STATE OF MINNESOTA
MENTAL RETARDATION PLANNING COUNCIL
CENTENNIAL BUILDING
ST. PAUL, MINNESOTA 55101

KARL F. ROLVAAG
GOVERNOR

June, 1966

Dear Fellow Minnesotan:

Historically, the State of Minnesota has accepted and discharged responsibility for residential care of the mentally retarded. The Mental Retardation Planning Council has reaffirmed this responsibility.

However, as the retarded population has expanded, the State has been unable to keep pace with the overwhelming need for buildings to house the retarded and for staff to care for them. As a result, State institutions are badly overcrowded and understaffed, and many retarded persons who could benefit from this care are not getting it.

Modern concepts of residential care strongly urge that the mentally retarded be cared for in small, specialised facilities, either public or private, as close to home as possible. This philosophy receives full expression in Minnesota's Comprehensive Plan to Combat Mental Retardation and is also endorsed by the President's Panel, the National and State Associations for Retarded Children, and the U.S. Department of Health, Education, and Welfare which administers facilities construction funds under public Law 88-164.

Private non-profit groups in Minnesota are deterred from the construction of residential facilities for the mentally retarded by the inequitable division of cost of care between county and State., At present, the county is responsible for only 10 dollars per month for any retarded person placed in a State facility, but must pay the total cost of care if the individual is placed in a facility which is not operated by the State. Some moneys may be recovered by the county from parents, social security, and other sources. Placement is often based on financial considerations, rather than on what is best for the patient.

The Planning Council has recommended that the State assume the same degree of responsibility for every retarded person placed in residential care, regardless of where he is placed, as follows:

1. The county would be responsible for 10 dollars per patient whether residential care is provided by licensed private facility or by a State operated facility.

2. Parents would be responsible for up to 10 per cent of the cost of care (based on ability to pay) whether care were provided by a licensed private facility or by a State owned facility. The amount to be paid

for cost of care in a private facility would not exceed the amount which the parent would pay to the State facility.

3. The State would pay the remainder. Payment for care provided by a private facility would be by reimbursement to the county.

This change in distribution of responsibility for cost of residential care of mentally retarded persons will be incorporated in, a bill to be proposed to the 1967 legislature. The effect of this legislation, if passed, would be two-fold:

1. Each retarded person requiring residential care could be placed in the residential facility best suited to his needs. Dollars and cents would no longer be a determining factor.

2. Private non-profit groups could be encouraged to construct and staff facilities, thus relieving the State of a part of this economic burden.

In November, 1965, a questionnaire was sent to each county welfare director asking for information regarding cost of residential care for retarded persons residing in non-State facilities. Information was requested on number of persons placed, type of placement (boarding home, small institution, group home), monthly cost, and reimbursement from parents or other sources.

Data were collected for the months of February, July, and November, 1965. Since there did not appear to be a substantial change from month to month, annual figures shown in accompanying tables were obtained by multiplying November figures by twelve.

Table I compares the approximate monthly and yearly cost to the counties of residential care under the present system with that under the proposed system. Also included is an estimate-of costs if these patients were all in State institutions. All figures relate to the present level of service. As services are upgraded, which they must be, costs will increase.

Table II shows the same data for each county. Not all pertinent data were reported by every county. The inclusion of this information would tend to reduce the net cost to county and State. The "recovered from other sources" figure for Hennepin County, for example, would probably be substantial.

The eighty-seven counties identified 103 persons in need of residential placement who were in their own homes, presumably because placement facilities are not available.

Two other factors which cannot be accurately estimated will influence necessary appropriations.

1. There is no accurate way of estimating the dollars and cents effect of the proposed change in parental responsibility for residential care payment. Not only does the amount presently paid by parents vary with the type of placement, e.g., boarding home, State institution, etc., but this amount will change periodically as the parents' financial, status

changes. In some counties reimbursements from parents and other sources are pooled, along with similar funds for care of other types of persons, i.e., aged in nursing homes, boarding home care for neglected, dependent, and delinquent children, etc., making it impossible to identify amounts on individual cases.

