103 bushels peppers, 743 bushels tomatoes, 1509 bushels carrots, 700 bushels turnips, 914 bushels onions, 283 bushels radishes, 9024 pounds asparagus, 25,050 pounds rhubarb, 5600 doz. Green onions, 4035 doz. Sweet corn, 76 tons of cabbage, and 25 tons squash.”*

*In 1996 and 1997, Minnesota had the lowest Food Stamp payment error rate in the Midwest Region. Minnesota’s error rate was 6.95 and 6.6 % respectively, compared to the national average of 9.22 %. Minnesota received awards from the U.S. Department of Agriculture for this achievement for both years.*

## In 1997 -

*Through the Minnesota Medicaid Information System (MMIS), the Department of Human Services staff processes more than 20 million Medicaid, Minnesota Care and General Assistance Medical Care medical claims from over 33,000 health care providers each year.*

*The Food Stamp Training & Employment Program (FSET) serves approximately 15,000 adult participants each year, and places nearly 5,000 in employment at an average cost of \$ 389.00*

*The program is funded with a combination of federal and state funds.*

*DHS processed 572,000 incoming receipts (checks), compared to 95,000 in 1990. The increase in volume is largely due to client premiums for the newly implemented MinnesotaCare program.*

*Senior Nutrition programs served more than 1.7 million home delivered meals to older adults living in communities across Minnesota. The program is funded through a combination of federal, state and local funds, as well as in-kind contributions and participant donations (which compose the largest single source of income for the program - \$ 3.3 million dollars in 1996). The average donation was \$ 1.78 per meal in 1997. Besides providing a hot nutritious meal, older adults receive daily contact with volunteers who deliver meals. Past surveys show that 12% who receive home delivered meals see friends and relatives less than once a month. Nearly 10% report having no one in their neighborhood to call for help.*

*The provider/recipient help-desk handles more than 36,000 calls each month.*

*More than 20,000 providers attend the statewide workshops held by the provider training unit each year.*



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And last, but not least, to the  
many thousands of employ-  
ees, past and present, of the  
Department....who have made  
history.

## Front cover photos

*left to right (clockwise)*

1. Girls cottage at Owatonna State School - Circa 1915
2. Classroom at Hospital for Crippled Children, St. Paul - Circa 1920
3. Patient's ward - Minnesota State Sanatorium - Circa 1950
4. English to Work program participant - 1996
5. Children of Color Initiative - 1995

*There are no inferior jobs in any organization...No matter what the assigned task...if it is done well and with dignity it contributes to the function of everything around it and should be valued accordingly by all.*

*Charles W. Mayo*



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