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HOUSE FILE NO. 196

SECOND COMMITTEE ENGROSSMENT

January 18, 2007
Authored by Greiling, Clark, Rukavina, Walker, Paymar and others
The bill was read for the first time and referred to the Committee on Health and Human Services
March 5, 2007
Committee Recommendation and Adoption of Report:
To Pass as Amended and re-referred to the Committee on Public Safety and Civil Justice
March 12, 2007
By motion, recalled and re-referred to the Committee on Finance

Referred by Chair to Public Safety Finance Division.
March 21, 2007
Returned to the Committee on Finance as Amended.

1.1 A bill for an act
1.2 relating to human services; changing mental health provisions; requiring mental
1.3 health screening for certain inmates; establishing children's mental health
1.4 grants and training; requiring students of higher education to carry health
1.5 insurance; creating a loan forgiveness program; creating crisis intervention
1.6 team grants; making changes to mental health funding provisions; modifying
1.7 medical assistance covered services; increasing provider reimbursement
1.8 rates; establishing pilot projects and work groups; authorizing grant funding;
1.9 requiring reports; appropriating money; amending Minnesota Statutes 2006,
1.10 sections 245.462, subdivision 20; 245.50, subdivision 5; 256B.038; 256B.0622,
1.11 subdivision 2; 256B.0623, subdivisions 2, 5, 8, 12; 256B.0625, subdivisions
1.12 38, 43, 46, by adding subdivisions; 256B.0943, subdivisions 1, 2, by adding
1.13 subdivisions; 256B.69, subdivisions 5g, 5h; 256B.763; 256D.03, subdivisions
1.14 3, 4; 256D.44, subdivision 5; 256L.03, subdivisions 1, 5; 256L.035; 256L.07,
1.15 subdivision 3; 256L.12, subdivision 9a; 641.15, by adding a subdivision;
1.16 proposing coding for new law in Minnesota Statutes, chapters 135A; 144; 245;
1.17 245A; 256; 256B; 626; 641.

1.18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.19 **ARTICLE 1**

1.20 **CRIMINAL JUSTICE**

1.21 Section 1. Minnesota Statutes 2006, section 256D.03, subdivision 3, is amended to
1.22 read:

1.23 Subd. 3. **General assistance medical care; eligibility.** (a) General assistance
1.24 medical care may be paid for any person who is not eligible for medical assistance under
1.25 chapter 256B, including eligibility for medical assistance based on a spenddown of excess
1.26 income according to section 256B.056, subdivision 5, or MinnesotaCare as defined in
1.27 paragraph (b), except as provided in paragraph (c), and:

2.1 (1) who is receiving assistance under section 256D.05, except for families with
2.2 children who are eligible under Minnesota family investment program (MFIP), or who is
2.3 having a payment made on the person's behalf under sections 256I.01 to 256I.06; or

2.4 (2) who is a resident of Minnesota; and

2.5 (i) who has gross countable income not in excess of 75 percent of the federal poverty
2.6 guidelines for the family size, using a six-month budget period and whose equity in assets
2.7 is not in excess of $1,000 per assistance unit. General assistance medical care is not
2.8 available for applicants or enrollees who are otherwise eligible for medical assistance but
2.9 fail to verify their assets. Enrollees who become eligible for medical assistance shall be
2.10 terminated and transferred to medical assistance. Exempt assets, the reduction of excess
2.11 assets, and the waiver of excess assets must conform to the medical assistance program in
2.12 section 256B.056, subdivision 3, with the following exception: the maximum amount of
2.13 undistributed funds in a trust that could be distributed to or on behalf of the beneficiary by
2.14 the trustee, assuming the full exercise of the trustee's discretion under the terms of the
2.15 trust, must be applied toward the asset maximum;

2.16 (ii) who has gross countable income above 75 percent of the federal poverty
2.17 guidelines but not in excess of 175 percent of the federal poverty guidelines for the
2.18 family size, using a six-month budget period, whose equity in assets is not in excess
2.19 of the limits in section 256B.056, subdivision 3c, and who applies during an inpatient
2.20 hospitalization; or

2.21 (iii) the commissioner shall adjust the income standards under this section each July
2.22 1 by the annual update of the federal poverty guidelines following publication by the
2.23 United States Department of Health and Human Services.

2.24 (b) Effective for applications and renewals processed on or after September 1, 2006,
2.25 general assistance medical care may not be paid for applicants or recipients who are adults
2.26 with dependent children under 21 whose gross family income is equal to or less than 275
2.27 percent of the federal poverty guidelines who are not described in paragraph (e).

2.28 (c) Effective for applications and renewals processed on or after September 1, 2006,
2.29 general assistance medical care may be paid for applicants and recipients who meet all
2.30 eligibility requirements of paragraph (a), clause (2), item (i), for a temporary period
2.31 beginning the date of application. Immediately following approval of general assistance
2.32 medical care, enrollees shall be enrolled in MinnesotaCare under section 256L.04,
2.33 subdivision 7, with covered services as provided in section 256L.03 for the rest of the
2.34 six-month eligibility period, until their six-month renewal.

3.1 (d) To be eligible for general assistance medical care following enrollment in
3.2 MinnesotaCare as required by paragraph (c), an individual must complete a new
3.3 application.
3.4 (e) Applicants and recipients eligible under paragraph (a), clause (1); who have
3.5 applied for and are awaiting a determination of blindness or disability by the state medical
3.6 review team or a determination of eligibility for Supplemental Security Income or Social
3.7 Security Disability Insurance by the Social Security Administration; who fail to meet the
3.8 requirements of section 256L.09, subdivision 2; who are classified as end-stage renal
3.9 disease beneficiaries in the Medicare program; who are enrolled in private health care
3.10 coverage as defined in section 256B.02, subdivision 9; who are eligible under paragraph
3.11 (j); or who receive treatment funded pursuant to section 254B.02 are exempt from the
3.12 MinnesotaCare enrollment requirements of this subdivision.
3.13 (f) For applications received on or after October 1, 2003, eligibility may begin no
3.14 earlier than the date of application. For individuals eligible under paragraph (a), clause
3.15 (2), item (i), a redetermination of eligibility must occur every 12 months. Individuals are
3.16 eligible under paragraph (a), clause (2), item (ii), only during inpatient hospitalization but
3.17 may reapply if there is a subsequent period of inpatient hospitalization.
3.18 (g) Beginning September 1, 2006, Minnesota health care program applications and
3.19 renewals completed by recipients and applicants who are persons described in paragraph
3.20 (c) and submitted to the county agency shall be determined for MinnesotaCare eligibility
3.21 by the county agency. If all other eligibility requirements of this subdivision are met,
3.22 eligibility for general assistance medical care shall be available in any month during which
3.23 MinnesotaCare enrollment is pending. Upon notification of eligibility for MinnesotaCare,
3.24 notice of termination for eligibility for general assistance medical care shall be sent to
3.25 an applicant or recipient. If all other eligibility requirements of this subdivision are
3.26 met, eligibility for general assistance medical care shall be available until enrollment in
3.27 MinnesotaCare subject to the provisions of paragraphs (c), (e), and (f).
3.28 (h) The date of an initial Minnesota health care program application necessary to
3.29 begin a determination of eligibility shall be the date the applicant has provided a name,
3.30 address, and Social Security number, signed and dated, to the county agency or the
3.31 Department of Human Services. If the applicant is unable to provide a name, address,
3.32 Social Security number, and signature when health care is delivered due to a medical
3.33 condition or disability, a health care provider may act on an applicant's behalf to establish
3.34 the date of an initial Minnesota health care program application by providing the county
3.35 agency or Department of Human Services with provider identification and a temporary
3.36 unique identifier for the applicant. The applicant must complete the remainder of the

4.1 application and provide necessary verification before eligibility can be determined. The
4.2 county agency must assist the applicant in obtaining verification if necessary.

4.3 (i) County agencies are authorized to use all automated databases containing
4.4 information regarding recipients' or applicants' income in order to determine eligibility for
4.5 general assistance medical care or MinnesotaCare. Such use shall be considered sufficient
4.6 in order to determine eligibility and premium payments by the county agency.

4.7 (j) General assistance medical care is not available for a person in a correctional
4.8 facility unless the person is detained by law for less than one year in a county correctional
4.9 or detention facility as a person accused or convicted of a crime, or admitted as an
4.10 inpatient to a hospital on a criminal hold order, and the person is a recipient of general
4.11 assistance medical care at the time the person is detained by law or admitted on a criminal
4.12 hold order and as long as the person continues to meet other eligibility requirements
4.13 of this subdivision.

4.14 (k) General assistance medical care is not available for applicants or recipients who
4.15 do not cooperate with the county agency to meet the requirements of medical assistance.

4.16 (l) In determining the amount of assets of an individual eligible under paragraph
4.17 (a), clause (2), item (i), there shall be included any asset or interest in an asset, including
4.18 an asset excluded under paragraph (a), that was given away, sold, or disposed of for
4.19 less than fair market value within the 60 months preceding application for general
4.20 assistance medical care or during the period of eligibility. Any transfer described in this
4.21 paragraph shall be presumed to have been for the purpose of establishing eligibility for
4.22 general assistance medical care, unless the individual furnishes convincing evidence to
4.23 establish that the transaction was exclusively for another purpose. For purposes of this
4.24 paragraph, the value of the asset or interest shall be the fair market value at the time it
4.25 was given away, sold, or disposed of, less the amount of compensation received. For any
4.26 uncompensated transfer, the number of months of ineligibility, including partial months,
4.27 shall be calculated by dividing the uncompensated transfer amount by the average monthly
4.28 per person payment made by the medical assistance program to skilled nursing facilities
4.29 for the previous calendar year. The individual shall remain ineligible until this fixed period
4.30 has expired. The period of ineligibility may exceed 30 months, and a reapplication for
4.31 benefits after 30 months from the date of the transfer shall not result in eligibility unless
4.32 and until the period of ineligibility has expired. The period of ineligibility begins in the
4.33 month the transfer was reported to the county agency, or if the transfer was not reported,
4.34 the month in which the county agency discovered the transfer, whichever comes first. For
4.35 applicants, the period of ineligibility begins on the date of the first approved application.

5.1 (m) When determining eligibility for any state benefits under this subdivision,
5.2 the income and resources of all noncitizens shall be deemed to include their sponsor's
5.3 income and resources as defined in the Personal Responsibility and Work Opportunity
5.4 Reconciliation Act of 1996, title IV, Public Law 104-193, sections 421 and 422, and
5.5 subsequently set out in federal rules.

5.6 (n) Undocumented noncitizens and nonimmigrants are ineligible for general
5.7 assistance medical care. For purposes of this subdivision, a nonimmigrant is an individual
5.8 in one or more of the classes listed in United States Code, title 8, section 1101(a)(15), and
5.9 an undocumented noncitizen is an individual who resides in the United States without the
5.10 approval or acquiescence of the Immigration and Naturalization Service.

5.11 (o) Notwithstanding any other provision of law, a noncitizen who is ineligible for
5.12 medical assistance due to the deeming of a sponsor's income and resources, is ineligible
5.13 for general assistance medical care.

5.14 (p) Effective July 1, 2003, general assistance medical care emergency services end.

5.15 (q) Effective July 1, 2007, individuals in a correctional facility who have been
5.16 diagnosed with a mental illness as defined in section 245.462, subdivision 20, are
5.17 eligible for general assistance medical care for three months from the date of release
5.18 from confinement.

5.19 Sec. 2. Minnesota Statutes 2006, section 641.15, is amended by adding a subdivision
5.20 to read:

5.21 Subd. 3a. **Intake procedure; approved mental health screening.** As part of its
5.22 intake procedure for new prisoners, the sheriff shall use a mental health screening tool
5.23 approved by the commissioner of corrections in consultation with the commissioner of
5.24 human services to identify persons who may have mental illness.

5.25 Sec. 3. **[641.156] COUNTY JAIL REENTRY PROJECTS; GRANTS.**

5.26 Subdivision 1. **Purpose.** The purpose of the reentry project is to promote public
5.27 safety, prevent recidivism, and promote a successful reintegration into the community
5.28 by providing services to individuals confined in jails and county regional jails who are
5.29 identified as having mental illness, traumatic brain injury, chemical dependency, or being
5.30 homeless.

