

2011 Session Summaries

These session summaries provide a review of the changes made by the 2011 Minnesota Legislature that affect low-income Minnesotans. The summaries cover changes to Minnesota law in a variety of substantive areas, including Child Care; Consumer Law; Courts; Disability and Mental Health Law; Domestic Abuse; Education Law; Family Law; Food Supports; Government Operations; Health Care; Juvenile Law; Landlord-Tenant Law; Public Benefits Law; Real Property Law, Tax Law and Unemployment Insurance Law.

List of Acronyms

DEED = Minnesota Department of Employment and Economic Development
DOA = Minnesota Department of Administration
DOC = Minnesota Department of Commerce
DHS = Minnesota Department of Human Services
DLI = Minnesota Department of Labor and Industry
DPS = Minnesota Department of Public Safety
FPG = Federal Poverty Guideline
HUD = United States Department of Housing and Urban Development
MA = MA
MDH = Minnesota Department of Health
MSA = Minnesota Supplemental Assistance
MFIP = Minnesota Family Investment Program
OAH = Minnesota Office of Administrative Hearings

CHILD CARE

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I. ABSENT DAY PAYMENTS

First Special Session, Chapter 9, Article 1, Section 9 (HF 25)
Amends Minn. Stat. § 119B.13, subd. 7
Effective January 1, 2013

A. Absent Days Reduced

Limits absent day child care assistance payments for licensed providers and license-exempt centers from 25 days to 10 days per year, excluding holidays.

B. Exemptions Repealed

Repeals exemptions for: (1) medical conditions; (2) teen parents; and (3) county-based market exceptions

C. Notification to Families Required

Requires: (1) families to be notified of the number of absent days upon initial provider authorization; and (2) ongoing notification of the number of absent days used as of the date of the notification

D. Partial Day Absences Exempted

Provides that partial day absences do not count toward the ten-day limit, but repeals the requirements that the provider will be reimbursed for the full day if the child has a partial day absence.

E. Provider Reimbursements Limited

Restricts provider reimbursements for absent days where the provider: (1) has a written policy for child absences; and (2) all other families in care are similarly charged.

F. Provider Reimbursement Eliminated

Eliminates any absent day payments to legal nonlicensed family child care providers.

II. BASIC SLIDING FEE

First Special Session, Chapter 9, Article 10, Section 3 (HF 25)
Effective July 1, 2011

Captures \$5 million from 2010 unspent basic sliding fee reimbursement to counties.
Reduces the base general fund amount for basic sliding fee child care by: (1) \$990,000 in fiscal year 2014; and (2) \$979,000 in fiscal year 2015.

III. CARDIOPULMONARY RESUSCITATION (CPR) REQUIREMENTS

Regular Session, Chapter 23, Sections 1 and 2 (HF 235)

Amends Minn. Stat. § 245A.40, subd. 4

Effective August 1, 2011

Requires all teachers and assistant teachers at a child care center - and at least one staff member who accompanies children when they are being transported (including any field trip) - to be certified in CPR, including CPR for infants and children.

IV. CHILD CARE CENTER EMPLOYEES AND PROVIDERS

First Special Session, Chapter 9, Article 1, Sections 3 and 4 (HF 25)

Amends Minn. Stat. § 119B.09, subd. 10

Adds Minn. Stat. § 119B.09, subd. 9a

Effective Various Dates

A. Receipt of Assistance by Employees

Provides that an employee of a child care center may not receive child care assistance for the employee's child or a child who resides with the employee if the provider's percentage of children on child care assistance is below 50%. Gives the provider four weeks to raise the percentage before child care assistance payments for that child are discontinued.

Adds Minn. Stat. §119B.09, subd. 9a

Effective January 1, 2013

B. Restriction of Provider Payments

Prohibits the distribution of child care funds for child care services provided for a child by a child care center where a provider who resides in the same household or occupies the same residence as the child.

Amends Minn. Stat. §119B.09, subd. 10

Effective March 5, 2012

V. IN-HOME CARE

First Special Session, Chapter 9, Article 1, Section 5 (HF 25)

Adds Minn. Stat. § 119B.09, subd. 13

Effective March 5, 2012

Provides that child care assistance payments for in-home care are only available where: (1) any portion of the parents' qualifying activity occurs when out-of-home care is not available, wherein in-home care can be approved for the entire time; (2) the family lives where out-of-home care is not available; (3) the child's verified illness or disability would place that child or other children in an out-of-home facility at risk; or (4) the illness or disability creates a hardship to take the child to a child care home or center.

VI. TRAINING OF NONLICENSED PROVIDERS

First Special Session, Chapter 9, Article 1, Section 6 (HF 25)

Adds Minn. Stat. § 119B.125, subd. 1b

Effective November 1, 2011 (new providers) and January 1, 2012 (provider renewals)

Requires that the following persons provide verification of completion of CPR and first aid training: (1) legal nonlicensed child care providers who are authorized for child care assistance payments on or after November 1, 2011; and (2) existing legal nonlicensed providers whose authorizations are renewed on or after January 1, 2012. Requires the training to be conducted by an approved instructor. Requires provision by the provider of verification of at least eight additional hours of training at each subsequent provider authorization for child care assistance payments. Requires the training to be listed on the Minnesota Center for Professional Development Registry.

VII. RATE REDUCTION AND LIMITS

A. Child Care Assistance Programs Generally

First Special Session, Chapter 9, Article 1, Section 7 (HF 25)

Amends Minn. Stat. § 119B.13, subd. 1

Effective October 31, 2011 (rate reduction); April 16, 2012 (maximum payment/rate); September 3, 2012 (nonstandard hours and activity fees)

1. Reduction

Reduces child care assistance rate payment by 2.5% of the market rate in existence on July 1, 2006 for all programs except At-Home Infant Care and care provided by legally nonlicensed providers. Eliminates the requirement of a notice of adverse action for the 2006 rate change.

2. Limit

Provides that the maximum daily and weekly payments to providers cannot exceed the maximum daily or weekly rate. Prohibits providers from being paid above the maximum rate for: (1) care provided during nonstandard hours; or (2) activity fees.

B. At-Home Infant Care

First Special Session, Chapter 9, Article 1, Section 2 (HF 25)

Amends Minn. Stat. § 119B.035, subd. 4

Effective October 31, 2011

Reduces the maximum rate for child care assistance payments in At-Home Infant Care program from 90% of market rate to 68% of market rate.

C. Nonlicensed Providers

First Special Session, Chapter 9, Article 1, Section 8 (HF 25)

Amends Minn. Stat. § 119B.13, subd. 1a

Effective October 31, 2011 (rate change) and April 16, 2012 (maximum rate)

Reduces the maximum rate for nonlicensed providers from 80% to 68% of the maximum rate paid to licensed providers. Establishes: (1) a maximum daily rate (which cannot exceed ten times the maximum hourly rate); and a maximum weekly rate (which cannot exceed the fifty times the maximum hourly rate).

VIII. TEMPORARY ABSENCE

First Special Session, Chapter 9, Article 1, Section 1 (HF 25)

Amends Minn. Stat. § 119B.011, subd. 13

Effective April 16, 2012

Creates a 60-day time limit for an adult caregiver in a household to be considered "temporarily absent" from the home. Adjusts the family income for purposes of determining assistance eligibility and copays after the 60 days, unless the absence is due to an authorized activity listed in Chapter 119B. Permits the case to be referred to child support if the absent family member is a parent.

CONSUMER LAW

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I. ARTICLE 9 AMENDMENTS

Regular Session, Chapter 31 (SF 194)

Amends Minn. Stat. §§ 86B.820, subs. 10 and 11; 168A.01, subs. 18 and 19; 336.2A-103; 336.9-102; 336.9-105; 336.9-307; 336.9-311; 336.9-316; 336.9-317; 336.9-326; 336.9-406; 336.9-408; 336.9-502; 336.9-503; 336.9-507; 336.9-515; 336.9-516; 336.9-518; 514.963, subd. 7; and 514.965, subd. 7

Adds Minn. Stat. §§ 336.9-802; 336.9-803; 336.9-806; 336.9-807; 336.9-808; and 336.9-809.

Effective July 1, 2013.

Makes mostly technical and some substantive changes recommended to states by the National Conference of Commissioners on Uniform State Laws (commonly referred to as the "Uniform Laws Commission") with respect to Article 9 of the Uniform Commercial Code (UCC), which governs secured transactions. The key changes are detailed below.

A. Effect of Change in Governing Law

Provides that a filed financing statement that would have been effective to perfect a security interest in the collateral if the debtor had not changed location is effective to perfect a security interest in collateral acquired within four months after the relocation.

Amends Minn. Stat. § 336.9-316

B. Name of Debtor and Secured Party

Provides that a financing statement is sufficient in providing the name of the debtor if the debtor is an individual to whom a Minnesota driver's license or state identification card that has not expired has been issued, but only if the financing statement provides the name of the individual which is indicated on the driver's license or state identification card. Provides that the most recent driver's license or state identification card prevails if the state has issued more than one.

Amends Minn. Stat. § 336.9-503

II. VULNERABLE ADULTS

Regular Session, Chapter 28 (HF 447)

Amends Minn. Stat. §§ 243.166, subd. 1b; 256.021; 626.557, subd. 9c(g); 626.5571, subd. 1; and 626.5572, subd. 13 (among others)

Amends Minn. Stat. §§ 256.045 by adding subdivision 4(d); 609.2231 by adding subd. 8; and 626.557 by adding subd. 21

Repeals Minn. Stat. § 609.224, subd. 2(c)

Various Effective Dates

A. Adult Protection Team

Adds representatives from local tribal governments to the multidisciplinary adult protection team counties are statutorily authorized to establish.

Amends Minn. Stat. § 626.5571, subd. 1

Effective August 1, 2011

B Criminal Penalty

Makes any person who assaults and inflicts demonstrable bodily harm on anyone the person knows or has reason to know is a vulnerable adult guilty of a gross misdemeanor and assault in the fourth degree. (Previously, only caregivers who assaulted a vulnerable adult were guilty of assault in the fifth degree and subject to a specified criminal penalty.)

Amends Minn. Stat. § 609.2231 by adding subd. 8

Repeals Minn. Stat. § 609.224, subd. 2

Effective August 1, 2011, and applies to crimes committed on or after that date.

C. Data Practices

Adds data of the review panel received (as well as created) as part of a review as private data on individuals under Minn. Stat. § 13.02.

Amends Minn. Stat. § 256.021, subd. 4

Effective August 1, 2011

D. Lead Agency Definition

1. Name Change

Changes "lead agency" to "lead investigative agency," applicable throughout the chapter.

Amends Minn. Stat. § 626.5572, subd. 13(a)

Effective August 1, 2011

2. Added Entities to Department of Health Oversight

Adds the following entities to those over which the Department of Health is designated lead investigative agency: (1) hospice providers; and (2) any other facility or service licensed or required to be licensed by the Department of Health for the care of vulnerable adults. Deletes "residential care homes" from list.

Amends Minn. Stat. § 626.5572, subd. 13(a)

Effective August 1, 2011

3. Expanded Definition of "Home Care Provider"

Defines "home care provider" to apply when care or services are delivered in the vulnerable adult's home, whether a private home or a housing with services establishment, including those that offer assisted living services.

Amends Minn. Stat. § 626.5572, subd. 13(a)

Effective August 1, 2011

4. Added Entities to Department of Human Services Oversight

Adds the following entities to those over which the Department of Human Services is designated lead investigative agency: (1) family adult day services; (2) mental health clinics; (3) dependency programs; (4) the Minnesota sex offender program; and (5) any other facility or service licensed or required to be licensed by DHS.

Amends Minn. Stat. § 626.5572, subd. 13(b)

Effective August 1, 2011

5. County Social Services Agencies

Expands the authority of county social service agencies as lead investigative agency to any personal care provider organization, rather than just unlicensed personal care provider organizations.

Amends Minn. Stat. § 626.5572, subd. 13(c)

Effective August 1, 2011

E. Maltreatment Review Panel and Lead Investigative Agency Procedures

Modifies the procedures applicable to the Vulnerable Adult Maltreatment Review Panel and lead agency decision making process.

1. Review Panel Procedures

Requires that that the review panel include in its recommendations made to the lead agency: (1) the factors on which the recommendations are based; and (2) the disputed (i) facts, (ii) application of maltreatment definitions, (iii) application of responsibility for maltreatment, and (iv) weighing of evidence.

Amends Minn. Stat. § 256.021, subd. 2(b)

Effective August 1, 2011

2. Lead Investigative Agency Procedures

Requires the lead investigative agency to: (1) communicate the decision in writing to the vulnerable adult or interested person acting on behalf of the vulnerable adult who requested the review; and (2) include the specific rationale for its decision.

Amends Minn. Stat. § 256.021, subd. 2(c)

Effective August 1, 2011

F. Notice and Conduct of Administrative Maltreatment Hearings

1. Notice

Requires Department of Human Services referees to, by certified mail, notify the vulnerable adult - and if known, the guardian or health care agent designated in the health

care directive - of the hearing, provided the referee is reasonably able to determine the addresses of the parties entitled to notice. Requires the notification to include information on the right to file a signed written statement in the proceedings within five days of the commencement of the hearing. Provides that the statement becomes part of the record and requires it to be considered by the referee in making the determination.

Amends Minn. Stat. § 256.045 by adding subd. 4(d)

Effective August 1, 2011

2. Conduct of Administrative Hearing

Requires the lead investigative agency to consider including the vulnerable adult victim of maltreatment as a witness, but also requires the agency to inform the referee if the agency determines that participation would endanger the well-being or not be in the best interests of the vulnerable adult.

Amends Minn. Stat. § 256.045 by adding subd. 4(d)

Effective August 1, 2011

G. Notice and Conduct of Contested Case Hearings

1. Notice

Requires an Administrative Law Judge to, by certified mail, notify the vulnerable adult - and if known, the guardian or health care agent designated in the health care directive - of the contested case hearing. Requires the notification to include information on the right to file a signed written statement in the proceedings within five days of the commencement of the hearing. Provides that the statement becomes part of the record and requires it to be considered by the Administrative Law Judge in deciding the appeal.

