

PEOPLE

HUMAN SERVICES in MINNESOTA



1974

Biennial Report



Human Services in Minnesota

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Published in lieu of the regular Winter 1974 issue of *People, Human Services in Minnesota*, the Biennial Report is an attempt to relate the growth and activities of the Minnesota Department of Public Welfare during the period July 1, 1972 through June 30, 1974.

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1974 Biennial Report

Introduction

During the 1972-74 biennium, the Central Office of the Minnesota Department of Public Welfare substantially revised its organizational structure.

This reorganization was the result of recommendations of the Governor's Loaned Executives Action Program (LEAP). These recommendations were made at the time the department was preparing the comprehensive plan — a plan requested by the 1971 Legislature.

The major purpose of this reorganization was to improve the department's ability to administer a wide range of responsibilities which are carried out by a number of agencies.

More specifically, the reorganization reinforces a distinctive line-staff relationship:

- * It improves the department's coordination in its administrative activities by consolidating into two operating bureaus those functions relating to county welfare operations and residential programs. In the previous organizational structure, these functions were scattered throughout the department among the several divisions. They now are located within the Bureau of County Welfare and the Bureau of Residential Services.
- * It improves the department's planning, program development, program coordination, and program evaluation for the seven target populations for which the department has legal responsibility. These populations are: the aging, the physically handicapped, low-income persons, families and children, chemically dependent, mentally ill, and mentally retarded individuals. This activity is coordinated by seven program offices, located in the Bureau of Comprehensive Programs.
- * It improves the administration and availability of general activities by consolidating a number of organizational units into the Bureau of Support Services. In the previous organizational structure, these organizational units were scattered throughout the department.
- * It improves the ability of the department to manage its fiscal planning and accountability by consolidating into a Controller's Office all budget and accounting activities. This office coordinates the complex fiscal activities among the Departments of Public Welfare, Finance, and Administration.

These changes reflect a continuing concern about the administration of public welfare programs. Additional changes may be made during the next biennium as the public welfare system moves toward the integration of human service programs, and as community resources are developed to help replace large state-operated residential facilities.

STATE OF MINNESOTA
DEPARTMENT OF PUBLIC WELFARE

COMMISSIONER

DEPUTY

COMMISSIONER

CONTROLLER'S
OFFICE

APPEALS
OFFICE

RESEARCH AND
EVALUATION
OFFICE

PERSONNEL AND
STAFF DEVELOPMENT
OFFICE

LEGAL
SERVICES
OFFICE

INFORMATION
AND EDUCATION
OFFICE

SPECIAL
PROJECTS
OFFICE

MEDICAL
DIRECTOR'S
OFFICE

AFFIRMATIVE
ACTION
OFFICE

BUREAU OF
COMPREHENSIVE
PROGRAMS

BUREAU OF
COUNTY
WELFARE

BUREAU OF
RESIDENTIAL
SERVICES

BUREAU OF
SUPPORT
SERVICES

Commissioner's Office

Due to the total reorganization of the Department of Public Welfare (DPW), described in the introduction, the administrative staff now consists of the Commissioner, who is appointed by the Governor with consent of the Senate, a Deputy Commissioner, who is appointed by the Commissioner, and four Assistant Commissioners, each with assigned functional responsibilities: the Assistant Commissioner for the Bureau of County Welfare, the Assistant Commissioner for the Bureau of Comprehensive Programs,

the Assistant Commissioner for the Bureau of Residential Services, and the Assistant Commissioner for the Bureau of Support Services.

Weekly staff meetings are held with the Commissioner, Deputy, and Assistant Commissioners wherein the Assistant Commissioners provide input to policy decisions and receive specific direction from the Commissioner. Heavy emphasis is placed on the Minnesota Management System in the department. Management by objectives, performance appraisal, and job clarification

systems have been introduced and made operational in the department. In addition, the department has prepared and submitted its first program budget.

Personnel Office

The personnel program of the department and its administration encompasses DPW employees throughout the state; and, for training purposes, DPW employees, plus employees of the county welfare departments, community mental health centers, day activity centers, and detoxification centers.

Responsibilities include assessing trends, manpower planning and the recruitment of personnel, examination of

certification to vacancies, screening, selection of placement, orientation to the agency in career staff development, evaluation of work performance, administration of the vacation, sick leave, overtime, and other fringe benefit programs, settlement of grievance and personnel problems, labor contract negotiations, separation of benefits due, and provision of reference letters and information related to employment during the following state service. The past biennium saw extensive efforts in labor negotiations in residential facilities.



Legal Services Office

A full and complete range of legal services is provided by five attorneys appointed by the Attorney General. These services range from comments on proposed policy to drafting legislation, defending departmental policy and practice in courts of law, and initiating law suits on the department's behalf.

Affirmative Action Office

An affirmative action office attempts to equalize employment opportunities in all aspects of state government to allow full utilization of women and minority groups as manpower potential.

The DPW Affirmative Action Office has the responsibility to direct and coordinate equal opportunity and affirmative action endeavors for Central Office, 14 state institutions, county welfare merit system, 26 area mental health boards, day activity centers, civil defense, and county welfare boards. The department's affirmative action activities and plan have been certified as being in compliance with federal and state standards.

Staff Development Unit

Over 2300 persons participated in training courses provided by the Staff Development Unit.

Information Office

Public information services produce the two regular department publications: the *Weekly Bulletin* and *People, Human Services in Minnesota*.

In addition, this section also assists in writing and distributing departmental news releases, preparing informational brochures, and responding to written and verbal requests for information.

Special Projects Office

A Special Projects Office consisting of a director, four professional workers, and a half-time secretary, receive assignments from the Deputy Commissioner to study, report, and make recommendations on policy issues concerning the department, and they sometimes assist in implementing a decision.

Projects ranged from developing the department's initial corrective action plan to reducing errors in AFDC cases, to developing policy recommendations on physical therapy reimbursement.

Aside from its problem-solving work, the Special Projects Office attempts to select for its staff and develop future managers for the department's work. Three of the first four persons assigned to Special Projects received promotions to management positions.

Controller's Office

The Controller's Office has responsibility for: pre-auditing of county aid programs and reimbursement requests; preparation and distribution of federal administrative cost reimbursement; preparation of annual operating budgets and budget requests for the Central Office and 14 state institutions; and processing of receipts and accounts payable transactions for the Central Office.

The Controller works closely with the Minnesota Department of Finance. Two new programs of aid to the counties were initiated during this biennium. These include state aid for allowable county salary costs and state sharing in general assistance grant payments.

Office of Research and Evaluation

The primary functions of this office are: to establish requirements and standards for evaluation of specified DPW programs; to maintain clearance procedures for research projects in DPW agencies, with special attention to technical standards and protection of subjects; to carry out

specified research projects and programs as needed; to provide technical consultation within DPW on evaluation and research; and to provide consultation and assistance concerning professional psychology and psychologists.

Appeals Office

Individuals dissatisfied with the determination of the local county welfare board in the area of income maintenance, social services, and food stamps can appeal directly to the Commissioner for a resolution of the conflict. Four appeals referees hear the applicants' or recipients' grievances in over 1000 cases each year and either affirm or set aside the decision of the county welfare department.

Further appeal of either party to the district court and the supreme court is provided by law. Three counties have initiated a system of local hearings during this period.



Comprehensive Programs

As a result of the departmental reorganization during the 1972-74 biennium, the Bureau of Comprehensive Programs was formed with seven program offices, offices of consumer concerns and of regional development, and the functional consolidation of the issuance of licenses and grants-in-aid.

As its name implies, this bureau was created to provide the department with broad, population-based program-planning capability. Each of the program offices is responsible for planning for a defined high-risk *population* (as contrasted with a caseload of individual clients) which, taken together, comprise the total population for which the Commissioner is legally responsible.

An additional responsibility of the bureau was the completion of the Comprehensive Plan for submission to the legislature by November 15, 1974, linking together state hospitals, county welfare departments, area mental health boards, and daytime acti-

vity centers. Widespread involvement of interested persons from across the state was obtained in developing this plan.

Office of Regional Development

This office is responsible for the following types of functions:

- * Coordination and development of departmental comprehensive planning efforts.
- * Implementation of the Human Services Act.
- * Liaison with regional development commissions.
- * Clearance on proposals to the federal government under the Federal Assistance Clearance System.
- * Staff assistance to the Assistant Commissioner, Comprehensive Programs Bureau.

Consumer Concerns Division

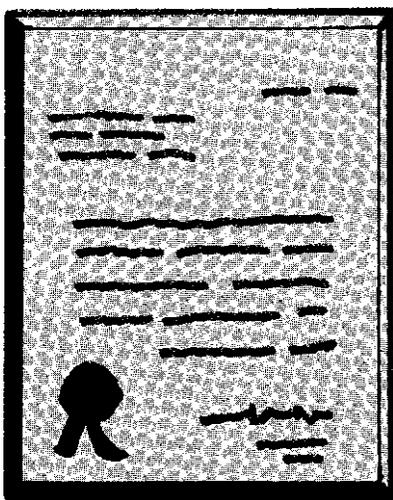
This division, formerly the Public Operations Office, has handled 698 complaints, problems, or requests from departmental clients. Complaints generally involved violation of rights or other serious matters which came to the division's attention because they were not dealt with to the satisfaction of the client or other parts of the Public Welfare System or because the system itself produced the problem or need.

The vast majority of the problems came from clients of the state hospital system. These included 52 revocations of provisional discharge from March, 1974 through June 30, 1974, which a federal court order requires the department to respond to by interviewing each client returned to the hospital and to serve as his counsel with regard to his rights. This may include representing him at a hearing.

Licensing Division

This division was formed to consolidate all the various program licenses issued in the name of the Commissioner of Public Welfare.

The division has been subdivided into three units: Residential Licensing, including all 24-hour group homes for children, unwed mothers, the mentally retarded, the chemically dependent, and the physically handicapped; Non-Residential Licensing, including all part-day group home group programs, such as Head Start, daytime activity centers, group day care, and nursery schools; and Family Licensing, including evaluation and monitoring of family day care and foster boarding home licensure.



A formal inter-departmental agreement with the Department of Health was signed in April, 1973. This agreement defines the activities of each department in licensing and eliminates duplication between departments.

As a result of this agreement, a new Department of Health Licensing Regulation, Supervised Living Facilities, has been developed as a companion regulation to Welfare's program licensing regulations.

During the biennium, revision has been accomplished in several of the department's program licensing regulations:

- * Residential programs for the mentally retarded (DPW Rule 34) was developed and promulgated in November, 1972. It replaces the former DPW Rule 7.
- * Residential Programs for the Chemically Dependent (DPW Rule 35) and the Adult Mentally III Rule were developed and promulgated in January, 1974.
- * Residential Programs for the Physically Handicapped (DPW Rule 80) was developed and promulgated in August, 1972.

- * Group Day Care (DPW Rule 3) and Family Day Care (DPW Rule 2) were revised and promulgated in December, 1973.

The introduction of new types of licensing, such as that for chemical dependency, has led to a sharp increase both in the number of programs licensed and in their capacity to serve children and handicapped persons. The increase in group and family day care programs has persisted since 1969 and shows no signs of leveling off.

Governor's Citizens' Council on Aging

Appointed by the Governor, the 25-member Governor's Citizens' Council on Aging serves as a focal point on aging for Minnesota's more than 600,000 older citizens.



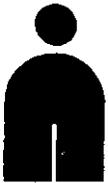
The Council advises the Governor, legislature, and heads of state departments concerning policies and services affecting older people. It assists regions, counties, and local communities in planning and developing programs for older persons and, as the sole state agency designated to administer Title III and Title VII of the Older Americans Act, plans, coordinates, and evaluates the Older Americans Act programs for the aging throughout the state.

Perhaps the program which has, in the last biennium, most expanded the duties of the Council is the National Nutrition Program for the Elderly. Begun in July, 1973, this federally funded 1.8-million-dollar program has allowed the Governor's Citizens' Council on Aging to establish 122 congregate dining sites for older persons throughout the state. An average of 4200 meals are served daily with over 30,000 older persons participating in the program.

In addition to low-cost, nutritious meals, program participants receive social services such as transportation, information and referral, nutrition education, and recreation. The Council's Nutrition Advisory Committee is involved in the planning, management, and evaluation of the program.

The Council, during the last biennium, has held the 15th and 16th Annual Institutes on Aging, has established the SSI Alert System of involving older people in the new Supplementary Security Income Program, has applied for and received federal money to develop a statewide information/referral system, and has administered the Foster Grandparents Program.

The Council serves as the Division of Aging within the Comprehensive Programs Bureau.



Division of Mental Retardation and Developmental Disabilities

This division has responsibility for the planning, development, coordination, and evaluation of all departmental services that comprise the program for mentally retarded and developmentally disabled (MR/DD) persons.

The service delivery system for MR/DD people is a vast network of services generated through the county welfare departments, area mental health/mental retardation programs, and the Central Office of the department.

The delivery system includes the county welfare departments as agents for individuals who need assistance; residential services through state institutions and proprietary and non-profit community-based residential facilities; developmental services through daytime activity centers, public schools, sheltered workshops, vocational training employment, recreation, and health services; and guardianship services through a combination of activities of the courts, the State Department of Public Welfare, and the local county welfare departments.