2. Amounts recovered from sources other than parents for the care of retarded persons committed to guardianship have grown from $22,841 per month as of November, 1963 to $36,130 per month as of November, 1965. The majority of this group resides in State institutions. With the proliferation of Federal programs these funds could continue to increase. If various Federal grants, such as those for staffing of facilities, are continued and expanded, adjustments of State and local costs are inevitable. What the direction of this adjustment will be is a matter of speculation at this time.

It is hoped that this survey will be given wide distribution and discussion prior to the 1967 legislative session.

Sincerely,

John Broady

Bruce J. Broady, Jr.
Executive Director

Table I

COST OF RESIDENTIAL CARE FOR 1,293 MENTALLY RETARDED PERSONS NOT RESIDING IN STATE INSTITUTIONS

A. Present System	November, 1965	12 Months
Total Cost of Care	$ 140,973	$ 1,691,676
Less Amt. Recov. from Parents	- 9,885	- 118,620
Less Amt. Recov. from Other Sources	- 8,039	- 96,468
Net Cost to Counties	$ 123,049	$ 1,476,588
Average Cost per Patient	$ 95	$ 1,140

B. If Placed in State Institutions		
Total Cost of Care *	$ 199,380	$ 2,392,560
Less $10 Per Patient Paid by Counties	- 12,930	- 155,160
Net Cost to State	$ 186,450	$ 2,237,400
Average Cost per Patient	$ 144	$ 1,728

Appropriation Needed for Biennium - $4,541,274

C. Proposed System		
Present Cost to Counties	$ 123,049	$ 1,476,588
Less $10 Per Patient Paid by Counties	- 12,930	- 155,160
Net Cost to State	$ 110,119	$ 1,321,428
Average Cost to State per Patient	$ 85	$ 1,020

Appropriation Needed for Biennium - $2,642,828

* Based on the present daily rate of $5.14. These figures do not include cost of new buildings necessary, depreciation, and overhead cost of central office, etc.

Table II

COST TO COUNTIES OF RESIDENTIAL CARE OF MENTALLY RETARDED PERSONS PLACED IN NON-STATE FACILITIES, 1965. [1]

COUNTY	NO. PERSONS IN PLACEMENT November, 1965	COST OF CARE November, 1965	COST OF CARE 12 Months	RECOVERED FROM PARENTS		RECOVERED FROM OTHER SOURCES		NET COST TO COUNTY	
				Nov., 1965	12 Mos.	Nov., 1965	12 Mos.	Nov., 1965	12 Mos.
Aitkin	10	$ 847.00	$ 10,164.00	-	-	$ 587.00	$7,044.00	$ 260.00	$3,120.00
Anoka	14	1,112.38	13,348.56	$ 487.00	$5,844.00	-	-	625.38	7,504.56
Becker	2	250.00	3,000.00	25.00	300.00	-	-	225.00	2,700.00
Beltrami	4	510.00	6,120.00	25.00	300.00	-	-	485.00	5,820.00
Benton	14	1,360.50	16,326.00	-	-	28.90	346.80	1,331.60	15,979.20
Big Stone	1	165.00	1,980.00	25.00	300.00	-	-	140.00	1,680.00
Blue Earth	17	1,915.00	22,980.00	82.50	990.00	-	-	1,832.50	21,990.00
Brown	5	675.00	8,100.00	100.00	1,200.00	-	-	575.00	6,900.00
Carlton	5	442.63	5,311.56	-	-	11.20	134.40	431.43	5,177.16
Carver	5	720.00	8,640.00	-	-	-	-	720.00	8,640.00
Cass	2	165.00	1,980.00	-	-	-	-	165.00	1,980.00
Chippewa	1	180.00	2,160.00	25.00	300.00	-	-	155.00	1,860.00
Chisago	22	2,062.25	24,747.00	-	-	144.00	1,728.00	1,918.25	23,019.00
Clay	7	670.00	8,040.00	125.00	1,500.00	-	-	545.00	6,540.00
Clearwater	-	-	-	-	-	-	-	-	-
Cook	1	65.25	783.00	-	-	-	-	65.25	783.00
Cottonwood	2	300.00	3,600.00	-	-	-	-	300.00	3,600.00
Crow Wing	16	1,690.00	20,280.00	50.00	600.00	-	-	1,640.00	19,680.00