Amends Minn. Stat. § 626.557 by adding subd. 21

Effective August 1, 2011

2. Conduct of Hearing

Requires the lead investigative agency to consider including the vulnerable adult victim of maltreatment as a witness in the hearing, unless the agency determines that participation in the hearing would endanger the well-being of the vulnerable adult or not be in the best interests of the vulnerable adult, in which case that determination must become part of the final order.

Amends Minn. Stat. § 626.557 by adding subd. 21

Effective August 1, 2011

H. Notification of Change in Final Disposition

Requires the lead investigative agency to notify the following persons if a final disposition is changed as a result of a reconsideration, review, hearing, or appeal: (1) the vulnerable adult, or the vulnerable adult's guardian or health care agent, if known (unless the lead investigative agency knows that the notification would endanger the well-being

of the vulnerable adult); (2) the reporter, if the reporter requested notification when making the report, provided this notification would not endanger the well-being of the vulnerable adult; (3) the alleged perpetrator, if known; (4) the facility; and (5) the ombudsman for long-term care, or the ombudsman for mental health and developmental disabilities, as appropriate.

Amends Minn. Stat. § 626.557, subd. 9c(g)

Effective August 1, 2011

I. Registration as Predatory Offender

Requires any person convicted of the person aiding, abetting, or conspiring to commit or committing criminal abuse by engaging in sexual contact or penetration (as prohibited under Minn. Stat. § 609.2325, subd. 1(b)) to register as a predatory offender.

Amends Minn. Stat. § 243.166, subd. 1b

Effective August 1, 2011, and applies to all crimes committed after that date.

COURTS

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I. IN FORMA PAUPERIS FEE REIMBURSEMENT

First Special Session, Chapter 1, Article 3, Section 4 (SF 1)

Amends Minn. Stat. §563.01, subd. 3

Effective July 21, 2011

Permits courts, at or following commencement of the action, to require payment of \$75 or all or any portion of the fees, costs and security for costs if the court finds that a person becomes able to pay. Provides that any revenue collected is deposited into the state general fund.

DISABILITY LAW

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Acronyms used in this Section:

ADL Activity of Daily living

ALJ Administrative Law Judge

BI Brain Injury Waiver

CAC Community Alternative Care Waiver

CADI Community Alternatives for Disabled Individuals Waiver

CCSA Children and Community Services Act

CMS Center for Medicare and Medicaid Services

DD Developmental Disabilities Waiver

DEED Department of Employment and Economic Development

DHS Department of Human Services

FADS Family Adult Day Services

HCBS Home and Community Based Services Waivers

ICF/DD Intermediate Care Facilities for Persons with Developmental

MA Medical Assistance

MA-EPD Medical Assistance for Employed Persons with Disabilities

MDH Minnesota Department of Health

MNCare MinnesotaCare

NEMT Non-Emergency Medical Transportation

OT Occupational Therapy

PT Physical Therapy

PCA Personal Care Assistance

SNBC Special Needs Basic Care

I. COMMUNITY SERVICE CHANGES

A. Adult Mental Health Grants

First Special Session, Chapter 9, Article 10, Section 3, subd. 4(1) (HF 25)

Effective July 1, 2011

Reduces by \$13.5 million adult mental health grants used for: (1) community support programs; (2) services for those without health coverage; and (3) crisis and drop-in centers.

B. Children and Community Services Act Grants (CCSA)

First Special Session, Chapter 9, Article 1, Sections 20 - 30; and Article 10, Section 3 (HF 25)

Amends Minn. Stat. §§ 256M.01; 256B.10, subd. 2; 256M.20, subds. 1 - 3; 256M.30; § 256M.40; 256M.50; 256M.60, subd. 1; 256M.70, subd. 2; and 256M.80

Repeals Minn. Stat. §§ 256M.10, subd. 5; 256M.60, subd. 2; and 256M.70, subd. 1
Effective July 1, 2011

Renames the Children and Community Services Act the Vulnerable Children and Adults Act and limits the use of funds. Limits funded services to vulnerable children in child protection or the subject of maltreatment, and adults who are subjects of maltreatment who experience dependency, abuse or neglect. Permits supportive family services to be funded, but eliminates eligibility for funding for services based upon poverty, chronic health conditions, ethnicity or race that can result in poor outcomes or disparities. Removes provisions that prioritize case management for persons with developmental disabilities, children with serious emotional disturbance, and adults with serious and persistent mental illnesses. Changes funding formula annually through 2016 and reduces funding for the biennium by \$22 million. (Note: For a more detailed summary, see discussion of Children and Community Services Act Grants in the Juvenile Law section below.)

C. Congregate Living Rate Reduction for Lower Need Residents

First Special Session, Chapter 9, Article 10, Section 3, Subdivisions 3(g) and 4(k) (HF 25)

Rider Language

Effective October 1, 2011

Reduces rates by 10% from October 1, 2011 through June 30, 2015 for an estimated 3,600 DD and CADI Waiver recipients living in staffed foster homes or customized living settings who have been determined by DHS to be "low need." Requires the lead agencies to adjust the contracts with the foster home providers within 60 days of the effective date. Cuts: (1) \$13.8 million for 2012-2013; and (2) \$16.5 million for 2014-2015 in state MA funds. Appropriates: (1) \$250,000 per year for local planning grants to support alternative services, training, and assistance for person-centered planning activity; and (2) \$950,000 for related administrative costs.

D. DD Waiver Acuity Payment

First Special Session, Chapter 9, Article 10, Section 11, Subdivision 6(c) (HF 25)

Amends Laws 2010, First Special Session, Chapter 1, Article 15, Section 3, Subdivision 6
Effective July 1, 2011

Eliminates the January 1, 2010, DD Waiver 1% acuity growth factor payments under Minnesota Statutes 256B.092, subdivisions 4 and 5 for one year. Saves \$8.9 million in state funds and twice that amount in total funding for the DD Waiver for the biennium, due to the loss of federal Medicaid matching funds.

E. Disability Linkage Line

First Special Session, Chapter 9, Article 7, Section 2; and Article 10, Subdivision 4(k) (HF 25)

Amends Minn. Stat. § 256.01, subd. 24; and Rider Language Effective July 1, 2011

Adds duties to the Disability Linkage Line, including: (1) informing people of their long-term community services and supports options; and (2) providing necessary resources and supports to increase employment and to provide technical assistance for the DHS web-based tool, Minnesota's Disability Benefits 101. Provides additional funding for the Disability Linkage Line related to the enrollment into managed care plans for persons with disabilities.

F. Family Adult Day Service (FADS) Modification

First Special Session, Chapter 9, Article 4, Sections 6, 7, and 9 (HF 25)

Amends Minn. Stat. §§ 245A.11, subd. 2b; 245A.143, subd. 1; and 256B.49, subd. 16a. Effective July 1, 2011 (Medicaid payment requires federal approval)

Expands those who can be served by FADS from those 55 or over (excluding persons with serious and persistent mental illnesses or developmental disabilities) to working age adults 18 to 55 (including adults with severe and persistent mental illness or developmental disabilities). Allows a licensed adult foster home to also provide adult day services under one combined license, for up to eight persons. Changes the FADS license to include the expanded definition of adult day care services and removes certain licensing requirements. Requires DHS to seek a waiver amendment for Medicaid reimbursement of FADS under all disability waivers which must be approved before FADS can qualify for Medicaid reimbursement.

G. Family Member PCA Rates

First Special Session, Chapter 9, Article 7, Sections 10 and 11 (HF 25)

Amends Minn. Stat. § 256B.0659, subds. 11 and 28 Effective October 1, 2011

Cuts the PCA rate paid to providers for non-legally responsible family members by 20%, which translates into an estimated savings of approximately \$24 million in state funds for the biennium. Affects the following family members: (1) parent or adoptive parent of an adult; (2) sibling 16 or older; (3) adult child; (4) grandparent; and (5) grandchild. Provides for the imposition of a fine on provider agencies of up to \$500 for failure to consistently comply with the PCA provider agency documentation requirements in Minnesota Statutes § 256B.0659, subdivision 28, including documenting those PCAs who are subject to the 20% rate cut.

H. Home and Community-Based Services (HCBS) Waivers for Persons with Disabilities (CAC, CADI, DD, and BI)

First Special Session, Chapter 9, Article 10, Section 3, Subd. 2(c) (HF 25)

Rider Language

Effective July 1, 2011

1. Limits on HCBS Waivers and Caseload Increases

Limits HCBS waivers, caseload increases to:

- CADI: 60 per month (720/yr) until June 30, 2013, then 85 per month (1,020/yr) until June 30, 2015.
- DD: 6 per month (72/yr) until June 30, 2013, then 15 per month (180/yr) until June 30, 2015.
- CAC and BI: There are no caseload limits.

2. Certain Conversions Not Limited

Does not limit conversions from ICF/DD (for the DD Waiver) or conversions from the closure or downsizing of a nursing facility (for the CADI and BI Waiver).

3. Funding Cut

Cuts \$67 million in state funding from the forecasted need for home and community waivers for the next biennium and appropriates \$19 million to fund nursing homes and increased home care due to increasing waiting lists.

I. Housing Access Service Grants

First Special Session, Chapter 9, Article 10, Section 3, Subdivision 4(k) (HF 25)

Rider Language

Effective July 1, 2011

Appropriates \$161,000 for state fiscal year 2012 for housing access services to assist individuals to relocate from adult foster homes to more independent community living settings. Includes assistance with: (1) completion of rental application; (2) publicly-financed housing options; (3) development of household budgets; (4) finding affordable furnishings and related household matters.

J. ICF/DD Rate Increase for Pine Ridge Facility in Clearwater County

First Special Session, Chapter 9, Article 7, Sections 42 and 43 (HF 25)

Adds Minn. Stat. § 256B.5012, subs. 9 and 10

Effective July 1, 2011

Provides the Pine Ridge ICF/DD facility a rate increase and reduces all other ICF/DD facilities to cover the cost of the rate increase.

K. License Capacity for Corporate Adult Foster Care

First Special Session, Chapter 9, Article 7, Sections 1, 13, 40, and 41; and Article 10, Section 3 (HF 25)

Amends Minn. Stat. § 245A.03, subd. 7

Adds Minn. Stat. § 256B.49, subd. 15(f) and Rider Language

Effective July 1, 2011

Reduces the license capacity for adult foster care homes that are not the primary residence of the license holder when a recipient of CADI or BI waiver services chooses to move from a licensed adult foster care home to a more independent community-living setting. Defines community-living setting. Provides housing access grants to agencies which will assist individuals who relocate from an adult foster care home with completion of rental applications or lease agreements, development of household budget, assistance with publicly financed housing options and assistance with funding affordable household furnishings and related household matters. Saves \$1.3 million and is estimated to affect about 128 licensed beds.

L. Licensing Fees Charge for Background Studies

First Special Session, Chapter 9, Article 4, Section 8 (HF 25)

Amends Minn. Stat. § 245C.10

Effective July 1, 2011

Charges 4,000 licensed programs a \$20 fee for each background study, saving \$2 million for biennium and resulting in a loss of \$700,000 in federal matching revenue.

M. Long-Term and Community Support Providers Rates and Grants

First Special Session, Chapter 9, Article 7, Section 44, 45 and 51 (HF 25)

Uncodified Language

Effective July 1, 2011, implemented September 1, 2011

Cuts provider rates 1.5% for 2012 - 2013 and 1% for 2014 - 2015, including (1) all long-term care providers except for nursing facilities, including (1) 11 5 HCBS waivers (EW, BI, CAC, CADI, DD); 2) aging and adult services grants; and 3) consumer and family support, and other disability grants. Reduces day training and habilitation rates by 1% instead of 1.5% beginning FY 2012. Provides that implementation will begin on September 1, 2011 and will be prospective only.

N. MA Reform Waiver

First Special Session, Chapter 7, Sections 53 and 54(HF 20)

Uncodified language

Effective July 1, 2011

Requires DHS to apply for 11 separate federal waivers affecting all Medicaid populations. Includes reform of home and community-based services to realign funding and supports for persons with disabilities and older Minnesotans to assure community integration and sustainability of the service system. Seeks better outcomes, including improved health, increased employment, reduced reliance on institutional care and community housing.

O. Mental Health, Disability, Children's Mental Health and Child Protection Grants

First Special Session, Chapter 9, Article 10, Section 3, Subdivision 4(k)(l)(m) (HF 25)

Effective July 1, 2011

Reduces four grants by \$3.3 million instead of by \$14 million as originally adopted by the Legislature in the vetoed Health and Human Services Omnibus Bill. Includes a one-time biennial reduction of \$500,000 for Technology Grants for group homes.

P. Money Follows the Person

First Special Session, Chapter 9, Article 7, Section 4 (HF 25)

Amends Minn. Stat. § 256B.04

Effective July 1, 2011

Establishes a special revenue fund account for the federal Money Follows the Person grant funds awarded to DHS to improve community services and reduce institutional stays.

Q. Nursing Facility Level of Care Changes

First Special Session, Chapter 9, Article 7, Sections 12, 15, 16, 21, 38, 39, 46, 47, 48, 52 and 54; and Article 10, Section 4(i) (Essential Community Support Grant delay rider) (HF 25)

Amends Laws 2009, Chapter 79, Article 8, Section 4, as amended by Laws 2010, First Special Session, Chapter 1, Article 24, Section 12 and Rider Language

Effective July 1, 2011

Delays implementation of more stringent nursing facility level of care qualifying criteria because of federal health care reform requirements, but requires DHS to apply for a federal waiver from the CMS to implement the nursing facility level of care criteria on July 1, 2012 (which is 18 months earlier than currently permitted under federal law). Provides that if this waiver is not granted, an additional rate cut of 1.67% will take effect for long-term care providers, except nursing facilities, effective from July 1, 2012 to December 31, 2013.