The division works very closely with the State Developmental Disabilities Council which is located in the State Planning Agency.



Major activities accomplished during the biennium include development and submission of a plan to certify state institutions and private residential facilities as Intermediate Care Facilities/Mentally Retarded (ICF/MR) for purposes of improving services and making maximum use of federal resources, which was approved in September, 1973. DPW Rule 52 was established for determining rates of private facilities.

Assistance was provided to the Minnesota Department of Health in developing standards for the Supervised Living Facilities Rule.

Licensing regulations for Day-time Activity Centers were developed.

Development of a self-evaluation system for Daytime Activity Centers was begun.

Development of the individualized program planning system in cooperation with the University of Minnesota was started.

A federal grant was obtained to employ four professional staff who will assist residential facility operators in attaining and maintaining ICF/MR certification.

The Department established the Construction Advisory Board to assist in the administration of a \$50,000 grant-in-aid allocation made by the legislature.

Work was begun on proposed changes in the guardianship laws.

The Department conducted a study to determine how local zoning laws affect the establishment of community facilities for mentally retarded or disabled people.

The division assisted in the development of numerous residential facilities throughout the state.

It assisted in development of the plan to provide special personal allowances to the residents of state and private facilities who are employed in sheltered workshops or employed part-time in competitive employment as part of their planned program.



Mental Illness/ Behavioral Disability Program

This division was established as a result of the reorganization in 1973. It is staffed by two professional people and has responsibility for the designing, organizing, coordinating, and evaluating of the statewide program for mentally ill/behaviorally disabled persons.

The division is responsible for identifying the nature and extent of the problems of mental illness; the development, maintenance, and evaluation of a comprehensive mental health plan; initiation of participation in the formulation of policies relating to mental health; evaluation and implementation of the laws relating to the operation of the department's programs for mental health; reviewing and approving plans and services in mental health programs; reviewing and approving, in conjunction with the Licensing Division, of applications for mental health licensing; and providing consultation in mental

health to the various service components of the department.

Regular visits by staff of this office are made to the community mental health programs and the state institutions.

Family and Children's Program Office

Primary purpose of this office is to develop, coordinate, and evaluate a state comprehensive plan for services to families, children, and adults having problems for which the Commissioner of Public Welfare has responsibility.

These problems are listed in state statutes as children who are dependent, neglected, abused, or rejected by their parents; mentally, emotionally, or physically handicapped children; and illegitimate and delinquent children, or children who do not have a parent or guardian able and willing to provide needed care and supervision.

Community Programs Division

As a part of the department's reorganization, the Community Programs Division was established and assigned responsibility for allocating matching grant-in-aid funds to the state's major affiliating community-based programs that provide:

(1) group day care centers for children;

(2) daytime activity centers for mentally retarded children and adults and cerebral palsied individuals;

(3) area mental health, mental retardation, and inebriety program boards;

(4) mental retardation and cerebral palsied residential construction.

The primary purpose of the division's activity is to aid the counties and local communities of Minnesota in the planning, coordination, development, and delivery of human services at the community level.

The focus of these programs is to be on public information and education, care and treatment, provision of local alternatives to institutional placements, and aftercare services when institutional placements are necessary.

To assist the programs in carrying out these goals, the Community Programs Division participates in the development and monitoring of statewide policy and standards for the state-funded, community-based system, provides consultation and information services to the programs under its jurisdiction, and manages the state grant-in-aid programs established to aid communities in providing services locally.

During the biennial period ending June 30, 1974, the division worked with and awarded state grants-in-aid to 26 area mental health), mental retardation, and inebriety boards, 97 daytime activity centers for the mentally retarded and cerebral palsied, 70 day care centers for children, and 8 projects developing residential facilities for the mentally retarded and cerebral palsied.

In addition to the state programs, the division has certain responsibilities for federal funding provisions available to community-based programs serving the mentally ill and chemically

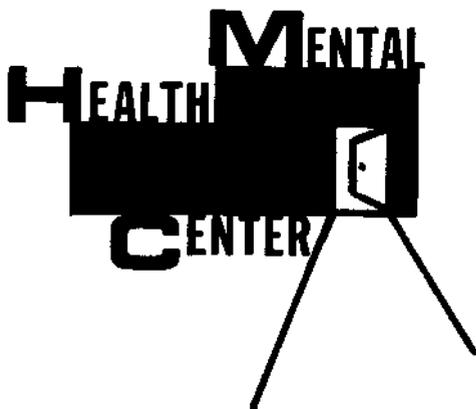
dependent. The principal ones are the federal mental health staffing grants and mental health/chemical dependency facilities construction grants.

During the reporting period, division staff were involved with eight staffing grant programs and seven construction projects. The primary role with federally funded programs is to assure coordination of program direction between the federal and state agencies, provide liaison and information services to the grantees, and assist the federal agency with its program-monitoring responsibility.

Chemical Dependency Programs Division

At the start of the current biennium, the Minnesota State Authority on Alcohol and Drug Abuse was administratively structured as the "Minnesota Commission on Alcohol Problems" and the "Drug Abuse Section of State Planning".

In responding to an expanded mandate from the legislature as contained in Minnesota Laws 1973, Chapter 572, the agency became the Chemical Dependency Programs Division of the Comprehensive Programs Bureau of the Department of Public Welfare, effective October 3, 1973.



This incorporation was mandated by the legislature and was accomplished in full by January 1, 1974. The organizational structure was changed significantly at the time of incorporation into the department in that the division was structured along functional areas



addressing the total problem of chemical dependency and abandoning the special sections for alcohol and drugs. These functional areas include state plan development, prevention, training, program evaluation, grants management, and special projects.

In carrying out the mandate contained in 1971 legislation, the division expanded a network of subacute detoxification centers to implement the law requiring an alternative to incarceration for intoxicated persons. At present there are 28 centers located throughout the state.

Also, the division expanded community-based services through increased staffing at area mental health centers both for providing direct services and coordinating public and private resources throughout the state.

Through funding of halfway houses and generating special grants, the division expanded treatment and rehabilitation resources throughout the state. A specific accomplishment in this regard is the licensing of residential facilities providing for a minimal standard of services plus facilitating third-party reimbursement to caregivers.

Using the charge contained in Chapter 572 as a frame of reference, the following also has been accomplished:

- * "Conduct and foster basic research"
- 1. Completed a study of incidence and prevalence of chemical use in the state and provided for a review by professionals within the state of those findings for the purposes of making recommendations to the division on how to use the study for planning purposes.
- 2. Structured and began implementing a statewide alcohol and drug management information system (ADMIS) to provide a basic program evaluation structure.

- 3. Initiated a study to identify the impact of marijuana use in the State of Minnesota regarding the threat of such use to the public well-being, community attitudes regarding the use of marijuana, the feasibility of a production and distribution system should the drug ever be legalized, and survey of current laws and statutes regarding impact on the state.

* "Coordinate all activities and programs of all various state departments"

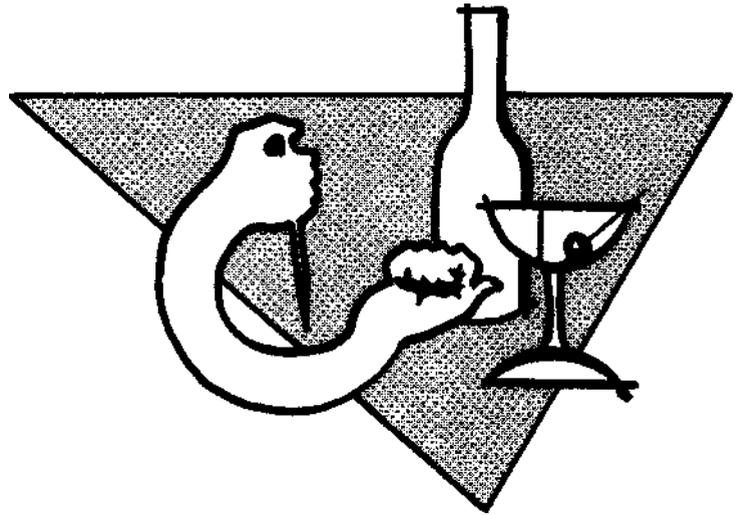
- 1. Instituting an Interdepartmental Coordinating Committee including all state agencies whose work relates to chemical dependency, and setting up a specific staff liaison from the division to each of those agencies.

* "Develop and demonstrate new methods and techniques"

- 1. Made grants of federal formula monies to programs with the capability to carry out demonstration projects.
- 2. Designed, in conjunction with the Employment Services Department, a structure of program specialists and evaluation centers for early intervention in the disease process of chemical dependency among troubled employees.

* "Gather and disseminate facts and information"

Designed a structure of prevention specialists at five locations throughout the state to gather, evaluate, and disseminate responsible information on alcohol and other drug dependencies, utilizing the news media and community agencies.



* "Inform and educate the general public"

1. Advised, consulted, and and contracted with a variety of professional associations and community groups in structuring education programs for groups such as health professionals, law enforcement personnel, and treatment and rehabilitation facilities.

Contracted with the Minnesota Chemical Dependency Association and the Hazelden Foundation to implement program accreditation and personnel certification in chemical dependency.

1. Made grants and contracts through purchase-of-service agreements with area mental health boards and service deliverers for utilization of the Minnesota legislative appropriation to chemical dependency.

2. Contracted with the Minnesota Department of Education to develop a kindergarten-through-12th-grade curriculum on Chemical Dependency.

* "Establish a state plan which shall set forth goals and priorities, etc."

Submitted to the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse annual state plans which reflect the total activities of Minnesota in chemical dependency.

Made special grants and contracts utilizing federal formula grants from the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse and special project grants which this agency receives. These grants were made for research, demonstration projects, and treatment and rehabilitation program start-up or expansion costs.

* "Serve as the state authority"

Served as the state coordinating body for all activity in the field of chemical dependency.

* "Make contracts with and to public and private agencies and organizations"

Received and disseminated all public monies designated for chemical dependency prevention, education, treatment, and manpower training.

* "Solicit and accept any gift of money or property for purposes of this act"

1. Contracted with the Minnesota Attorney General's Office for receipt of monies from an anti-trust litigation against the Charles Pfizer Company, *et. al.*, and distributed more than \$600,000 to 28 halfway houses for chemically dependent people for initiation or expansion of programs.

In response to a mandate to establish a Citizens' Advisory Council, the division has done so and solicited that group's input on a regular basis into the formulation of policies and guidelines for implementation of the department's responsibilities.

The division also has increased citizen input into the activity of the division through a variety of ad hoc task forces and advisory groups such as the above-mentioned Communications Committee, the Incidence

and Prevalence Study Review Committee, the Native American Board on Chemical Dependency, the Education Task Force, and the Media Task Force.

Of particular note is the creation, in the Chemical Dependency Programs Division, of the Office of Special Assistant to the Director for Native American Affairs, consistent with a mandate of the legislature in 1974.



Minnesota is unique in having two staff positions whose responsibilities specifically address the Native American community in the state. The activity of that office in working with the Native American Board has resulted in a new level of coordination of services, increased funding for Native American programs, and a program for training Native American counselors on chemical dependency.

County Welfare

Social Services

Division

The Division of Social Services was established in 1971. This was the result of reorganizing the Child Welfare Division and adding responsibility for services to adults as well as services to children.

The division is the single organizational unit within the department responsible for planning, developing, implementing, monitoring, and evaluating public social services provided throughout the state.

The general purpose of the Minnesota social service system is to help individuals achieve the maximum level of independent living within the family structure and the community.

Services are specifically designed to help individuals to:

- * Achieve or maintain self-support and economic independence;
- * Achieve or maintain self-sufficiency, self-care, and personal independence;
- * Assure community-based care of high quality for those individuals for whom independent living and self-care is not feasible;
- * Arrange for appropriate institutional care and services to return to the community; and
- * Secure protection from neglect, abuse, or exploitation for those unable to protect their own interest.

The range of social services is designed to complement the other public welfare and human services available to individuals in the seven target populations (Aging, Mentally

Ill, Mentally Retarded, Chemically Dependent, Handicapped, Families and Children, and Low Income) for which the department has comprehensive program responsibilities.

The division, through the department's field staff, supervises the county welfare departments in administering social services to assure statewide availability of these services. The community-based orientation to the delivery of services assures that within state standards and basic expectations, services are responsive to priority needs in the community.

In addition to those services county welfare departments make available directly or through purchase arrangements, the division has initiated inter- and intra-departmental agreements at the state level to assure coordination and availability of services such as sheltered employment service, detoxification, and migrant day care on a statewide basis.

Improvements in the statistical reporting system during the last three quarters of the biennium document increases in the number of individuals being served at any given time.

On January 1, 1974, 62,700 people were receiving services. As of June 30, 1974, approximately 68,400 people were receiving services. (Over three-fourths of these were children.) Approximately 110,600 individuals received one or more of the social services during the last year of the biennium.

The total local, state, and federal funding invested in social services has increased significantly from \$50.3 million in 1971-72 to about \$76 million in Fiscal Year '73, to \$89.2 million in Fiscal Year '74. Approximately one-half of the expenditures for social services were for services county welfare departments purchased for clients from other qualified private and public agencies.