5.31 Subd. 2. **Grants.** (a) The commissioner of corrections, in consultation with the
5.32 commissioner of human services, shall award grants to county boards for two-year reentry
5.33 pilot projects. At a minimum, one project must be located outside the seven-county

6.1 metropolitan area. Projects will target prisoners in jails and county regional jails who
6.2 are identified as having:
6.3 (1) a mental illness, as defined in section 245.462, subdivision 20;
6.4 (2) a traumatic brain injury, as defined in section 256B.093, subdivision 4;
6.5 (3) chemical dependency, as defined in section 253B.02, subdivision 2; or
6.6 (4) a history of homelessness, as defined in section 116L.361, subdivision 5.
6.7 (b) The projects shall provide a range of services including, but not limited to,
6.8 screening and assessment, client-specific programming, discharge planning and reentry
6.9 assistance, and follow-up for at least six months after the prisoner has reentered the
6.10 community.
6.11 Subd. 3. **Applications.** A grant applicant shall prepare and submit to the
6.12 commissioner of corrections a written proposal detailing the plan and strategies on how
6.13 the applicant will implement the program components in subdivision 4. The application
6.14 shall include a proposed evaluation component of outcome measures including, but not
6.15 limited to, numbers of prisoners served, recidivism, restoration of public benefits, and
6.16 status regarding housing, employment, and treatment needs after six months.
6.17 Subd. 4. **Program components.** Each participating county shall:
6.18 (a) develop a written collaborative plan between the county jail or county regional
6.19 jail and the county social services agency;
6.20 (b) assess each prisoner upon entry into the jail or county regional jail using a
6.21 screening tool approved by the commissioner of corrections in consultation with the
6.22 commissioner of human services to identify prisoners with the characteristics listed in
6.23 subdivision 2, paragraph (a);
6.24 (c) ensure prisoners who are identified with a positive screening and who will be
6.25 incarcerated for less than 30 days are offered follow-up care and referred to appropriate
6.26 professionals;
6.27 (d) ensure prisoners who are identified as having a characteristic listed in subdivision
6.28 2, paragraph (a), and who will be incarcerated 30 days or longer, are provided with
6.29 appropriate treatment and programming including, but not limited to, mental health
6.30 treatment, counseling, living and employment skills development, substance abuse
6.31 treatment, GED and literacy training, and referrals to aftercare treatment and skills training;
6.32 (e) offer to develop a discharge plan for prisoners identified as having a characteristic
6.33 listed in subdivision 2, paragraph (a), who will be incarcerated for 90 days or longer.
6.34 Discharge planning components must include:
6.35 (1) at least 60 days prior to the prisoner's release, the person responsible for discharge
6.36 planning authorized by this section shall begin assisting the prisoner to establish, or

7.1 reestablish, benefits such as medical assistance, veterans' benefits, MinnesotaCare, general
7.2 assistance medical care, Social Security insurance, housing assistance, and submitting in
7.3 a timely manner a prisoner's application for any benefits for which the prisoner may
7.4 be eligible upon release;

7.5 (2) obtaining informed consent and releases of information from the prisoner that
7.6 are needed for transition services, identifying treatment needs, referring the prisoner
7.7 to appropriate services in the community, and arranging for basic needs such as food,
7.8 housing, transportation, employment, and GED services;

7.9 (3) securing appointments for a prisoner to be treated by a psychiatrist within 30
7.10 days of release, if appropriate;

7.11 (4) securing appointments for a prisoner with a community mental health provider
7.12 and a chemical dependency provider within 30 days of release, if appropriate;

7.13 (5) ensuring that the prisoner, when released from custody, has at least a 14-day
7.14 supply of all necessary medications, and a prescription for at least a 30-day supply of all
7.15 necessary medication that can be refilled once for an additional 30-day supply;

7.16 (6) arranging for the prisoner to have a state photo identification card when released.
7.17 The identification card must not disclose the prisoner's incarceration or criminal record
7.18 and must list an address other than the address of the jail or county regional jail. The
7.19 identification card expires on the date of birth of the holder four years after the date of
7.20 issue; and

7.21 (7) identifying prisoners who had a case manager prior to incarceration, and
7.22 maintaining contact with that case manager to provide service coordination for the
7.23 prisoner upon release. For prisoners without a case manager, making appropriate referrals
7.24 for case management services or offering to provide follow-up services to assist the
7.25 prisoner in obtaining stable housing, public benefits, and community services for up to
7.26 six months after release;

7.27 (f) recording the number of prisoners identified under subdivision 2, paragraph (a),
7.28 and the number of prisoners who received federal benefits upon entry into the jail or
7.29 county regional jail; and

7.30 (g) maintaining accurate records to complete the program evaluation.

7.31 Sec. 4. **DISCIPLINARY CONFINEMENT; PROTOCOL.**

7.32 The commissioner of corrections shall develop a protocol that is fair, firm, and
7.33 consistent so that inmates have an opportunity to be released from disciplinary confinement
7.34 in a timely manner. For those inmates in disciplinary confinement who are nearing their
7.35 release date, the commissioner of corrections shall, when possible, develop a reentry plan.

8.1 Sec. 5. **APPROPRIATIONS.**

8.2 Subdivision 1. **Grant program.** $....... is appropriated from the general fund to
8.3 the commissioner of corrections for fiscal year 2008 and $....... for fiscal year 2009 to
8.4 administer the grant program established in section 3.

8.5 Subd. 2. **Discharge planning.** $....... is appropriated from the general fund to
8.6 the commissioner of human services for fiscal year 2008 to fund discharge planning for
8.7 offenders with serious and persistent mental illness as defined in Minnesota Statutes,
8.8 section 245.462, subdivision 20, paragraph (c), who are pending release from correctional
8.9 facilities.

8.10 Subd. 3. **Mental health courts.** $....... for fiscal year 2008 and $....... for fiscal
8.11 year 2009 are appropriated from the general fund to the Supreme Court to develop and
8.12 implement standards for mental health courts.

8.13 **ARTICLE 2**
8.14 **CHILDREN'S MENTAL HEALTH**

8.15 Section 1. **[245.4889] CHILDREN'S MENTAL HEALTH GRANTS.**
8.16 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized
8.17 to make grants from available appropriations to assist:
8.18 (1) counties;
8.19 (2) Indian tribes;
8.20 (3) children's collaboratives under section 124D.23 or 245.493; or
8.21 (4) mental health service providers

8.22 in providing services to children with emotional disturbances as defined in section
8.23 245.4871, subdivision 15, and their families. The commissioner may also authorize grants
8.24 to assist young adults meeting the criteria for transition services in section 245.4875,
8.25 subdivision 8, and their families.
8.26 (b) Services under paragraph (a) must be designed to help each child to function and
8.27 remain with the child's family in the community and must be delivered consistent with the
8.28 child's treatment plan. Transition services under paragraph (a) to eligible young adults
8.29 must be designed to foster independent living in the community.
8.30 Subd. 2. **Grant application and reporting requirements.** To apply for a grant an
8.31 applicant organization shall submit an application and budget for the use of the money
8.32 in the form specified by the commissioner. The commissioner shall make grants only to
8.33 entities whose applications and budgets are approved by the commissioner. In awarding

9.1 grants, the commissioner shall give priority to those counties whose applications indicate
9.2 plans to collaborate in the development, funding, and delivery of services with other
9.3 agencies in the local system of care. The commissioner shall specify requirements for
9.4 reports, including quarterly fiscal reports under section 256.01, subdivision 2, paragraph
9.5 (q). The commissioner shall require collection of data and periodic reports that the
9.6 commissioner deems necessary to demonstrate the effectiveness of each service.

9.7 Sec. 2. **[245A.175] MENTAL HEALTH TRAINING REQUIREMENT.**

9.8 Child foster care providers licensed by the commissioner of human services must
9.9 complete two hours of training before admitting a foster care child that addresses
9.10 the causes, symptoms, and key warning signs of mental health disorders; cultural
9.11 considerations; and effective approaches for dealing with a child's behaviors. At least one
9.12 hour of the annual 12-hour training requirement for foster parents must be completed
9.13 each year on children's mental health issues and treatment. Training curriculum shall be
9.14 approved by the commissioner of human services.

9.15 Sec. 3. **[256.9961] COLLABORATIVE SERVICES FOR HIGH-RISK**
9.16 **CHILDREN.**

9.17 To provide early intervention collaborative services to children who are at high risk
9.18 for child maltreatment, substance use, mental illness, and serious and violent offending,
9.19 but not subject to the delinquency provisions of chapter 260B, the commissioner of human
9.20 services shall fund one or more projects that identify and serve these children. The
9.21 projects shall include the following program components:

9.22 (1) multidimensional screening instruments;

9.23 (2) multidisciplinary and multijurisdictional collaborative services;

9.24 (3) integrated information systems;

9.25 (4) intensive in-home and community casework;

9.26 (5) continuous tracking of outcomes; and

9.27 (6) multidimensional evaluations and cost benefit analysis.

9.28 Projects must use all available funding streams.

9.29 Sec. 4. Minnesota Statutes 2006, section 256B.0943, is amended by adding a
9.30 subdivision to read:

9.31 Subd. 14. **Rate increase for children's therapeutic services and supports.** For
9.32 services defined in clauses (1) and (2) rendered on or after July 1, 2007, payment rates
9.33 shall be increased by 33.7 percent over the rates in effect on January 1, 2006, for:

10.1 (1) services when provided as a component of children's therapeutic services and
10.2 support including, but not limited to, individual and group skills training, individual and
10.3 group psychotherapy, and provider travel; and
10.4 (2) diagnostic assessments of children and adolescents.
10.5 The commissioner shall adjust rates paid to prepaid health plans under contract with
10.6 the commissioner to reflect the rate increases provided in clauses (1) and (2). The prepaid
10.7 health plans must pass this rate increase to the providers of the services identified in
10.8 clauses (1) and (2).

10.9 Sec. 5. **COLUMBIA TEENSCREEN GRANTS.**
10.10 The commissioner of education shall develop a request for proposals for grants to
10.11 implement the Columbia TeenScreen program. The request for proposals shall require
10.12 the grant applicant to specify how the applicant will follow, implement, and conduct the
10.13 essential components of the Columbia TeenScreen program. Applicants for grants shall
10.14 be limited to public schools, family service collaboratives, and children's mental health
10.15 collaboratives.

10.16 Sec. 6. **CHILDREN'S MENTAL HEALTH WORK GROUP; REPORT.**
10.17 The commissioner of human services shall convene a work group to study the unmet
10.18 need for funding of wraparound services to address the needs of children diagnosed
10.19 with an emotional disturbance or a severe emotional disturbance. The work group shall
10.20 consist of representatives from the Department of Health, the Department of Education,
10.21 organizations that provide or advocate for children's mental health services, and Minnesota
10.22 counties. The commissioner shall report the results of the work group's findings and
10.23 recommendations to the chairs of the house and senate committees with jurisdiction over
10.24 children's mental health no later than January 1, 2008.

10.25 Sec. 7. **TRAUMA-FOCUSED EVIDENCE-BASED PRACTICES TO**
10.26 **CHILDREN.**
10.27 Organizations that are certified to provide children's therapeutic services and
10.28 supports under Minnesota Statutes, section 256B.0943, are eligible to apply for a grant.
10.29 Grants are to be used to provide trauma-focused evidence-based practices to children
10.30 who are living in a battered women's shelter, homeless shelter, transitional housing, or
10.31 supported housing. Children served must have been exposed to or witnessed domestic
10.32 violence, have been exposed to or witnessed community violence, or be a refugee. Priority
10.33 shall be given to organizations that demonstrate collaboration with battered women's

11.1 shelters, homeless shelters, or providers of transitional housing or supported housing. The
11.2 commissioner shall specify which constitutes evidence-based practice. Organizations shall
11.3 use all available funding streams.

11.4 Sec. 8. **RESPITE CARE.**

11.5 (a) The commissioner of human services shall allocate amounts for respite care
11.6 funding to counties based on population. Counties shall be reimbursed for the costs of
11.7 respite care for families with a child who has a severe emotional disturbance. Total
11.8 reimbursement shall not exceed the county's allocation. Any funds not used by a county
11.9 may be reallocated to other counties.

11.10 (b) Funds allocated under paragraph (a) may be used for day, night, overnight, and
11.11 summer or vacation respite care. Funds may be used for in-home or out-of-home respite
11.12 care.

11.13 (c) Up to 25 percent of the funds allocated under paragraph (a) in the first year may
11.14 be used to recruit, train, and support respite care providers.

11.15 (d) The commissioner shall convene a work group composed of stakeholders to
11.16 determine:

11.17 (1) how funds in subsequent years may be used;

11.18 (2) how funds shall be disbursed to counties;

11.19 (3) who is eligible to provide respite care;

11.20 (4) how families access respite care;

11.21 (5) how respite care rates will be established; and

11.22 (6) what outcome data will be collected.

11.23 The work group shall also examine how to use existing tools to determine difficulty of
11.24 care rates.

11.25 Sec. 9. **APPROPRIATIONS.**

11.26 Subdivision 1. **Evidence-based practice.** $....... in fiscal year 2008 and $....... in
11.27 fiscal year 2009 are appropriated from the general fund to the commissioner of human
11.28 services to develop and implement evidence-based practice in children's mental health
11.29 care and treatment.

11.30 Subd. 2. **Columbia TeenScreen grants.** $....... in fiscal year 2008 and $....... in
11.31 fiscal year 2009 are appropriated from the general fund to the commissioner of education
11.32 to administer five Columbia TeenScreen grant programs in section 5.

12.1 Subd. 3. **Early intervention collaborative programs.** $....... in fiscal year 2008
12.2 and $....... in fiscal year 2009 are appropriated from the general fund to the commissioner
12.3 of human services to fund the early intervention collaborative programs in section 3.

12.4 Subd. 4. **Childhood trauma; grants.** $....... in fiscal year 2008 and $....... in fiscal
12.5 year 2009 are appropriated from the general fund to the commissioner of human services
12.6 to make grants for the purpose of maintaining and expanding evidence-based practices
12.7 under section 7 that support children and youth who have been exposed to violence or
12.8 who are refugees.

12.9 Subd. 5. **Respite care.** $ .... in fiscal year 2008 is appropriated from general fund
12.10 to the commissioner of human services to fund respite care for children under section 8
12.11 who have a diagnosis of emotional disturbance or severe emotional disturbance.