R. Personal Care Assistance (PCA) Eligibility

First Special Session, Chapter 9, Article 7, Section 8 (HF 25)

Amends Minn. Stat. §§ 256B.0625, subd. 19a; and 256B .0652, subd. 6

Effective July 1, 2011

Restricts PCA services for individuals with one dependency in an ADL and/or Level 1 behavior to no more than 30 minutes of assistance per day. Restores eligibility for PCA services for about 3,540 children and adults who, without this change, would have been terminated from PCA services on July 1, 2011 under cuts adopted in 2009. Approves use of about \$8 million set aside for this purpose in 2009.

S. Remembering with Dignity

First Special Session, Chapter 12, Section 15 subd. 5 (HF 23)

Rider Language

Effective July 1, 2011

Appropriates \$300,000 for grave markers or memorial monuments on public laws to mark unmarked graves of deceased residents of state regional treatment centers.

T. Restructure Licensing Fees

First Special Session, Chapter 9, Article 4, Sections 3, 4, and 5 (HF 25)

Amends Minn. Stat. § 245A.10, subd. 4

Adds Minn. Stat. § 245A.10, subds. 7 and 8

Effective July 1, 2011

Moves DHS Licensing Division costs to a fee-based model which results in license fee increases for over 4,000 licensed providers and a loss of \$630,000 in federal matching funds. Saves the state \$1.17 million for the biennium.

U. State-Operated Mental Health Housing and Supports

First Special Session, Chapter 9, Article 10, Section 3, Subdivision 5 (HF 25)

Rider Language

Effective July 1, 2011

Appropriates \$1.5 million from the State Operated Services account for housing and other supports for persons with mental illness and other complex conditions.

V. Statewide Quality Assurance

First Special Session, Chapter 9, Article 7, Section 23; and Article 10, Section 3 (Region 10 Rider) (HF 25)

Adds Minn. Stat. § 256B.0961 and Rider Language

Effective July 1, 2011 except that the jurisdictions of the regional quality councils must be defined, with implementation dates, by July 1, 2012

- Requires the establishment of a State Quality Council with members appointed by DHS.

- Authorizes DHS to delegate authority to perform certain licensing functions to a host county in Region 10.
- Allows DHS to conduct random licensing inspections based on outcomes at facilities, programs and services eligible under this section.
- Directs DHS to: (1) ensure that federal home- and community-based waiver requirements are met; and (2) seek a federal waiver by July 1, 2012, to allow ICFs/DD to participate in this system.
- Requires the jurisdictions of the regional quality councils to be defined by July 1, 2012.
- Continues implementation of the alternative licensure system during the 2012-2013 biennium by the Quality Assurance Commission.
- Appropriates \$330,000 for the biennium for the state commission and Region 10.

II. COMMUNITY SERVICES POLICY CHANGES

A. Assessment, Reassessment, Individualized Service Plan, Comprehensive Transitional Service, and Plan Maintenance Service

First Special Session, Chapter 9, Article 7, Sections 39 and 40 (HF 25)

Amends Minn. Stat. § 256B.49, subds. 14 and 15

Effective July 1, 2013, except subd. 15(f) is effective July 1, 2011

Specifies new assessment and reassessment provisions for newly required transition and maintenance plans for those using the CADI and BI Waivers. Appropriates \$330,000 to DHS for the biennium.

B. Community Living Settings

First Special Session, Chapter 9, Article 7, Section 41(HF 25)

Add Minn. Stat. § 256B.49, subd. 23

Effective July 1, 2011

Defines community living setting as a single-family home or apartment which the service recipient or family owns or rents and controls. Requires community living settings to comply with nine addition criteria.

III. HEALTH CARE CHANGES

A. Care Coordination for Children with High Cost Mental Health Condition

First Special Session, Chapter 9, Article 6, Section 89 (HF 25)

Effective July 21, 2011

Appropriates funds to coordinate care for MA and MNCare enrollees who are children with high-cost mental health conditions whose mental health expenses over the past year

totaled \$100,000 or more. Requires of submission of plan to the Legislature by January 15, 2012.

B. Changes to Physical Therapy (PT), Occupational Therapy (OT), Speech Therapy Services Coverage and Prior Authorization Process

First Special Session, Chapter 9, Article 6, Sections 29, 30, 31, and 91 (HF 25)

Amends Minn. Stat. § 256B.0625, subs. 8(a), 8a(a), and 8b(a)

Various Effective Dates

1. Specialized Maintenance Therapy for Adults Terminated

Eliminates the category of specialized maintenance therapy for PT, OT, and speech-language therapy.

Effective January 1, 2012

2. DHS Evaluation of Specialized Maintenance Therapy

Requires DHS to evaluate whether specialized maintenance therapy improves quality of care and reduces hospitalization rates for those with serious and persistent mental illness and report to the Legislature by December 15, 2011.

Effective July 21, 2012

3. Authorization for All Outpatient Rehabilitation Services Required

Removes one-time service limits for PT, OT and Speech and Language Therapy and requires authorization for all episodes of care.

Effective March 1, 2012

C. Critical Access Dentistry

First Special Session, Chapter 9, Article 6, Section 68 (HF 25)

Amends Minn. Stat. § 256B.76, subd. 4

Effective September 1, 2011.

Reduces MNCare payment rates to critical access dental providers to the MA rate of 30% above the rate that would otherwise be paid. Limits clinics to those owned and operated by the University of Minnesota or the Minnesota State Colleges and University system. Results in \$6.1 million biennial spending reduction for critical access dentistry.

D. Dental Reimbursement

First Special Session, Chapter 9, Article 6, Section 68 (HF 25)

Amends Minn. Stat. § 256B.76, subd. 4

Effective September 1, 2011 through June 30, 2013

Reduces payment rates for dental services by 3%.

E. Fee-for-Service Basic Care Rate Reductions

First Special Session, Chapter 9, Article 6, Section 69 (HF 25)

Amends Minn. Stat. § 256B.766

Effective September 1, 2011 through June 30, 2013

- Reduces outpatient hospital facility fees by 5%.
- Reduces by 3%: (1) ambulatory surgery centers facility fees; (2) medical supplies; (3) durable medical supplies; (4) prosthetics and orthotics; (5) renal dialysis services; (6) laboratory services; (7) public health nursing services; (8) physical therapy services; (9) occupational therapy services; (10) speech therapy services; (11) eyeglasses; (12) hearing aids; (13) anesthesia services; and (14) hospital services.

F. MA-EPD Premium and Out-of-Pocket Increases for the Next Biennium

First Special Session, Chapter 9, Article 7, Section 7 (HF 25)

Amends Minn. Stat. § 256B.057, subd. 9

Effective January 1, 2014 for adults age 21 or older and October 1, 2019 for children age 16 to 21

Increases fees for MA-EPD participants totaling over \$8 million for the 2014-2015 biennium. Increases minimum premiums from \$35 per month to \$65 and the unearned income cost share obligation from ½% to 5%, averaging more than \$750 per year per person when fully implemented. Provides that the increases cannot be implemented for adults until 2014 due to the Affordable Care Act maintenance of effort.

G. MA Non-Emergency Medical Transportation (NEMT, Special and Access Transportation) Rates

First Special Session, Chapter 9, Article 6, Section 37; and Article 3, Section 6 (HF 25)

Amends Minn. Stat. § 256B.0625, subd. 17

Effective September 1, 2011 for fee-for-service and January 1, 2012 for managed care

Reduces rates for MA transportation services (including special transportation and access to transportation services) by 4.5%, resulting in a cut of \$4.160 million in state funds for the biennium. Affects all populations using MA or MNCare. Requires a report to the relevant legislative chairs on proposed changes for NEMT by January 15, 2012.

H. MA and MNCare Cost Sharing Increase

First Special Session, Chapter 9, Article 6, Section 49 (HF 25)

Amends Minn. Stat. § 256B.0631, subd. 1

Effective for services provided on or after September 1, 2011

Increases co-payments for MA-eligible adults who are not institutionalized and not pregnant. Reinstates co-payments of: (1) \$3 for non-preventive visits, excluding mental health; (2) \$3 for eyeglasses; and (3) \$12 for prescription drugs.

I. Mandatory Managed Care for Persons with Disabilities Eligible for Medical Assistance, with Opt-Out

First Special Session, Chapter 9, Article 6, Section 64 (HF 25)

Amends Minn. Stat. § 256B.69, subd. 28

Effective January 1, 2012

Enrolls all children and adults with disabilities in managed care plans SNBC product unless the individual chooses to opt-out of managed care and remain in fee-for-service MA. Allows enrollees opt out of SNBC managed care at any time effective the first of the following month. Saves \$27 million in state funds for

FY 2012 - 2013. Savings attributed to cost shifts of capitation payments for two months into the next biennium and rate reductions already in effect prior to 2011.

J. Medical Supplies and Equipment

First Special Session, Chapter 9, Article 6, Section 42 (HF 25)

Amends Minn. Stat. § 256B.0625, subd. 31

Effective July 21, 2011

Authorizes DHS to set rates for specified categories of medical supplies at levels below the Medicare payment rate for vendors and requires MA vendors to be enrolled Medicare vendors with some exceptions for special circumstances. Defines durable medical equipment.

K. Medication Therapy Management Services

First Special Session, Chapter 9, Article 6, Section 36 (HF 25)

Amends Minn. Stat. § 256B.0625, subd. 13h

Effective September 1, 2011 or upon federal approval, whichever is later

Expands eligibility for coverage to people: (1) taking three or more prescriptions with one or more chronic conditions; and (2) with a drug therapy problem that is identified by a pharmacist and approved by DHS. Expands the definition of home setting to include long-term care settings, group homes, and assisted living facilities.

L. Modification of Communication Device Pricing

First Special Session, Chapter 9, Article 6, Section 43 (HF 25)

Amends Minn. Stat. § 256B.0625, subd. 31a

Effective September 1, 2011

Requires augmentative and alternate communication systems to be paid at the lower of: (1) the submitted charge; or (2) the manufacturer's suggested retail price minus 20% for providers that are manufacturers, or the manufacturer's invoice charge plus 20 % for providers that are not manufacturers.

M. Non-Covered Services Recipients Flexibility
First Special Session, Chapter 9, Article 6, Section 44 (HF 25)
Amends Minn. Stat. § 256B.0625, subd. 55
Effective September 1, 2011

Allows providers to seek payment from recipients for services not eligible for payment under the MA program. Requires providers to disclose information and recipient to sign acknowledgement and sets limits and conditions.

N. Provider Payments for Persons Who are Eligible for Both MA and Medicare (Cross-over Claims)
First Special Session, Chapter 9, Article 6, Section 46 (HF 25)
Adds Minn. Stat. § 256B.0625, subd. 57
Effective January 1, 2012

Limits MA payment to health care providers for Medicare crossover claims to the MA allowable rate. Excludes mental health services except psychiatrists and advance practice nurses and dialysis for end stage renal disease.

O. Third Party Liability Processes
First Special Session, Chapter 9, Article 6, Section 41 (HF 25)
Amends Minn. Stat. § 256B.0625, subd. 25b
Effective September 1, 2011

Requires MA health care providers to request authorization from a recipient's private coverage or Medicare before requesting authorization for MA to pay for a covered service.

IV. JOBS AND ECONOMIC DEVELOPMENT

A. Advocating Change Together Funding
First Special Session, Chapter 4, Article 1, Section 3, Subdivision 2(m)
Rider Language
Effective July 1, 2011

Provides one-time appropriation for Advocating Change Together of \$135,000 for training, technical assistance and resource materials for persons with developmental and mental illness disabilities.

B. Center for Independent Living Services
First Special Session, Chapter 4, Article 1, Section 3, Subdivision 3(d)
Rider Language
Effective July 1, 2011

Continues funding for Centers for Independent Living under Minn. Stat. § 268A.11 at the same level.

C. Extended Employment

First Special Session, Chapter 4, Article 1, Section 3, Subdivision 3

Rider Language

Effective July 1, 2011

Reduces funding for the regular extended Employment Program by \$320,000 for the biennium but funds the Extended Employment for services for persons with serious and persistent mental illness at the previous level. Provides one-time funding for various programs for persons with disabilities, including deaf and hard of hearing and programs for youth with disabilities, at a reduced level. Requires DEED to with the Governor's Work Force Development Council to establish a competitive grant program for workforce development programs.

D. Vocational Rehabilitation Funding

First Special Session, Chapter 4, Article 1, Section 3, Subdivision 3(b)

Rider Language

Effective July 1, 2011

Increases funding for vocational rehabilitation services in order to obtain available, favorable federal matching funds.

V. MENTAL HEALTH POLICY CHANGES

A. Civil Commitment Review

Regular Session, Chapter 102, Article 6, Section 1 (SF 1287)

Uncodified Language

Effective May 28, 2011

Requires DHS, in consultation with the Revisor's Office, to review civil commitment laws and propose legislation to separate commitment of individuals as sexual psychopathic personalities or sexually dangerous persons from other forms of civil commitment for the 2012 legislative session.

B. Community Behavioral Health Hospitals

First Special Session, Chapter 9, Article 8, Section 8 (HF 25)

Uncodified Language

Effective July 1, 2011

Requires DHS to report to the Legislature on possible uses for community behavioral health hospitals to meet the mental health needs of their regions. Directs DHS to consult with regional planning work groups for adult mental health and include those recommendations in the report. Specifies the issues which must be addressed, which include behavioral health hospitals which have not been Medicaid certified, or have less than 65% occupancy.

C. Diagnostic Assessments

Regular Session, Chapter 86 (SF 1285)

Amends Minn. Stat. § 245.467, subd. 2

Effective August 1, 2011

Establishes timelines for providers to complete adult diagnostic assessments and face-to-face updates of adult diagnostic assessments if a full assessment has been completed within three (3) years of admission to a hospital, residential treatment setting or out-patient services.