Table II (cont'd)

COUNTY	NO. PERSONS IN PLACEMENT November, 1965	COST OF CARE November, 1965	COST OF CARE 12 Months	RECOVERED FROM PARENTS		RECOVERED FROM OTHER SOURCES		NET COST TO COUNTY	
				Nov.,1965	12 Mos.	Nov.,1965	12 Mos.	Nov.,1965	12 Mos.
Dakota	9	$ 1,042.50	$ 12,510.00	$ 96.35	$1,156.20	$ -	$ -	$ 946.15	$11,353.80
Dodge	1	180.00	2,160.00	50.00	600.00	-	-	130.00	1,560.00
Douglas	4	418.88	5,026.56	30.00	360.00	-	-	388.88	4,666.56
Faribault	5	630.00	7,560.00	40.00	480.00	-	-	590.00	7,080.00
Fillmore	-	-	-	-	-	-	-	-	-
Freeborn	5	413.10	4,957.20	-	-	115.00	1,380.00	298.10	3,577.20
Goodhue	14	1,986.00	23,832.00	-	-	40.00	480.00	1,946.00	23,352.00
Grant	14	997.58	11,970.96	-	-	404.41	4,852.92	593.17	7,118.04
Hennepin	381	50,563.30	606,759.60	4,610.00	55,320.00	-	-	45,953.30	551,439.60
Houston	11	1,150.50	13,806.00	-	-	80.40	964.80	1,070.10	12,841.20
Hubbard	1	150.00	1,800.00	-	-	-	-	150.00	1,800.00
Isanti	2	210.00	2,520.00	-	-	24.00	288.00	186.00	2,232.00
Itasca	6	511.60	6,139.20	-	-	369.60	4,435.20	142.00	1,704.00
Jackson	5	400.00	4,800.00	-	-	400.00	4,800.00	-	-
Kanabec	1	125.00	1,500.00	25.00	300.00	-	-	100.00	1,200.00
Kandiyohi	7	896.35	10,756.20	-	-	64.00	768.00	832.35	9,988.20
Kittson	2	250.00	300.00	41.67	500.04	-	-	208.33	2,499.96
Koochiching	9	2,331.85	27,982.20	-	-	455.72	5,468.64	1,876.13	22,513.56
Lac Qui Parle	3	240.00	2,880.00	-	-	-	-	240.00	2,880.00
Lake	-	-	-	-	-	-	-	-	-

Table II (cont'd)

COUNTY	NO. PERSONS IN PLACEMENT November, 1965	COST OF CARE November, 1965	COST OF CARE 12 Months	RECOVERED FROM PARENTS		RECOVERED FROM OTHER SOURCES		NET COST TO COUNTY	
				Nov., 1965	12 Mos.	Nov., 1965	12 Mos.	Nov., 1965	12 Mos.
Lake of the Woods	2	$ 185.00	$ 2,220.00	$ -	$ -	$ 60.00	$ 720.00	$ 125.00	$1,500.00
Le Sueur	3	467.00	5,604.00	-	-	-	-	467.00	5,604.00
Lincoln	-	-	-	-	-	-	-	-	-
Lyon	5	680.00	8,160.00	165.00	1,980.00	-	-	515.00	6,180.00
McLeod	-	-	-	-	-	-	-	-	-
Mahnoman	2	153.20	1,838.40	-	-	-	-	153.20	1,838.40
Marshall	5	365.00	4,380.00	-	-	-	-	365.00	4,380.00
Martin	5	600.00	7,200.00	50.00	600.00	-	-	550.00	6,600.00
Meeker	4	734.00	8,808.00	-	-	569.00	6,828.00	165.00	1,980.00
Mille Lacs	7	958.10	11,497.20	-	-	808.10	9,697.20	150.00	1,800.00
Morrison	28	2,038.38	24,460.56	-	-	-	-	2,038.38	24,460.56
Mower	8	1,139.75	13,677.00	175.00	2,100.00	29.40	352.80	935.35	11,224.20
Murray	3	200.00	2,400.00	-	-	80.00	960.00	120.00	1,440.00
Nicollet	3	277.50	3,330.00	25.00	300.00	-	-	252.50	3,030.00
Nobles	3	380.00	4,560.00	65.00	780.00	-	-	315.00	3,780.00
Norman	3	240.00	2,880.00	-	-	-	-	240.00	2,880.00
Olmsted	100	2,145.30	25,743.60	85.85	1,029.20	469.59	5,635.08	1,589.86	19,078.32
Ottertail	4	579.00	6,948.00	-	-	31.78	381.36	547.22	6,566.64
Pennington	4	465.00	5,580.00	-	-	-	-	465.00	5,580.00
Pine	2	212.00	2,544.00	11.67	140.04	-	-	200.33	2,403.96