Generally, the sources of funding have stayed quite consistent from year to year with federal sources representing 60%, state approximately 10%, and local approximately 30%. The biggest single source of funding for social services is Titles IV-A and VI of the Federal Social Security Act. In Fiscal Year 1974, Minnesota claimed federal reimbursement of \$46.7 million—the full allocation available to this state.

The federal social service funds are available primarily to help offset the costs of provision of services to current, former, and potential recipients of public assistance and, since January 1974, those receiving SSI benefits.

State and local funds are used for matching federal funds to meet costs of high-priority services in Minnesota which are not federally reimbursable, such as foster care and residential treatment for mentally retarded and emotionally disturbed individuals.

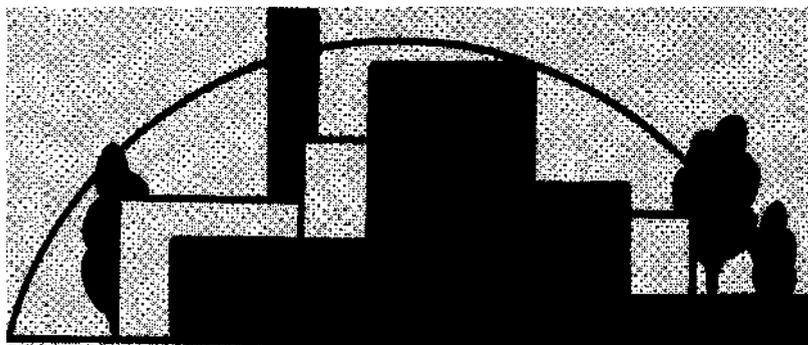
Citizens' advisory committees, including recipients of service as well as representatives of other human service agencies and the general public, have been established at both the state and local level to assure that services are responsive to state and local needs. This involvement is improving the general public's understanding of social services.



The Division of Social Services was quite active from March 1973 through the end of the biennium in helping Minnesota citizens understand the potential impact of restrictive social service regulations proposed by the Secretary of Health, Education, and Welfare (HEW).

The concerned response from citizens, service-providing agencies, Governor's offices, and congressional delegations from Minnesota, and many other states, resulted in HEW and Congress seriously reviewing the direction to be taken in national policy on funding of social services.

As the biennium comes to a close, the direction of national policy seems to be toward making more flexible federal social service funding available to the states.



Service Plan Administration Section

The staff of the Service Plan Administration Section:

(1) Coordinates the development, approval, and implementation of the state plans for social services under Titles IV-A, IV-B, and VI of the Social Security Act;

(2) Administers annual program and fiscal operational planning for social services as carried out by county welfare departments;

(3) Administers state-level purchase-of-service agreements and approves major purchase-of-service contracts between county welfare departments and private/public vendors of social services;

(4) Coordinates the formulation and communication of departmental policies governing the direct delivery and purchase of social services; and

(5) Administers the cost-of-care programs for mentally retarded and emotionally disturbed children.

Purchase of Service: The delivery of public social services through purchase-of-service arrangements with the private and public sectors presently accounts for 54% of total social service expenditures in Minnesota by federal, state, and county governments. During the fiscal year ending June 30, 1974, more than 48 million dollars were expended for purchased services.

The Service Plan Administration Section administers purchase-of-service contracts

with (1) the Division of Vocational Rehabilitation, for long-term shelter and work activity center services; (2) the State Alcohol and Drug Authority, for chemical detoxification services; (3) Legal Assistance of Minnesota, for low-income legal resource development; (4) the Office of Economic Opportunity, for migrant day care services; (5) the University of Minnesota, for educational services; (6) the Bureau of Indian Affairs, for Indian foster care services; and (7) the State Planning Agency, for demonstration and implementation of the Human Services Act.



Effective June 30, 1974, a state-level contract for correctional services was terminated in favor of local contracting in areas with approved community corrections programs.

The Service Plan Administration Section specifies policies to be followed by county welfare departments for the purchase of service and gives prior approval to all local contracts of more than \$10,000.

Plans have been made to streamline and simplify purchase-of-service policy with the objective of delegating greater responsibility to local welfare departments.

County Social Service Planning

The first County Social Service Plans were submitted to the Department of Public Welfare for calendar year 1973. Now in the third year of operation, a great deal of progress has been made in improving and refining this planning system. However, it still is in the developmental stages.

The goal of implementing a statewide mechanism for local planning for the development and delivery of public social services is being achieved through combined efforts at the state and county level.

There are four distinct parts to the County Social Service Plan. They are: Administrative Conditions, Program Planning, Social Service Development, and Social Service Budget. Each of these elements is essential in the preparation of the Plan.

The Administrative Conditions serve as the basic operating policies of the agency. They must be in place if the agency is to be eligible to receive social service reimbursement.

Program Planning is the method by which the agency identifies and organizes to meet the needs of the seven target populations for which the Department of Public Welfare is responsible. Involve-

ment of the community-at-large is essential if accurate need assessment is to be accomplished and if resources are to be mobilized to the fullest extent possible.

The social services developed and made available by county welfare agencies cover a wide range of human needs. Counties are required, by law, regulation, or state policy, to be able to respond to requests for assistance in each of the defined service areas. Within state standards, counties are expected to establish priorities and commit resources that will be responsive to local needs.

The social service budget is intended to relate social service funds to the agency work effort. The budget format used in 1974 for calendar year 1975 is to be the first phase in the effort to implement a Planned Program Budget System for county social service planning.

Policy Development: The Service Plan Administration Section is responsible for the coordination of social service policies relating to the planning and delivery of social services as required by state statute and federal social service regulations. At present, all social service policies are being examined and modified for inclusion in a new policy and procedures manual.

Work Incentive Program

The Work Incentive Program (WIN) is a program designed to attack the problem of poverty by providing work and training opportunities to recipients of

public assistance under the Aid to Families with Dependent Children Program (AFDC).

WIN is a joint effort by the Department of Employment Services and the Department of Public Welfare, with Employment Services providing employment, training, and educational services to appropriate recipients of AFDC.

The Department of Public Welfare is responsible for identifying and preparing appropriate individuals for referral to Employment Services. Using a team planning and service approach, Employment Services selects the education, training, or employment best suited to the needs and capabilities of individual participants. A wide range of social services especially geared to support and assist WIN participants in overcoming barriers to employment are provided by welfare personnel.

During Fiscal Years 1973 and 1974, a total of 38 counties, representing approximately 88% of Minnesota's AFDC caseload, participated in the Work Incentive Program. Thirteen of these counties, representing about 6% of Minnesota's AFDC caseload, came into WIN during the second year of the biennium.

Financial assistance staff in the 38 counties completed a total of 54,652 initial WIN case reviews and registered some 24,247 persons for WIN during this two-year period. AFDC recipients required to register for the program totaled 17,603, while some 150,056 recipients were found to be exempt from registration.



Persons exempt from registration were, for the most part, children under age 16, youth between the ages of 16 and 18 attending school full time, and mothers of children under six years of age.

Volunteering for work or training under the program were 6,644 AFDC recipients who would otherwise have been exempt from registration. Also, 490 individuals exempt from WIN registration because of incapacity subsequently were referred to the Division of Vocational Rehabilitation.

Of the 24,247 persons registered for WIN, 13,194 were appraised for possible employment or training leading to employment between July 1, 1972 and June 30, 1974. Of those appraised, 8,853 subsequently were certified for participation in the program, and county social service workers provided services for 7,347 of these individuals and their families.

Services to correct or alleviate medical problems, child care problems, transportation problems, housing needs, family problems, and motivational problems of participants were among those most commonly rendered by social work staff.

At the close of the biennium, 4,098 of the program's 8,853 actual participants had been placed in some type of employment setting. Of these, 3,186 were placed in regular employment, and 912 were employed in on-the-job training or public service employment positions. At the close of the biennium, 182 of these had yet to complete their on-the-job training period, while 146 were still completing their public service employment contracts.

Of the 3,186 placed in regular employment, 1,281 left the welfare rolls completely, while 1,905 remained on assistance and continued to receive reduced AFDC grants.

A gross total of \$3,571,215 was expended by counties to administer the WIN Program during the period between July 1, 1972 and June 30, 1974. Of this amount, \$97,226 was reimbursed at the rate of 100% to counties for income maintenance costs related to WIN, and counties received an additional \$3,265,462 in reimbursement at the 90%-rate for costs incurred in the provision of services to WIN clients.

The net cost of the program to counties was \$208,527. WIN-related child care accounted for \$836,463 or about 24% of all county service costs. During this same period, \$279,822 was expended by the Department of Public Welfare to administer the WIN program.



AFDC savings attributable to WIN currently are reported on a one-time basis whenever a recipient becomes employed or is removed from the grant for refusing to participate in the program without good cause. Counties reported an average monthly savings of \$284 per recipient for program participants who left the AFDC rolls due to employment, and an average monthly savings of \$115 per recipient employed but remaining on AFDC.

Recipients removed from the grant for refusing to participate in WIN represented an average savings of \$112 per month. Based on these averages, anticipated AFDC savings for a 24-month period would amount to \$7,277,436.

Service Development Section

The Service Development Section has responsibility for the development of service guides, standards, and practice guides for the implementation of the various social services mandated by legislation and by the State Social Service Plans, as well as the responsibility for providing consultation and technical assistance to counties in their provision of these services.

Specific service areas include: adoption; foster care (adult and child); protective services (adult and child); services to unmarried parents; family planning; in-home care services (homemaker, chore services, and home-delivered meals); information and referral; and various counseling services including money management, family counseling, pre-marriage counseling of minors upon court referral, and family life education.

State Guardianship

As of September 30, 1974, there were 1,749 wards under the age of 18. Five hundred eighty-three persons between 18 and 21, who were wards when they became 18, remain eligible for ward benefits to age 21.

The number of dependent/neglected wards under commitment to state guardianship decreased by nearly 1000 in the last two years, due chiefly to two reasons:

The Minnesota law changing the age of majority from 21 to 18 reduced the number of wards by 600 when the law went into effect June 1, 1973.

The second reason is the continuing reluctance of the court to terminate parental rights unless adoption is imminent; thus, the majority of children currently being committed to state guardianship are infants more readily placed in adoptive homes.

Foster care services are provided to those wards not in adoptive placement. The Commissioner of Public Welfare delegates to county welfare boards the responsibility for services and care to wards including planning, guidance, and supervision.

Services to wards are adequate in some counties but lacking in others. A new system of county reporting to the Commissioner has been installed to help county welfare boards identify gaps in service. The new emphasis is on a higher quality and quantity of services so that all wards will receive the benefits and services to which they are entitled.

In-Home Services

This section is composed of Homemaker Services, Chore Services, and the Home-Delivered Meals Program. The number of family and adult situations in which in-home services were given rose from 1,638 at the end of the 1970-72 biennium to 6,447 at the end of the 1972-74 biennium. Homemaker services constituted about 85% of the total.

There were 78 homemakers employed on staffs of 56 county social service agencies, excepting the three urban counties, as of June 30, 1974, an increase from 62 homemakers in 51 counties in the previous biennium.

In addition to the above 56 counties, the large urban counties (Hennepin, Ramsey, and St. Louis) employ an estimated 85 persons who either are homemakers or personnel having responsibility for implementing in-home care. A large percentage of the actual homemaker services provided in these urban counties, as well as in 15 rural counties, was purchased from other human service agencies such as public health nursing and private homemaker organizations.



With the implementation of federal regulations and state plan requirements, all counties will be expected to provide homemaker services as needed.

Minnesota has had homemaker services available on a scattered basis in many counties for at least two decades prior to the 1968-70 Social Security Law amendments. However, the specific mandatory service requirements, along with federal financial participation, allowed marked expansion of all in-home care, with special emphasis on the elderly and disabled.

Camping: The Department of Public Welfare continued to coordinate camping information and camperships for county social service agencies wishing to provide camp experiences for children in need of them.

One hundred and fifty camperships at North Star Camp, Brainerd, were made available to counties by the Seventh Day Adventist Church. An estimated 10,000 children were enabled to have a camp experience in the biennium.

In the context of social services to families and children, camping is seen as an enrichment experience through which children can develop constructive social and recreational skills.

Protective Services

Child abuse has been called the major cause of death of young children in this country. National attention again was drawn to this problem through the efforts of Minnesota Senator Walter Mondale in conducting hearings throughout the country and spearheading the resulting Child Abuse Prevention and Treatment Act. This act provides funding for a

variety of training, prevention, and treatment projects over a five-year period.

Efforts are continuing to revise Minnesota's 1963 reporting law on the maltreatment of minors. The revised law would require that professionals in education, social services, and child care, in addition to those already required in the medical field, report suspected incidences of abuse. This law also would provide immunity from liability for all those reporting in good faith.

Child abuse affects children of all ages, races, incomes, religions, and parental status. An increasing number of Minnesota communities is using a team approach to the processing or treating of child abuse cases. To parallel local development, this department is increasing its coordinator role with the Departments of Health, Education, and Corrections. When funding is available, this department will be establishing pilot projects for 24-hour comprehensive emergency services, including caretakers, emergency foster homes, homemaker services, and emergency family shelter.



The following table shows the number of reported incidences of suspected child abuse, and the number of counties

reporting these incidences for specified periods of time.