D. Integrated Dual Diagnoses Treatment

First Special session, Chapter 9, Article 8, Section 9 (HF 25)

Uncodified Language

Effective July 1, 2011

Authorizes DHS to require chemical dependency and mental health assessors to use specified screening tools to identify co-occurring mental health or chemical dependency disorders beginning December 31, 2011. Directs DHS to adopt rules (to be effective July 1, 2013) to establish an integrated dual-disorder treatment provider certification process. Requires application for any necessary federal waivers to obtain federal financial participation for integrated dual diagnosis treatment for persons with co-occurring disorders.

E. Intensive Rehabilitative Mental Health Services

Regular Session, Chapter 86 (SF 1285)

Amends Minn. Stat. § 256B.0947

Effective November 1, 2011 and subject to federal approval

Establishes specific intensive non-residential rehabilitative adult mental health services for youth, age 16 - 21, called "Youth ACT Team."

F. Licensed Foster Care

Regular Session, Chapter 86 (SF 1285)

Amends Minn. Stat. § 245A.03, subd. 7

Effective August 1, 2011

Adds an exception to the licensed foster care moratorium for restructuring state operated services.

G. Mental Health Screening for Children in Child Protection and Juvenile Justice Systems

Regular Session, Chapter 86 (SF 1285)

Amends Minn. Stat. § 245.4874, subd. 1

Effective August 1, 2011

Requires parental notification about a potential mental health screening and the option to refuse for children in child protection or out-of-home placement unless parental rights

have been terminated. Requires parental consent, or guardian consent for a mental health screening for a child involved with the juvenile justice system unless court ordered based on the child's best interest.

H. Mental Health Services Ratesetting
Regular Session, Chapter 86 (SF 1285)
Amends Minn. Stat. § 256B.0622, subd. 8
Effective August 1, 2011

Requires DHS to establish statewide rates for residential and non-residential mental health services.

VI. PROTECTION LAWS

A. Vulnerable Adults
Regular Session, Chapter 28 (HF 447)
Amends Minn. Stat. §§ 243.166, subd. 1b; 256.021; 626.557, subd. 9c(g); 626.5571, subd. 1; and 626.5572, subd. 13 (among others)
Adds Minn. Stat. §§ 256.045, subd. 4(d); 609.2231, subd. 8; and 626.557, subd. 21
Repeals Minn. Stat. § 609.224, subd. 2(c)
Various Effective Dates

1. Adult Protection Team

Adds representatives from local tribal governments to the multidisciplinary adult protection team counties are statutorily authorized to establish.

Amends Minn. Stat. § 626.5571, subd. 1
Effective August 1, 2011

2 Criminal Penalty

Makes any person who assaults and inflicts demonstrable bodily harm on anyone the person knows or has reason to know is a vulnerable adult guilty of a gross misdemeanor and assault in the fourth degree. (Previously, only caregivers who assaulted a vulnerable adult were guilty of assault in the fifth degree and subject to a specified criminal penalty.)

Adds Minn. Stat. § 609.2231, subd. 8
Repeals Minn. Stat. § 609.224, subd. 2

Effective August 1, 2011, and applies to crimes committed on or after that date.

3. Data Practices

Adds data of the review panel received (as well as created) as part of a review as private data on individuals under Minn. Stat. § 13.02.

Amends Minn. Stat. § 256.021, subd. 4
Effective August 1, 2011

4. Lead Agency Definition

a. Name Change

Changes "lead agency" to "lead investigative agency," applicable throughout the chapter.

Amends Minn. Stat. § 626.5572, subd. 13(a)

Effective August 1, 2011

b. Added Entities to Minnesota Department of Health Oversight

Adds the following entities to those over which MDH is designated lead investigative agency: (1) hospice providers; and (2) any other facility or service licensed or required to be licensed by MDH for the care of vulnerable adults. Deletes "residential care homes" from list.

Amends Minn. Stat. § 626.5572, subd. 13(a)

Effective August 1, 2011

5. Expanded Definition of "Home Care Provider"

Defines "home care provider" to apply when care or services are delivered in the vulnerable adult's home, whether a private home or housing with services establishment, including those that offer assisted living services.

Amends Minn. Stat. § 626.5572, subd. 13(a)

Effective August 1, 2011

6. Added Entities to Department of Human Services Oversight

Adds the following entities to those over which DHS is designated lead investigative agency: (1) family adult day services; (2) mental health clinics; (3) dependency programs; (4) the Minnesota sex offender program; and (5) any other facility or service licensed or required to be licensed by DHS.

Amends Minn. Stat. § 626.5572, subd. 13(b)

Effective August 1, 2011

7. County Social Services Agencies

Expands the authority of county social service agencies as lead investigative agency to any personal care provider organization, rather than just unlicensed personal care provider organizations.

Amends Minn. Stat. § 626.5572, subd. 13(c)

Effective August 1, 2011

8. Maltreatment Review Panel and Lead Investigative Agency Procedures

Modifies the procedures applicable to the Vulnerable Adult Maltreatment Review Panel and lead agency decision making process.

a. Review Panel Procedures

Requires that the review panel include in its recommendations made to the lead agency: (1) the factors on which the recommendations are based; and (2) the disputed (i) facts, (ii) application of maltreatment definitions, (iii) application of responsibility for maltreatment, and (iv) weighing of evidence.

Amends Minn. Stat. § 256.021, subd. 2(b)

Effective August 1, 2011

b. Lead Investigative Agency Procedures

Requires the lead investigative agency to: (1) communicate the decision in writing to the vulnerable adult or interested person acting on behalf of the vulnerable adult who requested the review; and (2) include the specific rationale for its decision.

Amends Minn. Stat. § 256.021, subd. 2(c)

Effective August 1, 2011

9. Notice and Conduct of Administrative Maltreatment Hearings

a. Notice

Requires DHS referees to, by certified mail, notify the vulnerable adult - and if known, the guardian or health care agent designated in the health care directive - of the hearing, provided the referee is reasonably able to determine the addresses of the parties entitled to notice. Requires the notification to include information on the right to file a signed written statement in the proceedings within five days of the commencement of the hearing. Provides that the statement becomes part of the record and requires it to be considered by the referee in making the determination.

Adds Minn. Stat. § 256.045, subd. 4(d)

Effective August 1, 2011

b. Conduct of Administrative Hearing

Requires the lead investigative agency to consider including the vulnerable adult victim of maltreatment as a witness, but also requires the agency to inform the referee if the agency determines that participation would endanger the well-being or not be in the best interests of the vulnerable adult.

Adds Minn. Stat. § 256.045, subd. 4(d)

Effective August 1, 2011

10. Notice and Conduct of Contested Case Hearings

a. Notice

Requires an ALJ to, by certified mail, notify the vulnerable adult - and if known, the guardian or health care agent designated in the health care directive - of the contested case hearing. Requires the notification to include information on the right to file a signed written statement in the proceedings within five days of the commencement of the hearing. Provides that the statement becomes part of the record and requires it to be considered by the ALJ in deciding the appeal.

Adds Minn. Stat. § 626.557, subd. 21

Effective August 1, 2011

b. Conduct of Hearing

Requires the lead investigative agency to consider including the vulnerable adult victim of maltreatment as a witness in the hearing, unless the agency determines that participation in the hearing would endanger the well-being of the vulnerable adult or not be in the best interests of the vulnerable adult, in which case that determination must become part of the final order.

Adds Minn. Stat. § 626.557, subd. 21

Effective August 1, 2011

11. Notification of Change in Final Disposition

Requires the lead investigative agency to notify the following persons if a final disposition is changed as a result of a reconsideration, review, hearing, or appeal: (1) the vulnerable adult, or the vulnerable adult's guardian or health care agent, if known (unless the lead investigative agency knows that the notification would endanger the well-being of the vulnerable adult); (2) the reporter, if the reporter requested notification when making the report, provided this notification would not endanger the well-being of the vulnerable adult; (3) the alleged perpetrator, if known; (4) the facility; and (5) the ombudsman for long-term care, or the ombudsman for mental health and developmental disabilities, as appropriate.

Amends Minn. Stat. § 626.557, subd. 9c(g)

Effective August 1, 2011

12. Registration as Predatory Offender

Requires any person convicted of the person aiding, abetting, or conspiring to commit or committing criminal abuse by engaging in sexual contact or penetration (as prohibited under Minn. Stat. § 609.2325, subd. 1(b)) to register as a predatory offender.

Amends Minn. Stat. § 243.166, subd. 1b

Effective August 1, 2011, and applies to all crimes committed after that date.

VII. SPECIAL EDUCATION

A. Definition of Child with a Disability

First Special Session, Chapter 11, Article 3, Section 1 (HF 26)

Amends Minn. Stat. § 125A.02, subd. 1

Effective July 1, 2011

Aligns definition of child with a disability in state law with federal terminology.

B. Prone Restraints

First Special Session, Chapter 11, Article 3, Section 2 (HF 26)

Amends Minn. Stat. § 125A.0942, subd. 3

Effective July 1, 2011

Allows - until August 1, 2012 - school districts to use prone restraints under limited circumstances with staff training required, and requires a report to the Department of Education within five days. Requires the Department of Education report to the Legislature by February 1, 2012 on the use of prone restraints in schools.

C. School Aid Payment Shift

First Special Session, Chapter 11, Article 1, Section 3 (HF 26)

Uncodified Language

Effective July 1, 2011

Shifts state payments to school districts into future years delaying payments of \$2.1 billion for the current biennium.

D. Special Education Funding

First Special Session, Chapter 11, Article 3, Section 11 (HF 26)

Uncodified Language

Effective July 1, 2011

Retains 4.6% annual growth factor for special education and other funding.

E. Trial Placement for Minnesota Academy for the Deaf and Minnesota Academy for The Blind

First Special Session, Chapter 11, Article 3, Section 10 (HF 26)

Amends Minn. Stat. § 125A.69, subd. 1

Effective July 1, 2011

Allows parents to agree to a 60- to 90-day trial placement for a child at the Minnesota Academy For The Deaf and Minnesota Academy For The Blind.

VIII. TASK FORCES, ADVISORY COMMITTEES, REPORTS

A. Autism Task Force

First Special Session, Chapter 9, Article 6, Section 95 (HF 25)

Uncodified Language

Effective July 21, 2011 and expires June 30, 2015

Continues Autism Task Force by requiring appointment of 19 members by September 1, 2011. Establishes duties and requires a report to the Legislature by January 15, 2013 with updates on progress of implementation of strategic plan by January 15, 2014 and 2015. Expires June 30, 2015.

B. Changes to Non-Emergency Medical Transportation to be Developed by DHS

First Special Session, Chapter 9, Article 3, Section 6 (HF 25)

Uncodified Language

Effective July 21, 2011

Requires DHS to develop a proposal to consolidate the administration fee for service non-emergency medical transportation in order to standardize eligibility determinations, scheduling, billing, data collection and oversight to improve accountability and quality. Specifies that use of public transportation by those who do not have a physical, mental or other impairment which prohibits safe use of public transportation must be maximized. Requires draft legislation to be submitted to legislative chairs by January 15, 2012.

C. Specialized Maintenance Therapy

First Special Session, Chapter 9, Article 6, Section 9 (HF 25)

Uncodified Language

Effective July 1, 2011

Requires DHS to evaluate whether specialized maintenance therapy for enrollees with serious and persistent mental illness at risk of hospitalization benefit from the therapy and lower MA costs by reducing hospitalization. Requires a report to the Legislature by December 15, 2011.

DOMESTIC ABUSE

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I. DOMESTIC ABUSE NO CONTACT ORDER (DANCO)

Regular Session, Chapter 79 (SF 882)

Amends Minn. Stat. §299C.10, subd. 1

Effective August 1, 2011, and applies to crimes committed on or after that date.

Adds violation of Domestic Abuse No Contact Order (DANCO) to the list of "targeted misdemeanors" that require fingerprinting and collection of other data sent to the Bureau of Criminal Apprehension.

II. ORDERS FOR PROTECTION

Regular Session, Chapter 116, Article 1, Section 8 (HF 1023)

Amends Minn. Stat. § 518B.01, subd. 8

Effective August 1, 2011

Permits service of dismissal order of Order for Protection to be served by certified mail as an alternative to personal service.

III. SAFE AT HOME PROGRAM

Regular Session, Chapter 116, Article 1, Section 1 (HF 1023)

Adds Minn. Stat. § 5B.11

Effective August 1, 2011

Clarifies that when a Safe at Home program participant is involved in a legal proceeding, the court (or other tribunal) may issue a protective order to prevent disclosure of information that could reasonably lead to discovery of the participant's location.

EDUCATION LAW

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I. ENGLISH LANGUAGE PROFICIENCY STANDARDS

First Special Session, Chapter 11, Article 2, Section 46 (HF 26)

Effective August 1, 2011

Requires the Department of Education to adopt statewide English language proficiency standards developed by World-Class Instructional Design and Assessment in kindergarten through grade 12 for students with limited English language proficiency.

II. SCHOOL SEGREGATION

First Special Session, Chapter 11, Article 2, Section 42 (HF 26)

Adds Minn. Stat. § 124D.855

Effective August 1, 2011

Declares that "the state does not condone separating school children of different socioeconomic, demographic, ethnic, or racial backgrounds into distinct public schools" but rather that "the state's interest lies in offering children a diverse and nondiscriminatory educational experience."

III. SPECIAL EDUCATION - PHYSICAL HOLDING POLICY

First Special Session, Chapter 11, Article 3, Section 2 (HF 26)

Adds Minn. Stat. § 124D.855

Effective August 1, 2011

Ends school districts' authority to use prone restraints on August 1, 2012. Requires that, until August 1, 2012, school districts using prone restraints must, among other things: (1) provide to the Department of Education a list of staff who have had specific training on the use of prone restraints; (2) limit the use of prone restraints to staff who have received specific training; (3) report within five days each incident involving the use of prone restraints; and (4) prior to their use, review any known medical or psychological limitations that would make the use of prone restraints inadvisable. Requires the Department of Education to report to the Legislature by February 1, 2012 on the use of prone restraints in schools.