12.12 **ARTICLE 3**
12.13 **MISCELLANEOUS**

12.14 Section 1. **[135A.141] QUALIFYING STUDENT HEALTH INSURANCE**
12.15 **PROGRAM.**
12.16 Subdivision 1. **Health insurance required.** (a) Every full-time and part-time
12.17 student enrolled in a public or private institution of higher education located in the state
12.18 shall participate in a qualifying student health insurance program. For the purposes of
12.19 this section, "part-time student" means a student participating in at least 50 percent of the
12.20 full-time curriculum. An institution may elect to allow students to waive participation
12.21 in its student health insurance program or any part of it if the institution permitting such
12.22 waivers requires students waiving participation to certify in writing, prior to any academic
12.23 year in which they do not participate in the institution's plan, that they are participating
12.24 in a health insurance plan having comparable coverage.
12.25 (b) An individual shall be exempt from this section if the individual files a sworn
12.26 affidavit with the individual's public or private institution of higher education that the
12.27 individual does not have creditable coverage and that the individual's sincerely held
12.28 religious beliefs are the basis of the individual's refusal to obtain and maintain creditable
12.29 coverage.
12.30 Subd. 2. **Report.** Each public and private institution of higher education shall submit
12.31 an annual report to the commissioner of health detailing its procedures for complying
12.32 with the provisions of this section. Prior to the implementation of this section, the
12.33 commissioner of health shall submit a report to the house and senate committees on health
12.34 policy and finance that includes, but is not limited to, an analysis of the number of students

13.1 lacking health insurance, the costs of the requirements of this section to the students and
13.2 the institutions of higher education, and a proposed method for meeting the costs.
13.3 Subd. 3. **Rules.** The commissioner of health shall issue regulations to define
13.4 qualifying student health insurance programs, to establish procedures to monitor
13.5 compliance, and to implement the provisions of this section.

13.6 Sec. 2. **[144.206] LOAN FORGIVENESS PROGRAM.**
13.7 (a) For the purposes of this section, "qualified educational loan" means a
13.8 government, commercial, or foundation loan for actual costs paid for tuition, reasonable
13.9 education expenses, and reasonable living expenses related to the graduate education
13.10 of a mental health professional.
13.11 (b) (1) A loan forgiveness program account is established. The commissioner of
13.12 health shall use money from the account to establish a loan forgiveness program for
13.13 individuals who are employed by a nonprofit agency that provides mental health services
13.14 for cultural or ethnic minority clients.
13.15 (2) Appropriations made to the account do not cancel and are available until
13.16 expended, except that at the end of the biennium, any remaining balance in the account
13.17 that is not committed by contract and is not needed to fulfill existing commitments shall
13.18 cancel to the fund.
13.19 (c) To be eligible to participate in the loan forgiveness program, an individual must
13.20 be employed by a nonprofit agency that provides mental health services for cultural or
13.21 ethnic minority clients and must be of the same culture or ethnicity as the clients. An
13.22 applicant selected to participate must sign a contract agreeing to remain employed with
13.23 the nonprofit agency for a three-year full-time term, which shall begin no later than 30
13.24 days following completion of the required training.
13.25 (d) The commissioner may select applicants each year for participation in the loan
13.26 forgiveness program, within the limits of available funding. Applicants are responsible for
13.27 securing their own qualified educational loans. The commissioner shall select participants
13.28 based on their suitability for practice serving the required cultural or ethnic minority
13.29 population. The commissioner shall give preference to applicants closest to completing
13.30 their education.
13.31 (e) For each year that a participant meets the service obligation required under
13.32 paragraph (c), the commissioner shall make annual disbursements directly to the
13.33 participant equivalent to 25 percent of the participant's loan indebtedness, not to exceed
13.34 the balance of the participant's qualifying educational loans. Before receiving loan
13.35 repayment disbursements, and as requested, the participant and the employer must

14.1 complete and return to the commissioner an affidavit of practice form provided by the
14.2 commissioner verifying that the participant is practicing as required under paragraph (c).
14.3 The participant must provide the commissioner with verification that the full amount of
14.4 the loan repayment disbursement received by the participant has been applied toward
14.5 the designated loans. After each disbursement, verification must be received by the
14.6 commissioner and approved before the next loan repayment disbursement is made.
14.7 (f) If a participant does not fulfill the minimum commitment of service under
14.8 paragraph (c), the commissioner shall collect from the participant the full amount paid
14.9 to the participant under the loan forgiveness program plus interest at the rate established
14.10 under section 270C.40. The commissioner shall deposit the money collected in the
14.11 general fund. The commissioner shall allow waivers of all or part of the money owed
14.12 the commissioner as a result of nonfulfillment if emergency circumstances prevented
14.13 fulfillment of the minimum service commitment.

14.14 Sec. 3. Minnesota Statutes 2006, section 245.462, subdivision 20, is amended to read:
14.15 Subd. 20. **Mental illness.** (a) "Mental illness" means an organic disorder of the
14.16 brain or a clinically significant disorder of thought, mood, perception, orientation,
14.17 memory, or behavior that is listed in the clinical manual of the International Classification
14.18 of Diseases (ICD-9-CM), current edition, code range 290.0 to 302.99 or 306.0 to 316.0
14.19 or the corresponding code in the American Psychiatric Association's Diagnostic and
14.20 Statistical Manual of Mental Disorders (DSM-MD), current edition, Axes I, II, or III, and
14.21 that seriously limits a person's capacity to function in primary aspects of daily living such
14.22 as personal relations, living arrangements, work, and recreation.
14.23 (b) An "adult with acute mental illness" means an adult who has a mental illness that
14.24 is serious enough to require prompt intervention.
14.25 (c) For purposes of case management and community support services, a "person
14.26 with serious and persistent mental illness" means an adult who has a mental illness and
14.27 meets at least one of the following criteria:
14.28 (1) the adult has undergone two or more episodes of inpatient care for a mental
14.29 illness within the preceding 24 months;
14.30 (2) the adult has experienced a continuous psychiatric hospitalization or residential
14.31 treatment exceeding six months' duration within the preceding 12 months;
14.32 (3) the adult has been an inmate at a jail or county regional jail or a prisoner at a
14.33 correctional facility two or more times within the preceding 24 months;
14.34 (4) the adult has experienced continuous confinement in a jail, county regional jail,
14.35 or correctional facility for more than six months' duration within the preceding 12 months;

15.1 <u>(5) the adult has been treated by a crisis team two or more times within the preceding</u>
15.2 <u>24 months;</u>
15.3 <u>(6)</u> the adult:
15.4 (i) has a diagnosis of schizophrenia, bipolar disorder, major depression, or borderline
15.5 personality disorder;
15.6 (ii) indicates a significant impairment in functioning; and
15.7 (iii) has a written opinion from a mental health professional, in the last three years,
15.8 stating that the adult is reasonably likely to have future episodes requiring inpatient or
15.9 residential treatment, of a frequency described in clause (1) or (2), unless ongoing case
15.10 management or community support services are provided;
15.11 ~~(4)~~ <u>(7)</u> the adult has, in the last three years, been committed by a court as a person
15.12 who is mentally ill under chapter 253B, or the adult's commitment has been stayed or
15.13 continued; or
15.14 ~~(5)~~ <u>(8)</u> the adult (i) was eligible under clauses (1) to ~~(4)~~ <u>(7)</u>, but the specified time
15.15 period has expired or the adult was eligible as a child under section 245.4871, subdivision
15.16 6; and (ii) has a written opinion from a mental health professional, in the last three years,
15.17 stating that the adult is reasonably likely to have future episodes requiring inpatient or
15.18 residential treatment, of a frequency described in clause (1) or (2), unless ongoing case
15.19 management or community support services are provided.

15.20 Sec. 4. Minnesota Statutes 2006, section 245.50, subdivision 5, is amended to read:
15.21 Subd. 5. **Special contracts; bordering states.** (a) An individual who is detained,
15.22 committed, or placed on an involuntary basis under chapter 253B may be confined or
15.23 treated in a bordering state pursuant to a contract under this section. An individual who is
15.24 detained, committed, or placed on an involuntary basis under the civil law of a bordering
15.25 state may be confined or treated in Minnesota pursuant to a contract under this section. A
15.26 peace or health officer who is acting under the authority of the sending state may transport
15.27 an individual to a receiving agency that provides services pursuant to a contract under
15.28 this section and may transport the individual back to the sending state under the laws
15.29 of the sending state. Court orders valid under the law of the sending state are granted
15.30 recognition and reciprocity in the receiving state for individuals covered by a contract
15.31 under this section to the extent that the court orders relate to confinement for treatment
15.32 or care of mental illness or chemical dependency. Such treatment or care may address
15.33 other conditions that may be co-occurring with the mental illness or chemical dependency.
15.34 These court orders are not subject to legal challenge in the courts of the receiving state.
15.35 Individuals who are detained, committed, or placed under the law of a sending state and

16.1 who are transferred to a receiving state under this section continue to be in the legal
16.2 custody of the authority responsible for them under the law of the sending state. Except
16.3 in emergencies, those individuals may not be transferred, removed, or furloughed from
16.4 a receiving agency without the specific approval of the authority responsible for them
16.5 under the law of the sending state.

16.6 (b) While in the receiving state pursuant to a contract under this section, an
16.7 individual shall be subject to the sending state's laws and rules relating to length of
16.8 confinement, reexaminations, and extensions of confinement. No individual may be sent
16.9 to another state pursuant to a contract under this section until the receiving state has
16.10 enacted a law recognizing the validity and applicability of this section.

16.11 (c) If an individual receiving services pursuant to a contract under this section leaves
16.12 the receiving agency without permission and the individual is subject to involuntary
16.13 confinement under the law of the sending state, the receiving agency shall use all
16.14 reasonable means to return the individual to the receiving agency. The receiving agency
16.15 shall immediately report the absence to the sending agency. The receiving state has the
16.16 primary responsibility for, and the authority to direct, the return of these individuals
16.17 within its borders and is liable for the cost of the action to the extent that it would be
16.18 liable for costs of its own resident.

16.19 (d) Responsibility for payment for the cost of care remains with the sending agency.

16.20 (e) This subdivision also applies to county contracts under subdivision 2 which
16.21 include emergency care and treatment provided to a county resident in a bordering state.

16.22 (f) If a Minnesota resident is admitted to a facility in a bordering state under this
16.23 chapter, a physician, licensed psychologist who has a doctoral degree in psychology, or
16.24 an advance practice registered nurse certified in mental health, who is licensed in the
16.25 bordering state, may act as an examiner under sections 253B.07, 253B.08, 253B.092,
16.26 253B.12, and 253B.17 subject to the same requirements and limitations in section
16.27 253B.02, subdivision 7.

16.28 Sec. 5. **[245.6961] CULTURALLY COMPETENT MENTAL HEALTH**
16.29 **SERVICES.**

16.30 Subdivision 1. **Services; grants.** The commissioner is authorized to make grants
16.31 to nonprofit organizations to ensure that culturally competent mental health services are
16.32 provided to individuals throughout the state. The grants are intended to provide direct
16.33 services and to serve as a bridge to existing mental health providers and organizations that
16.34 reflect the community they serve. The grants may be used to:

16.35 (1) provide services and supports to low-income families from different cultures;

17.1 (2) provide technical assistance to mental health and health care providers who have
17.2 clients in need of culturally appropriate services;
17.3 (3) translate information for patients and their families;
17.4 (4) colocate services at clinics, schools, and other locations;
17.5 (5) provide services and supports using telemedicine to reach families in need of
17.6 information and support in communities where there are no culturally specific providers;
17.7 and
17.8 (6) provide culturally specific support services.
17.9 Subd. 2. **Task force.** The commissioner shall appoint a task force to develop
17.10 criteria for eligibility, services, and outcome measurement. Meeting children's therapeutic
17.11 services and support standards cannot be one of the criteria for receiving funding through
17.12 this program.

17.13 Sec. 6. **[626.96] CRISIS INTERVENTION TEAM GRANTS.**
17.14 Subdivision 1. **Request for proposals.** The commissioner of public safety shall
17.15 create a competitive grant process using request for proposals for crisis intervention team
17.16 training for local police and sheriff departments. Before making grants under this section,
17.17 the commissioner shall consult with the following organizations or individuals regarding
17.18 the development of the request for proposals:
17.19 (1) the Barbara Schneider Foundation;
17.20 (2) the National Alliance on Mental Illness;
17.21 (3) the Minnesota Mental Health Association; and
17.22 (4) national experts on crisis intervention team training.
17.23 Subd. 2. **Training requirements.** The training provided with grants made under
17.24 this section must include, but is not limited to, the following components:
17.25 (1) an overview of mental illnesses and the mental health system;
17.26 (2) site visits to psychiatric receiving facilities;
17.27 (3) an overview of mental health courts;
17.28 (4) an overview of specific psychiatric conditions, their manifestations, and
17.29 treatment; and
17.30 (5) crisis intervention team reporting and data collection.
17.31 At least 20 percent of each training session must involve scenario-based role play
17.32 training with the use of a professional acting company with crisis intervention team
17.33 training experience. The training provided under this subdivision must be at least 40
17.34 hours. The training must encourage and support the statewide development of crisis
17.35 intervention teams for law enforcement. The training must promote the development of

18.1 local collaboration among public safety professionals, community mental health and
18.2 emergency medicine providers, and members of the public.