Date	Number of Cases Reported	Number of Counties Reporting
Jan. -- Dec. 1970	194	17
Jan. -- Dec. 1971	252	24
Jan. -- Dec. 1972	282	28
Jan. -- Dec. 1973	278	21
Jan. -- Dec. 1974	187	

Although there is a continuing need for upgrading adult protective services, staff limitations did not permit further development. However, a few county agencies have taken the initiative and developed viable adult protective services on their own.

Day Care Services

Day care is a service to parents whose children need a safe, healthy, and developmental environment outside of their own home for part of a 24-hour day or whose pre-school children could benefit from developmental experience in a group of other pre-schoolers outside of the parental home.

Day care includes family day care, group day care, nursery schools, and the child development programs of Head Start.

In Minnesota, 80 counties have some licensed day care resources available, with 62 having licensed full-day care. The development of day care resources and county plans for the developing of this service continues to be a high priority in the Social Services Division.

During the 1972-74 biennium, two staff persons were assigned to assist counties with the development of the day care services.

In 1972-73, the state appropriated \$250,000 for the development of day care resources and services through direct grants for start-up costs, interim financing, planning, and coordination, and for local match to maximize Title IV-A federal dollars.

For 1974-75, \$800,000 was appropriated for these users. Through the use of these funds (Child Care Facilities Act grant-in-aid), more day care resources were developed (10-12% annually), and quality of the services improved through meeting improved licensure standards.

In the past three years, counties have increased their expenditures for day care services from \$5,788,794 in 1971-72 to \$9,952,864 in 1973-74. These expenditures for recipient children have been made through the Work Incentive Program (WIN), AFDC grants, and purchase-of-service from approved vendors.

During the summer of 1974, 740 young children (ages one month to four years) of agricultural migrant workers received developmental day care services through a \$2,000 purchase-of-service contract with Tri-Valley Economic Opportunity Council in Crookston, using monies from a special state appropriation and Title IV-A federal funds. The day care population for migrant workers is anticipated to double in the 1975 beet-growing season because of the increased beet acreage to supply the new sugar-processing plant being built at Renville.

A 25-member Child Care and Development Advisory Council meets regularly to advise the Commissioner concerning day care planning, policy setting, and program administration, including the use of the Child Care Facilities Act grant-in-aid. The staff responsibility for facilitating the work of this Council is a part of the Day Care Service Development function.

Family Planning Services

The purpose of this section is to make family planning services available to all clients and potential clients who desire it. In order to accomplish this purpose, the county social service agency provides information to individuals and groups about family planning and the availability of this service.

Counseling, when requested, also is provided to enable individuals to decide if control of fertility is a concern to them.

If the client requests service, referral is made to an appropriate social or medical facility.

One of the concerns about this service is that, although it is completely voluntary on the client's part, the availability of family planning must be made known to those who have need of this service.

There were two specific actions which helped make Family Planning more visible and recognized as an integral service provided by the welfare department. First was the development of a model contract for county agencies to purchase family planning services from Planned Parenthood or other providers of this service.

The second action was that all recipients of AFDC received a written notice informing them of their right to family planning services from the county social service agency. The intent of this was to ensure that all recipients be aware of their rights to service.

Child Support Services

The purpose of this section is to secure a child's legal right to support from parents, and to protect the child's identity and subsequent legal rights through the establishment of legal acknowledgment of paternity.

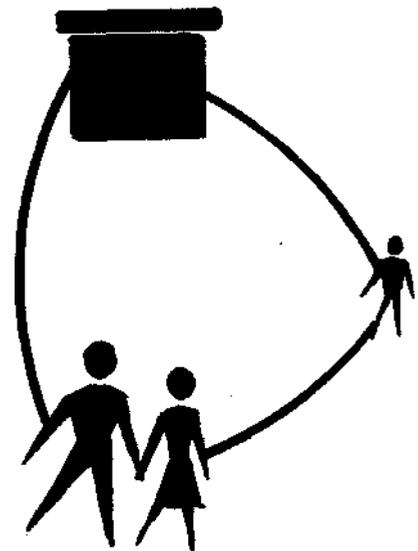
This purpose is accomplished by case finding and by supportive counseling to absent parents to enable them to accept and deal with their responsibility and their situation. This service

involves cooperation with county attorneys in establishing and obtaining legal rights and responsibilities.

Adoption Unit

Adoption establishes a permanent and legal parent-child relationship between persons not so related by birth.

Minnesota continues to be a leader in the area of services to children in need of adoption.



Presently there are 87 county welfare departments and 12 licensed child-placing agencies providing adoption services in conjunction with the Department of Public Welfare.

Since the 1969 Subsidized Adoption Act was passed, 58 children under state guardianship have been adopted under this program. Of the 58 children, 13 were members of sibling groups adopted by 10 families.

Forty-three children had one or more medical conditions which needed subsidization.

An increasing number of families desired to adopt, while no increase occurred in the number of babies freed for adoption. More families have sought to adopt children born in other countries. Minnesota provided homes for 522 children from other states and countries in 1972 and for 432 children in 1973. The majority of these children are Korean and Vietnamese.

The Adoption Unit has been reorganized, and more responsibility has been transferred to the counties and licensed agencies. About 53 courts now are referring petitions by step-parents and agency-approved families directly to the agency for the reports and recommendations.

The Adoption Unit has held workshops throughout the state to help agencies better carry out their responsibilities and is providing ongoing leadership and assistance to agencies in improving their services to children in need of adoption.

Minnesota Adoption Activity, 1972-73

	1972-73	1973-74
Child Placed by Agency	1878	1363
Voluntary	1396	891
Public	389	273
Out-of-State	67	89
Recommendations sent to the court		
Recommendations for approval	3658	2384
Denial	1	0
Continuance	18	3
Acknowledgment of Waiver of Investigation	798	770
Decree Granted		
Voluntary Public	1381	908
Public	1402	1321
Child Not Placed by Agency	1614	1628
Step-parent	1378	1406
Related	58	54
Non-relative	28	28

Out-of-Home Services to Children and Adults

An out-of-home care consultant is responsible for consultation and guidance to county welfare departments on services to children and adults in foster family care, group homes, half-way houses, and institutions.

The main thrust has been that of development of policies and practice materials to upgrade standards of practice.

The main focus to date has been on foster care services to children, with much ground yet to be broken on out-of-home programs serving adults. Unfortunately, while recognizing the crying need for development of out-of-home services to the mentally ill and the aged, the Department of

Public Welfare has been unable to carry out this service development role due to staff limitations.

Social service agencies continue to face the difficult task of providing substitute care for separated children. Figures from June 30, 1974 indicate over 7,500 children in foster care facilities.

The department considers an adequate system of foster care services to be imperative to accomplish the goals of foster care. What are these goals? To reduce the length of time a child remains in foster care. To make placement of a child a constructive rather than a destructive experience. To provide the intensive services that will restore the family where possible, or to place the child for adoption or provide another permanent plan for his care.

Toward these ends, the department is committed to increasing the number of skilled social services staff and upgrading the quality of foster homes as top priorities. Along this line is the increasing awareness of the merits of professionalizing the role of foster parents where they may anticipate payment for services to these children whose needs become more complex and whose care is demanding more time and special skills.

An important emphasis is on training for foster parents and foster care workers. The Department of Public Welfare offers a training course in foster care service for social workers in the county welfare agencies. It has participated in the planning and support of training courses for foster parents offered by the University of Minnesota Extension Division.



Services to Unmarried Parents

The purpose of this section is to safeguard the interests of children born out of wedlock. Services to accomplish this purpose consist of providing assistance to unmarried parents to obtain medical care, financial assistance, appropriate living arrangements, and counseling to enable them to make responsible plans for themselves and their children.

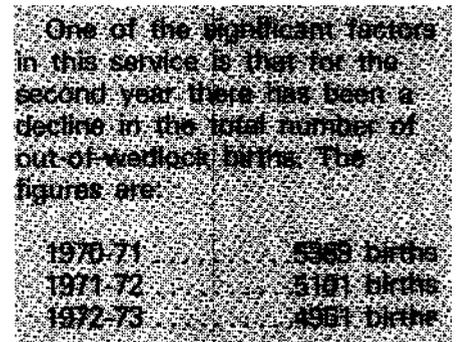
There has been an increased emphasis on including the unmarried father in this service because of a number of factors. One of these is that the father's legal rights have been increasingly recognized as a result of a Supreme Court ruling that unmarried fathers have a right to be considered in plans for children.

Another reason is that there are more unmarried couples who have a sustained and open relationship so that the father is more naturally involved in planning for the child.

Still another factor is that more mothers are keeping their children and remaining in their home community so that there are more situations where fathers are involved in the responsibility to provide support for children.

The trend of mothers to keep their children has continued to increase. It now is estimated that about 85% of the mothers decide to do so. This trend has meant an increase in providing services to parents to help them rear their children.

These two trends — the increased involvement of fathers and the increased number of parents who remain in their local community and keep their children — have increased the need for services provided by county social service agencies and reduced the need for the traditional maternity shelter that was provided by private agencies for mothers leaving their home community because of pregnancy.



Although the total numbers have declined, an emerging concern is that the number of children born to young parents is increasing. This trend, in combination with the increased number of unmarried parents who keep their children, raises serious questions about prevention of illegitimacy.

Contraception is available, and acceptable, for single adults, which seems to account for the decline in out-of-wedlock births for this group. However, there is strong opposition by many in our society to making contraception available to teenagers. Thus, one of our problems is to find socially acceptable ways to make it possible for teenagers to avoid unwanted pregnancies.

Monitoring and Evaluation Section

This section is responsible for the development, implementation, and administration of a monitoring and evaluation system.

The purpose of this system is to: (1) Assure that state and county operations meet the objectives of federal laws and regulations, state social service plan requirements, state law, and Department of Public Welfare policies; (2) To meet information needs of state and county administrators for policy formulation and improved agency functioning.

In the last biennium the section has completed social service administrative reviews in two county welfare departments, established the social service case review system, continued the development of purchase-of-service contract review guides for the implementation of a contract monitoring system, initiated a consumer response system, assisted in the development and implementation of an interim social service information system, and begun preliminary work on an evaluation system.

The statewide social service case review system now is operating in all county welfare departments. The purpose of this system is to assess the level of case record content with respect to state and federal record-keeping requirements. It also serves as a tool for supervisors and administrators in the improvement of the social service delivery process.

Purchase-of-service contract-monitoring guides have been developed. The section staff now is providing technical assistance to county welfare department monitors in the use of these guides and the contract-monitoring process.

A consumer survey system was completed in 11 representative counties. The survey was designed to obtain information from consumers regarding satisfaction with:

- (1) Their entry into the social service system;
- (2) Their exposure to county welfare departments' procedures;
- (3) Their relationship with the social worker;
- (4) The services received and need for services not received.

The uniqueness of the survey process is that consumers of social services were interviewed by other consumers who were trained to administer the questionnaire. The 11 counties were selected as the most representative of their merit system classification, and the findings of the survey can serve as indicators to counties of similar classification.

Only preliminary work has been started on the development of a social service evaluation system. At the present time the section is in the process of planning and scheduling development for evaluation of foster care.

Minnesota Merit System

The Minnesota Merit System covers all county welfare department employees except Hennepin and Ramsey counties and the clerical employees in St. Louis county, in addition to federally funded county and local civil defense and public health employees.

Ramsey County Welfare employees transferred from the Merit System to Ramsey County Civil Service effective January 1, 1974.

In addition to its customary functions of recruitment, testing, establishment of eliai-



ble lists, certifying qualified applicants for appointment, establishing and interpreting rules, policies and procedures, conducting classification and pay surveys in order to properly administer a classification and pay system, and auditing payrolls, the Merit System staff conducts county welfare organization studies upon request. Considerable time was spent during the biennium working on extensive job analyses and validation of examinations.

Employment in county welfare agencies under the county welfare portion of the Minnesota Merit System decreased from 2,170 to 2,138

during the biennium, reflecting the transfer of the 568 Ramsey County employees to Ramsey County Civil Service and the addition of 536 new positions.

Turnover in the same period decreased from 20% to 15.1%. Professional level salaries were increased by 5.5%, support by 10% to 14.5%, clerical by 10%, and maintenance and trades by 5.5% to 10% following completion of salary surveys.

Income Maintenance Division

As part of the Department of Public Welfare's County Welfare Bureau, the Income Maintenance Division is responsible for:

- * Administrative functions prescribed by federal and state law;
- * Supervision of the county welfare agencies that determine eligibility and payments for individual recipients;
- * Specific services to or for clients, such as the payment of Medical Assistance and location of absent parents.

The Income Maintenance programs are those which provide essential needs for people with either low incomes or none at all.

The financial assistance programs provide a cash payment to meet basic living costs.

Food stamps are a form of in-kind income which increase food-purchasing ability for those currently receiving

financial assistance and other low-income people.

Medical Assistance pays for medical care needed by financial assistance recipients and to low-income children and adults who are aged, blind, or disabled.

Each of the Income Maintenance programs represents a different combination of state, federal, and county funds.

Substantial changes and increased state and federal emphasis on the Income Maintenance programs occurred during the 1972-74 biennium. The adult categorical aid programs, Old Age Assistance, Aid to the Blind, and Aid to the Disabled, were converted, in part, to the federally administered Supplemental Security Income Program (SSI).