FAMILY LAW

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I. CHILD SUPPORT JUDGMENTS

Regular Session, Chapter 66, Section 8 (SF 137)

Amends Minnesota Laws 2010, Chapter 238, Section 7, as amended by Minnesota Laws

2010, Chapter 371, Section 5

Effective May 25, 2011

Further delays - until January 1, 2013 - the effective date extending child support judgments from 10 to 20 years.

II. CHILD SUPPORT (IV-D) RECOVERY FEE

First Special Session, Chapter 9, Article 1, Section 32 (HF 25)

Amends Minn. Stat. § 518A.51

Effective January 1, 2012

A. Fee Increase

Increases the child support recovery fee from 1% of child support collected to 2% of child support collected, but retains existing exemptions from the increase for: (1) current public assistance recipients; and (2) persons who have received public assistance in the past 24 months.

B. Distribution of Nonfederal Share of Funds Collected

Requires that the nonfederal share of funds collected must be distributed as follows: (1) 50% to the Department of Human Services (DHS) to the system special revenue account (to fund the state child support computer system); (2) an additional unspecified portion to DHS for expenditures necessary for administering the fee; and (3) the remaining portion to the counties to aid in child support funding, and to help offset reductions to county child support grants. Requires the funds received to be reinvested in the child support program. Prohibits counties from reducing county funding for child support programs by the amount of funds distributed.

FOOD SUPPORTS

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I. EXPEDITED FOOD STAMPS

First Special Session, Chapter 9, Article 1, Section 31 (HF 25)
Amends Minn. Stat. § 393.07, subd. 10a
Effective August 1, 2011

Extends the period within which counties must issue expedited food stamps from "immediately" (construed to mean within 24 hours) to within five working days of application.

II. MINNESOTA FOOD ASSISTANCE PROGRAM

First Special Session, Chapter 9, Article 10, Section 3 (HF 25)
Effective retroactively to July 1, 2011

Renews and expands funding for legal non-citizens receiving food support through the Minnesota Food Assistance Program.

GOVERNMENT OPERATIONS

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I. MINNESOTA SUNSET ACT

First Special Session, Chapter 10, Article 3, Sections 2 - 22 (SF 12)

Adds Minn. Stat., Chapter 3D (§§ 3D.01 - .21)

Effective August 1, 2011

A. Sunset Advisory Commission

Provides that the Sunset Advisory Commission consists of 12 members: (1) four senators and four members of the House of Representatives (with no more than three allowed to be from the majority party); and (2) four members appointed by the Governor.

Adds Minn. Stat. § 3D.03, subd. 1(a)

B. Terms

Provides that the first members serve two year terms beginning no later than September 1, 2011 and ending on January 7, 2013.

Adds Minn. Stat. § 3D.03, subds. 1 and 4

C. Duties

Requires the Sunset Advisory Commission to conduct a review of state agencies and advisory committees, based on criteria and a schedule established by the Act, to determine "whether a public need exists" for the continuation of a state agency or its advisory committees or for functions performed.

Adds Minn. Stat. § 3D.07 (requirement for conduct of review)

Adds Minn. Stat. § 3D.10 (determination of need for agency or advisory committee)

D. Criteria

Lists the statutory criteria upon which an agency or advisory committee is to be evaluated, and includes, among others: (1) how efficient and effective is the agency/advisory committee; (2) whether the mission has been accomplished and problem intended to be solved by the agency/advisory committee has in fact been solved; (3) whether there is a need for extra-statutory activities and to what extent does the authority for the activity exist; (4) whether "less restrictive" methods could provide the service to the public; (6) whether the jurisdiction is duplicative to that of another agency and, if so, can the agencies be merged; (7) timeliness of response to complaints and an assessment of the administrative hearings process; (8) the degree of public participation in rulemaking; and (9) the effect of the loss of federal funds if the agency is abolished.

Adds Minn. Stat. § 3D.10

E. Report to Legislature and Governor

Requires the Commission to report to the Legislature and the Governor by February 1 in each even-numbered year and recommend for each affected agency and advisory committee: (1) its abolition, continuation, reorganization, consolidation, or transfer; (2) improvements in operations; and (3) the fiscal impacts of the recommendations.

Adds Minn. Stat. § 3D.10 (Requirements of Report)

Adds Minn. Stat. § 3D.10 (Nature of Recommendations)

F. Legislative Action Required to Sunset Certain Agencies

Provides for review of certain agencies under a staggered schedule. For the following agencies, only an affirmative act by the Legislature to sunset the agency will terminate its operations: (1) Department of Administration; (2) Department of Agriculture; (3) Department of Commerce; (4) Department of Education; (5) Department of Employment and Economic Development; (6) Department of Health; (7) Department of Human Rights; (8) Department of Human Services; (9) Department of Labor and Industry; (10) Department of Management and Budget; (10) Department of Military Affairs; (11) Department of Revenue; (12) Department of Veterans Affairs; (11) Housing Finance Agency; (12)

Pollution Control Agency; and (13) Public Utilities Commission.

Adds Minn. Stat. § 3D.14 (Continuation of Agencies)

Adds Minn. Stat. § 3D.21 (Schedule of Review of Agencies)

G. Presumptive Sunset of Certain Agencies

Provides that, other than for the agencies whose termination requires express Legislative action, unless the Legislature acts to continue the agency or extend the sunset date, certain agencies will cease to exist after review according to a staggered schedule.

1. Agencies Expiring on June 30, 2012

Unless otherwise provided by law, the following agencies, among others, will cease operations on June 30, 2012: (1) Council on Affairs of Chicano/Latino People; (2) Council on Black Minnesotans; (3) Council on Asian-Pacific Minnesotans; (4) Indian Affairs Council, Council on Disabilities; and (5) all advisory groups associated with these agencies.

2. Agencies Expiring on June 30, 2020

Unless otherwise provided by law, the following agencies, among others, will cease operations on June 30, 2020: (1) Office of Administrative Hearings; and (2) Campaign Finance and Public Disclosure Board.

Adds Minn. Stat. § 3D.21

H. New Agencies

Requires the Sunset Advisory Commission to review each bill that would create a new state agency or advisory committee to determine, among other things, if the proposed functions of the agency or committee could be administered by one or more existing state agencies or advisory committees.

Adds Minn. Stat. § 3D.19

HEALTH LAW

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On March 23, 2010, landmark federal health care reform legislation - the Patient Protection and Affordable Care Act (Public Law 111-148 and as amended by the Health Care Education and Reconciliation Act of 2010, Public Law 111-152) - was enacted. See www.healthcare.gov. Much of the legislative activity in Minnesota's 2011 legislative session was influenced by this federal legislation. In addition, many of the changes to existing healthcare programs were made in anticipation of upcoming federal health care reform objectives or requirements. In addition, as always, other health care legislation unrelated to federal health care reform was enacted.

Acronyms Used in this Section

ACA - Patient Protection and Affordable Care Act
DHS - Minnesota Department of Human Services
FS - Minnesota Food Support Program
GRH - Minnesota Group Residential Housing Program
HMCP - Healthy Minnesota Contribution Program
MA - Medical Assistance
MCHA - Minnesota Comprehensive Health Insurance Plan
MSA - Minnesota Supplemental Aid Program
MNCare - MinnesotaCare Program

I. HEALTH CARE REFORM

A. FEDERAL

1. Electronic Health Care Records Initiative

First Special Session, Chapter 9, Article 6, Sections 4, 5, 6, 7, 8, 9, 10, 11, and 12 (HF 25)

Adds Minn. Stat. § 62J.495, subs. 7-15

Effective July 22, 2011

Establishes an electronic health records incentive program in accordance with the American Recovery and Reinvestment Act (the federal stimulus bill). Creates a process for registration and payment of incentives to participating providers. Defines the appeal rights and procedure for aggrieved providers.

2. Maintenance of Effort Requirements

First Special Session, Chapter 9, Article 6, Sections 84, 85, 86, 87, and 88 (HF 25)

Amends Minn. Laws 2009, Chapter 79, Article 5, Sections 17, 18, 22; Minn. Laws 2009, Chapter 79, Article 8, Section 4; and Minn. Laws 2009, Chapter 173, Article 1, Section 17, as amended by Minn. Laws 2010, First Special Session, Chapter 1, Article 24, Sections 9, 10, 11, 12, and 13

Various Effective Dates

Delays effective dates for implementation of changes in the MA program in order to meet the maintenance of effort requirements under the ACA:

- Effective January 1, 2014:
 - MA Reduction of Excess Assets
 - MA Period of Ineligibility for Long-Term Care Services
 - Nursing Facility Level of Care Criteria for MA Coverage
 - MA Treatment of Trusts

- Effective October 1, 2019
 - MA Asset Limit for families and Children

B. STATE

1. Alignment of Program Policy and Procedures

First Special Session, Chapter 9, Article 9, Section 15 (HF 25)

Effective August 1, 2011

Requires DHS, in consultation with counties and other key stakeholders, to develop recommendations to align program policy and procedures across all public assistance programs to simplify and streamline program eligibility and access. Directs DHS to provide recommendations to the Legislature by January 15, 2013.

2. Care Coordination

a. Children with High-Cost Health Conditions

*First Special Session, Chapter 9, Article 6, Section 89 (HF 25)
Effective August 1, 2011*

Requires DHS to submit a plan to the Legislature by January 15, 2012 to provide care coordination to MA and MNCare enrollee children with high-cost mental health conditions.

b. Frequent Users of Emergency Room Services

*First Special Session, Chapter 9, Article 6, Section 45 (HF25)
Adds Minn. Stat. § 256B.0625, subd. 56
Effective retroactively from January 1, 2011*

Provides MA coverage for community-based care coordination for frequent users of emergency room services. Includes: (1) navigating services to address mental health, chemical health, social, economic, and housing needs; and (2) any other activity targeted at reducing emergency room and other non-medically necessary health care utilization.

3. Competitive Bidding Pilot

*First Special Session, Chapter 9, Article 6, Section 96 (HF25)
Effective January 1, 2012 and ends on December 31, 2013*

Requires DHS to establish a two-year competitive bidding pilot for nonelderly, nondisabled adults and children in medical assistance and MNCare in the seven-county metro area.

4. Complementary and Alternative Medicine Demonstration Project

*First Special Session, Chapter 9, Article 6, Section 70 (HF 25)
Adds Minn. Stat. § 256B.771
Effective July 1, 2011, or upon federal approval, whichever is later*

Authorizes a five-year demonstration project to improve the care provided to MA enrollees with neck and back problems. Contemplates the offering by providers of: (1) education; and (2) care and services that incorporate best practices of traditional and complementary and alternative medicine.

5. Electronic System for Prior Authorization

*First Special Session, Chapter 9, Article 6, Section 40 (HF 25)
Amends Minn. Stat. § 256B.0625, subd. 25
Effective no later than March 1, 2012*

Requires DHS to implement a modernized electronic system for providers to request prior authorization. Requires that the system must: (1) be recipient-centric; (2) have

adequate flexibility to support all levels of care; and (3) support development of process for real time responses.

6. Electronic Verification Procedures

*First Special Session, Chapter 9, Article 9, Section 14 (HF 25)
Effective August 1, 2011*

Requires DHS to: (1) define which public assistance program requirements may be electronically verified for the purposes of determining eligibility; (2) define procedures for electronic verification; and (3) report to the chairs and ranking minority members of the legislative committees with jurisdiction over these issues by January 15, 2012.

7. Eligibility Redeterminations

*First Special Session, Chapter 9, Article 9, Section 16 (HF 25)
Effective January 15, 2012*

Requires DHS to implement a simplified process to redetermine eligibility for recipients of the following programs whose eligibility is based on disability or age and who are expected to experience minimal change in income or assets from month to month: (1) MA; (2) MSA; (3) FS; and (4) GRH.

8. Integrated Service Delivery System

*First Special Session, Chapter 9, Article 9, Section 17 (HF 25)
Effective August 1, 2011*

Requires the health care system to be developed in phases with the capacity to integrate food support, cash assistance, and child care programs as funds are available. Instructs DHS to issue a Request for Information (RFI) for an integrated service delivery system for all these programs.

9. MA Reform Waiver

*First Special Session, Chapter 9, Article 7, Section 53 (HF25)
Effective August 1, 2011*

Requires DHS to seek federal approval in the form of waivers, state plan amendments, or other necessary federal authority for a variety of reform initiatives for both MA and MNCare.

10. Rate Setting and Performance Withholds

*First Special Session, Chapter 9, Article 6, Section 81 (HF 25)
Amends Minn. Stat. § 256L.12, subd. 9
Effective January 1, 2012*

Establishes performance targets for managed care plans and county-based purchasing plans that increasingly reduce the emergency room use, the hospital admission rates and the hospital re-admission rates for MA and MNCare patients. Provides that utilization

rates will decrease each year until they reach a 25% reduction of the 2011 rate. Provides that failure to meet the performance targets will result in a withhold of a percentage of the payment due under the plan's contract.

II. CHANGES TO MINNESOTA HEALTH CARE PROGRAMS

A. ALL PROGRAMS

1. General Provisions

a. Managed Care Data Collection

First Special Session, Chapter 9, Article 6, Section 63 (HF 25)

Adds Minn. Stat. § 256B.69, subd. 9c

Effective July 22, 2011

Requires DHS to collect data regarding: (1) financials; (2) provider payments; (3) provider rate methodologies, expenses and revenues resulting from public healthcare programs; and (4) contribution to reserves.

b. Military Service Question on Healthcare Application

First Special Session, Chapter 9, Article 6, Section 25 (HF 25)

Amends Minn. Stat. § 256B.04, subd. 18

Effective January 1, 2012

Requires the health care programs application be amended to include a question asking whether the applicant has ever served in the United States military.