18.3 Sec. 7. **MINNESOTA FAMILY INVESTMENT PROGRAM AND CHILDREN'S**
18.4 **MENTAL HEALTH PILOT PROJECT.**

18.5 Subdivision 1. **Pilot project authorized.** The commissioner of human services
18.6 shall fund a two-year pilot project to measure the impact of children's identified mental
18.7 health needs, including social and emotional needs, on Minnesota family investment
18.8 program (MFIP) participants' ability to obtain and retain employment. The project shall
18.9 also measure the impact on work activity of MFIP participants' needs to address their
18.10 children's identified mental health needs.

18.11 Subd. 2. **Provider and agency proposals.** (a) Interested MFIP providers and
18.12 agencies shall:

18.13 (1) submit proposals defining how they will identify participants whose children
18.14 have mental health needs that hinder the employment process;

18.15 (2) connect families with appropriate developmental, social, and emotional
18.16 screenings and services; and

18.17 (3) incorporate those services into the participant's employment plan.

18.18 Each proposal under this paragraph must include an evaluation component.

18.19 (b) Interested MFIP providers and agencies shall develop a protocol to inform MFIP
18.20 participants of the following:

18.21 (1) the availability of developmental, social, and emotional screening tools for
18.22 children and youth;

18.23 (2) the purpose of the screenings;

18.24 (3) how the information will be used to assist the participants in identifying and
18.25 addressing potential barriers to employment; and

18.26 (4) that their employment plan may be modified based on the screening results.

18.27 Subd. 3. **Program components.** (a) MFIP providers shall obtain the participant's
18.28 written consent for participation in the pilot project, including consent for developmental,
18.29 social, and emotional screening.

18.30 (b) MFIP providers shall coordinate with county social service agencies and health
18.31 plans to assist recipients in arranging referrals indicated by the screening results.

18.32 (c) Tools used for developmental, social, and emotional screenings shall be approved
18.33 by the commissioner of human services.

18.34 Subd. 4. **Program evaluation.** The commissioner of human services shall conduct
18.35 an evaluation of the pilot project to determine:

19.1 (1) the number of participants who took part in the screening;

19.2 (2) the number of children who were screened and what screening tools were used;

19.3 (3) the number of children who were identified in the screening who needed referral
19.4 or follow-up services;

19.5 (4) the number of children who received services, what agency provided the services,
19.6 and what type of services were provided;

19.7 (5) the number of employment plans that were adjusted to include the activities
19.8 recommended in the screenings;

19.9 (6) the changes in work participation rates;

19.10 (7) the changes in earned income;

19.11 (8) the changes in sanction rates; and

19.12 (9) the participants' report of program effectiveness.

19.13 Subd. 5. **Work activity.** Participant involvement in screenings and subsequent
19.14 referral and follow-up services shall count as work activity under Minnesota Statutes,
19.15 section 256J.49, subdivision 13.

19.16 Sec. 8. **EVIDENCE-BASED PRACTICE.**

19.17 The commissioner of human services shall make a onetime consultation with
19.18 stakeholder groups and make budget-neutral changes to medical assistance coverage and
19.19 benefits to implement evidence-based practices as defined by the Agency for Healthcare
19.20 Research and Quality Practice Guidelines or Substance Abuse and Mental Health Services
19.21 Administration.

19.22 Sec. 9. **EMPLOYMENT SUPPORT.**

19.23 (a) The commissioner of the Department of Employment and Economic
19.24 Development shall fund special projects providing employment support to:

19.25 (1) young people with mental illness who are transitioning from school to work;

19.26 (2) people with a serious mental illness who are receiving services through a mental
19.27 health court; and

19.28 (3) people with serious mental illness who are receiving services through a civil
19.29 commitment court.

19.30 (b) Special projects shall include incentive payments to providers that place
19.31 individuals in jobs that allow them to leave SSI and SSDI dependency and become
19.32 economically self-sufficient.

19.33 (c) Projects under paragraph (a) must demonstrate interagency collaboration.

20.1 Sec. 10. **TELEHEALTH.**

20.2 (a) The Office of Enterprise Technology in consultation with the commissioner
20.3 of human services shall provide interconnectivity, bridging, or gateway for televideo
20.4 conferencing at no cost to the providers between:

20.5 (1) state and county agency sites; and

20.6 (2) community provider sites or association of community providers sites.

20.7 (b) Community providers eligible for the televideo conferencing interconnectivity
20.8 are those enrolled as medical assistance providers under Minnesota Statutes, section
20.9 256B.0625, subdivision 5, or under contract with counties to provide services under
20.10 Minnesota Statutes, sections 245.461 to 245.486, the Minnesota Comprehensive Adult
20.11 Mental Health Act; Minnesota Statutes, sections 245.4712 to 245.4861, community
20.12 support and day treatment services; or Minnesota Statutes, sections 245.487 to 245.4887,
20.13 the Minnesota Comprehensive Children's Mental Health Act.

20.14 Sec. 11. **DUAL DIAGNOSIS; DEMONSTRATION PROJECT.**

20.15 (a) The commissioner of human services shall fund demonstration projects for high
20.16 risk adults with serious mental illness and co-occurring substance abuse problems. The
20.17 projects must include, but not be limited to, the following:

20.18 (1) housing services, including rent or housing subsidies, housing with clinical
20.19 staff, or housing support;

20.20 (2) assertive outreach services; and

20.21 (3) intensive direct therapeutic, rehabilitative, and care management services
20.22 oriented to harm reduction.

20.23 (b) The commissioner shall work with providers to ensure proper licensure or
20.24 certification to meet medical assistance or third-party payor reimbursement requirements.

20.25 Sec. 12. **INPATIENT PSYCHIATRIC BEDS; STUDY.**

20.26 (a) The commissioner of health shall study the status of inpatient psychiatric beds
20.27 in Minnesota and provide recommendations to the legislature on improving access to
20.28 inpatient care, especially for children and adolescents. In conducting the study, the
20.29 commissioner shall consult with the commissioner of human services and representatives
20.30 from psychiatry, hospitals, emergency medicine, and mental health advocacy.

20.31 (b) The study shall consider the following:

20.32 (1) the number and frequency of patients, both adults and children, diverted to other
20.33 hospitals because of the unavailability of an appropriate psychiatric bed in the hospital for
20.34 which they sought care;

21.1 (2) the effect on emergency rooms due to the inability to place a patient in a
21.2 psychiatric hospital bed;
21.3 (3) the difference in health plan reimbursement for psychiatric beds compared
21.4 to beds devoted to general medical care and the effect this reimbursement has on the
21.5 availability of inpatient psychiatric beds;
21.6 (4) the number of psychiatric beds per capita in Minnesota compared to the number
21.7 of psychiatric beds per capita in the United States, and the appropriate number of
21.8 psychiatric beds per capita in Minnesota; and
21.9 (5) the number of practicing child and adolescent psychiatrists and the number
21.10 necessary per capita to meet the needs of Minnesota children.
21.11 (c) The commissioner shall report recommendations to the legislature by January
21.12 15, 2008.

21.13 Sec. 13. **INCENTIVE PAYMENTS; RULES.**
21.14 (a) The commissioner of employment and economic development under rulemaking
21.15 authority granted in Minnesota Statutes, section 116J.035, shall develop rules to
21.16 implement incentive payments to providers that place individuals in jobs that allow them
21.17 to leave SSI and SSDI dependency and become economically self-sufficient.
21.18 (b) The commissioner of employment and economic development under rulemaking
21.19 authority granted in Minnesota Statutes, section 116J.035, shall develop rules to implement
21.20 incentive payments for providers that place individuals in jobs that provide benefits.

21.21 Sec. 14. **APPROPRIATIONS.**
21.22 Subdivision 1. **Employment support.** (a) $....... is appropriated in fiscal year 2008
21.23 from the general fund to the commissioner of employment and economic development to
21.24 fund special projects focused on providing employment support under section 9.
21.25 (b) $....... in fiscal year 2008 and $....... in fiscal year 2009 are appropriated
21.26 to the commissioner of employment and economic development for the extended
21.27 employment-serious mental illness program under section 9.
21.28 (c) $1,000,000 in fiscal year 2008 and $1,000,000 in fiscal year 2009 are appropriated
21.29 to the commissioner of employment and economic development to supplement funds
21.30 paid for wage incentive for the community support fund established in Minnesota Rules,
21.31 part 3300.2045.

21.32 Subd. 2. **Community mental health programs.** $....... is appropriated in fiscal year
21.33 2008 from the general fund to the commissioner of human services to contract for training

22.1 and consultation for clinical supervisors and staff of community mental health centers who
22.2 provide services to children and adults. The purpose of the training and consultation is to
22.3 improve clinical supervision of staff, strengthen compliance with federal and state rules
22.4 and regulations, and to recommend strategies for standardization and simplification of
22.5 administrative functions among community mental health centers.

22.6 Subd. 3. **Culturally competent mental health services grants.** $....... in fiscal
22.7 year 2008 and $....... in fiscal year 2009 are appropriated from the general fund to the
22.8 commissioner of human services for development and implementation of grants for
22.9 culturally competent mental health services under section 5.

22.10 Subd. 4. **Bridges rental housing assistance program.** $3,400,000 in fiscal year
22.11 2008 and $3,400,000 in fiscal year 2009 are appropriated from the general fund to the
22.12 Housing Finance Agency for the Bridges rental housing assistance program under
22.13 Minnesota Statutes, section 462A.2097. These appropriations are in addition to any base
22.14 appropriations for this purpose and shall become part of the agency's base.

22.15 Subd. 5. **MFIP and children's mental health pilot project.** $....... in fiscal
22.16 year 2008 and $....... in fiscal year 2009 are appropriated from the general fund to the
22.17 commissioner of human services to fund the pilot project under section 7.

22.18 Subd. 6. **Crisis intervention training.** $144,000 is appropriated in fiscal year 2008
22.19 from the general fund to the commissioner of public safety to fund grants to local police
22.20 departments to conduct crisis intervention training under section 6. The commissioner
22.21 may use up to 2.5 percent of the amount appropriated under this subdivision for costs of
22.22 administering the grant program.

22.23 Subd. 7. **Televideo conferencing.** (b) $....... in fiscal year 2008 and $....... in fiscal
22.24 year 2009 are appropriated from the general fund to the Office of Enterprise Technology
22.25 to provide televideo conferencing under section 10.

22.26 Subd. 8. **Dual diagnosis; demonstration project.** $....... in fiscal year 2008 and
22.27 $....... in fiscal year 2009 are appropriated from the general fund to the commissioner of
22.28 human services to fund the demonstration projects under section 11.

22.29 **ARTICLE 4**
22.30 **MENTAL HEALTH FUNDING**

22.31 Section 1. Minnesota Statutes 2006, section 256B.038, is amended to read:

22.32 **256B.038 PROVIDER RATE INCREASES AFTER JUNE 30, 1999.**

23.1 (a) For fiscal years beginning on or after July 1, 1999, the commissioner of finance
23.2 shall include an annual inflationary adjustment in payment rates for the services listed
23.3 in paragraph (b) as a budget change request in each biennial detailed expenditure budget
23.4 submitted to the legislature under section 16A.11. The adjustment shall be accomplished
23.5 by indexing the rates in effect for inflation based on the change in the Consumer Price
23.6 Index-All Items (United States city average)(CPI-U) as forecasted by Data Resources,
23.7 Inc., in the fourth quarter of the prior year for the calendar year during which the rate
23.8 increase occurs.

23.9 (b) Within the limits of appropriations specifically for this purpose, the commissioner
23.10 shall apply the rate increases in paragraph (a) to home and community-based waiver
23.11 services for persons with developmental disabilities under section 256B.501; home and
23.12 community-based waiver services for the elderly under section 256B.0915; waivered
23.13 services under community alternatives for disabled individuals under section 256B.49;
23.14 community alternative care waivered services under section 256B.49; traumatic brain
23.15 injury waivered services under section 256B.49; nursing services and home health services
23.16 under section 256B.0625, subdivision 6a; personal care services and nursing supervision
23.17 of personal care services under section 256B.0625, subdivision 19a; private duty nursing
23.18 services under section 256B.0625, subdivision 7; day training and habilitation services
23.19 for adults with developmental disabilities under sections 252.40 to 252.46; physical
23.20 therapy services under sections 256B.0625, subdivision 8, and 256D.03, subdivision 4;
23.21 occupational therapy services under sections 256B.0625, subdivision 8a, and 256D.03,
23.22 subdivision 4; speech-language therapy services under section 256D.03, subdivision
23.23 4, and Minnesota Rules, part 9505.0390; respiratory therapy services under section
23.24 256D.03, subdivision 4, and Minnesota Rules, part 9505.0295; physician services under
23.25 section 256B.0625, subdivision 3; dental services under sections 256B.0625, subdivision
23.26 9, and 256D.03, subdivision 4; alternative care services under section 256B.0913; adult
23.27 residential program grants under Minnesota Rules, parts 9535.2000 to 9535.3000;
23.28 adult and family community support grants under Minnesota Rules, parts 9535.1700
23.29 to 9535.1760; ~~and~~ semi-independent living services under section 252.275, including
23.30 SILS funding under county social services grants formerly funded under chapter 256I;
23.31 children's therapeutic services and support services under section 256B.0943; and adult
23.32 rehabilitative mental health services under section 256B.0623.

23.33 (c) The commissioner shall increase prepaid medical assistance program capitation
23.34 rates as appropriate to reflect the rate increases in this section.