The SSI payments were not sufficient to meet the needs of approximately one-third of the state's adult recipients therefore, the Minnesota Supplemental Aid Program was enacted in 1974. Through the General Assistance Act, which went into effect in January, 1974, the state, for the first time, regulates and participates in maintenance costs for those people who do not qualify for any of the federally funded aid programs.

The first large-scale application of electronic data processing to the Income Maintenance programs has been the development of a central disbursement system for the payment of Medical Assistance.



The national concern with cost-effectiveness and rising welfare expenditures has been expressed through additional federal requirements: quality control processes in the AFDC and Food Stamp programs; fiscal penalties to states not providing family planning services, early periodic screening, diagnosis, and treatment for children of AFDC recipients, or not having a required percentage of AFDC recipients registered for work or training programs.

Also, there is a proposed fiscal sanction if the state does not reduce incorrect payments in the AFDC Program. And, in the Medical Assistance Program, there have been additional standards imposed on the providers of medical care.

Medical Assistance Section

This program provides a full range of medical services to individuals who are either currently receiving financial assistance or who are children or aged, blind, or disabled adults with low incomes and medical needs.

Nursing-home care accounts for approximately one-half of the Medical Assistance expenditures. When considering Medical Assistance expenditures by groups of people

served, the aged, blind, and disabled require the greatest portion of the funds. Payments are made to state facilities for the care of those over sixty-five, children, and the retarded, who meet the eligibility standards. During the biennium, Medical Assistance funds have been available to pay for the care of residents of Intermediate Care Facilities for mentally retarded persons.

The number of cases receiving Medical Assistance has increased from 74,791 in March, 1972 to 93,500 in March, 1974. The expenditures have increased from a total of \$10,258,986 in March, 1972 to \$13,600,000 in March, 1974.

The average monthly expenditure per individual currently is:

AFDC Family	\$ 71.32
Adult Assistance	\$172.86
Low-income family	\$130.75
Low-income adult	\$180.21

The 25%-increase in recipients and the 32%-increase in expenditures reflects the rising costs of medical and hospital care in the country.

Since 1973, staffs of the state agency and county welfare departments have been implementing the central disbursement system for the payment of Medical Assistance. This has required that eligibility information about each Medical Assistance case be transferred from the county case record to the computer, and that electronic data processing programs be developed for payment of the various kinds of medical bills.

Through the central disbursement system, the counties will continue to determine the eligibility for each applicant. By computer, the state agency will process the medical bills, pay them in accordance with statewide fee schedules, and monitor the use of Medical Assistance by both providers and individual recipients.

AFDC Section

The fundamental living costs of food, shelter, clothing, and essential personal needs are met through the AFDC (Aid to Families with Dependent Children) Program. Eligibility for AFDC is based on a child's lack of parental care or support due to parent's death, incapacity, continued absence, or father's unemployment, and on the family's financial need. Recipients of AFDC also receive Medical Assistance and are eligible for food stamps and social services.

The number of people receiving AFDC continues to increase, but at a much slower rate than during the 1970-72 biennium. Since the last report, the caseload has increased by approximately 4% and the average payment per family by 5.5%. The relatively small average payment increase is partly due to the greater number of AFDC caretakers, usually mothers, who are employed.

In October, 1973, the Minnesota AFDC program implemented a "flat grant" payment method. This means that all families of the same size and living arrangement will have their financial need met at the

same amount. For example, a family of four in a non-shared household would have a flat grant payment of \$370 (from which net income would be deducted). The flat grant has made payments equal throughout the counties and has reduced the number of individual calculations involved in each payment.

Because of the growth in AFDC cases and expenditures during the 1960's, changes have been made in federal regulations governing the program. States must provide family planning services to AFDC recipients and a mandatory work and training registration requirement applies to most of the adult caretakers.

Through a quality control process, the accuracy of eligibility determinations and payments is measured. Federal tolerance levels for eligibility and payment errors have been established and federal funds will be withheld in relation to errors over the tolerance limits.

Corrective Action Section

In response to the quality control findings in AFDC and the likelihood of federal fiscal sanctions, a Corrective Action unit was established in the Income Maintenance Division. This unit has the responsibility of analyzing the quality control findings, conducting studies, determining the causes of errors, and recommending and implementing the policies and procedures to reduce or correct the errors.

To date, the changes have been toward greater standardization of the program and administrative changes to eliminate some of the problems identified through data analysis.

The flat grant payment method was the first and most effective action that has been taken. During the first half of 1974, a 13%-reduction was made in the state's errors, which reflects the flat grant, a series of case review activities, and increased efforts by county workers.

The findings about the causes of errors and cost-effective corrective action will be applied to the Food Stamp and Medical Assistance programs as quality control findings are available.

Food Stamp Section

By mid-1974, all of Minnesota's 87 counties were participating in the Food Stamp Program. Food stamps are available both to financial assistance and low-income individuals and families. Food stamps increase the food-purchasing power of the participants so that they can be better nourished and have a more varied diet.

Although there has not been a great increase in the number of food stamp users since 1972, an additional million dollars a month in bonus stamps are being issued. (Bonus stamps represent the difference between payment by the recipient and the total stamp value.)

The Food Stamp Program is funded through and regulated

by the United States Department of Agriculture. The Department of Public Welfare and the county welfare departments have the responsibility of determining the eligibility and purchase requirements for participants and for issuing the food stamps.

Currently, the purchase requirements and the total stamps per family are up-dated semi-annually to reflect increased food and living costs. It is anticipated that the number of people needing food stamps will continue to increase.

General Assistance Section

A General Assistance Act was passed by the 1973 Legislature to replace the local general relief programs that were administered by 76 county welfare departments and the numerous townships and municipalities in the 11 counties that operated on a township system of public relief.

The new General Assistance Program went into effect on January 1, 1974. This program established minimum levels of assistance throughout the state and required that assistance be issued in cash grants. Eligible recipients are those who cannot meet their own basic living costs and are not eligible for any other assistance program. The act also provided for financial participation by the state for the first time in the costs of this maintenance program.

During the first year of this biennium, maintenance relief

assistance under the county and township systems was given to an average of 7,471 cases (13,142 individuals) at an average grant of \$96.94 per case or \$55.11 per person per month.

In March, 1974, the number of cases had increased to 8,062, which represented fewer individuals (11,896), and the average grant per person was \$82.04. The average grant increase is the probable result of the establishment of minimum standards under the General Assistance Program.



Minnesota Supplemental Aid Section

Title XVI of the Social Security Act established the Supplemental Security Income Program (SSI) under the Social Security Administration. This was to establish a federally administered program for aged, blind, and disabled adults who had financial needs. Because the national payment level of \$146 did not adequately meet the needs of about one-third of Minnesota's former adult recipients, the legislature in 1974 found it necessary to enact the Minnesota Supplemental Aid Program.

Minnesota Supplemental Aid is available to individuals who were receiving Old Age Assistance, Aid to the Disabled, or Aid to the Blind in December,

1973 or who meet those eligibility requirements. Payments are made to bring the individual's financial resources up to the December, 1973 standards of need.

The Old Age Assistance Program (OAA) provided financial assistance to needy people over age 65 from March, 1936, through December, 1973. During the 37 years of the OAA Program, the number of recipients varied from a peak of 64,677 in 1940 to a low of 12,399 in the last six months of 1973. The average OAA grant rose from \$18.93 in fiscal year 1937 to \$124.92 in 1972 (a year in which payments for intermediate nursing care were made from OAA funds).

In the last month of the program, December, 1973, the average grant was \$68.78. The average grant does not mean that the recipient lived on that amount, but that OAA was a supplement to other resources of retirement income such as Social Security benefits.

Prior to the change to Supplemental Security Income and Minnesota Supplemental Aid, the Old Age Lien Law was repealed in April, 1973. As a result, the probate court claims against the estates of deceased recipients dropped from \$1,425,201 in fiscal year 1973 to \$172,652 in fiscal year 1974.

The financial and medical assistance programs administered by the Income Maintenance Division express national and state commitments to provide the fundamental human needs of food, clothing, shelter, and medical care for those who are not economically self-sufficient.

The payment levels established in Minnesota for AFDC, Minnesota Supplemental Aid, and General Assistance reflect the state's living costs and the public concern that basic needs be met as adequately as possible.

Field Services Division

Regional Representatives

The Field Services Division traditionally has served as the single-line field staff for the State Department of Public Welfare and thereby has assumed a facilitating role and function. The effectiveness of such a structure in the state-supervised, locally administered welfare program in Minnesota can be measured, in part, by the expansion of financial and social services to its citizens through the improvement of old and development of new programs.

During the past 37 years, the 87 county welfare boards have worked cooperatively and collaboratively with each other, with voluntary agencies, and with the Department of Public Welfare and various institutional agencies to provide for the citizens of Minnesota sound, progressive, and well-administered welfare programs.

To ensure uniform and maximum benefits to all persons in need of services in the state, personnel of the Field Services Division serve as the main artery of communication between the Department of Public Welfare and the county welfare agencies.

Primary responsibility for providing liaison services between the state agency and county welfare agencies rests with the 15 regional welfare representatives and supportive staff employed by the division. Each representative is responsible for ensuring that county welfare agencies in his/her region are administering welfare programs and services in conformity with state and federal laws and within the rules, regulations, policies, and program objectives set forth by the Department of Public Welfare.



In 1974, regional representatives were given the added responsibility of working directly with the 26 area mental health boards and staff and with human service boards and other related regionalization activity.

Quality Control

A continuous statewide system of quality control review in the AFDC and Food Stamp programs was maintained. Review of the adult categories was eliminated in April, 1973, in anticipation of the now-accomplished transfer of those programs to the Social Security System, but review of the United States Department of Agriculture Food Stamp

Program was added in the fall of 1973.

Based upon random sampling of public assistance case actions in all 87 counties, the actions pertaining to client eligibility and amount of payment (or food stamps) are reviewed to ascertain whether they are in accord with state and federal law, policy, and procedure.

In order to meet the new requirement of the U.S. Department of Health, Education, and Welfare that all quality control reviewers of AFDC cases be state employees, it was necessary to expand the state review staff to include reviewers formerly working for Hennepin and Ramsey counties. At present, the quality control review of the Food Stamp Program is performed by local staff under state supervision, but it is understood that the requirement that the state perform the review will be extended to this program in 1975.

Complete verification of all eligibility factors continues to be a part of the quality control review, but compliance with civil rights legislation has been dropped from the review schedule supplied by the federal government, as has the review of negative actions (denials and cancellations) in AFDC.

During the biennium, 7,817 cases were reviewed as part of quality control review activity. This included 711 adult category cases and 1,411 Medical Assistance cases reviewed prior to April 1, 1973,

when those programs were dropped from the sample, as well as 1,115 food stamp cases reviewed beginning in October, 1973. The remaining 4,580 cases were AFDC cases. Reviews of all positive action cases (and a few negative action cases) included home visits, in addition to scrutiny of case records.

As a prelude to corrective action activity, state quality control reviewers also conducted a statewide desk audit of 3,960 AFDC cases at the end of 1973. The findings were used as a basis for local supervisory reviews.

Supplemental Security Income

The Department of Public Welfare established a full-time position entitled State SSI Coordinator to assure a timely and accurate transfer of the three adult programs, Old Age Assistance(OAA), Aid to the Blind (AB), and Aid to the Disabled (AD), to the Supplemental Security Income Program effective January 1, 1974. Recently the department made a decision to continue this full-time position for an indefinite period..

The State SSI Coordinator position, which has been established within the Field Services Division, is responsible as the primary liaison between the Department of Public Welfare and the Social Security Administration and other federal agencies, 87 county welfare departments, 18 district and branch Social Security offices, and other state departments and public and private agencies. Two

clerical staff have been assigned to the State SSI Coordinator to help him fulfill his responsibilities.

Special Programs

The Field Services Division, in support of and in conjunction with other divisions of the department, has continual interest in developing new methods or programs to better serve Minnesotans. As a demonstration of this interest, the following specialized staff position was continued.

Consultant on Community Planning and Services

This consultant, in cooperation with the regional welfare representatives, utilizes various techniques, such as "open door" programs, in working with county welfare departments and other agencies to produce better understanding and support of welfare programs and volunteer services throughout the state. To date, this has resulted in 24 county welfare departments having formalized volunteer programs.

Because of departmental reorganization, the function of maintaining and distributing manual and bulletin material and submitting state plan material to the federal government's Social and Rehabilitative Service, Department of Health, Education, and Welfare has been transferred to the Bureau of Support Services. The library section of the division also was transferred to that bureau.

Residential Services

The Residential Services Bureau is responsible for the management and supervision of all state facilities under the jurisdiction of the Department of Public Welfare, including those facilities providing direct care for the mentally ill, mentally retarded, chemically dependent, blind, deaf, tubercular, and

geriatric populations, as well as special direct services for handicapped children and adults.

The bureau's internal organization is designed to include three broad functional areas: State Hospitals, Rehabilitative Services Division, and Family and Guardianship Services. Each of these units receives administrative support services.

Hospital Administration Division

The establishment, purpose, and operation of the state institutions is according to state law (Minnesota Statutes 1971, Chapters 245 through 256, excepting Chapter 250) and provides for the care and treatment of the mentally ill, mentally retarded, chemically dependent, geriatric, tubercular, deaf, and visually handicapped.