2. Provider Cuts

a. Basic Care Service Payments

First Special Session, Chapter 9, Article 6, Section 69 (HF 25)

Amends Minn. Stat. § 256B.766

Effective September 1, 2011 and expires June 30, 2013

Reduces payment rate for services as follows:

- Outpatient hospital facility fees by 5%; and
- Ambulatory surgery centers facility fees, medical supplies and other health care services by 3%.

b. Elimination of Hospital Rebasing

First Special Session, Chapter 9, Article 6, Section 20 (HF 25)

Amends Minn. Stat. § 256.969, subd. 2b

Effective January 1, 2013

Ends rebasing to establish payment rates for hospital admissions.

c. Hospital Admissions and Readmissions

First Special Session, Chapter 9, Article 6, Section 21 (HF 25)

Adds Minn. Stat. § 256.969, subd. 3c

Various Effective Dates

1. Payment Rate for Inpatient Hospital Admissions

Reduces the payment rate for inpatient hospital admissions by 10%. Excludes: (1) long-term care hospital as defined by Medicare; (2) children's hospitals; and (3) payments under managed care.

Effective September 1, 2011 and expires June 30, 2015

2. Calculation of Readmission Rate for Certain Admissions

Requires DHS to calculate a readmission rate for admissions occurring within 30 days of previous discharge.

Effective September 1, 2011 and expires June 30, 2015

3. Opportunity for Hospitals to Increase Payment Rate

Permits a hospital to increase its payment rate by lowering its readmission rate. Provides that, for every percent the readmission rate is decreased over two years, the payment rate will increase by 1%, up to a maximum increase of 5%.

Effective July 1, 2013

d. Managed Care Performance Withholds

First Special Session, Chapter 9, Article 6, Section 61 (HF 25)

Amends Minn. Stat. § 256B.69, subd. 5a

Effective January 1, 2012

Establishes performance targets for managed care plans and county-based purchasing plans that increasingly reduce emergency room use, the hospital admission rates, and hospital re-admission rates for MA and MNCare patients. Provides that the utilization rates will decrease each year until they reach a 25% reduction of the 2011 rate. Provides that failure to meet the performance targets will result in a withhold of a percentage of the payment due under the plan's contract.

e. Managed Care Plan Payments

First Special Session, Chapter 9, Article 6, Section 65 (HF 25)

Adds Minn. Stat. § 256B.69, subd. 30

Effective September 1, 2011

Establishes progressive payment reductions and limits future rate increases to managed care plans and county-based purchasing plans

f. Physicians and Dentist Payments

First Special Session, Chapter 9, Article 6, Sections 66 and 67 (HF 25)

Amends Minn. Stat. § 256B.76, subds. 1 and 2

Effective September 1, 2011 and expires June 30, 2013

Reduces payment rates to physician and professional services, and dental services by 3%.

B. MA

1. Eligibility/Enrollment

a. Legal Noncitizens

First Special Session, Chapter 9, Article 6, Section 27 (HF 25)

Deletes Minn. Stat. § 256B.06, subd. 4(j)

Effective January 1, 2012

Eliminates coverage for legal noncitizens, not otherwise eligible for federally funded MA. (*Note: MNCare eligibility for legal noncitizens who are not eligible for federal participation is continued.*)

b. Employed Persons with Disabilities

First Special Session, Chapter 9, Article 7, Section 7 (HF 25)

Amends Minn. Stat. § 256B.057, subd. 9

Effective January 1, 2014 for Adults age 21 or older and

October 1, 2019 for children age 16 to before the child's 21st birthday

- Excludes spousal assets for purposes of determining eligibility.
- Increases the minimum MA-EPD premium from \$35 to \$65.
- Increases the amount of unearned income that must be paid in addition to the premium from .5% to 5%.
- Requires DHS to reimburse enrollees with incomes below 200 % FPG for Medicare Part B premiums.

2. Benefits/Services

a. Acupuncture Services

First Special Session, Chapter 9, Article 6, Section 34 (HF 25)

Adds Minn. Stat. § 256B.0625, subd. 8f

Effective January 1, 2012

Limits acupuncture services to those provided by: (1) a licensed acupuncturist; or (2) a practitioner for whom acupuncture is within the scope of practice and who has specific acupuncture training or credentialing.

b. Advanced Dental Therapists

First Special Session, Chapter 9, Article 6, Section 48 (HF 25)

Adds Minn. Stat. § 256B.0625, subd. 59

Effective September 1, 2011

Provides MA coverage for services provided by advanced dental therapists and dental therapists, when provided within their scope of practice.

c. Chiropractic Care

First Special Session, Chapter 9, Article 6, Section 33 (HF 25)

Amends Minn. Stat. § 256B.0625, subd. 8e

Effective January 1, 2012

Increases from 12 to 24 the number of chiropractic visits allowed under MA before prior authorization is required.

d. Cost-Sharing

First Special Session, Chapter 9, Article 6, Sections 49, 50, and 51 (HF25)

Amends Minn. Stat. § 256B.0631, subds. 1 - 3

Various Effective Dates

1) Co-Pays for Non-Emergency Use of an Emergency Room

- Lowers the co-pay for non-emergency use of an emergency room to \$3.50.

Amends Minn. Stat. § 256B.0631, subd. 1

Effective September 1, 2011

- Seeks federal approval to increase the co-pay to \$20.

Amends Minn. Stat. § 256B.0631, subd. 1

Effective upon federal approval

2) Reinstatement of Co-Pays

Reinstates co-pays that had been reduced or eliminated.

Amends Minn. Stat. § 256B.0631, subd. 1

Effective September 11, 2011

3) Family Cap Deductible

Imposes a family deductible up to the maximum allowed by federal law.

Amends Minn. Stat. § 256B.0631, subd. 3

Effective January 1, 2012.

4) Exceptions for Deductibles

Provides that deductibles are subject to the same exceptions as co-payments.

Amends Minn. Stat. § 256B.0631, subd. 2

Effective January 1, 2012

e. Emergency MA

First Special Session, Chapter 9, Article 6, Section 27 (HF 25)

Amends Minn. Stat. § 256B.06, subd. 4(h)

Effective January 1, 2012

Limits Services under the Emergency MA Program, specifically:

- Limits covered services to: (1) services provided in an emergency room; (2) services provided in an in-patient hospital setting following admission from an ER; or (3) follow-up services directly related to the original service to treat the emergency condition.
- Eliminates coverage for various services, including those related to routine care of chronic conditions. Prohibits coverage for out-patient prescription drugs.

f. Payment Outside the United States

First Special Session, Chapter 9, Article 6, Section 23 (HF 25)

Adds Minn. Stat. § 256B.03, subd. 4

Effective July 22, 2011

Prohibits MA payments for services delivered outside of the U.S. and to providers or entities located outside of the U.S.

g. Recipient Payment for Non-Covered Services

First Special Session, Chapter 9, Article 6, Section 44 (HF 25)

Adds Minn. Stat. § 256B.0625, subd. 55

Effective September 1, 2011

- Allows a provider to seek payment from the recipient for services not eligible for payment under MA when the provider, prior to delivering the service: (1) reviews and considers all available covered alternatives with the recipient; and (2) obtains a signed acknowledgement from the recipient of the potential of the recipient's liability.
- Lists conditions under which a provider cannot seek payment from the recipient.
- Limits the cost of services billed to a recipient to the provider's usual and customary charge for the service and prohibits the provider from billing for the difference between what MA pays or would pay for a less costly alternative service.

3. Provider Cuts

a. Reduction in MA Transportation Rates

First Special Session, Chapter 9, Article 6, Sections 37, 38, and 39 (HF 25)

Amends Minn. Stat. § 256B.0625, subs. 17, 17a, and 18

Effective September 1, 2011

- Reduces ambulance service rates and nonemergency transportation rates, including special transportation, taxi, and other commercial carriers by 4.5%.
- Removes language providing that MA covers the "cost of" the most appropriate and cost-effective form of transportation.

4. Repealers

a. Extending MA

First Special Session, Chapter 9, Article 6, Section 97(HF 25)

Repeals Minn. Stat § 256B.057, subd. 2c

Effective July 21, 2011

Repeals extended MA coverage for children moving to MNCare because of excess income (Note: This provision had not yet been approved by the federal government.)

b. Renewal of MA Eligibility

First Special Session, Chapter 9, Article 6, Section 97, (HF 25)

Repeals Minn. Laws 2009, Chapter 79, Article 6, Section 62

Retroactive from July 1, 2009

Repeals changes to renewal of MA eligibility passed in 2009. (Note: These provisions had not yet been approved by the federal government.)

C. MNCare

1. Eligibility/Enrollment

a. Citizenship Requirement

First Special Session, Chapter 9, Article 6, Section 75 (HF 25)

Amends Minn. Stat. § 256L.04, subd. 10

Effective January 1, 2012

Continues MNCare eligibility for legal noncitizens who are not eligible for federal participation.

b. Premium Determination for Military Families

First Special Session, Chapter 9, Article 6, Section 82 (HF 25)

Amends Minn. Stat. § 256L.15, subd. 1

Effective July 22, 2011

Extends the elimination of premiums for members of the military and their families who are eligible for MNCare.

c. Renewal of Eligibility for Foster Children

First Special Session, Chapter 9, Article 6, Section 76 (HF 25)

Amends Minn. Stat. § 256L.05, subd. 3a

Effective July 22, 2011

Clarifies that for children leaving foster care or a juvenile facility who are enrolled under Minn. Stat. § 256L.07, subd. 8, the first period of renewal begins the month the enrollee turns 21 years of age.

d. State Residency Requirement

First Special Session, Chapter 9, Article 6, Section 78 (HF 25)

Amends Minn. Stat. § 256L.09, subd. 2

Effective August 1, 2011

Repeals the 180 day state residency requirement, making the MNCare residency requirement the same as for MA (i.e., presence in the state with the intent to remain).

2. Benefits/Services

a. Cost Sharing

First Special Session, Chapter 9, Article 6, Section 72 (HF 25)

Amends Minn. Stat. § 256L.03, subd. 5

Effective January 1, 2012

Imposes a family deductible up to the maximum allowed by federal law.

b. Critical Access Dental Providers

First Special Session, Chapter 9, Article 6, Section 80 (HF 25)

Amends Minn. Stat. § 256L.11, subd. 7

Effective September 11, 2011

Reduces the critical access dental (CAD) add-on payment for MNCare from 50% to 30%, which is in line with the CAD add-on payment for MA.

c. Inpatient Services for Chemical Dependency

First Special Session, Chapter 9, Article 6, Section 79 (HF 25)

Amends Minn. Stat. § 256L.11, subd. 6

Effective July 22, 2011

Clarifies that inpatient services for single adults without children do not include hospital-based and residential treatment for chemical dependency.

3. Healthy Minnesota Contribution Program

First Special Session, Chapter 9, Article 6, Section 73 (HF 25)

Adds Minn. Stat. § 256L.031

Effective July 1, 2012

Establishes the HMCP, a voucher program for the purchase of health care insurance in the private market.

a. Defined Contributions

Provides that MNCare enrollees who are adults without children with gross family income greater than 200% of Federal Poverty Guidelines will be given a monthly defined contribution in order to purchase health coverage through a health plan in the private individual market.

Adds Minn. Stat. § 256L.031, subd. 1

b. Exemption for HMCP Enrollees from MNCare Requirements

- Exempts HMCP enrollees from MNCare premiums and the required enrollment in a managed care plan or a county-based purchasing plan.
- Makes inapplicable to HMCP enrollees MNCare provisions related to covered services (Minn. Stat. § 256L.03), cost sharing (Minn. Stat. § 256L.03, subd. 5), the effective date of coverage (Minn. Stat. § 256L.05, subd. 3), and provider payments (Minn. Stat. § 256L.11).
- Provides that for HMCP enrollees, the following are governed by the terms of the health plan purchased by the enrollee: (1) covered services; (2) cost sharing; (3) disenrollment for nonpayment of premiums; (4) appeal rights; (5) complaint procedures; and (6) effective date of coverage.
- Specifies that, unless otherwise provided in this section, all MNCare requirements related to eligibility, income and asset methodology, income reporting, and program administration continue to apply

Adds Minn. Stat. § 256L.031, subd. 1

c. Use of Contribution

Allows enrollees to use up to the monthly defined contribution to pay premiums for coverage under a health *plan*.

Adds Minn. Stat. § 256L.031, subd. 2

d. Enrollee Requirements

Requires an enrollee to select a health plan within three calendar months of approval of MNCare eligibility and provides that the enrollee's MNCare eligibility is terminated if a health plan is not selected.

Adds Minn. Stat. § 256L.031, subd. 2

e. Health Plan Coverage

Requires the health plan that is purchased to: (1) cover mental health and chemical dependency treatment; and (2) meet the abortion coverage exclusion.

Adds Minn. Stat. § 256L.031, subd. 2

f. Determination of Defined Contribution Amount

- Requires DHS to determine the defined contribution amount using a sliding scale, under which the per-person defined contribution is a function of age and income.
- Specifies that the monthly per person base contribution ranges from \$125 for persons age of 20 to 29 to \$357.19 for persons age 60 and over. Provides that the base contribution is multiplied by a percentage inversely related to income, ranging from 110% to 80%, to obtain the monthly per person defined contribution amount.
- Requires the defined contribution amount calculated to be increased by 20% for enrollees who are denied coverage in the private individual market and who purchase coverage through MCHA.

Adds Minn. Stat. § 256L.031, subd. 3

g. DHS Obligations

- Provides that the enrollee's defined contribution amount will be paid directly to the health plan or MCHA, as applicable.

Adds Minn. Stat. § 256L.031, subd. 4

h. Penalties for Nonpayment or Voluntary Termination

- Provides that nonpayment of a health plan premium results in disenrollment.
- Prohibits the enrollee from reenrolling for four months following: (1) nonpayment of a health plan premium; or (2) voluntary termination from the program.

Adds Minn. Stat. § 256L.031, subd. 4

i. Referrals for Assistance in Purchasing Private Coverage

Requires that eligible enrollees be referred to professional insurance agent associations for assistance in purchasing a private health insurance plan.

