

## RESERVE ACCOUNTS

Law of Minnesota 1996, Chapter 451, Article 1, Section 2, provided legislation that allowed the Department to authorize local county agencies to keep a reserve capacity within their MR/RC Waiver funds. The intent of the legislation was to support agencies in developing the resources needed to provide continuity of care for current and future waiver recipients. This reserve funding was to be used to meet the changing needs of current recipients, ensure their health and safety, and provide short-term emergency intervention and could not exceed five percent of the total allowable funding resources of a county. Within the two years that this legislation was in effect, DHS authorized twelve county reserve accounts. The percentage of unused or reserve funds for all counties can be found in Attachment B.

The above legislation expired June 30, 1999, but was replaced by Laws of Minnesota 1999, Chapter 245, Article 4, Section 61. The new legislation also allows the Commissioner to authorize local county agencies to establish reserve accounts within their MR/RC Waiver funding resources. This legislation differs from the previous legislation in that the amount of the reserve resource funding must be determined by each agency or partnership, *based on documented past experiences and projected needs*. Reserve accounts will continue to require DHS approval. To date, the Department has not provided information to counties on how to request reserve amounts and no county agency has submitted a revised capacity plan for the Commissioner's approval. Therefore, county specific information on reserve amounts approved and used is not available at this time.