The changes in population, especially at Faribault, Brainerd, Willmar, and Moose Lake State Hospitals, mainly are due to the opening of mentally retarded areas at Willmar and Moose Lake and the transferring of residents from Faribault and Brainerd State Hospitals to the new areas.



Average daily population at the institutions:

State Hospitals	1972-73				1973-74			
	Ment. Ill	Ment. Retd.	Chem. Dep.	Total	Ment. Ill	Ment. Retd.	Chem. Dep.	Total
Anoka	297	—	143	440	274	—	117	391
Brainerd	61	762	36	859	50	655	43	748
Cambridge	—	889	—	889	—	810	—	810
Faribault	—	1443	—	1443	—	1207	—	1207
Fergus Falls	167	319	73	559	141	315	72	528
Hastings	150	33	66	249	144	51	62	257
Moose Lake	265	68	87	420	226	123	84	433
Rochester	482	122	—	615	451	179	—	630
St. Peter	226	353	35	614	207	318	38	563
Willmar	367	12	155	534	351	114	142	607
Minn. Security Hosp.	107	—	—	107	106	—	—	106
Total	2122	4012	595	6729	1950	3772	558	6280

Schools and Special Facilities	1972-73	1973-74
Ah-Gwah-Ching Nursing Home	458	451
Oak Terrace Nursing Home	325	322
Glen Lake State Sanatorium	22	18
Minnesota Braille & Sight Saving School	69	68
Minnesota School for the Deaf	248	228

During the treatment the following admissions and discharges were reported.

State Hospitals

1972-73

1973-74

	Ment.	Ill	Ment.	Retd.	Chem.	Dep.	Ment.	Ill	Ment.	Retd.	Chem.	Dep.
	Adm.	Disc.	Adm.	Disc.	Adm.	Disc.	Adm.	Disc.	Adm.	Disc.	Adm.	Disc.
Anoka	533	582	—	—	950	948	524	544	—	—	911	981
Brainerd	245	250	111	154	332	340	263	274	100	158	377	366
Cambridge	—	—	66	95	—	—	—	—	50	57	—	—
Faribault	—	—	73	123	—	—	—	—	49	109	—	—
Fergus Falls	337	373	29	31	585	544	310	319	19	37	450	533
Hastings	436	408	3	6	654	685	239	301	3	7	522	493
Moose Lake	305	391	1	4	766	748	323	331	4	15	559	574
Rochester	639	853	3	2	—	—	578	883	8	4	—	—
St. Peter	753	169	28	52	336	330	402	156	8	63	351	352
Willmar	470	461	—	—	—	—	464	429	18	43	320	940
Minn. Sec. Hosp.	73	44	—	—	1117	1131	95	81	—	—	—	—
Total	3481	3531	307	467	4713	4726	3284	3318	254	493	4130	4239

Special Facilities

	Adm.	Disc.	Adm.	Disc.
Ah-Gwah-Ching Nursing Home	63	7	44	13
Oak Terrace Nursing Home	58	15	51	17
Glen Lake State Sanatorium	45	36	45	44

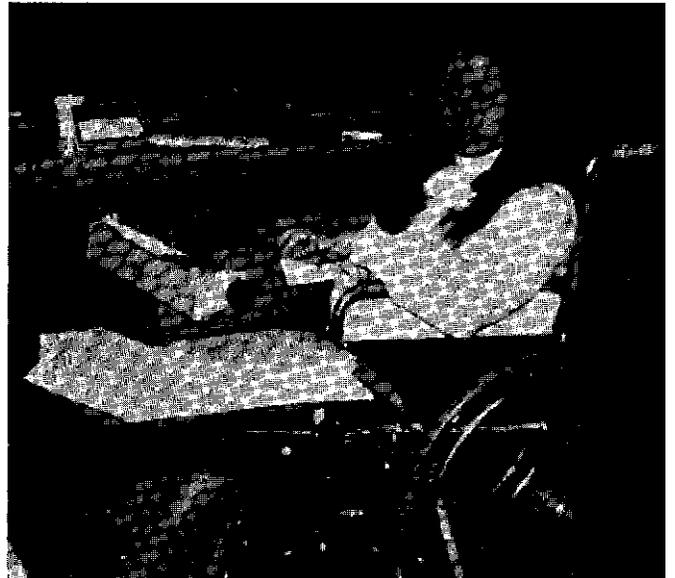
The mentally ill population continues to decline but at a lower rate than in the past. The chemically dependent population more than doubled between 1967-68 and 1972-73, but it appears to have stabilized now. The number of hospitalized mentally retarded has been decreasing for more than ten years and continues to do so at a rate of about 16 residents per month.

Accomplishments during the biennium in the institutional programs include:

- * Elimination of dual administration system in state hospitals by the designation of a Chief Executive Officer accountable to the Commissioner of the Department of Public Welfare.
- * Establishment of a small security unit for women at Anoka State Hospital.
- * Presentation of a 1973 Meritorious Achievement Award by the Minnesota Safety Council for the bureau's improved safety program.
- * Involvement in the coordination and direction of expenditures of over one million dollars to improve fire safety by installing the latest in fire alarm systems, fire doors, and fire escapes in the institutions, directed toward meeting Life Safety Code standards.
- * Active participation in a program of energy conservation as reflected by the following savings effected in a ten-month period:

- (a) 4,018,044 K.W. hours
- (b) 1,300,135 gallons of fuel oil
- (c) 149,008,072 lbs. of steam

- * Declaration of 67 buildings as surplus to departmental needs, according to 1973 legislative mandate to sell or demolish surplus and obsolete buildings.
- * Introduction at each institution of the Cost Improvement Program, a part of the Minnesota Management System. During the initial phase, 566 employees were interviewed, with 3,426 suggestions resulting. More than \$275,000 was saved by implementing suggestions immediately.
- * Modification of hospital receiving districts to more closely correspond to regions established by Governor's executive order. This was done in cooperation with county welfare depart-



ments, area mental health boards, the Minnesota Association for Retarded Citizens, and the Minnesota Mental Health Association. The changes are intended to enable persons needing hospitalization to be treated closer to their home communities.

- * Establishment of an advocacy service program within each hospital and nursing home.

The legislature provides funds to maintain and support programs at the state facilities. Approximately 50% of the expenditures authorized are recovered through third-party payments (Medicare and Medicaid included), county reimbursement, relative contribution, and other funds available to the patient-resident. Educational funds are utilized to off-set costs at the two schools.

In fiscal 1973-74, \$66, 782, 955 was spent to operate all institutions. The major expenditure is for personnel costs. During 1973-74 an average of 5949 were employed at all state institutions.

Rehabilitative Services Division

The Division of Rehabilitative Services provides medical care, special education, vocational training, counseling, and case-work services to handicapped children and adults through two specialized direct-service sections, two public residential schools, a tuberculosis sanatorium, and two geriatric nursing homes.

Minnesota Braille and Sight-Saving School

The Minnesota Braille and Sight-Saving School, Faribault, founded in 1866, is the only public residential school in Minnesota for the education of visually handicapped children.

Any such student in the state between the ages of 5 and 20, for whom there are no appropriate public school services, may attend. The Braille School serves children who are partially sighted, as well as those who are totally and functionally blind; most



of the students are legally blind.

Two special units have been developed to accommodate deaf-blind children and multiple-handicapped, visually impaired children.

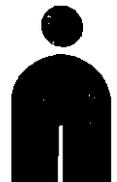
Admission and discharge policies and procedures have been developed jointly by the Department of Public Welfare and the Department of Education.

A Regional Library, sponsored by the Library of Congress and maintained on the campus serves visually handicapped and severely physically handicapped adults in Minnesota. Until August, 1973, North Dakota was included as a part of the area served by the Regional Library.

Circulation		Readers
107,200	Talking Books	3,230
8,500	Braille Books	160
13,300	Books on Tapes	870

Minnesota School for the Deaf

The Minnesota School for the Deaf, Faribault, founded in 1863, is the only public residential school in Minnesota for the education of hearing-impaired children. It is a resource for local school districts within Minnesota for students between the ages of 5 and 20 for whom there are no appropriate school programs.



Increasing emphasis has been placed on adequate vocational preparation. As a part of this important dimension of education, a work-study program has been instituted at the school.

Services for the Blind and Visually Handicapped

Services for the Blind and Visually Handicapped provides comprehensive services to blind and visually handicapped persons of all ages, including services for children, vocational rehabilitation programs, and self-care and independent-living services.

Vocational rehabilitation services attempt to restore or enable a visually handicapped person to obtain the highest level possible of physical, personal, and economic achievement. These services involve medical treatment, as well as counseling, adjustment skills, vocational training, and job placement.

During the biennium, 792 persons were rehabilitated into employment. Of that number, 179 were Public Assistance recipients.

On January 1, 1974, the Aid to the Blind program was replaced by the Supplemental Security Income program administered by the Social Security Administration.

Services to children are aimed at identifying overall needs and providing medical and educational services to prevent blindness, restore vision, prevent psychological complications, and ensure maximum learning in school.

The Communication Center has served visually impaired citizens of Minnesota in public and residential schools, college, and vocational and on-the-job training programs, through the provision of Braille and taped materials. The Radio Talking Book program is co-sponsored by the Hamm Foundation of St. Paul, State Services for the Blind, and radio stations KSJR-KSJN of St. John's University, Collegeville.



The Business Enterprise Program has continued to grow over the past two years. In fiscal 1973 there were 66 enterprises; in fiscal 1974, there were 69. There are 74 blind operators and blind assistants, and 51 sighted assistants, totaling 125 persons currently employed through this program.

Gross sales in fiscal 1973 amounted to \$2,392,971, providing \$545,662 in net profits to blind operators. The average net income per operator during

the 1973 fiscal year was \$8,351. Gross sales in fiscal 1974 amounted to \$2,662,849, providing \$622,256 in net profits. The average net income per operator was \$9,275 in fiscal 1974.

Services for the Deaf

The concern and responsibility of this section is to provide support, consultation, and service to hearing-impaired individuals and organizations concerned with the welfare of the deaf population in the state. Direct casework and counseling is provided to deaf people with personal, social welfare, and vocational problems.

In 1973 a specially adapted teletype machine (TTY) was installed in the department which allows hearing-impaired individuals to contact Services for the Deaf via the public telephone system.

A new program was established in October, 1973 to provide specialized services to hearing-impaired persons within the department's institutions for the mentally ill, mentally retarded, and chemically dependent. This program was prompted by the recognition that communication barriers imposed by hearing impairment may curtail effective treatment efforts and subsequent institutional release.

State Sanatorium and Nursing Homes

Patients transferred from state hospitals continue to constitute the majority of admissions at the two state nursing homes (Ah-gwah-ching and Oak Terrace).

The Glen Lake Sanatorium for tubercular individuals continues to experience a reduction in population. The average daily patient population this past biennium was 20 persons.

Special Services

Rehabilitation Therapy

The Consultant for Rehabilitation Therapies works with appropriate institutional staff responsible for the program areas of educational services,



vocational services, and therapeutic services. Individual programs are designed according to the patient's or resident's needs, with periodic evaluation of progress.

Volunteer Services

The Consultant for Volunteer Services has responsibility for the volunteer programs throughout the institutional system of the department. Consultation is provided in terms of the operation of volunteer programs, and contributed merchandise is distributed among the institutions in an effort to return the greatest amount of benefit. Considerable work is done with civic groups and service organizations to publicize and promote volunteer efforts in the institutions.

During the biennium, 10,745 volunteers contributed a total of 444,216 hours or 55,527 eight-hour-days of service to the state hospitals. This represents a monetary value of \$710,745. Contributions of cash or merchandise bring the total to \$756,377.

Crippled Children Services

The Crippled Children Services section is responsible for locating handicapped children throughout the state and assuring that appropriate diagnostic, evaluative, medical, hospital, and other supportive services are provided.

Responsibility for administration of this program rested with the Division of Rehabilitative Services through November, 1973. Crippled Children Services was transferred by executive order of the Governor to the Minnesota Department of Health on December 28, 1973.



Gillette Children's Hospital

Gillette Children's Hospital is devoted to the rehabilitation of handicapped children. The medical-surgical program of Gillette has been a part of the total state health care plan since 1897. Total care is offered to children, from birth to 21 years of age, who have orthopedic or neurological problems or need plastic reconstructive surgery.

The 1973 Legislature established this hospital as a public corporation through the creation of the Gillette Hospital Authority. This terminated the responsibility of the Department of Public Welfare for direct administration of the hospital.

Family and Guardianship Services Division

The Family and Guardianship Services Division provides administrative direction and consultative services to staff at county welfare departments, state hospitals, and other agencies and groups serving developmentally disabled individuals.

In addition, Family and Guardianship Services develops policies and oversees various aspects of the department's mental health program which is designed to ensure quality programs and services and protect the civil rights of individuals being served.

Specific assignments include:

- * Assisting county welfare departments in locating and making appropriate residential placements for developmentally disabled individuals.
- * Providing consultative and evaluative services pertaining to grant-in-aid applications.
- * Assisting in the development of policies and procedures governing the admission to and transfer between state hospitals.
- * Administering of the interstate compact granting authorization for patient transfers between hospitals.