Adds Minn. Stat. § 256L.031, subd. 5

j. Eligibility for MCHA Coverage

Provides that eligible MHCP enrollees who are denied coverage in the individual market are eligible for coverage through MCHA and may enroll in MCHA in accordance with chapter 62E. Provides that any difference between the revenue and covered losses to MCHA related to the implementation of the MHCP be paid to MCHA from the health care access fund.

Adds Minn. Stat. § 256L.031, subd. 6

k. Federal Approval

Requires DHS to seek federal approval for federal financial participation for adult enrollees.

Adds Minn. Stat. § 256L.031, subd. 7

4. Minnesota Comprehensive Health Insurance Plan

First Special Session, Chapter 9, Article 6, Section 2 (HF 25)

Adds Minn. Stat. § 62E.14, subd. 4g

Effective July 1, 2012

Waives the preexisting condition limitation requirement to enroll in the MCHA for a person who is eligible for the HMCP and has been denied coverage in the individual market.

5. Repealers

a. Children Formerly Under MA

First Special Session, Chapter 9, Article 6, Section 97 (HF 25)

Repeals Minn. Stat § 256L.07, subd. 7

Retroactive from October 1, 2008

Repeals exemption of children transitioned from MA from MNCare insurance barriers. (Note: This provision had not yet been approved by the federal government.)

b. Income Limit for Children Transitioning from MA to MNCare
First Special Session, Chapter 9, Article 6, Section 74 (HF 25)
Amends Minn. Stat. § 256L.04, subd. 1
Effective retroactively to October 1, 2008

Eliminates an exemption from the program income limit for children who transition from MA to MNCare. (Note: This provision had not yet been approved by the federal government.)

c. Renewal Month and Premium Grace Month
First Special Session, Chapter 9, Article 6, Section 97 (HF 25)
Repeals Minn. Laws 2008, Chapter 358, Article 3, Sections 8 & 9
Effective July 21, 2011

Repeals provisions providing MNCare enrollees with a renewal rolling month and a premium grace month. (Note: This provision had not yet been approved by the federal government.)

III. OTHER HEALTH CARE POLICY

A. FAMILY HOME VISITOR PROGRAM DATA SHARING
First Special Session, Chapter 9, Article 2, Section 22 (HF 25)
Amends Minn. Stat. § 145A.17, subd. 3
Effective July 22, 2011

Requires local family home visitor programs to obtain permission from participating families to share data with other family service providers so that a lead agency can be selected for the family.

B. INMATE CO-PAYMENTS FOR HEALTH SERVICES
First Special Session, Chapter 1, Article 2, Section 1 (SF 1)
Amends Minn. Stat. § 243.212
Effective date July 22, 2011

Mandates that inmates of adult correctional facilities under the control of the Department of Corrections must contribute a co-payment of at least \$5 per visit to a health care provider.

C. REFERRAL OF VETERANS
First Special Session, Chapter 9, Article 6, Section 77 (HF 25)
Adds Minn. Stat. § 256L.05, subd. 6
Effective July 22, 2011

Requires that all MNCare applicants who identify themselves as veterans be referred to a county veterans service officer for assistance in applying for any VA benefits for which they are eligible.

JUVENILE LAW

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Acronyms Used in This Section

CHIPS = Child in Need of Protection

DHS = Minnesota Department of Human Services

DPS = Minnesota Department of Public Safety

MDH = Minnesota Department of Health

I. ADOPTION/RELATIVE CUSTODY ASSISTANCE

First Special Session, Chapter 9, Article 10, Section 3 (HF 25)

Effective July 1, 2011

A. Increases

Increases Adoption Assistance Grants as follows:

- \$3,349,000 in 2012
- \$3,989,000 in 2013
- \$3,989,000 in 2014
- \$3,989,000 in 2015

B. Reductions

Reduces Relative Custody Assistance Grants as follows:

- \$527,000 in 2012
- \$609,000 in 2013
- \$609,000 in 2014
- \$609,000 in 2015

II. CHILDREN AND COMMUNITY SERVICES GRANTS (CCSA)

First Special Session, Chapter 9, Article 1, Section 20-30 and Article 10, Section 3 (HF 25)

Amends Minn. Stat. §§ 256M.01; 256B.10, subd. 2; 256M.20, subs. 1-3; 256M.30; 256M.40; 256M.50; 256M.60, subd. 1; 256M.70, subd. 2; and 256M.80

Repeals Minn. Stat. §§ 256M.10, subd. 5; 256M.60, subd. 2; and 256M.70, subd. 1

Effective July 1, 2011

A. Name of Grants

Renames the Children and Community Services Act (commonly known as CCSA) the "Vulnerable Children and Adults Act."

Amends Minn. Stat. §§ 256M.01 and 256M.10, subd. 2

B. Scope of Grants

Limits funded services to: (1) vulnerable children who are either in child protection or who are the subject of maltreatment; and (2) adults who are subject of maltreatment

experiencing dependency, abuse, or neglect. Allows funding for supportive family services, but makes ineligible services based upon poverty, chronic health conditions, ethnicity, or race that can result in poor outcomes or disparities.

Amends Minn. Stat. § 256M.20, subds. 1 and 2

C. County Duties

Removes provisions that prioritize case management for persons with developmental disabilities, children with serious emotional disturbances, and adults with serious and persistent mental illnesses.

Amends Minn. Stat. § 256M.60

D. County Service Plan Changes

Requires, effective January 1, 2012, that county service plans must be updated only as needed to reflect current policy and procedures regarding state law requirements and use of funds. Requires that preliminary service plans must be submitted to the DHS by October 15, 2011. Eliminates the requirement that plans allocate certain grant percentages to children in low-income families. Removes the 60-day notice requirement for DHS to notify the county that the plan is approved. Adds a requirement for DHS to monitor counties' compliance on federal performance measures.

Amends Minn. Stat. §§ 256M.20, subd. 3; and 256M.30

E. Grant Funding Formula Changes

Amends funding formulas as follows:

- In 2011 and 2012, counties will receive available funds in proportion to that county's share of funds in calendar year 2010.

- In 2013:
 - 75% based on the county share in calendar year 2012;
 - 5% based on the population of the county; and
 - 10% based on the number of vulnerable children subject to CHIPS or maltreatment reports; and
 - 10% based on the number of vulnerable adults subject to maltreatment reports

- In 2014:
 - 50% based on the county share in calendar year 2012;
 - 10% based on the population of the county;
 - 20% based on the number of vulnerable children subject to CHIPS or maltreatment reports; and
 - 20% based on the number of vulnerable adults subject to maltreatment reports.

- In 2015:
 - 25% based on the county share in calendar year 2012;
 - 15% based upon the population of the county;
 - 30% based on the number of vulnerable children subject to CHIPS or maltreatment reports; and
 - 30% based on the number of vulnerable adults subject to maltreatment reports.

- In 2016 and years after:
 - 20% based on the population of the county;
 - 40% based on the number of vulnerable children subject to CHIPS or maltreatment reports; and
 - 40% based on the number of vulnerable adults subject to maltreatment reports.
- Amends Minn. Stat. § 256M.40

F. Grant Fund Appropriation Reduction and Restrictions

Reduces the grant funding appropriation for the biennium by \$22 million. Provides that, beginning in 2012: (1) federal reimbursement grants cannot be used for any purpose prohibited by section 2005 of the Social Security Act (Social Service Block Grant limitations); and (2) counties must meet all federal certification requirements to receive grant funds.

Amends Minn. Stat. § 256M.50

III. DETENTION OF JUVENILES CERTIFIED AS ADULTS

Regular Session, Chapter 72, Section 1 (HF 229)

Amends Minn. Stat. § 260B.125, subd. 8

Effective August 1, 2011

Permits detention of juveniles in a secure juvenile facility during the pendency of the criminal proceedings in cases where a juvenile is certified as an adult.

IV. DISPOSITIONS FOR JUVENILE SEX OFFENDERS

Regular Session, Chapter 72, Sections 2 and 3 (HF 229)

Amends Minn. Stat. § 260B.198, subd. 1

Adds Minn. Stat. § 260B.198, subd. 1a

Effective August 1, 2011, and applies to offenses committed on or after that date.

Specifically authorizes the court to prohibit a juvenile sex offender from living within the greater of three city blocks or 1,000 feet from victim if the juvenile: (1) is age 15 or older; (2) is adjudicated delinquent for violating one of the enumerated sex offense statutes in Chapter 609, which include First through Fifth Degree Criminal Sexual Conduct and Criminal Sexual Predatory Conduct; and (3) does not reside in the same home as the victim. Relieves the court of the obligation to show how the disposition is in the best interests of the child/juvenile offender if this disposition is used.

V. E-CHARGING

Regular Session, Chapter 91, Section 1 (SF 881)

Amends Minn. Stat. § 299C.41, subd. 1

Effective August 1, 2011

Permits the use of e-charging in apprehending, prosecuting, or adjudicating a person for: (1) an alleged delinquent act; or (2) an alleged criminal or petty misdemeanor offense.

VI. GUARDIAN AD LITEM FEES

First Special Session, Chapter 1, Article 3, Section 2 (SF 1)

Amends Minn. Stat. § 260C.331, subd. 3

Effective July 21, 2011

Prohibits courts from ordering counties to pay for guardians ad litem or attorneys appointed to represent a guardian ad litem in juvenile court.

VII. SEXUALLY EXPLOITED YOUTH

First Special Session, Chapter 1, Article 4, Sections 1-9 (SF 1)

Amends Minn. Stat. §§ 260B.007, subds. 6 and 16; 260C.007, subds. 6 and 11; 609.3241; and 626.558, subd. 2a

Adds Minn. Stat. §§ 260C.007, subd. 31; and 609.093

Various Effective Dates

The general purpose of all these changes is to legally establish sexually exploited youth as victims rather than offenders.

A. Definition of "Sexually Exploited Youth"

Defines "sexually exploited youth" to mean generally an individual who is: (1) alleged to have engaged in conduct which would, if committed by an adult, violate any federal, state, or local criminal sexual conduct law; (2) a victim of various enumerated crimes; or (3) a sex trafficking victim.

Adds Minn. Stat. § 260C.007, subd. 31

Effective August 1, 2011

B. Addition of Sexually Exploited Youth to Definition of "Child in Need of Protection"

Adds sexually exploited youth to the definition of a child in need of protection or services.

Amends Minn. Stat. § 260.007, subd. 6

Effective August 1, 2011

C. Exclusion of Sexually Exploited Youth from Definition of "Delinquent"

Excludes sexually exploited youth from the definition of a delinquent child.

Amends Minn. Stat. § 260B.007, subd. 6

Effective for offenses committed on or after August 1, 2014

D. Exclusion of Sexually Exploited Youth from Definition of "Juvenile Petty Offender"

Excludes sexually exploited youth from the definition of juvenile petty offender.

Amends Minn. Stat. § 260B.007, subd. 16

Effective for offenses committed on or after August 1, 2014

E. Treatment of Sexually Exploited Youth Accused of Prostitution

Requires prosecutors, rather than treating a first offense as a delinquency or criminal matter, to either: (1) refer a sexually exploited youth to a diversion program; or (2) file a petition for CHIPS adjudication.

Adds Minn. Stat. § 609.093

Effective for offenses committed on or after August 1, 2014

F. Penalty Assessment for Adults Convicted of Prostitution

Establishes a hard minimum and nonwaivable assessment of \$100 for adults who are convicted of prostitution, but were not prostitutes, and specifies how those sums are allocated among municipalities, the prosecuting agency, and DPS.

Adds Minn. Stat. § 609.3241(b) and (c), subd. 6

Effective August 1, 2011

G. Safe Harbor for Youth Account

Establishes a Safe Harbor for Youth account and service model, if sufficient funds are donated to fund the program. Requires that the DPS, in consultation with the DHS and MDH and if funds are available, to establish a statewide victim service model to address the needs of sexually exploited youth and youth at risk of sexual exploitation by June 30, 2012. Requires the model to reflect the recommendations of the 2006 Safe Harbor for Sexually Exploited Youth pilot project, as well as input from prosecutors, public safety and public health officials, child protection, and service workers. Requires DPS to report to the legislature by January 15, 2013 regarding the development of the service model and the need for additional legislation or funding to assist sexually exploited youth or youth at risk of sexual exploitation.

Adds Minn. Stat. § 609.3241(d) (establishment of account)

2011 Minn. Laws, First Special Session, ch. 1, art. 4, sec. 9 (requirements)

Effective August 1, 2011

VIII. TRIBES INCLUDED IN SERVICE DELIVERY REDESIGN ACT

First Special Session, Chapter 9, Article 9, Sections 7 and 8 (HF 25)

Amends Minn. Stat. § 402A.10, subds. 4 and 5

Effective August 1, 2011

Includes the provision of human services by tribes in the definition of "essential human services." Includes in the definition of "service delivery authority" an Indian tribe that has, or group of tribes that have, voluntarily chosen by resolution of tribal government to participate in redesign. (These definitions are included in the 2009 "State-County Results, Accountability, and Service Delivery Redesign Act," which assesses performance outcomes of county providers of human services.)

Amends Minn. Stat. § 402A.10, subd. 4 (definition of "essential human services")

Amends Minn. Stat. § 402A.10, subd. 5 (definition of "service delivery authority")

IX. TRANSFER OF WHITE EARTH BAND HUMAN SERVICES IN MAHNOMEN COUNTY

First Special Session, Chapter 9, Article 9, Section 18 (HF 25)

Effective July 1, 2011

A. Transfer of Custody to Tribe

Provides that DHS will transfer legal responsibility to the tribe for providing human services to tribal members and their families who reside on or off the reservation in Mahnommen County. Provides that the transfer must include federal and state funds, grants

and foundation funds and services to tribal members and families. Requires a consensus decision of the governing body of the tribe and DHS as to which programs will be transferred to the tribe.

