

Office of Inspector General: Updating background studies, expanding fraud prevention and modernizing licensing

Legislative action and major investments in 2021 will update background studies, expand fraud prevention, begin modernizing child care licensing regulations and provide more assistance for family child care providers.

2021 legislation

Background Studies

Federal compliance. Changes were made to comply with federal requirements to receive FBI background study data and to comply with federal Child Care and Development Block Grant requirements to remove disqualified staff from direct contact with children in regulated child care settings. *FY 2022-23: \$1,285,000*

Fee increase. Fees for employment background studies increased from \$20 to \$42. If the FBI increases its fees, DHS may raise study fees by that amount, with the potential to increase again with legislative approval.

Transition from emergency studies. DHS will have until July 2, 2022, to transition from COVID-19 emergency studies to fingerprint-based background studies. Providers will receive credit for emergency background studies paid in NETStudy 2.0. DHS can contract with more than one authorized fingerprint vendor and may collect fingerprinting fees in NETStudy 2.0 to pass through to the fingerprinting vendor. *FY 2022-23: \$6,651,000*

New business partners. DHS will conduct background studies for new teachers (licensed by the Professional Educator Licensing and Standards Board), first-time administrators (licensed by the Board of School Administrators) and MNsure navigators, in-person assisters and certified application counselors.

Early intensive developmental and behavioral intervention (EIDBI) studies. DHS will conduct background studies for EIDBI providers for autism services.

Background studies eligibility task force. A 26-member task force, managed by the Legislative Coordinating Commission, will review and make recommendations about background study eligibility and disqualifications. It will issue an interim report by March 1, 2022, and a final report by Dec. 16, 2022. *FY 2022-23: \$345,000*

Child care background studies. Funding is provided for enhanced background studies for child care providers. *FY 2022-23: \$4,500,000*

Child foster care. Background study requirements for child foster care licensure were aligned with those for adoption. Child foster care has a new disqualification structure and a process is established for counties and private agencies to review non-disqualifying foster care background studies information. *FY 2022-23: \$197,000*

Licensing

Modernizing child care regulations. DHS will contract with independent consultants to develop proposals for updating both family child care and child care center licensing standards, including risk-based models for monitoring compliance and eligibility for abbreviated inspections. *FY 2022-23: \$3,778,000*

Alternative child care licensing models. DHS will review child care models that are not currently allowed under state statutes. *FY 2022-23: \$100,000*

Family child care assistance. The governor will appoint an ombudsperson to assist family child care providers with licensing, compliance and other issues. DHS will develop a plan for a one-stop regional assistance network for providers and a searchable FAQ webpage. *FY 2022-23: \$499,000*

Child foster care licensing guidelines. DHS Licensing and the Child Safety and Permanency Division will develop family foster setting licensing guidelines for county and private agencies. *FY 2022-23: \$462,000*

Family First Prevention Services Act. Four specialized setting certifications are established to help programs meet federal requirements for Title IV-E funding for children in residential programs. *FY 2022-23: \$603,000*

County notification for substance use disorder treatment. Assessment of need requirements in rules are repealed and replaced with a new county notification requirement for SUD treatment program applicants.

Withdrawal management programs. An annual license fee is established based on the licensed capacity.

Telehealth services. The term telemedicine is replaced with the term “telehealth” in the definitions section in chapter 245G and client treatment plan and assessment signature requirements are changed.

Alternative licensing inspections. Programs accredited by The Joint Commission may request approval from DHS for an alternative licensing inspection status if certain conditions are met.

Mental health uniform service standards. Licensing requirements in the Intensive Residential Treatment Services/Residential Crisis Stabilization variance are replaced updated requirements. *FY 2022-23: \$490,000*

Financial Fraud and Abuse Investigations

Investigations expansion. Funding is provided to expand the capacity of the Surveillance and Integrity Review Section (SIRS) to investigate Medical Assistance fraud and increase recoveries. *FY 2022-23: \$1,100,000*

Fraud prevention grant increases. Funding is increased for the Fraud Prevention Investigation program, giving counties and tribes additional resources to investigate recipient fraud. Tribal agencies are added as direct recipients of grant funding. *FY 2022-23: \$850,000*

Telemedicine services expansion. Funding is provided to expand SIRS capacity to ensure program integrity with the expanded use of telemedicine by MA providers. *FY 2022-23: \$807,000*

Child Care Stabilization Grant compliance. Funding is provided for monitoring child care provider compliance with financial relief grant funds intended to ease economic burdens child care providers faced during and after the COVID-19 pandemic. *FY 2022-23: \$1,142,000*