- * Serving as the administrative liaison responsible for management of review boards authorized by the Minnesota Hospitalization and Commitment Act.
- * Consulting to and monitoring programs provided at state hospitals to meet the needs of the developmentally disabled.
- * Providing leadership to staff at state hospitals in developing new techniques and new programs to serve the developmentally disabled.
- * Investigating and resolving complaints regarding treatment of individuals being served at state hospitals.
- * Monitoring all cases where the individual has been committed to the guardianship of the Commissioner of Public Welfare as mentally deficient or epileptic. Preparing petition for discharge of guardianship when appropriate.

At the present time, 43 states (including Minnesota) and the District of Columbia are members of the Interstate Compact on Mental Health. Under terms of the contract, mentally ill, mentally retarded, and non-residential (transient) chemically dependent persons are provided services. The compact places emphasis on providing care to individuals



when and where needed, rather than on the basis of legal settlement requirements.

State hospital care was provided to 206 mentally ill and 147 chemically dependent during the biennium ending June 30, 1974.

State hospital care was provided to 206 mentally ill and 147 chemically dependent non-Minnesota residents during the biennium ending June 30, 1974. Of this number, 98 mentally ill were admitted the first year of the biennium; 34 as informal, 8 on hold order, 11 as emergency admissions, 40 committed through county courts, and 5 committed through district courts.

Trends in the guardianship program for the mentally retarded include:

	1960-62	1962-64	1964-66	1966-68	1968-70	1970-72	1972-74
Number of guardianships	10895	10885	10783	10404	10027	9303	8779
Number of commitments	1113	929	566	228	76	48	40
Number restored to capacity	24	80	67	66	53	73	98
Number discharged from guardianship	229	456	295	286	180	233	311

The second year of the biennium, 108 mentally ill were admitted; 42 as informal, 13 on hold order, 15 as emergency admissions, 31 committed through county courts, and 7 committed through district courts.

The admission of the chemically dependent totaled 70 the first year of the biennium, with 37 voluntary, 3 on hold order, 17 emergency admissions, and 13 committed through county courts. The second year of the biennium there were 77 admissions; 62 as voluntary, 9 emergency admissions, and 6 committed through county courts.

Twenty-four patients were transferred from Minnesota to other Compact states, and six patients were transferred to non-compact states. Of these 30, nine were mentally retarded residents who were transferred to be nearer their parents or interested relatives now living in other states.

Many of the patients admitted completed their treatment in Minnesota state hospitals and then returned to their home states for out-patient care.

Approval was given for the transfer of 38 mentally ill and 10 mentally retarded persons to Minnesota for hospitalization. Of this number, 19 mentally ill and 2 mentally retarded were on unauthorized absence from our state hospitals. The others (19 mentally ill and 8 mentally retarded) were transferred to Minnesota under Compact terms.

Minnesota denied the transfer of 11 individuals to Minnesota under terms of the Compact. Six were not considered proper referrals under the Compact, and parents withdrew their request for transfer of 5 cases involving mentally retarded children.

Arrangements were completed for the placement of 12 patients on vacation or after-care supervision in other states.



Support Services

The Bureau of Support Services has the general responsibility to plan, initiate, provide for, and evaluate a large variety of resources and services for the Department of Public Welfare. These resources and services include:

- * Statistical analyses and reporting;
- * Auditing of fiscal records;
- * Cost analyses for nursing homes and facilities caring for mentally retarded persons;
- * Internal financial and operational audits;
- * Centralized records;
- * Word-processing services;
- * Policy coordination and issuance;
- * Administrative and organizational analysis;

- * Library services;
- * Mail services;
- * Centralized payments in the income maintenance programs;
- * Electronic data processing services;
- * Management information systems;
- * Determination of ability to pay and collection for cost-of-care provided to residents in the state-operated facilities for the mentally ill, mentally retarded, and chemically dependent.

The Bureau of Support Services was formed in the departmental reorganization of 1972-73. This bureau was organized by placing into divisions a number of administrative offices which had provided supportive services to the entire department and to agencies within the public welfare system.

A description of each of these divisions follows.

Audits Division

The Audits Division functions with the objective of conducting fiscal reviews of the following providers of welfare services:

26 mental health centers
95 daytime activity centers
650 nursing homes
75 intermediate care facilities
for the mentally retarded
185 general hospitals

The purpose of the fiscal review of mental health centers and daytime activity centers is to determine the propriety of the facilities' expenditures for compliance with previously submitted budgets and program regulations.

Nursing home cost statements are reviewed for prospective rate determination according to a cost-related mechanism. An expanded program of field audits will commence in the following biennial period.

Hospital cost statements are reviewed for cost settlement of interim rate payments made during each fiscal year.

Intermediate care facilities for the mentally retarded submit cost statements similar to nursing homes, and such statements are reviewed for rate determination according to reasonable cost principles.

The following statistics reflect the fiscal reviews for the biennial period:

1. Field Audits:	
County Welfare Departments	Mental Health Centers
83	29
Nursing Homes	Daytime Activity Centers
23	146
2. Rate Determinations:	
ICF/MR	Nursing Homes
68	1088
3. Hospital Settlements: 205	

Reimbursement Division

The Reimbursement Division is concerned with the administration of laws and regulations as applicable to seeking reimbursement to the state for the care and treatment furnished persons hospitalized in state hospitals.

Minnesota's state hospitals are operated by the state and not by a charity fund. The variety of services provided result in an operational expense of several million dollars each biennium.

No person shall be denied service because of ability or inability to pay. When clients or their responsible relatives can do so financially they are required to reimburse the state for services provided the client. The amount to be paid in each individual case shall be determined in accordance with uniform guidelines, as established within state statutes, federal regulations, and departmental policy.

Reimbursement for cost of care is derived from over thirty-four various sources. For example: individual payors, insurance, or federal programs.

The following statistics indicate the increase in gross revenue collected for each biennial period commencing with 1964-1966.

1964-1966
\$7,294,257.69
1966-1968
\$14,618,497.20
1968-1970
\$14,257,081.91
1970-1972
\$44,974,374.40
1972-1974
\$50,929,623.43

Substantial goals were achieved during the biennium. The one of primary importance was a reduction in the accounts receivable.

In addition, the following new sources of revenue became available, and the provision of data for patient eligibility was implemented:

1. Effective July 1, 1973, Title XIX for eligible mentally ill and chemically dependent patients under age twenty-one;
2. Effective July 1, 1973, Title XVIII was extended to cover disabled individuals in state hospitals. Clients would have to have been disabled for two years or longer and be receiving a monthly benefit.

Three important recommendations made by the Governor's LEAP Task Force were implemented which resulted in an increase in revenue and cash flow:

1. Payments for cost of care of patients who are eligible under Title XIX (Medical Assistance) are processed in Central Office which improved the cash flow.
2. Statutes enacted providing limited insurance coverage for mentally ill and chemically dependent clients in state hospitals.
3. Projected anticipated per diem rate for cost of care based upon total estimated operating expenditures.

Division personnel assisted in obtaining SSI benefits for clients for their personal needs. Also, considerable effort was made in assisting clients to qualify for various aid programs.

The division is represented on the committee for development of a Patient Oriented Information System. This system will be beneficial to several agencies when fully functional.



Research and Statistics Division

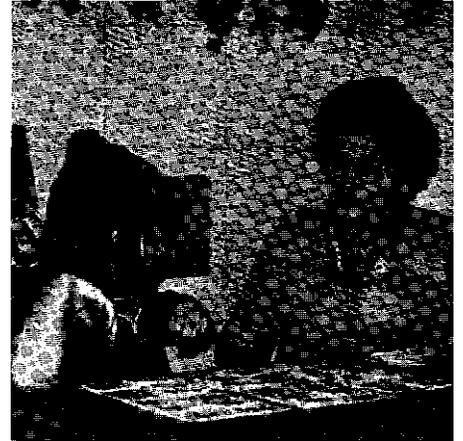
This division develops and maintains basic reporting systems providing the basis for periodic reports to program managers, legislators, service delivery agencies, the federal government, and the public. It also provides statistical services for ensuring quality control in the AFDC and Food Stamp programs and for forecasting future populations to be served by departmental programs.

The division is organized in four sections for delivery of these support services: Social Services, Income Maintenance, Residential Services, and Special Studies.

Income Maintenance Section

Substantial changes in all phases of welfare programs marked the biennium for the Income Maintenance Section of Research and Statistics. The adult programs of Old Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Disabled (AD) were federalized effective January 1, 1974. All of these "converted" cases then were to receive Supplemental Security Income (SSI) from the federal government. A

federally administered mandatory supplement had to be given to those recipients whose SSI benefits fell short of their grants as of December 31, 1973.



All this implied that the current adult reporting system had to be eliminated. A new procedure, whereby counts of SSI persons and payments have to be abstracted from the SDX System every month, now is in effect.

The state legislature enacted a bill, effective April 1, 1974, allowing the counties to administer a supplement (known as Minnesota Supplemental Aid - MSA) to needy aged, blind, and disabled individuals. Some individuals could be receiving SSI and/or the federally administered supplement and still be eligible for MSA. This presented a new reporting problem and necessitated the designing of a new set of statistical reports. In effect, this bill reinstated the adult programs in a lesser degree.

On October 1, 1973 the "flat grant" system of determining Aid to Families with Dependent Children (AFDC) maintenance grants was initiated. Although it did not affect the way AFDC was reported, the change, coupled with a 12% budget standards increase (also in October), did effect a noticeable rise in AFDC costs.

On April 12, 1974 the definition of a child in an AFDC household was expanded to include the unborn in the last three months of pregnancy. This change necessitated another statistical report to keep track of the growth of this program. It now requires four statistical reports (AFDC-Regular, AFDC-Foster Care, AFDC-Unemployed Fathers, and AFDC-Unborn) to adequately maintain data on the AFDC program.

A new eligibility file, based on a similar file used in Oklahoma, was initiated in June, 1973. This Case Information (CI) System utilized one form to report openings, denials, closings, redeterminations, and a host of detail on cases and persons eligible to receive assistance. The CI System replaced the Agency Action File and will eventually produce the section's statistical reports so that direct county reporting may be eliminated.

Medical Assistance (MA) changes included the expansion of the statistical report into two forms — one to accommodate adults concurrently receiving SSI and MA-Only, and one to accommodate families with children cases.



Another change in MA came in the area of payments. Effective January 1, 1974 the state began the takeover of Medical Assistance payments to vendors. The first vendors paid were the nursing care homes. The next group of vendors were not to be brought into the system until July, 1974, with additional vendors being added monthly. This means that the section will have to combine two reporting systems for more than a year in order to maintain accurate reporting of MA expenditures.

Many tasks were completed by the section beyond those mentioned above: AFDC Characteristics Study; a study to determine the amount of the flat grant; production of the monthly statistical summary and various other statistical presentations; substantial federal reporting; and provision of data to meet numerous special requests.

Social Services Section

Numerous changes have been implemented in social service statistics during this two-year period. Organizational changes within the department, as well as changes in federal reporting requirements, have contributed to the need for change.

Primarily, however, the planning of a comprehensive, all-inclusive, computer-processed social service information system (SSIS) which would furnish, among other things, a data base for statistical analysis and reporting, has dictated that changes be made in contemplation of this new system. Consequently, more temporary or interim reporting systems have been initiated when necessary to the current operations of the department.

During the past two years a reporting system which showed types of social services delivered for selected months was expanded. From fulfilling only a federal report requirement, this system was revised and expanded to also provide: 1) the allocation of social service costs for federal reimbursement purposes; 2) the measurement, monthly, of the social service caseload and turnover therein; and 3) the further identification of programs and sub-populations that received various types of social services. This was done by having agencies, mostly county welfare departments, tabulate and summarize their reports.

Although the aforementioned system of reports on caseloads and types of social services represents the largest and most inclusive reporting system, there also are several smaller programs on populations that require specific and unique informational requirements.

Family Planning

A family planning report recently was initiated in response to federal requirements as to the progress of this service category.

Adoptions

Data in the long-standing child adoption reporting system were revised and added. Ethnic groups were substituted for race; alien adoptions were identified; handicap information was added; and single persons who adopt children now are counted.

State Wards

Reporting on children who are committed to the Commissioner of Public Welfare as dependent and/or neglected always has required a separate data system. Now a "tracking system" to assure more current data as to their status has been installed. Also, there was revised data output for those under 18 years of age as required by the change of legal age of children.

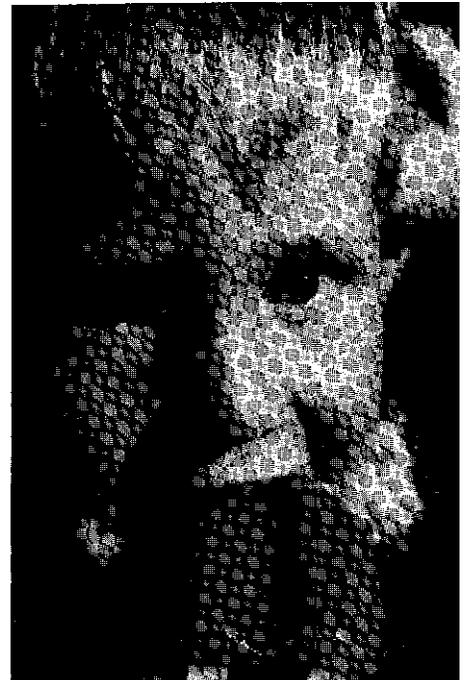
Foster Care Costs

Three significant events occurred in the study and surveillance of the costs of foster care. First, a special study was conducted to determine the uniformity (or lack of it) in the rates that counties were paying for care of children in foster family homes.