Table II (cont'd)

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				Nov., 1965	12 Mos.	Nov., 1965	12 Mos.	Nov., 1965	12 Mos.
Pipestone	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Polk	2	200.00	2,400.00	-	-	-	-	200.00	2,400.00
Pope	9	915.60	10,987.20	20.00	240.00	2.40	28.80	893.20	10,718.40
Ramsey	312	31,814.70	381,776.40	1,356.26	16275.12	2,506.27	30,075.24	27,952.17	335426.40
Red Lake	3	360.00	4,320.00	35.00	420.00	-	-	325.00	3,900.00
Redwood	6	733.00	8,796.00	60.00	720.00	373.00	4,476.00	300.00	3,600.00
Renville	2	285.00	3,420.00	-	-	-	-	285.00	3,420.00
Rice	3	425.00	5,100.00	75.00	900.00	-	-	350.00	4,200.00
Rock	-	-	-	-	-	-	-	-	-
Roseau	-	-	-	-	-	-	-	-	-
St. Louis	60	7,156.15	85,873.80	977.10	11725.20	-	-	6,179.05	74,148.60
Scott	7	1,093.00	13,116.00	-	-	71.50	858.00	1,021.50	12,258.00
Sherburne	1	150.00	1,800.00	-	-	-	-	150.00	1,800.00
Sibley	4	311.55	3,738.60	115.00	1,380.00	-	-	196.55	2,358.60
Stearns	13	1,445.00	17,340.00	210.00	2,520.00	90.00	1,080.00	1,145.00	13,740.00
Steele	2	175.00	2,100.00	20.00	240.00	-	-	155.00	1,860.00
Stevens	4	427.07	5,124.84	-	-	224.54	2,694.48	202.53	2,430.36
Swift	5	525.00	6,300.00	-	-	-	-	525.00	6,300.00
Todd	2	180.00	2,160.00	30.00	360.00	-	-	150.00	1,800.00
Traverse	8	1,184.60	14,215.20	-	-	-	-	1,184.60	14,215.20

Table II (cont'd)

COUNTY	NO. PERSONS IN PLACEMENT November, 1965	COST OF CARE November, 1965	COST OF CARE 12 Months	RECOVERED FROM PARENTS		RECOVERED FROM OTHER SOURCES		NET COST TO COUNTY	
				Nov., 1965	12 Mos.	Nov., 1965	12 Mos.	Nov., 1965	12 Mos.
Wabasha	2	$ 256.00	$ 3,072.00	$ 40.00	$ 480.00	$ -	$ -	$ 216.00	$ 2,592.00
Wadena	1	128.55	1,542.60	-	-	-	-	128.55	1,542.60
Waseca	1	85.80	1,029.60	50.00	600.00	-	-	35.80	429.60
Washington	23	2,170.72	26,048.64	97.57	1,170.84	-	-	2,073.15	24,877.80
Watonwan	1	150.00	1,800.00	-	-	-	-	150.00	1,800.00
Wilkin	1	150.00	1,800.00	-	-	-	-	150.00	1,800.00
Winona	13	1,861.00	22,332.00	360.00	4,320.00	-	-	1,501.00	18,012.00
Wright	6	920.00	11,040.00	-	-	-	-	920.00	11,040.00
Yellow Medicine	3	425.00	5,100.00	15.00	180.00	-	-	410.00	4,920.00