

A bill for an act

relating to public welfare; authorizing transfer of grants to the Medicaid account to provide home and community-based services; proposing new law coded in Minnesota Statutes Chapters 256B and 252.

BE IT ENACTED BY THE LEGISLATURE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 256B.091, is amended by adding a new subdivision to read:

Subdivision 9. (Home and Community-Based Care Services.) The commissioner shall apply for a waiver for federal financial participation to provide home and community-based care services (excluding room and board costs) for mentally retarded individuals who, without such services, would require institutional care in a certified intermediate care facility for mentally retarded. Such services may include case management services, homemaker and home health aide services, personal care services, adult day health, habilitation services, respite care and such other related services requested by the commissioner as the federal agency may approve.

The commissioner is directed to transfer up to \$1,496,400 of the 1983 appropriation for semi-independent living services and community-based deinstitutionalization aid to the counties, to the Medicaid account, in order to provide home and community-based care services for medicaid-eligible mentally retarded persons who would otherwise require institutional care.

SUMMARY FOR PROPOSED 1982 DEPARTMENTAL LEGISLATION (instructions on back)

Revisor # _____ Agency Department of Public Welfare

I. Bill Title: Home and Community-Based Care Services.

II. Summary of Provisions: Enables the state to take advantage of federal Medicaid waiver provisions that allow for the provision of less costly home and community based services to Medicaid-eligible mentally retarded persons, who, without such services, would require institutional care.

III. Need for Legislation (Why is the bill necessary? What will happen if the bill is not passed?): Semi-independent living services (SILS) are provided under state grant appropriations which includes approximately 30% county match. Implementation of the federal waiver for Home and Community-Based services by transfer of the state SILS appropriation to the Medicaid will enable 1) maintenance of the SILS program as planned (with a state savings of \$619,000, or 2) acceleration of the SILS program (at no savings to the state) that would virtually double the SILS program because of federal financial participation. The bill authorizes up to the total state 1983 appropriation if the acceleration is authorized.

IV. Effect of Legislation on other State Agencies and Local Government:
The effect is to shift the state SILS appropriation to the Medicaid account to earn federal Medicaid participation for existing program levels or accelerate the program to reduce the number of mentally retarded now served in 24-hour per day ICF/IIR programs. This, in turn, would reduce the need for new ICF/IIR beds and therefore reduce cost increases.

V. Previous history of this or similar bills:
HF 408 and SF 406, not passed by the 1981 legislature, is still pending. The bill authorizes state grants to the counties for semi-independent living services, which, if the proposed transfer of SILS grants to Medicaid is authorized, could be withdrawn.

VI. <u>Cost Summary:</u>	F.Y. 1982		F.Y. 1983
Local Costs	359,100		97,600
State Costs	838,000		877,400
Total Costs	1,197,100	(federal)	1,162,700 2,137,700

VII. State Cost Detail:
Source of Funding

County tax revenue	359,100		97,600
State SILS/23 appropriation	838,000		877,400
Federal share	-0-		1,162,700
Less amount agency can absorb within existing funding			877,400
TOTAL REQUEST:			-0-

<u>Income:</u>			
<u>Fund Affected</u>		(if the entire \$1,496,400 is transferred to Medicaid, the federal share and county share increases proportionately) (if only \$877,400 is transferred to Medicaid, \$619,000 state money is saved)	
1983 SILS/Rule 23 approp of \$1,496,400 Transferred to Medicaid			877,400
			877,400

VIII. Suggested Authors: House: _____
Senate: _____

IX. Agency Legislative Liaison: _____ Phone: _____

X. Governor's Office liaison: _____ Phone: _____

XI. Signature of Agency Head: _____

A bill for an act

relating to public welfare; authorizing the transfer of grants to the Medicaid account to provide Training and Habilitation Services; proposing new law coded in Minnesota Statutes Chapter 256E and 252.

BE IT ENACTED BY THE LEGISLATURE OF MINNESOTA:

Section 1. Minnesota Statutes 1981, Section 256E.06, is amended to read:

Subdivision 2. (Minimum funding level.) No county shall receive less in state aids for community social services under subdivision 1 in calendar years 1982 and 1983 than 106 percent of the state money it received in the immediately preceding calendar year pursuant to section 256E.06. For purposes of 1983, the state money the county received in 1982 shall be the community social service grant plus the state money it received for state fiscal year 1982 as authorized by the health, welfare, and corrections appropriations act for the biennium ending June 30, 1983 for the following activities: cost of care for mentally retarded, epileptic or emotionally handicapped children pursuant to section 252.27, subdivision 1; community mental health pilot program pursuant to section 245.72 and community-based residential programs for mentally ill persons.

The term state funds does not include any federal money received by the state or counties for financing these services.

No county shall receive more than 130 percent of the amount received in the immediately preceding year as specified in this subdivision. If the amount allocated to any county pursuant to subdivision 1 is greater than this amount, the excess shall be reallocated to all counties in direct proportion to their initial allocations. If the amount allocated to any county pursuant to subdivision 1 is greater than this amount, the excess shall be reallocated to all counties in direct proportion to their initial allocation.