23.35 (d) In implementing this section, the commissioner shall consider proposing a
23.36 schedule to equalize rates paid by different programs for the same service.

24.1 Sec. 2. **[256B.0615] MENTAL HEALTH CERTIFIED PEER SPECIALIST.**

24.2 Subdivision 1. **Scope.** Medical assistance covers mental health certified peers
24.3 specialists services, as established in subdivision 2, subject to federal approval, if provided
24.4 to recipients who are eligible for services under sections 256B.0622 and 256B.0623,
24.5 and are provided by a certified peer specialist who has completed the training under
24.6 subdivision 5.

24.7 Subd. 2. **Establishment.** The commissioner of human services shall establish a
24.8 certified peer specialists program model, which:

24.9 (1) provides nonclinical peer support counseling by certified peer specialists;

24.10 (2) provides a part of a wraparound continuum of services in conjunction with
24.11 other community mental health services;

24.12 (3) is individualized to the consumer; and

24.13 (4) promotes socialization, recovery, self-sufficiency, self-advocacy, development of
24.14 natural supports, and maintenance of skills learned in other support services.

24.15 Subd. 3. **Eligibility.** Peer support services may be made available to consumers
24.16 of the intensive rehabilitative mental health services under section 256B.0622 and adult
24.17 rehabilitative mental health services under section 256B.0623.

24.18 Subd. 4. **Peer support specialist program providers.** The commissioner shall
24.19 develop a process to certify peer support specialist programs, in accordance with the
24.20 federal guidelines, in order for the program to bill for reimbursable services. Peer support
24.21 programs may be freestanding or within existing mental health community provider
24.22 centers.

24.23 Subd. 5. **Certified peer specialist training and certification.** The commissioner
24.24 of human services shall develop a training and certification process for certified peer
24.25 specialists who must be at least 21 years of age and have a high school diploma or its
24.26 equivalent. The candidates must have had a primary diagnosis of mental illness and be a
24.27 current or former consumer of mental health services, must demonstrate leadership and
24.28 advocacy skills, and must have a strong dedication to recovery. The training curriculum
24.29 must teach participating consumers specific skills relevant to providing peer support
24.30 to other consumers. In addition to initial training and certification, the commissioner
24.31 shall develop ongoing continuing educational workshops on pertinent issues related to
24.32 peer support counseling.

24.33 Sec. 3. Minnesota Statutes 2006, section 256B.0622, subdivision 2, is amended to read:

24.34 Subd. 2. **Definitions.** For purposes of this section, the following terms have the
24.35 meanings given them.

(a) "Intensive nonresidential rehabilitative mental health services" means adult rehabilitative mental health services as defined in section 256B.0623, subdivision 2, paragraph (a), except that these services are provided by a multidisciplinary staff using a total team approach consistent with assertive community treatment, the Fairweather Lodge treatment model, as defined by the standards established by the National Coalition for Community Living, and other evidence-based practices, and directed to recipients with a serious mental illness who require intensive services.

(b) "Intensive residential rehabilitative mental health services" means short-term, time-limited services provided in a residential setting to recipients who are in need of more restrictive settings and are at risk of significant functional deterioration if they do not receive these services. Services are designed to develop and enhance psychiatric stability, personal and emotional adjustment, self-sufficiency, and skills to live in a more independent setting. Services must be directed toward a targeted discharge date with specified client outcomes and must be consistent with the Fairweather Lodge treatment model as defined in paragraph (a), and other evidence-based practices.

(c) "Evidence-based practices" are nationally recognized mental health services that are proven by substantial research to be effective in helping individuals with serious mental illness obtain specific treatment goals.

(d) "Overnight staff" means a member of the intensive residential rehabilitative mental health treatment team who is responsible during hours when recipients are typically asleep.

(e) "Treatment team" means all staff who provide services under this section to recipients. At a minimum, this includes the clinical supervisor, mental health professionals~~,~~ as defined in section 245.462, subdivision 18, clauses (1) to (5); mental health practitioners~~, and~~ as defined in section 245.462, subdivision 17; mental health rehabilitation workers under section 256B.0623, subdivision 5, clause (3); and certified peer specialists under section 256B.0615.

Sec. 4. Minnesota Statutes 2006, section 256B.0623, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given them.

(a) "Adult rehabilitative mental health services" means mental health services which are rehabilitative and enable the recipient to develop and enhance psychiatric stability, social competencies, personal and emotional adjustment, and independent living and community skills, when these abilities are impaired by the symptoms of mental illness. Adult rehabilitative mental health services are also appropriate when provided to enable a

26.1 recipient to retain stability and functioning, if the recipient would be at risk of significant
26.2 functional decompensation or more restrictive service settings without these services.

26.3 (1) Adult rehabilitative mental health services instruct, assist, and support the
26.4 recipient in areas such as: interpersonal communication skills, community resource
26.5 utilization and integration skills, crisis assistance, relapse prevention skills, health care
26.6 directives, budgeting and shopping skills, healthy lifestyle skills and practices, cooking
26.7 and nutrition skills, transportation skills, medication education and monitoring, mental
26.8 illness symptom management skills, household management skills, employment-related
26.9 skills, and transition to community living services.

26.10 (2) These services shall be provided to the recipient on a one-to-one basis in the
26.11 recipient's home or another community setting or in groups.

26.12 (b) "Medication education services" means services provided individually or in
26.13 groups which focus on educating the recipient about mental illness and symptoms; the role
26.14 and effects of medications in treating symptoms of mental illness; and the side effects of
26.15 medications. Medication education is coordinated with medication management services
26.16 and does not duplicate it. Medication education services are provided by physicians,
26.17 pharmacists, physician's assistants, or registered nurses.

26.18 (c) "Transition to community living services" means services which maintain
26.19 continuity of contact between the rehabilitation services provider and the recipient and
26.20 which facilitate discharge from a hospital, residential treatment program under Minnesota
26.21 Rules, chapter 9505, board and lodging facility, or nursing home. Transition to community
26.22 living services are not intended to provide other areas of adult rehabilitative mental health
26.23 services.

26.24 (d) "Family psychoeducation" is a multimodal outpatient therapy and rehabilitative
26.25 service that involves parents, families, and others as resources in the treatment, recovery,
26.26 and improved functioning of a person with mental illness or emotional disturbance,
26.27 in which families learn about the illness, family reactions, and types of treatment and
26.28 supports. Families learn to develop skills to handle problems posed by mental illness
26.29 including coping, managing stress, ensuring safety, creating social support, identifying
26.30 resources, and supporting treatment and recovery goals. Services include family
26.31 counseling, family treatment planning, and family support using cognitive, behavioral,
26.32 problem-solving, and communication strategies, and may involve individual, family, and
26.33 group intervention activities for consumers and families together, families only, or brief
26.34 intermittent consultations at critical times in an episode of care. Eligible providers must
26.35 be certified to provide both outpatient mental health services and rehabilitative services
26.36 under this section.

27.1 Sec. 5. Minnesota Statutes 2006, section 256B.0623, subdivision 5, is amended to read:
27.2 Subd. 5. **Qualifications of provider staff.** Adult rehabilitative mental health
27.3 services must be provided by qualified individual provider staff of a certified provider
27.4 entity. Individual provider staff must be qualified under one of the following criteria:
27.5 (1) a mental health professional as defined in section 245.462, subdivision 18,
27.6 clauses (1) to (5). If the recipient has a current diagnostic assessment by a licensed
27.7 mental health professional as defined in section 245.462, subdivision 18, clauses (1) to
27.8 (5), recommending receipt of adult mental health rehabilitative services, the definition of
27.9 mental health professional for purposes of this section includes a person who is qualified
27.10 under section 245.462, subdivision 18, clause (6), and who holds a current and valid
27.11 national certification as a certified rehabilitation counselor or certified psychosocial
27.12 rehabilitation practitioner;
27.13 (2) a mental health practitioner as defined in section 245.462, subdivision 17. The
27.14 mental health practitioner must work under the clinical supervision of a mental health
27.15 professional; ~~or~~
27.16 (3) a certified peer specialist under section 256B.0615. The certified peer specialist
27.17 must work under the clinical supervision of a mental health professional; or
27.18 ~~(3)~~ (4) a mental health rehabilitation worker. A mental health rehabilitation worker
27.19 means a staff person working under the direction of a mental health practitioner or mental
27.20 health professional and under the clinical supervision of a mental health professional in
27.21 the implementation of rehabilitative mental health services as identified in the recipient's
27.22 individual treatment plan who:
27.23 (i) is at least 21 years of age;
27.24 (ii) has a high school diploma or equivalent;
27.25 (iii) has successfully completed 30 hours of training during the past two years in all
27.26 of the following areas: recipient rights, recipient-centered individual treatment planning,
27.27 behavioral terminology, mental illness, co-occurring mental illness and substance abuse,
27.28 psychotropic medications and side effects, functional assessment, local community
27.29 resources, adult vulnerability, recipient confidentiality; and
27.30 (iv) meets the qualifications in subitem (A) or (B):
27.31 (A) has an associate of arts degree in one of the behavioral sciences or human
27.32 services, or is a registered nurse without a bachelor's degree, or who within the previous
27.33 ten years has:
27.34 (1) three years of personal life experience with serious and persistent mental illness;
27.35 (2) three years of life experience as a primary caregiver to an adult with a serious
27.36 mental illness or traumatic brain injury; or

28.1 (3) 4,000 hours of supervised paid work experience in the delivery of mental health
28.2 services to adults with a serious mental illness or traumatic brain injury; or
28.3 (B)(1) is fluent in the non-English language or competent in the culture of the
28.4 ethnic group to which at least 20 percent of the mental health rehabilitation worker's
28.5 clients belong;
28.6 (2) receives during the first 2,000 hours of work, monthly documented individual
28.7 clinical supervision by a mental health professional;
28.8 (3) has 18 hours of documented field supervision by a mental health professional
28.9 or practitioner during the first 160 hours of contact work with recipients, and at least six
28.10 hours of field supervision quarterly during the following year;
28.11 (4) has review and cosignature of charting of recipient contacts during field
28.12 supervision by a mental health professional or practitioner; and
28.13 (5) has 40 hours of additional continuing education on mental health topics during
28.14 the first year of employment.

28.15 Sec. 6. Minnesota Statutes 2006, section 256B.0623, subdivision 8, is amended to read:
28.16 Subd. 8. **Diagnostic assessment.** Providers of adult rehabilitative mental
28.17 health services must complete a diagnostic assessment as defined in section 245.462,
28.18 subdivision 9, within five days after the recipient's second visit or within 30 days after
28.19 intake, whichever occurs first. A diagnostic assessment must be reimbursed at the
28.20 same rate as an assessment under section 256B.0655, subdivision 8. In cases where a
28.21 diagnostic assessment is available that reflects the recipient's current status, and has been
28.22 completed within 180 days preceding admission, an update must be completed. An
28.23 update shall include a written summary by a mental health professional of the recipient's
28.24 current mental health status and service needs. If the recipient's mental health status
28.25 has changed significantly since the adult's most recent diagnostic assessment, a new
28.26 diagnostic assessment is required. For initial implementation of adult rehabilitative mental
28.27 health services, until June 30, 2005, a diagnostic assessment that reflects the recipient's
28.28 current status and has been completed within the past three years preceding admission
28.29 is acceptable.

28.30 Sec. 7. Minnesota Statutes 2006, section 256B.0623, subdivision 12, is amended to
28.31 read:
28.32 Subd. 12. **Additional requirements.** (a) Providers of adult rehabilitative
28.33 mental health services must comply with the requirements relating to referrals for case
28.34 management in section 245.467, subdivision 4.

29.1 (b) Adult rehabilitative mental health services are provided for most recipients
29.2 in the recipient's home and community. Services may also be provided at the home of
29.3 a relative or significant other, job site, psychosocial clubhouse, drop-in center, social
29.4 setting, classroom, or other places in the community. Except for "transition to community
29.5 services," the place of service does not include a regional treatment center, nursing
29.6 home, residential treatment facility licensed under Minnesota Rules, parts 9520.0500 to
29.7 9520.0670 (Rule 36), or an acute care hospital.

29.8 (c) Adult rehabilitative mental health services may be provided in group settings if
29.9 appropriate to each participating recipient's needs and treatment plan. A group is defined
29.10 as two to ten clients, at least one of whom is a recipient, who is concurrently receiving a
29.11 service which is identified in this section. The service and group must be specified in the
29.12 recipient's treatment plan. No more than two qualified staff may bill Medicaid for services
29.13 provided to the same group of recipients. If two adult rehabilitative mental health workers
29.14 bill for recipients in the same group session, they must each bill for different recipients.

29.15 (d) Subject to federal approval, adult rehabilitative mental health services include
29.16 family psychoeducation, coordination and care management, and collateral contacts.

