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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

**EIGHTY-FIFTH  
SESSION**

**HOUSE FILE No. 245**

January 22, 2007

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The bill was read for the first time and referred to the Committee on Health and Human Services

March 23, 2007

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Finance

1.1 A bill for an act  
1.2 relating to human services; allowing counties to recoup costs of background  
1.3 studies and licensing inspections for foster care providers; allowing the  
1.4 certification of adult foster care license holders to provide services to certain  
1.5 related individuals; providing for Medicaid reimbursement; amending Minnesota  
1.6 Statutes 2006, sections 245A.10, subdivision 2; 256B.0919, by adding a  
1.7 subdivision; 256B.092, by adding a subdivision.

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

1.9 Section 1. Minnesota Statutes 2006, section 245A.10, subdivision 2, is amended to  
1.10 read:

1.11 Subd. 2. **County fees for background studies and licensing inspections.** (a) For  
1.12 purposes of family and group family child care licensing under this chapter, a county  
1.13 agency may charge a fee to an applicant or license holder to recover the actual cost of  
1.14 background studies, but in any case not to exceed \$100 annually. A county agency may  
1.15 also charge a fee to an applicant or license holder to recover the actual cost of licensing  
1.16 inspections, but in any case not to exceed \$150 annually.

1.17 (b) A county agency may charge a fee to a legal nonlicensed child care provider or  
1.18 applicant for authorization to recover the actual cost of background studies completed  
1.19 under section 119B.125, but in any case not to exceed \$100 annually.

1.20 (c) Counties may elect to reduce or waive the fees in paragraph (a) or (b):

1.21 (1) in cases of financial hardship;

1.22 (2) if the county has a shortage of providers in the county's area;

1.23 (3) for new providers; or

1.24 (4) for providers who have attained at least 16 hours of training before seeking  
1.25 initial licensure.

2.1 (d) Counties may allow providers to pay the applicant fees in paragraph (a) or (b) on  
2.2 an installment basis for up to one year. If the provider is receiving child care assistance  
2.3 payments from the state, the provider may have the fees under paragraph (a) or (b)  
2.4 deducted from the child care assistance payments for up to one year and the state shall  
2.5 reimburse the county for the county fees collected in this manner.

2.6 (e) For purposes of adult foster care and child foster care licensing under this  
2.7 chapter, a county agency may charge a fee to a corporate applicant or corporate license  
2.8 holder to recover the actual cost of background studies. A county agency may also charge  
2.9 a fee to a corporate applicant or corporate license holder to recover the actual cost of  
2.10 licensing inspections, not to exceed \$500 annually.

2.11 (f) Counties may elect to reduce or waive the fees in paragraph (e) under the  
2.12 following circumstances: (1) in cases of financial hardship; (2) if the county has a shortage  
2.13 of providers in the county's area; or (3) for new providers.

2.14 Sec. 2. Minnesota Statutes 2006, section 256B.0919, is amended by adding a  
2.15 subdivision to read:

2.16 Subd. 4. **County certification; licensed providers; related individual;**  
2.17 **developmentally disabled.** (a) Notwithstanding any provision to the contrary, a county  
2.18 may certify an adult foster care license holder to provide foster care services to an  
2.19 individual with a developmental disability, who is related to the provider, if the following  
2.20 conditions are met:

2.21 (1) the individual is 18 years of age or older;

2.22 (2) the individual's service plan meets the standards of section 256B.092 and  
2.23 specifies any special conditions necessary to prevent a conflict of interest for the provider;

2.24 (3) the provider is not the legal guardian or conservator of the related individual;

2.25 (4) the provider maintains a license under Minnesota Rules, parts 9555.5105 to  
2.26 9555.6265, to serve unrelated foster care recipients;

2.27 (5) the provider maintains a license under chapter 245B; and

2.28 (6) the county certifies the provider meets the adult foster care provider standards  
2.29 established in Minnesota Rules, parts 9555.5105 to 9555.6265, for services provided  
2.30 to the related individual.

2.31 (b) The county shall complete an annual certification review to ensure compliance  
2.32 with paragraph (a), clauses (1) to (6).

2.33 (c) Notwithstanding section 256I.04, subdivision 2a, clause (2), the adult foster care  
2.34 provider certified by the county under this subdivision may be reimbursed for room and  
2.35 board costs through the group residential housing program.

3.1 Sec. 3. Minnesota Statutes 2006, section 256B.092, is amended by adding a  
3.2 subdivision to read:

3.3 Subd. 4d. **Medicaid reimbursement; licensed provider; related individuals.** The  
3.4 commissioner shall seek a federal amendment to the home and community-based services  
3.5 waiver for individuals with developmental disabilities, to allow Medicaid reimbursement  
3.6 for the provision of supported living services to a related individual when the following  
3.7 conditions have been met:

3.8 (1) the individual is 18 years of age or older;

3.9 (2) the provider is certified initially and annually thereafter, by the county, as  
3.10 meeting the provider standards established in chapter 245B and the federal waiver plan;

3.11 (3) the provider has been certified by the county as meeting the adult foster care  
3.12 provider standards established in Minnesota Rules, parts 9555.5105 to 9555.6265;

3.13 (4) the provider is not the legal guardian or conservator of the related individual; and

3.14 (5) the individual's service plan meets the standards of section 256B.092 and  
3.15 specifies any special conditions necessary to prevent a conflict of interest for the provider.