If the amount allocated to any county pursuant to subdivision 1 and the preceding paragraph is less than the minimum funding level of that county, its allocation shall be raised to its minimum share through an equal percentage reduction applied to all other county allocations.

The commissioner is directed to transfer from community social services aids to the Medicaid account, an amount equal to that expended by the counties in 1982 for training and habilitation services in developmental achievement centers for Medicaid-eligible mentally retarded persons. Such transfer shall be made providing that such services shall be provided under Medicaid financing, and that the remaining county share is available to the counties for other purposes.

Section 2. Minnesota Statutes 1980, Section 252.24, is amended to read:

Subdivision 1. (Selection of developmental achievement centers.) The county board shall select those applicants for assistance and grant them assistance, as provided in subdivision 3, whose developmental achievement center location and program is licensed under the provisions of sections 245.781 to 245.813 and 257.175, and in the board's opinion, best provides daytime activities for mentally retarded and cerebral palsied persons within the appropriation made available for this purpose. The county board shall also select and contract with applicants for the provision of training and habilitation services required by federal regulations for Medicaid-eligible mentally retarded persons who need such services under Minn. Stat. §256E.03.

Subdivision 2. (Supervision of projects; promulgation of rules.) The commissioner of public welfare shall closely supervise any developmental achievement center receiving a grant under sections 252.21 to 252.26. He shall promulgate rules in the manner provided by law as necessary to carry out the purposes of sections 252.21 to 252.26, including but not limited to rules pertaining to facilities for housing developmental achievement centers, administration of centers, and eligibility requirements for admission and participation in activities of the center. The commissioner is authorized to establish rates and reimburse developmental achievement centers for the provision of training and habilitative services to Medicaid-eligible mentally retarded persons.

SUMMARY FOR PROPOSED 1982 DEPARTMENTAL LEGISLATION (instructions on back)

Revisor # _____

Agency Department of Public Welfare

I. Bill Title: Training and Habilitation Services in DACs.

II. Summary of Provisions: Enables the state to shift the county costs of Training and Habilitation Services required by federal regulations from state/county CSSA financing to the federal agency requiring such services.

III. Need for Legislation (Why is the bill necessary? What will happen if the bill is not passed?): Training and Habilitation Services are now paid through state/county and Title XX financing of medicaid-eligible adults served in developmental achievement centers (DACs). If the bill is not passed, continued reduction of DAC services due to county budget problems, will likely jeopardize the federal certification of the ICF/IIR facilities because such services are required for certification.

IV. Effect of Legislation on other State Agencies and Local Government: Effect is to shift the amount of CSSA state appropriations now matched by the counties for DAC services for Medicaid-eligible persons, to the federal agency requiring the services. This will free-up the county match for other social services and the county Medicaid share (approximately 4.56% of the total costs).

V. Previous history of this or similar bills:

DACs have historically provided such services to medicaid-eligible persons through combination of state/local funding. Recent budget deficits have dictated that the Federal Medicaid agency assume its share of costs for services required by federal regs.

<u>Cost Summary:</u>		F.Y. 1982	F.Y. 1983
Local Costs		\$7,618,000	766,200
State Costs		7,618,000	6,896,200
Total Costs	(federal)	15,236,000	9,137,500 16,800,000

VII. State Cost Detail:
Source of Funding

County tax revenue	7,618,000	766,200
State CSSA appropriation	7,618,000 (to Medicaid)	6,896,200
Federal share		9,137,500
Less amount agency can absorb within existing funding (CSSA) by transfer		6,896,200
TOTAL REQUEST:		-0-
<u>Income:</u>		
Fund Affected		
Transfer from CSSA		6,896,200
Transfer to Medicaid		6,896,200

VIII. Suggested Authors: House: _____

Senate: _____

IX. Agency Legislative Liaison: _____ Phone: _____

X. Governor's Office liaison: _____ Phone: _____

XI. Signature of Agency Head: _____

In addition to the bills:

The Appropriations Act of 1981; should be amended by the Governor after consultation with the legislative advisory committee, to read:

(Page 3, between lines 35 and 36, a new paragraph) Effective July 1, 1982, the commissioner is authorized to transfer from the 1983 appropriation for the cost of care of mentally retarded children, to the Medicaid account, an amount needed to provide the state share for the residential costs of Medicaid-eligible mentally retarded children pursuant to federal regulations.

(Page 3, lines 36 to 47, an amended paragraph) Effective January 1, 1983, the commissioner of public welfare shall include the remainder of the appropriations for the cost of care for mentally retarded not paid under Medicaid, cost of care for emotionally disturbed, sharing life in the community, and mentally ill deinstitutionalization in the community social services act. The commissioner may transfer money between the fiscal years of the biennium for the purposes of funding the formula.