29.17 Sec. 8. Minnesota Statutes 2006, section 256B.0625, subdivision 38, is amended to
29.18 read:

29.19 Subd. 38. **Payments for mental health services.** (a) Payments for mental
29.20 health services covered under the medical assistance program that are provided by
29.21 masters-prepared mental health professionals shall be 80 percent of the rate paid to
29.22 doctoral-prepared professionals. Payments for mental health services covered under
29.23 the medical assistance program that are provided by masters-prepared mental health
29.24 professionals employed by community mental health centers shall be 100 percent of the
29.25 rate paid to doctoral-prepared professionals. ~~For purposes of reimbursement of mental~~
29.26 ~~health professionals under the medical assistance program, all~~

29.27 (b) Payments for mental health services covered under the medical assistance
29.28 program that are provided by social workers who:

29.29 (1) have received a master's degree in social work from a program accredited by the
29.30 Council on Social Work Education;

29.31 (2) are licensed at the level of graduate social worker or independent social worker;
29.32 ~~and~~

29.33 (3) are practicing clinical social work under appropriate supervision, as defined by
29.34 chapter 148D; and

30.1 (4) meet all requirements under Minnesota Rules, part 9505.0323, subpart 24~~, and~~.
30.2 Payments under this paragraph shall be paid ~~accordingly~~ according to Minnesota Rules,
30.3 part 9505.0323, subpart 24, unless paragraph (c) is applicable.
30.4 (c) Payments for mental health services covered under the medical assistance
30.5 program that are provided by an individual who:
30.6 (1) is employed by a community mental health center and who has completed all
30.7 requirements for licensure or board certification as a mental health professional except for
30.8 the requirements for supervised experience in the delivery of mental health services; and
30.9 (2) who is a student in a bona fide field placement or internship under a program
30.10 leading to completion of the requirements for licensure as a mental health professional
30.11 shall be reimbursed at 100 percent of the rate paid to the supervising professional.
30.12 The individual providing the service under this paragraph must be under the clinical
30.13 supervision of a fully qualified mental health professional.
30.14 (d) Subject to federal approval, medical assistance covers clinical supervision of
30.15 mental health practitioners by a mental health professional when clinical supervision is
30.16 required as part of other medical assistance services.

30.17 Sec. 9. Minnesota Statutes 2006, section 256B.0625, subdivision 43, is amended to
30.18 read:
30.19 Subd. 43. **Mental health provider travel time.** Medical assistance covers provider
30.20 travel time. The per-minute rate is to be calculated at two times the IRS mileage rate if
30.21 a recipient's individual treatment plan requires the provision of mental health services
30.22 outside of the provider's normal place of business. ~~This~~ Reimbursement under this
30.23 subdivision does not include any travel time which is included in other billable services,
30.24 and is only covered when the mental health service being provided to a recipient is
30.25 covered under medical assistance.

30.26 Sec. 10. Minnesota Statutes 2006, section 256B.0625, subdivision 46, is amended to
30.27 read:
30.28 Subd. 46. **Mental health telemedicine.** Effective January 1, 2006, and subject to
30.29 federal approval, mental health services that are otherwise covered by medical assistance
30.30 as direct face-to-face services may be provided via two-way interactive video. Use of
30.31 two-way interactive video must be medically appropriate to the condition and needs
30.32 of the person being served. Reimbursement is at the same rates and under the same
30.33 conditions that would otherwise apply to the service and shall include payment for the
30.34 originating facility fee and the cost of broadband connections. The interactive video

31.1 equipment and connection must comply with Medicare standards in effect at the time
31.2 the service is provided.

31.3 Sec. 11. Minnesota Statutes 2006, section 256B.0625, is amended by adding a
31.4 subdivision to read:

31.5 Subd. 50. **Intensive mental health outpatient treatment.** (a) Effective January
31.6 1, 2008, and subject to federal approval, medical assistance covers intensive mental
31.7 health outpatient treatment. Intensive mental health outpatient treatment is a multimodal,
31.8 therapeutic, and rehabilitative service that is provided for at least two hours per day and at
31.9 least nine to 20 hours per week. The service provides an opportunity to combine existing
31.10 covered services to deliver the necessary intensity and frequency of services identified
31.11 in the individual treatment plan. Components of intensive mental health outpatient
31.12 treatment include, but are not limited to:

31.13 (1) individual, family, or multifamily group psychotherapy or psychoeducational
31.14 services;

31.15 (2) adjunctive services such as medical monitoring, family psychoeducation,
31.16 behavioral parent training, rehabilitative services, medication education, relapse
31.17 prevention, illness management and recovery services, and care coordination; and

31.18 (3) service coordination and referral for medical care or social services.

31.19 (b) During transition into or from services, intensive outpatient treatment under
31.20 paragraph (a) may include time-limited services in multiple settings as clinically
31.21 necessary. The service must be paid as a per diem based on 90 percent of the rate paid
31.22 for partial hospitalization. Eligible providers must be licensed or certified to provide
31.23 all aspects of the service.

31.24 Sec. 12. Minnesota Statutes 2006, section 256B.0625, is amended by adding a
31.25 subdivision to read:

31.26 Subd. 51. **Care management.** Effective January 1, 2008, and subject to
31.27 federal approval, medical assistance covers up to six hours of service per client per
31.28 year, without authorization, of coordination and care management as a component of
31.29 children's therapeutic services and supports, adult rehabilitative mental health services,
31.30 or community mental health services. These services must be directed by an individual
31.31 treatment plan and are solely for the purpose of improving continuity and access to
31.32 appropriate and necessary services.

32.1 Sec. 13. Minnesota Statutes 2006, section 256B.0625, is amended by adding a
32.2 subdivision to read:

32.3 Subd. 52. **Collateral contacts.** Effective January 1, 2008, and subject to federal
32.4 approval, medical assistance covers up to six hours of service per client per year of
32.5 collateral contacts as a component of children's therapeutic services and supports, adult
32.6 rehabilitative mental health services, and community mental health services. These
32.7 services must be directed by an individual treatment plan, and are solely for the purpose of
32.8 assisting parents and others toward understanding, accommodating, and better caregiving
32.9 of the person with mental illness or emotional disturbance.

32.10 Sec. 14. Minnesota Statutes 2006, section 256B.0625, is amended by adding a
32.11 subdivision to read:

32.12 Subd. 53. **Mental health services; dual eligible clients.** Effective for services
32.13 rendered on or after January 1, 2008, and subject to federal approval, medical assistance
32.14 payments for community mental health and psychiatry services provided to dual eligible
32.15 clients shall be paid at the Medicare reimbursement rate or at the medical assistance
32.16 payment rate in effect on January 1, 2008, whichever is greater.

32.17 Sec. 15. Minnesota Statutes 2006, section 256B.0943, subdivision 1, is amended to
32.18 read:

32.19 Subdivision 1. **Definitions.** For purposes of this section, the following terms have
32.20 the meanings given them.

32.21 (a) "Children's therapeutic services and supports" means the flexible package of
32.22 mental health services for children who require varying therapeutic and rehabilitative
32.23 levels of intervention. The services are time-limited interventions that are delivered using
32.24 various treatment modalities and combinations of services designed to reach treatment
32.25 outcomes identified in the individual treatment plan.

32.26 (b) "Clinical supervision" means the overall responsibility of the mental health
32.27 professional for the control and direction of individualized treatment planning, service
32.28 delivery, and treatment review for each client. A mental health professional who is an
32.29 enrolled Minnesota health care program provider accepts full professional responsibility
32.30 for a supervisee's actions and decisions, instructs the supervisee in the supervisee's work,
32.31 and oversees or directs the supervisee's work.

32.32 (c) "County board" means the county board of commissioners or board established
32.33 under sections 402.01 to 402.10 or 471.59.

32.34 (d) "Crisis assistance" has the meaning given in section 245.4871, subdivision 9a.

33.1 (e) "Culturally competent provider" means a provider who understands and can
33.2 utilize to a client's benefit the client's culture when providing services to the client. A
33.3 provider may be culturally competent because the provider is of the same cultural or
33.4 ethnic group as the client or the provider has developed the knowledge and skills through
33.5 training and experience to provide services to culturally diverse clients.

33.6 (f) "Day treatment program" for children means a site-based structured program
33.7 consisting of group psychotherapy for more than three individuals and other intensive
33.8 therapeutic services provided by a multidisciplinary team, under the clinical supervision
33.9 of a mental health professional.

33.10 (g) "Diagnostic assessment" has the meaning given in section 245.4871, subdivision
33.11 11.

33.12 (h) "Direct service time" means the time that a mental health professional, mental
33.13 health practitioner, or mental health behavioral aide spends face-to-face with a client
33.14 and the client's family. Direct service time includes time in which the provider obtains
33.15 a client's history or provides service components of children's therapeutic services and
33.16 supports. Direct service time does not include time doing work before and after providing
33.17 direct services, including scheduling, maintaining clinical records, consulting with others
33.18 about the client's mental health status, preparing reports, receiving clinical supervision
33.19 directly related to the client's psychotherapy session, and revising the client's individual
33.20 treatment plan.

33.21 (i) "Direction of mental health behavioral aide" means the activities of a mental
33.22 health professional or mental health practitioner in guiding the mental health behavioral
33.23 aide in providing services to a client. The direction of a mental health behavioral aide
33.24 must be based on the client's individualized treatment plan and meet the requirements in
33.25 subdivision 6, paragraph (b), clause (5).

33.26 (j) "Emotional disturbance" has the meaning given in section 245.4871, subdivision
33.27 15. For persons at least age 18 but under age 21, mental illness has the meaning given in
33.28 section 245.462, subdivision 20, paragraph (a).

33.29 (k) "Family psychoeducation" is a multimodal outpatient therapy and rehabilitative
33.30 service that involves parents, families, and others as resources in the treatment, recovery,
33.31 and improved functioning of a person with mental illness or emotional disturbance,
33.32 in which families learn about the illness, family reactions, and types of treatment and
33.33 supports. Families learn to develop skills to handle problems posed by mental illness
33.34 including coping, managing stress, ensuring safety, creating social support, identifying
33.35 resources, and supporting treatment and recovery goals. Services include family
33.36 counseling, family treatment planning, and family support using cognitive, behavioral,

34.1 problem-solving, and communication strategies, and may involve individual, family, and
34.2 group intervention activities for consumers and families together, families only, or brief
34.3 intermittent consultations at critical times in an episode of care. Eligible providers must
34.4 be certified to provide both outpatient mental health services and rehabilitative services
34.5 under section 256B.0943.

34.6 (l) "Individual behavioral plan" means a plan of intervention, treatment, and services
34.7 for a child written by a mental health professional or mental health practitioner, under
34.8 the clinical supervision of a mental health professional, to guide the work of the mental
34.9 health behavioral aide.

34.10 ~~(l)~~ (m) "Individual treatment plan" has the meaning given in section 245.4871,
34.11 subdivision 21.

34.12 ~~(m)~~ (n) "Mental health professional" means an individual as defined in section
34.13 245.4871, subdivision 27, clauses (1) to (5), or tribal vendor as defined in section 256B.02,
34.14 subdivision 7, paragraph (b).

34.15 ~~(n)~~ (o) "Preschool program" means a day program licensed under Minnesota Rules,
34.16 parts 9503.0005 to 9503.0175, and enrolled as a children's therapeutic services and
34.17 supports provider to provide a structured treatment program to a child who is at least 33
34.18 months old but who has not yet attended the first day of kindergarten.

34.19 ~~(o)~~ (p) "Skills training" means individual, family, or group training designed to
34.20 improve the basic functioning of the child with emotional disturbance and the child's
34.21 family in the activities of daily living and community living, and to improve the social
34.22 functioning of the child and the child's family in areas important to the child's maintaining
34.23 or reestablishing residency in the community. Individual, family, and group skills training
34.24 must:

34.25 (1) consist of activities designed to promote skill development of the child and the
34.26 child's family in the use of age-appropriate daily living skills, interpersonal and family
34.27 relationships, and leisure and recreational services;

34.28 (2) consist of activities that will assist the family's understanding of normal child
34.29 development and to use parenting skills that will help the child with emotional disturbance
34.30 achieve the goals outlined in the child's individual treatment plan; and

34.31 (3) promote family preservation and unification, promote the family's integration
34.32 with the community, and reduce the use of unnecessary out-of-home placement or
34.33 institutionalization of children with emotional disturbance.

34.34 Sec. 16. Minnesota Statutes 2006, section 256B.0943, subdivision 2, is amended to
34.35 read:

35.1 Subd. 2. **Covered service components of children's therapeutic services and**
35.2 **supports.** (a) Subject to federal approval, medical assistance covers medically necessary
35.3 children's therapeutic services and supports as defined in this section that an eligible
35.4 provider entity under subdivisions 4 and 5 provides to a client eligible under subdivision 3.
35.5 (b) The service components of children's therapeutic services and supports are:
35.6 (1) individual, family, ~~and~~ group psychotherapy, and family psychoeducation;
35.7 (2) individual, family, or group skills training provided by a mental health
35.8 professional or mental health practitioner;
35.9 (3) crisis assistance;
35.10 (4) mental health behavioral aide services; ~~and~~
35.11 (5) direction of a mental health behavioral aide;
35.12 (6) coordination and care management; and
35.13 (7) collateral contacts.
35.14 (c) Service components may be combined to constitute therapeutic programs,
35.15 including day treatment programs and preschool programs. Although day treatment and
35.16 preschool programs have specific client and provider eligibility requirements, medical
35.17 assistance only pays for the service components listed in paragraph (b).

35.18 Sec. 17. Minnesota Statutes 2006, section 256B.0943, is amended by adding a
35.19 subdivision to read:
35.20 Subd. 11a. **Reimbursement of diagnostic assessments.** A diagnostic assessment
35.21 under this section must be reimbursed at the same rate as an assessment under section
35.22 256B.0655, subdivision 8.