B. County Relieved of Responsibilities

Provides that, when the transfer is complete and the project is funded, Mahnomen County is relieved of all responsibilities of providing services to tribal members and their families, whether residing on or off the reservation.

C. Non-Band Family Members

Allows family members who are not Band members to choose whether to receive services from the county or the tribe.

D. DHS Report

Directs DHS to submit a written report detail progress on the program transfer, and any legislation needed to complete the transfer, to the legislature by January 15, 2012.

IX. TRANSFER OF WHITE EARTH BAND HUMAN SERVICES IN CLEARWATER AND BECKER COUNTIES

*First Special Session, Chapter 9, Article 9, Section 18 (HF 25)
Effective July 1, 2011*

Directs DHS and the White Earth Band to develop a plan to transfer human services for tribal members and their families residing in Clearwater and Becker Counties after the transfer from Mahnomen County is complete.

X. WHITE EARTH BAND CHILD PROTECTION SERVICES IN HENNEPIN COUNTY

*First Special Session, Chapter 9, Article 9, Sections 1(HF 25)
Amends Minn. Stat. §256.01, subd. 14b
Effective August 1, 2011*

Directs DHS, in consultation with the White Earth Band, to develop a plan to transfer legal responsibility for providing child protective services to White Earth Band member children residing in Hennepin County to the White Earth Band. Requires the plan to include a financing proposal, definitions of key terms, statutory amendments required, and other provisions required to implement the plan and be submitted to House and Senate Health and Human Services Committees by January 15, 2012.

LANDLORD-TENANT LAW

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I. APPLICABILITY OF RENTER FORECLOSURE PROTECTIONS

Regular Session, Chapter 58 (SF 1162)

Amends Minn. Stat. § 504B.285, subd. 1a

Effective August 1, 2011

Clarifies that the protections under the Federal Renter Protection Act - which in 2010 were codified and merged with protections under Minnesota law - apply only to residential real property.

II. RENTERS' CREDIT

First Special Session, Chapter 7, Article 6, Section 8 (HF 20)

Amends Minn. Stat. §§ 290A.03, subds. 11 and 13

Effective for claims based on rent paid in 2011 and following years

Reduces an individual recipient's credit in 2012 by an average of about \$80 (or approximately 13%) by reducing the portion of property tax attributed to rent from 19% to 17%. (Note: Because the formula for the credit is based on income and on the property taxes paid by the landlord, the amount of the credit individual renters receive varies.)

PUBLIC BENEFITS LAW

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Acronyms Used in This Section

EBT = Electronic Benefit Transfer

DHS = Minnesota Department of Human Services

EMSA = Emergency Minnesota Supplemental Assistance

GA = General Assistance

MA = Medical Assistance

MFIP = Minnesota Family Investment Program

MSA = Minnesota Supplemental Aid

SSI = Supplemental Security Income

I. MINNESOTA FAMILY INVESTMENT PROGRAM

A. EBT Changes

1. New Cash-Only Card

First Special Session Chapter 9, Article 1, Section 10 (HF 25)

Adds Minn. Stat. § 256.987

Effective June 1, 2012

Creates a separate EBT cash-only card for MFIP, GA, and MSA. Requires that the card contain the recipient's name on the card and a warning against purchasing alcohol or tobacco. Makes the purchase or attempted purchase of alcohol or tobacco an unlawful fraud which will disqualify the participant from public benefits programs.

2. Blocking EBT Usage at Various Locations

First Special Session Chapter 9, Article 1, Section 33 (HF 25)

Effective August 1, 2011

Requires liquor, tobacco, gambling, and tattoo establishments to negotiate with third-party processors to block EBT cash transactions and ATM withdrawals at their places of business.

3. EBT Business Task Force

First Special Session Chapter 9, Article 1, Section 34 (HF 25)

Effective August 1, 2011 and expires June 30, 2012.

Creates the Minnesota EBT Business Task Force. Provides that members include: (1) two members of the Minnesota House of Representatives; (2) two members of the Senate; (3) DHS; (4) an appointee of the Minnesota Grocer's Association; and (5) a credit card

processor appointed by DHS. Requires the task force to develop a strategy for eliminating tobacco and alcohol purchases by public benefits program recipients. Requires a report to the Legislature by April 1, 2012.

B. Consolidated Fund

First Special Session Chapter 9, Article 10, Section 3 (HF 25)

Effective July 1, 2011

Reduces funding to the MFIP consolidated fund by \$10 million each year beginning in 2012

C. Vehicle Asset Test

First Special Session Chapter 9, Article 1, Section 18 (HF 25)

Amends Minn. Stat. § 256J.20, subd. 3

Effective October 1, 2011

Reduces for an MFIP recipient the allowable waiver for the value of a vehicle from \$15,000 to \$10,000.

D. Work Activity

First Special Session Chapter 9, Article 1, Section 19 (HF 25)

Amends Minn. Stat. § 256J.49, subd. 13

Effective August 1, 2011

Clarifies that approved MFIP work activities may not include activities done for a political purpose.

II. GENERAL ASSISTANCE

First Special Session Chapter 9, Article 1, Section 11 (HF 25)

Amends Minn. Stat. § 256D.05, subd. 1

Effective May 1, 2012

Requires that, to be eligible for GA: (1) a person's qualifying illness, injury, or incapacity must be expected to last for more than 45 days, an increase from 30 days; and (2) a person whose eligibility is tied to a learning disability must have a condition that qualifies under Minnesota's special education rules as a specific learning disability. Removes eligibility for persons who live more than four hours round trip from suitable employment.

III. EMERGENCY GENERAL ASSISTANCE

First Special Session Chapter 9, Article 1, Section 12 (HF 25)

Amends Minn. Stat. § 256D.06, subd. 2

Repeals Minn. Rules, Part 9500.1261, subp.3D and 3E

Effective November 1, 2011

A. Income Eligibility

Requires income eligibility of net income no greater than 200% of the federal poverty guidelines.

B. County Allocation

Requires a minimum EGA allocation to each county of \$1,000.

C. County Flexibility

Provides counties discretion to write rules for EGA and repeals promulgated rules on EGA payment provisions.

D. Rules Repealed

Repeals rules prohibiting the provision of EGA to individuals who: (1) have used more than 50% of income and assets on other than basic needs during the 60 days prior to apply for emergency assistance; and (2) are in a period of disqualification from work readiness.

IV. EMERGENCY MINNESOTA SUPPLEMENTAL AID

First Special Session Chapter 9, Article 1, Section 13 (HF 25)

Amends Minn. Stat. § 256D.46, subd. 1

Terminates EMSA. Makes SSI and MSA applicants and recipients eligible to apply for EGA.

V. FAMILY ASSETS FOR INDEPENDENCE (FAIM)

Special Session Chapter 9, Article 1, Section 15 (HF 25)

Amends Minn. Stat. § 256E.35, subd. 6

Effective July 1, 2011

Terminates funding for matched contributions in the FAIM program.

VI. HOMELESS FUNDING

First Special Session Chapter 9, Article 10, Section 3 (HF 25)

Effective July 1, 2011

Appropriates \$700,000 in TANF funds to the DHS for long-term homeless services.

VII. OVERPAYMENTS

*First Special Session Chapter 9, Article 9, Sections 3, 4, 5, and 6 (HF 25)
Amends Minn. Stat. §§ 256D.09, subd. 6; 256D.49, subd. 3; 256J.38, subd. 1; and
393.07, subd. 10
Effective August 1, 2011*

Limits an overpayment in connection with all benefit programs to: (1) the 12 months prior to the month of discovery where due to agency error; and (2) six years prior to the month of discovery where due to client error or an intentional program violation.

VIII. PROGRAM SIMPLIFICATION

*First Special Session Chapter 9, Article 9, Sections 15, 16, 17 (HF 25)
Effective August 1, 2011*

A. All Public Assistance Programs

Requires DHS, in consultation with counties and key stakeholders, to develop recommendations to simplify and streamline all public assistance programs. Requires a report to the Legislature by January 15, 2013.

B. Eligibility of the Elderly and Persons with Disabilities for Certain Programs

Requires DHS to develop and implement by July 15, 2012 a simplified process for redetermining eligibility for elderly and disabled participants in MA, MSA, food support, and group residential housing.

C. Integrated Service Delivery

Requires DHS to issue a request for information for an integrated service delivery system for health care programs, food support, cash assistance, and child care. Provides that emphasis must be placed on: (1) ease of eligibility determinations; (2) user-friendly online application and web-based systems; (3) auto-verify ability; (4) an electronic document management system; and (5) a centralized customer contact center. Requires a report to the Legislature no later than January 31, 2012.

REAL PROPERTY LAW

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I. CANCELLATION OF A PURCHASE AGREEMENT

Regular Session, Chapter 66, Sections 5 and 6 (SF 137)

Amends Minn. Stat. § 559.217, subds. 4 and 8

Effective August 1, 2011, and applies to any Notice of Cancellation of Purchase Agreement or Responsive Notice of Cancellation of Purchase Agreement served on or after that date

A. Anti-Waiver

Provides that a notice to initiate cancellation of a purchase agreement may be given notwithstanding any provisions in the agreement to the contrary.

Amends Minn. Stat. § 559.217, subd. 4

B. Service

Adds personal service to first class mailing as a means of serving notice of cancellation.

Adds that service by first class mail is effective upon delivery.

Amends Minn. Stat. § 559.217, subd. 8

II. REDEMPTION PERIOD ON REVERSE MORTGAGE LOANS

Regular Session, Chapter 66, Sections 5 and 6 (SF 137)

Amends Minn. Stat. § 580.23, subd. 2

Effective May 25, 2011, and applies to foreclosures of reverse mortgages in which the notice of foreclosure was published on or after the effective date

Adds reverse mortgages to the list of foreclosures subject to a 12-month redemption period.

III. TRANSACTION AGENT DISCLOSURE

Regular Session, Chapter 61, Section 1 (SF 1208)

Adds Minn. Stat. § 58.162

Effective August 1, 2011

Requires a "transaction agent" or servicer to provide to a mortgagor, within 10 business days of a written request, the identity, address, and telephone number of the current owner of the note secured by the mortgage, based on the transaction agent's or servicer's actual knowledge. Provides that the requested information must be provided free of charge once per calendar year. Allows a transaction agent or servicer to comply with the Dodd-Frank Bill provisions amending the Real Estate Settlement Procedures Act in lieu of complying with the new state provisions (which provide that "a servicer of a federally-related mortgage" must "respond within 10 business days to a request from a borrower to provide the identity, address, and other relevant contact information about the owner or assignee of the loan").

Note: a "transaction agent" is defined under Minn. Stat. § 58.02, subd. 30 as "the person identified in a mortgage recorded with the county recorder or registrar of titles as the nominee or agent for a third party also identified in the mortgage."

TAX LAW

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I. RENTERS' CREDIT

First Special Session, Chapter 7, Article 6, Section 8 (HF 20)

Amends Minn. Stat. §§ 290A.03, subs. 11 and 13

Effective for claims based on rent paid in 2011 and following years

Reduces an individual recipient's credit in 2012 by an average of about \$80 (or approximately 13%) by reducing the portion of property tax attributed to rent from 19% to 17%. (Note: Because the formula for the credit is based on income and on the property taxes paid by the landlord, the amount of the credit individual renters receive varies.)

II. REVENUE RECAPTURE

Regular Session, Chapter 71 (HF 258)

Amends Minn. Stat. § 270A.03, subd. 2

Effective May 25, 2011

Adds private ambulance services licensed under Chapter 144 as eligible to use the services of the Minnesota collection enterprise for collection of debts through revenue recapture.

UNEMPLOYMENT INSURANCE (UI) LAW

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I. BENEFIT ACCOUNT

Regular Session, Chapter 84, Article 1, Section 6 (SF 1130)

Amends Minn. Stat. § 268.07, subd. 2

Effective October 28, 2012

Requires that an initial applicant - and clarifies that an applicant seeking to establish a new benefit account within 52 weeks of a prior account -- must have total wage credits in the four quarter base period of at least \$2,400 or 5.3% of the state's average annual wage rounded down to the next lower \$100, whichever is higher.

II. CONTINUED ELIGIBILITY

Regular Session, Chapter 84, Article 1, Section 1 (SF 1130)

Amends Minn. Stat. § 268.035, subd. 19a

Effective July 1, 2011

Adds grandparent to the definition of immediate family member for purposes of retaining eligibility due to a good cause determinations for a quit under Minn. Stat. § 268.095.

III. INELIGIBILITY

Chapter 84, Article 1, Sections 6, 7 and 9 (SF 1130)

Amends Minn. Stat. § 268.07, subd. 2, 3b; amends Minn. Stat. § 268.095, subd. 10

Effective October 28, 2012

Repeals the requirement that a worker earn eight times his or her weekly benefit amount to end a period of ineligibility for UI. Requires a worker to meet one-half of the new requirements to establish a benefit account (i.e. \$1,200) to end a period of ineligibility.

IV. NONCOVERED EMPLOYMENT

Regular Session, Chapter 84, Article 2, Section 2 (SF 1130)

Amends Minn. Stat. § 268.035, subd. 20

Effective August 1, 2011

Clarifies that: (1) UI is not available to a person whose primary attachment to a school, college, or university is that of a student; and (2) UI is available to a person whose primary attachment to a school, college, or university is that of an employee who also is a student.

V. PAYMENTS THAT DELAY UI BENEFITS

Regular Session, Chapter 84, Article 1, Section 8 (SF 1130)

Amends Minn. Stat. § 268.05, subd. 3

Effective August 7, 2011

Adds paid personal time off (PTO) to the list of payments that will delay the start of unemployment compensation.

VI. SUITABLE EMPLOYMENT

Regular Session, Chapter 84, Article 1, Section 3 (SF 1130)

Amends Minn. Stat. § 268.035, subd. 23a

Effective August 1, 2011

Provides that employment with a temporary staffing service is not considered suitable if less than 25% of the applicant's wage credits are from a job assignment with the client of the staffing service (a decrease from 45%).