Second, a more uniform data collection system was started with the state computer processing unit that serves the Social Services Section.

Third, foster care costs for emotionally handicapped children were segregated and processed to implement state reimbursement for this type of case.

In summary, the Social Services Section of the Research and Statistics Division, in addition to adapting to the changes and conducting special studies as mentioned above, has kept in operation its on-going sub-systems. These are the licensing and relicensing of family foster and day care homes; referrals of illegitimate children to appropri-



ate agencies for services; pre-audit of several types of foster care cost accounts (mentally retarded, state wards, Indians, emotionally disturbed, etc.); population reports on day care centers, group homes, and child-caring institutions.

More requests for information regarding social services have been made and fulfilled recently. These requests were from the State Planning Agency, college students, newspapers, legislative committees, and other agencies and special-interest groups. Of increased interest in recent years are the subjects of adoptions, Indians, children born out of wedlock, AFDC, and costs of all or various types of social services.

Staff development has, as in the past biennium, required on-the-job training because of an estimated 50% turnover in personnel. In addition, an unusual amount of staff enrichment has taken place with the writing of job descriptions and standards of performance and the interrelating of these with the objectives of the Research Division.

Residential Services

Section

In addition to regular monthly reports covering trends in DPW institution populations and patient turnover, this section fills many requests made by both Central Office and institution personnel and outside organizations for specialized data on the mental health, mental retardation, and chemical dependency programs.

The major source of information is the patient movement tape which is updated monthly and provides a continuing record of the characteristics and changes in status of every patient under care since 1952-53. The movement tape also is used as a basis for patient billing.

Data for special requests may be retrieved in the form of lists of selected patients or patient movements, statistical tables, punched cards, or computer tapes.

During 1972-74, many detailed tabulations by county of residence and special areas in the state were made for researchers, administrators, and interested community groups. Uniform data on age distribution, legal status, etc., of specified groups of patients entering and leaving the institutions, transfers to special facilities, and changes in use of provisional discharge, covering periods of up to ten years or more, were provided for administrative and planning purposes.

During the recent months, a beginning has been made in updating and rewriting computer programs for both data entry and retrieval. Data in the patient movement tapes will be incorporated into a proposed Patient Oriented Information System if preliminary planning started early in 1974 is implemented during the next biennium.

Records covering persons under guardianship as mentally deficient and/or epileptic were transferred to a separate tape in 1974 so that specialized data could be stored and retrieved more efficiently. A computer program has been developed to update these records by matching monthly with the patient movement tape. The section has worked closely with the guardianship supervisor to identify patients under commitment as epileptic only or as borderline or mildly retarded for screening for possible discharge from guardianship.

A start has been made in microfilming source documents and past reports and lists to reduce storage needs. A microfilm-microfiche reader has been purchased and many old annual computer lists and routine worksheets needed for reference have been filmed. It is planned to microfilm all past daily population records now kept on file in Research and Statistics or Archives, and to provide duplicate copies to the institutions to help reduce their storage needs.



The section also acts as go-between for the National Institute of Mental Health and Minnesota facilities in its biennial inventories of mental health facilities in the United States. Data from these reports are summarized to provide information not otherwise available on staffs, patient loads, and services provided by non-state facilities such as psychiatric wards of public and private general hospitals, mental health centers, and clinics, as well as state psychiatric facilities.

Special Studies Section

Under the auspices of the United States Department of Agriculture, a Quality Control System for the Non-Public Assistance (PA) Food Stamp Program was begun in October, 1973.

The objective of Quality Control is "to determine the extent to which households receiving food stamps are eligible, certified for purchase requirement in the proper amount, and certified for the total food stamps to which they are entitled".

The Special Studies Section has assumed the responsibility for file control, sample selection, federal reporting, and analysis of Quality Control findings.

New federal requirements for administrative cost allocation in relation to the Service Delivery System of exempt and nonexempt services (90-10) provided for a random moment time study that began on May 1, 1973.

The study involves classifying the social service activities of approximately 1400 social service workers in the county agencies by program and exempt or non-exempt social services each quarter. Non-exempt services are further classified into services for current, former, or potential clients. This was accomplished by focusing on randomly selected moments and participants (service personnel) as representative of the total social service delivery system.

The percentage distribution of these random moments (approx. 4500/quarter) is tabulated each quarter and given to the Social Service Budgets and Reports Section to be integrated into the federal reimbursement formula.

During December, 1972, and again in November, 1973, a time study was conducted in 23 Minnesota counties which were operating the Food Stamp Program. The purpose of the study was to determine a statewide standard cost-per-action formula for reimbursement by the Food and Nutrition Service of the Department of Agriculture.

An "action" was defined by the USDA as "a contact which results in a completed application approving or denying the household's participation in the program". The study is conducted annually with one-third of the counties participating in each year of a three-year cycle.



The revised Work Incentive Program (WIN) completed its second year of operation in Minnesota on June 30, 1974. The reporting system remained basically unchanged. There were 36 reporting WIN counties at the end of the second year, compared to 20 at the end of the first year.

The Annual State Agency Personnel Report for fiscal years 1972, 1973, and 1974 remained unchanged, with one exception, since its revision in fiscal year 1971. In fiscal year 1974 an item was added to the reporting system to account for the proportion of time that county personnel spent on fiscal and accounting functions. This parameter is utilized in determining reimbursement for county administrative costs.

Special Services Division

The Division of Special Services was formed in 1973. In the departmental reorganization, the following organizational units were placed together:

- * Office Management Section
- * Program and Agency Analysis Section
- * Mental Illness/Inebriety Records Section
- * Mental Retardation Records Section
- * Social Service Records Section
- * Library Services
- * Manuals and Bulletins
- * Mail Room

These units have been re-arranged and now comprise the new Division of Special Services. This division performs a series of centralized services to staff of the Central Office of the Minnesota Department of Public Welfare, the state hospitals, area boards, daytime activity centers, other welfare-related agencies, and to medical vendors.

Office Services

This section provides the following services to staff within the Central Office: reception desk, mail, record-keeping, purchasing and requisitioning, steno pool, photocopy, office space and telephone arrangements.

In addition, this section operates the forms management program. In this program, approximately 10 million forms are printed and supplied to the public welfare agencies, private agencies, and medical vendors.

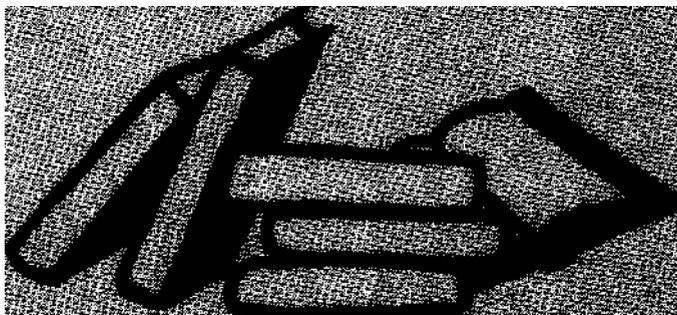
Included in this program is the continuing effort to analyze the use of the forms and the paper-work systems surrounding their use. The objective of this program is to review at least 10 per cent of the forms and systems each year.

Administrative and Organizational Analysis

This section performs management studies as requested by the department, including administrative studies, organizational analysis, etc.

Library

Library services in all forms of media are provided to employees of the Central Office, county welfare agencies, area boards, and other welfare-related staff. Similar services also are provided to patients in the residential facilities.



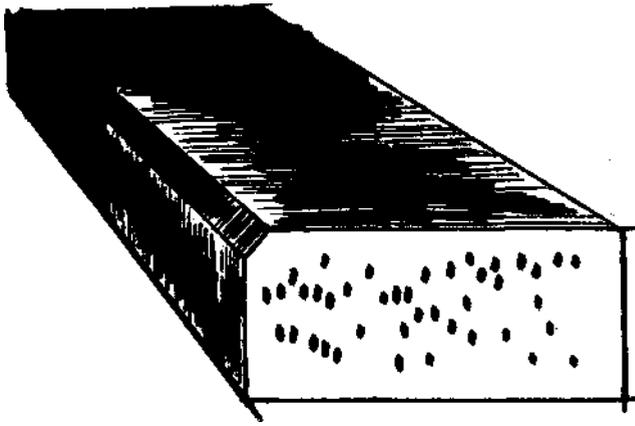
Library service is provided to Central Office and county welfare personnel through the Central Office library. This library also maintains a film library containing material depicting all areas of welfare. Film circulation for the biennium was 14,000. These films are available on a free-service basis to any resident of Minnesota.

The libraries, both resident and staff, at state residential facilities are coordinated through the Central Office library. Each facility employs at least one professional librarian.

The departmental medical library at Glen Lake provides reference and bibliographical service and acquires material on inter-library loan not otherwise available within the public welfare system. Professional materials from all these libraries are in a central inventory, and monthly bibliographies are distributed to program personnel.

An Audio Visual Consultant has been added to the library staff through funds provided by the Federal Library Services Act. This person advises library staff, develops programs, and coordinates equipment and materials in and among libraries within the public welfare system.

The Regional Library for the Blind, at Faribault, provides material in Braille, phonograph record, and tape forms (both reel and cassette) for blind and physically handicapped residents of Minnesota.



A series of six workshops was held to integrate departmental services and resources with those in community libraries and related agencies in order to improve library services to socially and physically handicapped persons in the community.

Manuals and Bulletins

This section is responsible for policy material issued by the department. Specifically, it coordinates the clearance, writing, and issuance of policy material in the form of manuals, bulletins, and rules. There currently are four major manuals and several "mini-manuals" which are issued to county welfare agencies, state hospitals, and private child-caring and child-placing agencies.

Currently, this section is experimenting with procedures designed to decrease the time required to issue material and to more effectively distribute it. In addition, the use of microfilm is being explored.

Systems and Data Flow Division

This division was identified as the EDP Systems Section in the organization in effect at the time of the last biennial report. Since that time, extensive change has taken place in this part of the organization.

The 1973 Legislative Session appropriated substantial sums for systems development in the Department of Public Welfare. The appropriation was in accordance with the findings and recommendations of the LEAP Task Force.

The major development which engaged nearly all available staff resources was the establishment of a computer record for all cases in the state receiving assistance payments and medical assistance.

This computer file was designed to serve two major purposes. The first was to provide detailed information to the Social Security Administration for the transfer of Adult Category (OAA, AB, and AD) cases to federal payment under Title XVI, the Supplementary Security Income Program, effective January 1, 1974. The second purpose of this file was to serve as an eligibility record for a centralized Medical Assistance Payment System which was authorized by the 1973 Legislative Session.

The Joint State/County Systems Development Project noted in the prior report was abandoned in late 1972 in favor of a plan to transfer systems from the state of Oklahoma which had been a "model" state in a federally sponsored "nation-wide demonstration project" to promote the development of transferable welfare systems.

This transfer project was a joint effort between the Departments of Administration and Welfare. A consulting firm was engaged to perform the project management functions in this systems transfer. The transfer project was initiated in early 1973. It included transfer of the eligibility system from Oklahoma and the federal "Model" Medicaid Management Information System which had been implemented in Ohio.

The centralized Medicaid Payment System was initiated in January 1974 with the payment of Nursing Home Care for the some 24,000 persons receiving this care under the Medicaid Program. Payments for Nursing Home Care is the largest category of services paid under the Medicaid Program, exceeding eight million dollars a month.

As this reporting period ended, staff and equipment were being assembled for the centralized payment of other types of care provided under the Medicaid Program by hospitals, physicians, dentists, pharmacies, etc. These payments are scheduled to be phased in for care given after July 1, 1974.

The many other uses of computer processing to maintain records and produce reports were maintained or enhanced by the Systems Division staff during the year.

The transfer of assistance payments for the Adult Programs to the Social Security Administration has necessitated an additional data exchange system between the states and federal government. Three state/federal data exchange systems now exist. They are Buy-In exchange as the method of processing the Medicare Part B Premium Payments for welfare recipients receiving money payments; BENDEX is the exchange of information regarding the RSDI benefits paid by Social Security to persons eligible for welfare assistance; and SDX for the exchange of information about the federal payment of Supplementary Security



Photo by Cheryl Walsh.

Income (SSI) and the mandatory (state and county-funded) supplement that is paid by the Social Security Administration on behalf of the state.

As the major data processing system relating to the several program areas of Public Welfare become fully operational and integrated, many of the current special applications for limited reporting purposes will disappear. The reports and special studies then will be prepared from the computerized data about each case. This should increase the accuracy and timeliness of reports and reduce the effort required at local agencies to manually prepare them.

While the objective of an integrated welfare information system covering all program areas is a number of years away, some of the benefits of a computer system to support the local agency functions will be implemented in the Income Maintenance Programs in the coming year.

This maze of data exchange systems has introduced a significant complexity to the data processing requirements. In addition, it has significantly increased the reports that must be supplied to the county welfare agencies. These added reports also require the time and attention of county staff.

A major effort will be required in the design and implementation of a Social Services Information System. One staff member of the division has been doing preliminary work for such a system in this past year.