35.23 Sec. 18. Minnesota Statutes 2006, section 256B.69, subdivision 5g, is amended to read:
35.24 Subd. 5g. **Payment for covered services.** For services rendered on or after January
35.25 1, 2003, the total payment made to managed care plans for providing covered services
35.26 under the medical assistance and general assistance medical care programs is reduced by
35.27 .5 percent from their current statutory rates. This provision excludes payments for nursing
35.28 home services, home and community-based waivers, and payments to demonstration
35.29 projects for persons with disabilities, and mental health services added as covered benefits
35.30 after December 31, 2007.

35.31 Sec. 19. Minnesota Statutes 2006, section 256B.69, subdivision 5h, is amended to read:
35.32 Subd. 5h. **Payment reduction.** In addition to the reduction in subdivision 5g,
35.33 the total payment made to managed care plans under the medical assistance program is

36.1 reduced 1.0 percent for services provided on or after October 1, 2003, and an additional
36.2 1.0 percent for services provided on or after January 1, 2004. This provision excludes
36.3 payments for nursing home services, home and community-based waivers, ~~and~~ payments
36.4 to demonstration projects for persons with disabilities, and mental health services added as
36.5 covered benefits after December 1, 2007.

36.6 Sec. 20. Minnesota Statutes 2006, section 256B.763, is amended to read:

36.7 **256B.763 CRITICAL ACCESS MENTAL HEALTH RATE INCREASE.**

36.8 (a) For services defined in paragraph (b) and rendered on or after July 1, 2007,
36.9 payment rates shall be increased by 23.7 percent over the rates in effect on January 1,
36.10 2006, for:

36.11 (1) psychiatrists and advanced practice registered nurses with a psychiatric specialty;
36.12 (2) community mental health centers under section 256B.0625, subdivision 5; and
36.13 (3) mental health clinics and centers certified under Minnesota Rules, parts
36.14 9520.0750 to 9520.0870, or hospital outpatient psychiatric departments that are designated
36.15 as essential community providers under section 62Q.19.

36.16 (b) This increase applies to group skills training when provided as a component of
36.17 children's therapeutic services and support, psychotherapy, medication management,
36.18 evaluation and management, diagnostic assessment, explanation of findings, psychological
36.19 testing, neuropsychological services, direction of behavioral aides, and inpatient
36.20 consultation.

36.21 (c) This increase does not apply to rates that are governed by section 256B.0625,
36.22 subdivision 30, or 256B.761, paragraph (b), other cost-based rates, rates that are
36.23 negotiated with the county, rates that are established by the federal government, or rates
36.24 that increased between January 1, 2004, and January 1, 2005.

36.25 (d) Effective January 1, 2008, this increase applies to providers of individual and
36.26 group skills training, individual and group psychotherapy, diagnostic assessments, travel,
36.27 and other services when provided as a component of children's therapeutic services and
36.28 support.

36.29 (e) Effective January 1, 2008, payment rates for all services not included in
36.30 paragraph (b) shall increase by 23.7 percent over rates in effect on January 1, 2006, for all
36.31 services provided by community mental health centers under 256B.0625, subdivision 5.

36.32 (f) The commissioner shall adjust rates paid to prepaid health plans under contract
36.33 with the commissioner to reflect the rate increases provided in ~~paragraph~~ paragraphs (a),
36.34 (d), and (e). The prepaid health plan must pass this rate increase to the providers identified
36.35 in ~~paragraph~~ paragraphs (a), (d), and (e).

Sec. 21. Minnesota Statutes 2006, section 256D.03, subdivision 4, is amended to read:

Subd. 4. **General assistance medical care; services.** (a)(i) For a person who is eligible under subdivision 3, paragraph (a), clause (2), item (i), general assistance medical care covers, except as provided in paragraph (c):

(1) inpatient hospital services;

(2) outpatient hospital services;

(3) services provided by Medicare certified rehabilitation agencies;

(4) prescription drugs and other products recommended through the process established in section 256B.0625, subdivision 13;

(5) equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level;

(6) eyeglasses and eye examinations provided by a physician or optometrist;

(7) hearing aids;

(8) prosthetic devices;

(9) laboratory and X-ray services;

(10) physician's services;

(11) medical transportation except special transportation;

(12) chiropractic services as covered under the medical assistance program;

(13) podiatric services;

(14) dental services as covered under the medical assistance program;

(15) ~~outpatient services provided by a mental health center or clinic that is under contract with the county board and is established under section 245.62~~ mental health services covered under chapter 256B;

(16) ~~day treatment services for mental illness provided under contract with the county board;~~

~~(17)~~ prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization;

~~(18) psychological services,~~ (17) medical supplies and equipment, and Medicare premiums, coinsurance and deductible payments;

~~(19)~~ (18) medical equipment not specifically listed in this paragraph when the use of the equipment will prevent the need for costlier services that are reimbursable under this subdivision;

~~(20)~~ (19) services performed by a certified pediatric nurse practitioner, a certified family nurse practitioner, a certified adult nurse practitioner, a certified obstetric/gynecological nurse practitioner, a certified neonatal nurse practitioner, or a certified geriatric nurse practitioner in independent practice, if (1) the service is otherwise

covered under this chapter as a physician service, (2) the service provided on an inpatient basis is not included as part of the cost for inpatient services included in the operating payment rate, and (3) the service is within the scope of practice of the nurse practitioner's license as a registered nurse, as defined in section 148.171;

~~(21)~~ (20) services of a certified public health nurse or a registered nurse practicing in a public health nursing clinic that is a department of, or that operates under the direct authority of, a unit of government, if the service is within the scope of practice of the public health nurse's license as a registered nurse, as defined in section 148.171;

~~(22)~~ (21) telemedicine consultations, to the extent they are covered under section 256B.0625, subdivision 3b; ~~and~~

~~(23) mental health telemedicine and psychiatric consultation as covered under section 256B.0625, subdivisions 46 and 48~~

(22) up to six hours of service per client per year, without authorization, of consultation and care coordination as directed by an individual treatment plan, and as a component of children's therapeutic services and supports, adult rehabilitative mental health services, or community mental health services; and

(23) up to six hours of service per client per year for collateral contacts as a component of children's therapeutic services and supports, adult rehabilitative mental health services, or community mental health services. These services must be directed by an individual treatment plan and are solely for the purpose of assisting parents and others toward understanding, accommodating, and better caregiving of the person with mental illness or emotional disturbance.

(ii) Effective October 1, 2003, for a person who is eligible under subdivision 3, paragraph (a), clause (2), item (ii), general assistance medical care coverage is limited to inpatient hospital services, including physician services provided during the inpatient hospital stay. A $1,000 deductible is required for each inpatient hospitalization.

(b) Effective August 1, 2005, sex reassignment surgery is not covered under this subdivision.

(c) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in counties with a county operated or

39.1 affiliated public teaching hospital or a hospital or clinic operated by the University of
39.2 Minnesota, the commissioner shall consider the risks the prepaid program creates for the
39.3 hospital and allow the county or hospital the opportunity to participate in the program in a
39.4 manner that reflects the risk of adverse selection and the nature of the patients served by
39.5 the hospital, provided the terms of participation in the program are competitive with the
39.6 terms of other participants considering the nature of the population served. Payment for
39.7 services provided pursuant to this subdivision shall be as provided to medical assistance
39.8 vendors of these services under sections 256B.02, subdivision 8, and 256B.0625. For
39.9 payments made during fiscal year 1990 and later years, the commissioner shall consult
39.10 with an independent actuary in establishing prepayment rates, but shall retain final control
39.11 over the rate methodology.

39.12 (d) Recipients eligible under subdivision 3, paragraph (a), shall pay the following
39.13 co-payments for services provided on or after October 1, 2003:

39.14 (1) $25 for eyeglasses;

39.15 (2) $25 for nonemergency visits to a hospital-based emergency room;

39.16 (3) $3 per brand-name drug prescription and $1 per generic drug prescription,
39.17 subject to a $12 per month maximum for prescription drug co-payments. No co-payments
39.18 shall apply to antipsychotic drugs when used for the treatment of mental illness; and

39.19 (4) 50 percent coinsurance on restorative dental services.

39.20 (e) Co-payments shall be limited to one per day per provider for nonpreventive visits,
39.21 eyeglasses, and nonemergency visits to a hospital-based emergency room. Recipients of
39.22 general assistance medical care are responsible for all co-payments in this subdivision.
39.23 The general assistance medical care reimbursement to the provider shall be reduced by
39.24 the amount of the co-payment, except that reimbursement for prescription drugs shall not
39.25 be reduced once a recipient has reached the $12 per month maximum for prescription
39.26 drug co-payments. The provider collects the co-payment from the recipient. Providers
39.27 may not deny services to recipients who are unable to pay the co-payment, except as
39.28 provided in paragraph (f).

39.29 (f) If it is the routine business practice of a provider to refuse service to an individual
39.30 with uncollected debt, the provider may include uncollected co-payments under this
39.31 section. A provider must give advance notice to a recipient with uncollected debt before
39.32 services can be denied.

39.33 (g) Any county may, from its own resources, provide medical payments for which
39.34 state payments are not made.

39.35 (h) Chemical dependency services that are reimbursed under chapter 254B must not
39.36 be reimbursed under general assistance medical care.

40.1 (i) The maximum payment for new vendors enrolled in the general assistance
40.2 medical care program after the base year shall be determined from the average usual and
40.3 customary charge of the same vendor type enrolled in the base year.

40.4 (j) The conditions of payment for services under this subdivision are the same as the
40.5 conditions specified in rules adopted under chapter 256B governing the medical assistance
40.6 program, unless otherwise provided by statute or rule.

40.7 (k) Inpatient and outpatient payments shall be reduced by five percent, effective July
40.8 1, 2003. This reduction is in addition to the five percent reduction effective July 1, 2003,
40.9 and incorporated by reference in paragraph (i).

40.10 (l) Payments for all other health services except inpatient, outpatient, and pharmacy
40.11 services shall be reduced by five percent, effective July 1, 2003.

40.12 (m) Payments to managed care plans shall be reduced by five percent for services
40.13 provided on or after October 1, 2003.

40.14 (n) A hospital receiving a reduced payment as a result of this section may apply the
40.15 unpaid balance toward satisfaction of the hospital's bad debts.

40.16 (o) Fee-for-service payments for nonpreventive visits shall be reduced by $3
40.17 for services provided on or after January 1, 2006. For purposes of this subdivision, a
40.18 visit means an episode of service which is required because of a recipient's symptoms,
40.19 diagnosis, or established illness, and which is delivered in an ambulatory setting by
40.20 a physician or physician ancillary, chiropractor, podiatrist, advance practice nurse,
40.21 audiologist, optician, or optometrist.

40.22 (p) Payments to managed care plans shall not be increased as a result of the removal
40.23 of the $3 nonpreventive visit co-payment effective January 1, 2006.

40.24 (q) Payments for mental health services added as covered benefits after December 1,
40.25 2007, are not subject to the reductions in paragraphs (i), (k), (l), and (m).

40.26 Sec. 22. Minnesota Statutes 2006, section 256D.44, subdivision 5, is amended to read:

40.27 Subd. 5. **Special needs.** In addition to the state standards of assistance established in
40.28 subdivisions 1 to 4, payments are allowed for the following special needs of recipients of
40.29 Minnesota supplemental aid who are not residents of a nursing home, a regional treatment
40.30 center, or a group residential housing facility.

40.31 (a) The county agency shall pay a monthly allowance for medically prescribed
40.32 diets if the cost of those additional dietary needs cannot be met through some other
40.33 maintenance benefit. The need for special diets or dietary items must be prescribed by
40.34 a licensed physician. Costs for special diets shall be determined as percentages of the
40.35 allotment for a one-person household under the thrifty food plan as defined by the United

41.1 States Department of Agriculture. The types of diets and the percentages of the thrifty
41.2 food plan that are covered are as follows:
41.3 (1) high protein diet, at least 80 grams daily, 25 percent of thrifty food plan;
41.4 (2) controlled protein diet, 40 to 60 grams and requires special products, 100 percent
41.5 of thrifty food plan;
41.6 (3) controlled protein diet, less than 40 grams and requires special products, 125
41.7 percent of thrifty food plan;
41.8 (4) low cholesterol diet, 25 percent of thrifty food plan;
41.9 (5) high residue diet, 20 percent of thrifty food plan;
41.10 (6) pregnancy and lactation diet, 35 percent of thrifty food plan;
41.11 (7) gluten-free diet, 25 percent of thrifty food plan;
41.12 (8) lactose-free diet, 25 percent of thrifty food plan;
41.13 (9) antidumping diet, 15 percent of thrifty food plan;
41.14 (10) hypoglycemic diet, 15 percent of thrifty food plan; or
41.15 (11) ketogenic diet, 25 percent of thrifty food plan.
41.16 (b) Payment for nonrecurring special needs must be allowed for necessary home
41.17 repairs or necessary repairs or replacement of household furniture and appliances using
41.18 the payment standard of the AFDC program in effect on July 16, 1996, for these expenses,
41.19 as long as other funding sources are not available.
41.20 (c) A fee for guardian or conservator service is allowed at a reasonable rate
41.21 negotiated by the county or approved by the court. This rate shall not exceed five percent
41.22 of the assistance unit's gross monthly income up to a maximum of $100 per month. If the
41.23 guardian or conservator is a member of the county agency staff, no fee is allowed.
41.24 (d) The county agency shall continue to pay a monthly allowance of $68 for
41.25 restaurant meals for a person who was receiving a restaurant meal allowance on June 1,
41.26 1990, and who eats two or more meals in a restaurant daily. The allowance must continue
41.27 until the person has not received Minnesota supplemental aid for one full calendar month
41.28 or until the person's living arrangement changes and the person no longer meets the criteria
41.29 for the restaurant meal allowance, whichever occurs first.
41.30 (e) A fee of ten percent of the recipient's gross income or $25, whichever is less,
41.31 is allowed for representative payee services provided by an agency that meets the
41.32 requirements under SSI regulations to charge a fee for representative payee services. This
41.33 special need is available to all recipients of Minnesota supplemental aid regardless of
41.34 their living arrangement.
41.35 (f) Notwithstanding the language in this subdivision, an amount equal to the
41.36 maximum allotment authorized by the federal Food Stamp Program for a single individual

42.1 which is in effect on the first day of ~~January~~ July of the ~~previous~~ current state fiscal
42.2 year will be added to the standards of assistance established in subdivisions 1 to 4 for
42.3 individuals under the age of 65 who are relocating from an institution, ~~or~~ an adult mental
42.4 health residential treatment program under section 256B.0622, or an adult eligible for the
42.5 community alternatives for disabled individuals waiver, and who are shelter needy. An
42.6 eligible individual who receives this benefit prior to age 65 may continue to receive the
42.7 benefit after the age of 65.

42.8 "Shelter needy" means that the assistance unit incurs monthly shelter costs that
42.9 exceed 40 percent of the assistance unit's gross income before the application of this
42.10 special needs standard. "Gross income" for the purposes of this section is the applicant's or
42.11 recipient's income as defined in section 256D.35, subdivision 10, or the standard specified
42.12 in subdivision 3, whichever is greater. A recipient of a federal or state housing subsidy,
42.13 that limits shelter costs to a percentage of gross income, shall not be considered shelter
42.14 needy for purposes of this paragraph.

42.15 Sec. 23. Minnesota Statutes 2006, section 256L.03, subdivision 1, is amended to read:

42.16 Subdivision 1. **Covered health services.** For individuals under section 256L.04,
42.17 subdivision 7, with income no greater than 75 percent of the federal poverty guidelines
42.18 or for families with children under section 256L.04, subdivision 1, all subdivisions of
42.19 this section apply. "Covered health services" means the health services reimbursed
42.20 under chapter 256B, with the exception of inpatient hospital services, special education
42.21 services, private duty nursing services, adult dental care services other than services
42.22 covered under section 256B.0625, subdivision 9, orthodontic services, nonemergency
42.23 medical transportation services, personal care assistant and case management services,
42.24 nursing home or intermediate care facilities services, inpatient mental health services,
42.25 and chemical dependency services. ~~Outpatient mental health services covered under the~~
42.26 ~~MinnesotaCare program are limited to diagnostic assessments, psychological testing,~~
42.27 ~~explanation of findings, mental health telemedicine, psychiatric consultation, medication~~
42.28 ~~management by a physician, day treatment, partial hospitalization, and individual, family,~~
42.29 ~~and group psychotherapy.~~

42.30 No public funds shall be used for coverage of abortion under MinnesotaCare
42.31 except where the life of the female would be endangered or substantial and irreversible
42.32 impairment of a major bodily function would result if the fetus were carried to term; or
42.33 where the pregnancy is the result of rape or incest.

42.34 Covered health services shall be expanded as provided in this section.

Sec. 24. Minnesota Statutes 2006, section 256L.03, subdivision 5, is amended to read:

Subd. 5. **Co-payments and coinsurance.** (a) Except as provided in paragraphs (b) and (c), the MinnesotaCare benefit plan shall include the following co-payments and coinsurance requirements for all enrollees:

(1) ten percent of the paid charges for inpatient hospital services for adult enrollees, subject to an annual inpatient out-of-pocket maximum of $1,000 per individual and $3,000 per family;

(2) $3 per prescription for adult enrollees;

(3) $25 for eyeglasses for adult enrollees;

(4) $3 per nonpreventive visit. For purposes of this subdivision, a "visit" means an episode of service which is required because of a recipient's symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting by a physician or physician ancillary, chiropractor, podiatrist, nurse midwife, advanced practice nurse, audiologist, optician, or optometrist; and

(5) $6 for nonemergency visits to a hospital-based emergency room.

(b) Paragraph (a), clause (1), does not apply to parents and relative caretakers of children under the age of 21 in households with family income equal to or less than 175 percent of the federal poverty guidelines. Paragraph (a), clause (1), does not apply to parents and relative caretakers of children under the age of 21 in households with family income greater than 175 percent of the federal poverty guidelines for inpatient hospital admissions occurring on or after January 1, 2001.

(c) Paragraph (a), clauses (1) to (4), do not apply to pregnant women and children under the age of 21.

(d) Paragraph (a), clause (4), does not apply to mental health services.

(e) Adult enrollees with family gross income that exceeds 175 percent of the federal poverty guidelines and who are not pregnant shall be financially responsible for the coinsurance amount, if applicable, and amounts which exceed the $10,000 inpatient hospital benefit limit.

~~(e)~~ (f) When a MinnesotaCare enrollee becomes a member of a prepaid health plan, or changes from one prepaid health plan to another during a calendar year, any charges submitted towards the $10,000 annual inpatient benefit limit, and any out-of-pocket expenses incurred by the enrollee for inpatient services, that were submitted or incurred prior to enrollment, or prior to the change in health plans, shall be disregarded.

44.1 Sec. 25. Minnesota Statutes 2006, section 256L.035, is amended to read:

44.2 **256L.035 LIMITED BENEFITS COVERAGE FOR CERTAIN SINGLE**
44.3 **ADULTS AND HOUSEHOLDS WITHOUT CHILDREN.**

44.4 (a) "Covered health services" for individuals under section 256L.04, subdivision
44.5 7, with income above 75 percent, but not exceeding 175 percent, of the federal poverty
44.6 guideline means:

44.7 (1) inpatient hospitalization benefits with a ten percent co-payment up to $1,000 and
44.8 subject to an annual limitation of $10,000;

44.9 (2) physician services provided during an inpatient stay; and

44.10 (3) physician services not provided during an inpatient stay; outpatient hospital
44.11 services; freestanding ambulatory surgical center services; chiropractic services; lab and
44.12 diagnostic services; diabetic supplies and equipment; mental health services as covered
44.13 under chapter 256B; and prescription drugs; subject to the following co-payments:

44.14 (i) $50 co-pay per emergency room visit;

44.15 (ii) $3 co-pay per prescription drug; and

44.16 (iii) $5 co-pay per nonpreventive visit; except this co-pay does not apply to mental
44.17 health services or community mental health services.

44.18 The services covered under this section may be provided by a physician, physician
44.19 ancillary, chiropractor, psychologist, ~~or~~ licensed independent clinical social worker, or
44.20 other mental health providers covered under chapter 256B if the services are within the
44.21 scope of practice of that health care professional.

44.22 For purposes of this section, "a visit" means an episode of service which is required
44.23 because of a recipient's symptoms, diagnosis, or established illness, and which is delivered
44.24 in an ambulatory setting by any health care provider identified in this paragraph.

44.25 Enrollees are responsible for all co-payments in this section.

44.26 (b) Reimbursement to the providers shall be reduced by the amount of the
44.27 co-payment, except that reimbursement for prescription drugs shall not be reduced once a
44.28 recipient has reached the $20 per month maximum for prescription drug co-payments.
44.29 The provider collects the co-payment from the recipient. Providers may not deny services
44.30 to recipients who are unable to pay the co-payment, except as provided in paragraph (c).

44.31 (c) If it is the routine business practice of a provider to refuse service to an individual
44.32 with uncollected debt, the provider may include uncollected co-payments under this
44.33 section. A provider must give advance notice to a recipient with uncollected debt before
44.34 services can be denied.

44.35 Sec. 26. Minnesota Statutes 2006, section 256L.07, subdivision 3, is amended to read:

45.1 Subd. 3. **Other health coverage.** (a) Families and individuals enrolled in the
45.2 MinnesotaCare program must have no health coverage while enrolled ~~or for at least four~~
45.3 ~~months prior to application and renewal~~. Children enrolled in the original children's health
45.4 plan and children in families with income equal to or less than 150 percent of the federal
45.5 poverty guidelines, who have other health insurance, are eligible if the coverage:

45.6 (1) lacks two or more of the following:

45.7 (i) basic hospital insurance;

45.8 (ii) medical-surgical insurance;

45.9 (iii) prescription drug coverage;

45.10 (iv) dental coverage; ~~or~~

45.11 (v) vision coverage; or

45.12 (vi) mental health coverage;

45.13 (2) requires a deductible of $100 or more per person per year; or

45.14 (3) lacks coverage because the child has exceeded the maximum coverage for a
45.15 particular diagnosis or the policy excludes a particular diagnosis.

45.16 The commissioner may change this eligibility criterion for sliding scale premiums
45.17 in order to remain within the limits of available appropriations. The requirement of no
45.18 health coverage does not apply to newborns.

45.19 (b) Medical assistance, general assistance medical care, and the Civilian Health and
45.20 Medical Program of the Uniformed Service, CHAMPUS, or other coverage provided under
45.21 United States Code, title 10, subtitle A, part II, chapter 55, are not considered insurance or
45.22 health coverage for purposes of the four-month requirement described in this subdivision.

45.23 (c) For purposes of this subdivision, an applicant or enrollee who is entitled to
45.24 Medicare Part A or enrolled in Medicare Part B coverage under title XVIII of the Social
45.25 Security Act, United States Code, title 42, sections 1395c to 1395w-152, is considered to
45.26 have health coverage. An applicant or enrollee who is entitled to premium-free Medicare
45.27 Part A may not refuse to apply for or enroll in Medicare coverage to establish eligibility
45.28 for MinnesotaCare.

45.29 (d) Applicants who were recipients of medical assistance or general assistance
45.30 medical care within one month of application must meet the provisions of this subdivision
45.31 and subdivision 2.

45.32 (e) Cost-effective health insurance that was paid for by medical assistance is not
45.33 considered health coverage for purposes of the four-month requirement under this
45.34 section, except if the insurance continued after medical assistance no longer considered it
45.35 cost-effective or after medical assistance closed.

46.1 Sec. 27. Minnesota Statutes 2006, section 256L.12, subdivision 9a, is amended to read:

46.2 Subd. 9a. **Rate setting; ratable reduction.** For services rendered on or after
46.3 October 1, 2003, the total payment made to managed care plans under the MinnesotaCare
46.4 program is reduced 1.0 percent. This provision excludes payments for mental health
46.5 services added as covered benefits after December 31, 2007.

46.6 Sec. 28. **MENTAL HEALTH SERVICES PROVIDER RATE INCREASES.**

46.7 (a) The commissioner of human services shall increase reimbursement rates or rate
46.8 limits, as applicable, by ... percent for the rate period beginning October 1, 2007, and the
46.9 rate period beginning October 1, 2008, effective for services rendered on or after those
46.10 dates.

46.11 (b) The ... percent annual rate increase described in this section must be provided to:

46.12 (1) children's therapeutic services and supports under Minnesota Statutes, section
46.13 256B.0943; and

46.14 (2) adult rehabilitative mental health services under Minnesota Statutes, section
46.15 256B.0623.

46.16 (c) Providers that receive a rate increase under this section shall use 75 percent of
46.17 the additional revenue to increase wages and benefits and pay associated costs for all
46.18 employees, except for management fees, the administrator, and central office staffs.

46.19 (d) For public employees, the increase for wages and benefits for certain staff is
46.20 available and pay rates shall be increased only to the extent that they comply with laws
46.21 governing public employees collective bargaining. Money received by a provider for pay
46.22 increases under this section may be used only for increases implemented on or after the
46.23 first day of the rate period in which the increase is available and must not be used for
46.24 increases implemented prior to that date.

46.25 (e) A copy of the provider's plan for complying with paragraph (c) must be made
46.26 available to all employees by giving each employee a copy or by posting a copy in an area
46.27 of the provider's operation to which all employees have access. If an employee does not
46.28 receive the adjustment, if any, described in the plan and is unable to resolve the problem
46.29 with the provider, the employee may contact the employee's union representative. If the
46.30 employee is not covered by a collective bargaining agreement, the employee may contact
46.31 the commissioner at a telephone number provided by the commissioner and included in
46.32 the provider's plan.

46.33 Sec. 29. **APPROPRIATIONS.**

47.1 Subdivision 1. **Mobile mental health crisis services.** (a) $5,000,000 in fiscal year
47.2 2008 and $7,250,000 in fiscal year 2009 are appropriated from the general fund to the
47.3 commissioner of human services for statewide funding of mobile mental health crisis
47.4 services.

47.5 (b) Providers must utilize all available funding streams.

47.6 Subd. 2. **Mental health tracking system.** $448,000 in fiscal year 2008 and
47.7 $324,000 in fiscal year 2009 are appropriated from the general fund to the commissioner
47.8 of human services to fund implementation of the mental health services outcomes and
47.9 tracking system.

47.10 Subd. 3. **Suicide prevention programs.** $....... in fiscal year 2008 and $....... in
47.11 fiscal year 2009 are appropriated from the general fund to the commissioner of health to
47.12 fund the suicide prevention program and to administer grants for institutions of higher
47.13 education in the state of Minnesota to coordinate implementation of youth suicide early
47.14 intervention and prevention strategies.